NOTICE

COMPTON CITY COUNCIL
AGENDA
Tuesday, February 28, 2017
5:30 PM

HEARING

5:35 P.M. - PUBLIC HEARING - TO RECEIVE COMMENTS ON THE PROPOSED SUBSTANTIAL AMENDMENT TO REPROGRAM HUD FUNDS

OPENING

MOMENT OF SILENCE

ROLL CALL

INTRODUCTION OF SPECIAL GUESTS

1. OUR PLACE HOUSING SOLUTIONS (MEASURE H) - Oral Report

COMMENDATORY RESOLUTIONS/PRESENTATIONS

2. PRESENTATION - HONORING THE LATE KATHERINE BANKS, OWNER OF NAKA'S BROLIER (61 years of service) - NEW OWNER DAVID FISHER (Mayor Aja Brown)

PUBLIC COMMENTS ON AGENDA ITEMS AND NON-AGENDA MATTERS

CONSENT AGENDA

Consent items are routine and expected to be non-controversial. They will be acted upon by the Council at one time without discussion unless a Council Member requests an item be removed or discussed.

APPROVAL OF MINUTES

3. FEBRUARY 14, 2017

REPORTS OF OFFICERS AND COMMISSIONS

CITY MANAGER/CITY ATTORNEY/CITY TREASURER REPORTS

4. A REQUEST TO RECEIVE AND FILE CORRESPONDENCE FROM MACIAS GINI & O'CONNEL LLP REGARDING INDEPENDENT AUDITORS REPORT ENDING JUNE 30, 2014 **(RECEIVE/FILE)**

CITY FIRE DEPARTMENT

5. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER IN THE AMOUNT OF $7,500.00 TO HOME DEPOT FOR THE PURCHASE OF MAINTENANCE, ELECTRICAL, PLUMBING AND PAINTING SUPPLIES

END CONSENT AGENDA

REGULAR AGENDA

REPORTS OF OFFICERS, BOARDS, COMMISSIONS AND COMMITTEES AND CITY COUNCIL

CITY MANAGER'S REPORT

6. ORAL REPORT - STREET REPAIRS

CITY ATTORNEY'S REPORTS

UNFINISHED BUSINESS

NEW BUSINESS

7. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ACTING IN THE CAPACITY OF HOUSING SUCCESSOR AUTHORIZING THE CITY MANAGER TO ENTER INTO AN EXCLUSIVE NEGOTIATION AGREEMENT BETWEEN THE HOUSING SUCCESSOR AND META HOUSING CORPORATION TO WORK OUT THE TERMS AND CONDITIONS OF A PURCHASE AND SALE AGREEMENT FOR THE DISPOSITION AND DEVELOPMENT OF CERTAIN CITY OWNED PROPERTY LOCATED AT 409-415 NORTH ALAMEDA STREET (APN 6166-010-910, 6166-010-911 AND 6166-010-912) FOR A PROPOSED SENIOR RESIDENTIAL DEVELOPMENT IN THE NORTH DOWNTOWN MASTER PLAN AREA

8. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING AN AMENDMENT TO THE 2016-2017 FISCAL YEAR BUDGET TO AUTHORIZE TRANSFERS WITHIN THE CITY ATTORNEY'S DEPARTMENT AND AUTHORIZING A PURCHASE ORDER TO BLUE DIAMOND MATERIALS FOR STREE REPAIR MATERIALS

APPROVAL OF WARRANTS

COUNCIL COMMENTS

ADJOURNMENT

NEXT REGULAR MEETING: Tuesday, March 07, 2017 @ 5:30 PM.

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#3.

FEBRUARY 14, 2017

The City Council meeting was called to order at 5:41 p.m. in the Council Chambers of City Hall by Mayor Aja Brown. The Pledge of Allegiance and Moment of Silence ceremonies were also led by Mayor Aja Brown.

ROLL CALL

Council Members Present – Zurita, Sharif, McCoy, Brown
Council Members Absent – Galvan* (Entered the meeting at 5:50 p.m.)

Other Officials Present: C. Cornwell, A. Godwin, C. Rhambo Jr.

HEARINGS

5:35 P.M. PUBLIC HEARING TO APPEAL MITIGATED NEGATIVE DECLARATION NO. 938 AND CONDITIONAL USE PERMIT CASE NO. 2766 (RE-SCHEDULED FOR FEBRUARY 21, 2017 AT 6:00 P.M.)

INTRODUCTION OF SPECIAL GUESTS

Father Francisco Valdominoes addressed the Council and indicated that he has been reassigned and will be leaving the Compton community. Father Francisco thanked the Council and the citizens of Compton for their encouragement and support, adding that it has indeed been his extreme pleasure to serve the City of Compton.

Mayor Brown thanked and commended Father Francisco for his many years of exemplary service to the citizens of Compton and the surrounding communities, adding that he has been a true Blessing to everyone.

PUBLIC COMMENTS ON AGENDA ITEMS AND NON-AGENDA MATTERS

Robert Ray, Compton resident, complained that certain candidates' campaign material is illegally placed on utility poles and city-owned property. Mr. Ray also noted that some of his campaign material had been defaced or destroyed which is also illegal. Mr. Ray then urged the Council to make certain all 140 surveillance cameras within the City are fully operational 24 hours a day, 7 days a week. Mr. Ray concluded by noting that Measure P is still in the court system, and also stated that the Council should designate the Taxpayer's Committee prior to spending funds from that measure.

Roberto Rodriguez, Compton resident, informed the Council and the community about the construction certification program, Internet Technology training programs and many other learning and apprenticeship programs available at Compton Youth Authority. Mr. Rodriguez stated that he teaches his students to become involved in civic programs throughout the City of Compton.

Jonathon Placencia, Compton resident, addressed the Council and complained the recent I.C.E. raids and immigration checkpoints throughout the community, which is against the civil rights of the citizens. Mr. Placencia urged the Council to assist the residents, who are being marginalized and afraid to leave their homes.

Patricia Simpson Compton resident, addressed the Council and complained about the high taxes. She also urged the Council to clean up the City.

Bishop Leroy Guillory, Compton resident**,** spoke before the Council and stated that it is his right to have an opinion and present it at the meetings. Mr. Guillory stated that everyone must respect our elected officials.

Kendall Garcia, Compton resident, addressed the Council and complained about a zipper machine purchased by the City, even though, no one employed by the City is trained to operate the machine. Mr. Garcia felt that the Council should reach out to the young people in the community and work together.

#3.

Willie Johnson, Family Services Director at Harrison Ross Mortuary, addressed the Council and felt that the meeting should begin in a timely manner. He also questioned why the underground parking is unavailable for the residents who attend the Council meeting. Mr. Johnson concluded by urging the Council to repair the potholes immediately.

Connie Halbic, Compton resident, approached the Council and spoke regarding medical marijuana.

Pastor Michael Fisher, Greater Zion Church Family, addressed the Council and complained about the potholes around the City. Pastor Fisher then requested that the Council provide an alternative funding in the event Measure P funds are not utilized for the pothole repairs. Pastor Fisher then questioned the City's plans for housing the homeless.

Gerald Pickens, Compton resident, addressed the Council and thanked them for the wonderful Tribute and scholarship fund recently held in his honor. Coach Pickens stated that this will be the best year ever for baseball.

Nathan Muhamad, Compton resident, addressed the Council and thanked and commended Coach Pickens and the City for honoring the Coach for his many accomplishments.

Councilwoman Zurita commented on the Tribute honoring Coach Pickens, adding that many former Olympians and professional baseball players credit Coach Pickens for introducing them to baseball. Coach Pickens is very much loved and highly respected for improving the lives of young men in the community by teaching them ethics and respect for themselves and others.

Christopher Petit, Compton resident, addressed the Council and cited various problems that exists throughout the city.

Benjamin Holifield, President of the Compton Business Chamber, spoke before the Council and stated that the City should be receiving a percentage of the gross receipts from the casino in Compton to increase revenue for the City. Mr. Holifield also requested a status update on the left-hand turn signal at Wilmington and Greenleaf.

Mary Edwards, Compton resident, informed the Council that she is tired of hearing about potholes and other problems throughout the City. Ms. Edwards also spoke on the division within the City and urged the Council to work together and repair the potholes and improve lighting.

Maria Villarreal, Compton resident, addressed the Council and voiced her concern about the numerous potholes throughout the City. Ms. Villarreal also complained about the high water bills.

Carrie Scoville, representing Community Career Development, informed the Council and community that the center provides employment and training services, which are free to the residents of the community. Ms. Scoville added that the center along with the Compton Adult School, Housing Authority and job placement programs as well as many other life improvement services.

Marcus Musante, Compton resident, addressed the Council and spoke on the lawsuit in Superior Court regarding Measure P. Mr. Musante also spoke regarding alleged voter fraud.

Michael Chattom, Compton resident, informed the Council and community regarding a judicial expungement program available to the community. Mr. Chattom provided flyers detailing the program which assists individuals in removing criminal convictions from their record.

Mayor Brown informed the community that the Fresh Start Expungement Clinic will be held at Crossroads United Methodist Church at 2354 N. Wilmington, Compton on February 25, 2017 from 9:00 a.m. to 1:00 p.m.

Rev. Frederick Gordon, Compton resident, addressed the Council and spoke regarding the many potholes. Rev. Gordon suggested that Councilman Galvan hold consistent Town Hall meetings for District 2 to unify the residents of the community.

Joyce Kelly, Compton resident, spoke before the Council and noted that there are problems with the fencing at Raymond Street Park. Ms. Kelly also addressed, the water bills, political signs and the numerous potholes in the City.

Lynn Boone, Compton resident, spoke regarding items number 4 and 5 on the agenda. Ms. Boone also spoke regarding Measure P and the voting surrounding the measure. Ms. Boone offered her opinion that Measure P is indeed a bond.

F. Fernandez, Compton resident, spoke on the issue of the maintenance of the surveillance cameras in the City. Mr. Fernandez questioned the rationale of item number 5 and Measure P funds, adding that the Council should provide a sustainable plan for the repair of the potholes.

WAIVER OF AGENDA ORDER

On motion by Zurita, seconded by Mayor Brown, (who stepped from the Chair), the order of the agenda was waived by the following vote on roll call:

AYES: Council Member - Zurita, Galvan, McCoy, Sharif, Brown
NOES: Council Member - None
ABSENT: Council Member – None

5. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDIING THE FISCAL YEAR 2016-2017 PUBLIC WORKS DEPARTMENT BUDGET TO ACCEPT THE TRANSFER OF MEASURE P FUNDS ($300,00) AND AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH SULLY-MILLER CONTRACTING COMPANY FOR THE SPECIFIC PURPOSES OF POTHOLE REPAIRS FOR STREETS CITY-WIDE ($300,000) (No Action Taken)

It was moved by Sharif, seconded by McCoy for discussion.

Mayor Brown offered that the entire Council is very eager to repair the streets and roads in the community. Mayor Brown requested that Staff provide the Council and citizens with an update on the pothole repair process.

Glen Kau, Public Works Director, explained that the resolution will authorize the City Manager to enter into a contract with Sully-Miller Contracting Company to effect pothole repairs City-wide. As a result of the current heavy rains, the City's streets are suffering from many potholes. With potholes being an immediate need to be addressed, the urgency to establish a remedy to the situation is being recommended. Mr. Kau explained the difference between 'cold mix' and 'hot mix' pothole repairs, noting that with the recent rains, the 'cold mix' is a quick, temporary fix, whereas the hot mix is longer lasting repair which can last up to one year.

Mr. Kau went on to note that the City has received $346,000 to date, from Measure P funds, consequently, Staff is recommending that the Council utilize these funds to effect potholes repairs immediately.

Councilwoman Zurita questioned how many potholes had been repaired since the beginning of the year and which funding source was used for those repairs.

Mr. Kau replied that Public Works has repaired approximately 350 potholes, using proposition and grant funding from the Public Works budget.

There was a considerable amount of discussion among the Council regarding pothole repair and funding sources.

Mayor Brown offered that the primary goal of this resolution is to stabilize the streets by providing emergency pothole repairs so that the citizens may drive safely throughout the City.

Councilman Galvan stated that he is very eager to repair the potholes, however, he felt that the City should send out Requests for Proposals or go out to bid for pothole repair.

#3.

Mr. Kau stated that should the Council determine that there is an urgent need, the Council may elect to approve a contract for the preservation of life, health and property.

There was discussion among the Council regarding the proposed contractor performing the pothole repairs.

Mayor Brown (who stepped from the Chair) offered an amended motion to approve the resolution and eliminate the name of the contractor and delete Sections 2 and 3 of the resolution. The motion was seconded by Sharif. The motion failed for a lack of a majority vote, by the following vote on roll call:

AYES: **Council Member - Sharif, Brown**
NOES: **Council Member - Zurita, McCoy**
ABSTAIN: **Council Member - Galvan**
ABSENT: **Council Member – None**

The original resolution failed for a lack of a majority vote, by the following vote on roll call:

AYES: **Council Member - Brown**
NOES: **Council Member - Zurita, McCoy, Sharif**
ABSTAIN: **Council Member - Galvan**
ABSENT: **Council Member – None**

WORKKSHOP – ESTABLISHING THE COMPTON TAXPAYERS COMMITTEE (MEASURE P)

6. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ESTABISHIG THE COMPTON TAXPAYERS COMMITTEE TO REVIEW THE USE OF REVENUES COLLECTED PURSUANT TO ORDINANCE NO. 2,269 ("MEASURE P") AND SETTING FORTH TERMS, DUTIES AND GUIDELINES OF THE COMPTON TAXPAYERS COMMITTEE

City Attorney Craig Cornwell offered a statement that the Council will establish the Compton Taxpayers Committee to review the use of revenues collected pursuant to Ordinance No. 2,269 (Measure P) and set forth terms, duties, and guidelines of the Compton Taxpayers Committee. The Committee is to consist of at least five (5) members appointed by the City Council. The term of office shall be four (4) years, and the Committees members must be residents of the City of Compton. City Attorney Cornwell led the Council in a workshop to review the proposed guidelines for the Taxpayers Committee.

Councilwoman Sharif was in favor of allowing only 5 committee members, with each Councilmember appointing one individual to the committee.

The Council felt that the Committee members should be registered voters of the City of Compton and appointed by the Councilmembers with a 2-year term.

After further discussion, the Council ordered the resolution to be re-agendad to include the criteria and guidelines for the Committee.

CITY ATTORNEY'S REPORTS

CLOSED SESSION

1. CONFERENCE WITH LEGAL COUNSEL –EXISTING LITIGATION
   City of Compton v. Cervela, LASC Case No. BC565007
   Penn v. City of Compton, LASC Case No. TC028395
   Calvary Community Church v. City of Compton, LASC Case No. BC636229
   Pursuance to California Government Code Section 54956.9(a)

On motion by Zurita, seconded by Galvan, Closed Session was approved by the following vote on roll call:

AYES: Council Member - Zurita, Galvan, McCoy, Sharif, Brown
NOES: Council Member - None
ABSENT: Council Member – None

UNFINISHED BUSINESS There was no unfinished business.

NEW BUSINESS

2. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ACCEPT $55,740 FROM THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY NATIONAL TRANSIT DATA FUNDS, AMEND THE PUBLIC WORKS BUDGET AND ENTER INTO A MEMORANDUMOF UNDERSTANDING WITH THE LOS ANGELES METROPOLITAN TRANSPORTATION AUTHORITY FOR SUCCESSFULLY REPORTING TO THE NATIONAL TRANSIT DATABSE FOR FISCAL YEAR 2013-2014

On motion by Zurita, seconded by McCoy, **Resolution Number 24,519 entitled 'A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ACCEPT $55,740 FROM THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY NATIONAL TRANSIT DATA FUNDS, AMEND THE PUBLIC WORKS BUDGET AND ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH THE LOS ANGELES METROPOLITAN TRANSPORTATION AUTHORITY FOR SUCCESSFULLY REPORTING TO THE NATIONAL TRANSIT DATABSE FOR FISCAL YEAR 2013-2014'** was adopted by the following vote on roll call:

AYES: Council Member - Zurita, Galvan, McCoy, Sharif, Brown
NOES: Council Member - None
ABSENT: Council Member – None

3. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A PROFESSIONAL SERVICE AGREEMENT AND ESTABLISH A PURCHASE ORDER WITH CIVIL SOURCE, INC. FOR PROVISION OF CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES FOR THE WELL NO. 20 WATER TREATMENT PLANT PROJECT ($215,989.40)

On motion by Zurita, seconded by McCoy, **Resolution Number 24,520** entitled **'A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A PROFESSIONAL SERVICE AGREEMENT AND ESTABLISH A PURCHASE ORDER WITH CIVIL SOURCE, INC. FOR PROVISION OF CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES FOR THE WELL NO. 20 WATER TREATMENT PLANT PROJECT ($215,989.40)'** was approved by the following vote on roll call:

AYES: Council Member - Zurita, Galvan, McCoy, Sharif, Brown
NOES: Council Member - None
ABSENT: Council Member – None

4. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH SHADOW WORKS SURVEILLANCE AND SYSTEMS SECURITY TO PROVIDE MONITORING OVERSIGHT OF THE CITY-WIDE SURVEILLANCE SYSTEM FOR THE REMAINDER OF FISCAL YEAR 2016-2017 ($40,000)

It was moved by Zurita, seconded by McCoy for discussion.

General Services Director Van Wilson explained that this contract with Shadow Works Surveillance will provide technical monitoring oversight of the City-wide surveillance system for the City.

#3.

Councilmember Zurita requested a comprehensive and extensive report of the operational aspects of the surveillance camera system and further questioned how this particular company was chosen.

Mr. Wilson responded that Shadow Works is one of three companies that was recommended by Indigo Vision, which is the company that provides the software for the camera system.

Councilmember Zurita felt that the City should go out for bid for this service, rather than a request for quote.

Resolution Number 24,521 entitled **'A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH SHADOW WORKS SURVEILLANCE AND SYSTEMS SECURITY TO PROVIDE MONITORING OVERSIGHT OF THE CITY-WIDE SURVEILLANCE SYSTEM FOR THE REMAINDER OF FISCAL YEAR 2016-2017 ($40,000)'** was adopted by the following vote on roll call:

AYES: Council Member - Galvan, McCoy, Sharif, Brown
NOES: Council Member - None
ABSENT: Council Member – None
ABSTAIN: Council Member - Zurita

<u>APPROVAL OF WARRANTS</u>

7. Warrant #238064 – Date – 2/9/17 – Name – Mad Mac Foundation– Services – For Providing band for Mayor's Leadership Breakfast and Award ceremony – Amount -$1,400.00 - Requested by: City Manager

   Warrant #238039 – Date – 2/9/17 – Name – Fernando G. Bedolla Holllywood Carpet- Services – Removal and installation of roller shades and haul away debris - Amount - $1,501.30 – Requested by: City Manager

   Warrant #238058– Date – 2/9/17 – Name – Insight Public Sector INC – Services – Computer Equipment for Council Woman McCoy – Amount $2,250.29 – Requested by: City Manager

   Warrant #237986 – Date – 2/2/17 – Name – Victor J. Sanchez dba Sanchez Awards - Services – Trophies for Christmas decoration contest 2016 –Amount – 561.15 – Requested by: Code Enforcement

   Warrant #238027 – Date – 2/8/17 – Name – Donald H. Maynor – Services - Utility user legal services for City - Amount - $3,551.80 - Requested by: City Manager

   Total Amount - $9,264.54

On motion by McCoy, seconded by Sharif, the above-referenced Warrants were approved by the following vote on roll call:

AYES: Council Member - Zurita, Galvan, McCoy, Sharif, Brown
NOES: Council Member - None
ABSENT: Council Member – None

<u>COUNCIL COMMENTS</u>

Councilperson Zurita offered the following communications/announcements:

- Wished Ms. Brenda Moore a Happy 99th Birthday.
- Invited everyone to her Town Hall meeting, Wednesday, February 22, 2017 at the Neighborhood Housing Facility adjacent to Gonzales Park from 6 to 8 p.m.

#3.

ADJOURNMENT
Gregory Lee Davis
Willie James
Roy Irving

Councilperson Galvan offered the following communications/announcements:

- Announced a community clean-up for the 2nd District on Saturday, February 25, 2017 commencing at 10 a.m. to clean up the streets.

- Acknowledged the YAL Boxing Program and the Youth that participated and won awards.

- Basketball Championship Games on Saturday, February 25, 2017 at Leuders Park.

- Announced that Baseball Opening Day will be April 25, 2017 and urged the Compton Youth to sign up at any park, free of charge to residents.

- Requested that the City provide professional and courteous service to residents and businesses to create a more business friendly City Hall.

- Hosted a lunch for the Parks and Recreation Staff thanking them for their assistance in the Christmas Toy Giveaway.

- Spoke against candidates illegally campaigning on City-owned property.

- Pointed out the necessity for a Hispanic Gang Intervention Specialist.

- Spoke on the issue of supporting Latino residents in light of the political uncertainty regarding deportation.

ADJOURNMENT
Jim Jenkins

Councilperson McCoy offered the following communications/announcements:

- Invited everyone to attend the Black History Month Celebration on February 25, 2017 at the Dollarhide Community Center.

- Co-sponsoring Woodley's Wheels and Wings Open House at the Compton Airport on March 11, 2017 from 10 to 4 p.m.

- Invited the community to attend the Hometown Heroes Celebration on February 24, 2017 at Dollarhide Community Center.

- Adjourn in memory of Andre Frazier, Jr., nephew of Lestean Johnson.

ADJOURNMENTS
Andre Frazier, Jr.

(Councilman Galvan exited the meeting at 9:09 p.m. and Councilwoman Zurita exited the meeting at 9:26 p.m.)

#3.

Councilperson Sharif offered the following communications/announcements:

- Commended the Sheriff's Department for the outstanding work they are doing in the City to combat human trafficking.

- Encouraged those individuals seeking employment to attend the job fair presented by Choicecarreerfairs.com.

- Requested pothole repair on Myrrh Street between Alameda and Holly and on West Alondra near the 710 freeway.

- Requested a "No Dumping" sign at the alleyway near Alondra and Indigo and at the alleyway between Willowbrook and Acacia.

- Requesting tree trimming be performed on Alondra Blvd. between Atlantic and Long Beach Boulevard, as well as a tree removal at 410 South Essey.

- Invited the community to attend the Annual Prayer Breakfast at Compton First United Methodist Church on March 25, 2017 from 9 a.m. to 12 noon.

- Thanked the Council for moving the City forward and working to improve the city streets, parks facilities and improving the lighting.

ADJOURNMENT
Roy Irving

City Treasurer Doug Sanders offered the following communications/announcements:

- Commented that he contacted the FBI regarding the allegations of embezzlement within the City and further noted that the investigation is on-going. Mr. Sanders added that he and his staff are working tirelessly in conjunction with law enforcement. Mr. Sanders noted that the dollar amount of the embezzlement has not reached 10 million dollars.

City Attorney Craig Cornwell offered the following communications/announcements:

- Stated that he would be posting office hours and invited Compton residents to meet with him to ask questions and/or discuss any issues or concerns they may have.

City Clerk Alita Godwin offered the following communications/announcements:

- Informed the community that the current administration has moved in a different direction as it relates to the City Store being in the City Clerk's Office. Mrs. Godwin stated that she has delivered all merchandise to the City Manager and that all monies have been turned over to the City Treasurer's office. Mrs. Godwin further stated that there is $200,000 in the Gospel Concert Account and that it can only be used to host a Gospel Concert.

ADJOURNMENT
Rev. High Vines

Mayor Brown offered the following communications/announcements:

- Congratulated Compton Community College for re-gaining local control.

- Requested that an Ad Hoc Christmas Parade Committee be formed to begin raising funds and planning for the 2017 Christmas Parade. The Committee will be comprised of City Staff and Community Leaders.

- Noted that she has received numerous complaints that graffiti is not be removed in a timely manner.

- Requested that Staff prepare a schedule for pot hole repair and street improvement.

- Suggested that the first newsletter of the year include a pie chart to illustrate how funds are being disbursed and also show the Compton residents the manner in which their tax dollars are being utilized.

- Quoted Bible Scripture Proverbs 3:27 <u>"Do not withhold good from those to whom it is due, when it is in your power to act</u>."

- Noted that she will continue to work to improve the lives of the citizens of Compton by utilizing the resources and tax dollars in the most efficient way possible.

<u>SUBSEQUENT NEED – FEE WAIVER</u>

On motion by McCoy, seconded by Sharif, the Council voted to consider the Subsequent Need Item for fee waiver by the following vote on roll call:

AYES: Council Member - McCoy, Sharif, Brown
NOES: Council Member - None
ABSENT: Council Member – Zurita, Galvan

On motion by McCoy, seconded by Sharif, the fee waiver for the repast of **Willie James** was approved by the following vote on roll call:

AYES: Council Member - McCoy, Sharif, Brown
NOES: Council Member - None
ABSENT: Council Member – Zurita, Galvan

The City Council recessed to Closed Session at 10:06 p.m. and reconvened at 11:42 p.m.

<u>REPORT OUT OF CLOSED SESSION</u>

City Attorney Craig Cornwell issued a statement that there were no reportable actions taken as it relates to the Closed Session items previously mentioned.

The meeting was adjourned at 11:43 p.m. by the following vote on roll call:

AYES: Council Member - McCoy, Sharif
NOES: Council Member - None
ABSENT: Council Member – Zurita, Galvan, Brown

City Clerk of the City of Compton | **Mayor of the City of Compton**

#3.

#4.

February 28, 2017

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: CITY ATTORNEY

SUBJECT: A REQUEST TO RECIEVE AND FILE CORRESPONDENCE FROM MACIAS GINI & O'CONNEL LLP REGARDING INDEPENDENT AUDITOR'S REPORT ENDING JUNE 30, 2014

SUMMARY

Staff has attached to this agenda item a correspondence from Macias Gini & O'Connel LLP (MGO) for City Council's consideration as a receive and file item.

BACKGROUND

The City of Compton undergoes an independent annual audit for a report on its basic financial statements. The independent auditor's report prepared by MGO for the City's June 30, 2014 basic financial statements was delivered to the City on or about November 17, 2016. The City received the report and prepared an agenda item for the City Council to receive and file at a regularly scheduled City Council meeting on December 13, 2013.

STATEMENT OF THE ISSUE

The MGO audit firm has recalled its independent audit report until such time as it can review the forensic report of the recent embezzlement which occurred in the City Treasurer's Department and determine whether the incident had a material effect on its submitted report.

The City will also inform all recipients of MGO's recall that received a copy of the independent audit report from the City.

ALTERNATIVE

None proposed.

FISCAL IMPACT

None.

RECOMMENDATION

Staff recommends that the City Council receive and file the correspondence dated February 20, 2017 from MGO.

CRAIG J. CORNWELL
CITY ATTORNEY

APPROVED FOR FORWARDING

CECIL W. RHAMBO JR.
CITY MANAGER

MGO Certified Public Accountants

Century City
Los Angeles
Newport Beach
Oakland
Sacramento
San Diego
San Francisco
Walnut Creek
Woodland Hills

February 20, 2017

Mr. Craig J. Cornwell, City Attorney
City of Compton
205 S. Willowbrook Avenue
Compton, California 90220

Mr. Cornwell,

We are providing you this letter as a follow-up to our previous letter provided to the Interim City Manager and Interim City Controller City on December 13, 2016, and the letter sent to you dated February 2, 2017. On December 8, 2016, we were informed that one of the City of Compton's Deputy Treasurers was arrested for alleged embezzlement. It is our understanding that the timeline of the alleged activity and dollar amounts are unknown at this time.

Due to the uncertainty of the potential effect of this matter, we have recalled our independent auditor's report on the City's June 30, 2014 basic financial statements. Accordingly, we ask that you identify and provide us a list of individuals and/or entities to whom the basic financial statements may have been distributed either in hard or electronic copy and request that you recall the aforementioned basic financial statements from such individuals and/or entities and cease distributing further copies, including but not limited to posting them on the City's website. In addition, we will make arrangements with you to collect all printed copies of the June 30, 2014 basic financial statements that were delivered to you.

We appreciate your attention to this matter.

Sincerely,

Jim Godsey, CPA
Partner

Macias Gini & O'Connell LLP
777 S. Figueroa Street, Suite 2500
Los Angeles, CA 90017

www.mgocpa.com

#5.

February 28, 2017

TO: **HONORABLE MAYOR AND COUNCIL MEMBERS**

FROM: **BRYAN BATISTE, INTERIM FIRE CHIEF**
COMPTON FIRE DEPARTMENT

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER IN THE AMOUNT OF $7,500.00 TO HOME DEPOT FOR THE PURCHASE OF MAINTENANCE, ELECTRICAL, PLUMBING AND PAINTING SUPPLIES**

SUMMARY

This Resolution authorizes the City Manager to issue a purchase order in the amount of $7,500.00 to Home Depot to purchase a variety of maintenance, electrical, plumbing and painting supplies.

BACKGROUND

The Compton Fire Department provides a wide variety of repairs and renovation to fire department facilities. In order to provide these repairs, it is necessary to issue a purchase order to a home improvement retail store. The Fire Department has contracted with Home Depot since their arrival in the City of Compton. Additionally, the Fire Department has established a long-standing good credit history and working relationship with Home Depot. When there are immediate hardware needs, Home Depot is the closest hardware retailer that provides a variety of maintenance and repair supplies.

STATEMENT OF THE ISSUE

Home Depot is a national supplier, which stocks a variety of maintenance material and equipment at a competitive price. Home Depot is the Fire Departments primary provider of hardware supplies. On occasion, the Fire Department will make purchases from Mid City Hardware and Smart and Final who are also hardware vendors located in the City of Compton. None of these vendors provides formal quotes or proposals, therefore the only other way to compare these vendors was to select a set of products that each vendor carried and compared them for quality, price and availability (amount in stock). The Fire Department performed this task and determined that lumber and tools were more abundantly available at Home Depot. Additionally, it was revealed that Smart and Final and Mid City Hardware failed to stock many of the hardware supplies that are used by the Fire Department.

#5.

ALTERNATIVE

The alternative would be to purchase the items from a local vendor at a higher cost or travel a distance to purchase items at a variety of other stores located outside the City of Compton.

FISCAL IMPACT

Sufficient funds are available in Account No. 1001-690-000-4230 of the Fire Department's 2016-2017 Fiscal Year Budget.

RECOMMENDATION

It is the recommendation of staff that the City Council adopt the attached Resolution.

BRYAN BATISTE, INTERIM FIRE CHIEF
COMPTON FIRE DEPARTMENT

APPROVED FOR FORWARDING:

CECIL W. RHAMBO JR.
CITY MANAGER

#5.

RESOLUTION NO. ____________________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER IN THE AMOUNT OF $7,500.00 TO HOME DEPOT FOR THE PURCHASE OF MAINTENANCE, ELECTRICAL, PLUMBING AND PAINTING SUPPLIES

WHEREAS, the Compton Fire Department provides a wide variety of repairs and renovation to fire department facilities; and

WHEREAS, in order to provide these repairs, it is necessary to issue a purchase order to a home improvement retail store; and

WHEREAS, the Fire Department has resorted to utilizing the nearest home improvement retailer, the Home Depot in the City of Compton, to make these purchases; and

WHEREAS, Home Depot is a national supplier, which stocks a variety of maintenance material and equipment at a competitive price and is the Fire Department's primary provider of hardware supplies; and

WHEREAS, the Fire Department, in order to obtain the best pricing of hardware supplies, selected items that were consistently purchased from various hardware stores to compare quality, price and availability from each vendor; and

WHEREAS, the Fire Department has experienced a positive business relationship with Home Depot over the years and desires to continue that business relationship because the company's service and products are superior and the prices are competitive within the industry's market; and

WHEREAS, the funds for the purchase order are available in the Fire Department's 2016-2017 Fiscal Year Budget, Account No. 1001-690-000-4230.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON DOES HEREBY RESOLVE:

Section 1. That the City Manager is hereby authorized to issue a purchase order in the amount of Seven Thousand, Five Hundred Dollars ($7,500.00) to Home Depot for the purchase of maintenance, electrical, plumbing and painting supplies.

Section 2. That the funds in the amount of Seven Thousand, Five Hundred Dollars ($7,500.00) are available in the Fire Department's Fiscal Year Budget in Account No. 1001-690-000-4230.

Section 3. That a copy of this Resolution shall be filed in the Offices of the City Manager, City Attorney, City Clerk and the Compton Fire Department.

Section 4. That the Mayor shall sign and the City Clerk shall attest to the adoption of this Resolution.

ADOPTED this _____ day of ____________, 2017.

____

MAYOR OF THE CITY OF COMPTON

#5.

ATTEST:

____
CITY CLERK OF THE CITY OF COMPTON

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

I, Alita Godwin, City Clerk of the City of Compton hereby certify that the foregoing Resolution was adopted by the City Council of the City of Compton, signed by the Mayor and attested by the City Clerk at a regular meeting thereof held on this ______ day of _______________, 2017.

That said Resolution was adopted by the following vote, to wit:

AYES: **COUNCIL MEMBERS-**
NOES: **COUNCIL MEMBERS-**
ABSTAIN: **COUNCIL MEMBERS-**
ABSENT: **COUNCIL MEMBERS-**

____
CITY CLERK OF THE CITY OF COMPTON

#5.

RESOLUTION SIGN-OFF FORM

DEPARTMENT: **Fire Department**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER IN THE AMOUNT OF $7,500.00 TO HOME DEPOT FOR THE PURCHASE OF MAINTENANCE, ELECTRICAL, PLUMBING AND PAINTING SUPPLIES**

Bryan Batiste	**2/9/2017 5:55:03 PM**
DEPARTMENT MANAGER'S SIGNATURE	DATE

REVIEW / APPROVAL

<LegalName>	**<LegalDate>**
CITY ATTORNEY	DATE
Brandon Mims	**2/23/2017 8:19:16 AM**
CITY CONTROLLER	DATE
Cecil Rhambo	**2/16/2017 6:05:35 PM**
CITY MANAGER	DATE

Use when:

Public Works:	When contracting for Engineering Services.
City Attorney:	When contracting for legal services; contracts that require City Attorney's review.
Controller/Budget Officer:	Amending Budget; appropriating and/or transferring funds; adding and/or deleting positions; any resolution having account numbers.
Asst. City Manager/OAS:	All personnel actions.

#7.

February 28, 2017

TO: **MAYOR AND COUNCILMEMBERS**

FROM: **CITY MANAGER**

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ACTING IN THE CAPACITY OF HOUSING SUCCESSOR AUTHORIZING THE CITY MANAGER TO ENTER INTO AN EXCLUSIVE NEGOTIATION AGREEMENT BETWEEN THE HOUSING SUCCESSOR AND META HOUSING CORPORATION TO WORK OUT THE TERMS AND CONDITIONS OF A PURCHASE AND SALE AGREEMENT FOR THE DISPOSITION AND DEVELOPMENT OF CERTAIN CITY OWNED PROPERTY LOCATED AT 409-415 NORTH ALAMEDA STREET (APN Nos. 6166-010-910, 6166-010-911 AND 6166-010-912) FOR A PROPOSED SENIOR RESIDENTIAL DEVELOPMENT IN THE NORTH DOWNTOWN MASTER PLAN AREA**

SUMMARY

Staff respectfully requests the City Council to authorize the City Manager to enter into an Exclusive Negotiation Agreement with Meta Housing Corporation to acquire certain Agency-owned parcels located at 409-415 N. Alameda (APN Nos.6166-010-910, 6166-010-911, and 6166-010-912) for development of Seniors Rental Housing in the North Downtown Area.

BACKGROUND

On February 8, 2014, pursuant to Resolution #39, the City Council, acting as the Housing Successor, approved a proposal from Meta Housing Corporation to acquire certain Agency owned property located at 409-415 N. Alameda Street for development of a 36-unit seniors rental housing project. However, as a result of the dissolution of redevelopment agencies in California in 2012 local agencies were prohibited from disposition of their properties until their respective Long Range Property Management Plans were approved by the California Department of Finance (DOF).

Compton's plan was approved by DOF December 15.

STATEMENT OF THE ISSUE

Meta Housing desires to acquire and develop a 36-unit affordable senior-citizen residential project on approximately 0.77 acres of Agency-owned property located at 409-415 Alameda Street. The proposed project includes twenty-eight (28) one-bedroom units and eight (8) two-bedroom units.

#7.

The project will complement Meta Housing's Compton Senior Apartments Phase I. The Agency has reviewed the Meta Housing proposal and determined that the proposed development would bring a needed addition to the City housing inventory.

ANALYSIS

Meta Housing Corporation (Meta Housing), a recognized leader in the design and development of high quality senior housing projects, has been instrumental in strengthening Southern California communities for the past twenty (20) years. The firm has created affordable homes for seniors in Compton, Santa Monica, Inglewood, Los Angeles and other communities. Meta Housing's portfolio of more than 3,100 housing units demonstrates its competency in the acquisition, entitlement, financing, construction and operations of affordable housing in Southern California. Its Compton project has been very successful.

There is a large deficiency in the City's housing stock to meet the needs of the City's growing senior population. According to staff research, seniors 65 and over comprise more than 7% of the of Compton's population. More than 15% of the City's Heads of Households are seniors.

The median income of Compton's senior households is lower than Los Angeles County's as a whole. More than 70% percent of the Compton housing stock is more than 45 years old.

The proposed project will be 100% affordable for senior citizens (aged 55 and older) on fixed income. Its estimated development cost is $**13,500,000**. Because the project will be designed for low income seniors, projected rental income will not support the project. For example, at the projected development cost of $13,500,000 and an average monthly rental income of $761 per unit, the net annual operating income (NOI) of $85,000 from the project could only support a 1st trust deed loan of approximately $900,000. The developer will obtain $6,900,000 in equity from the sale of Low-Income Tax Credits (LITC) through the California Tax Credit Allocation towards the development. This leaves a financing /feasibility gap of $5,900,000.

In order to fill the financing gap, the City Council, acting as the Housing Successor, approved Resolution #39 (February 8, 2014), authorized the City Manager to enter into an Exclusive Negotiation Agreement with Meta Housing Corporation to work out the terms of the financing support to enable the proposed development. The proposed terms provide that the Housing Successor will:

a) Convey the Agency owned parcels towards the development in accordance with the LRPMP; and
b) Disburse $3,500,000 from the Agency's Tax Allocation Series 2010A housing proceeds for this project to Meta Housing to defray construction costs and expenses associated with the development .

ECONOMIC BENEFITS

The subject property is located within the City's North Downtown Master Plan area, which has complementary uses such as: (MLK) Transit Center, Dollarhide Community Center, and the Willow Walk development. The City's downtown area has been a major focus of economic and redevelopment transformation for the past six (6) years.

The development of high quality Senior Housing will facilitate an environment that promotes social and economic activity in the area. The subject site has been vacant for several years.

The developer anticipates project financing and construction schedule of approximately 24 months.

FISCAL IMPACT

The requested subsidy will have no impact on the City's General Fund. Funds are allocated in the Housing Successor fiscal year 2016 – 2017 budgets (Series 2010A Housing Bonds) in the in the following accounts to pay for the development:

Account	
3071-910-NCA-4238 -	$200,000
3071-910-NCA-4261 -	$100,000
3071-910-NCA-4262 -	$250,000
3071-910-NCA-4266 -	$250,000
3071-910-NCA-4269 -	$300,000
3071-910-NCA-4291 -	$500,000
3071-910-ERB-4238-	$296,453
3071-910-ERB-4261-	$250,000
3071-910-ERB-4262-	$300,000
3071-910-ERB-4266-	$300,000
3071-910-ERB-4269-	$300,000
3071-910-ERB-4291-	$324,351
3071-910-9WC-4291-	$129,196
Total Amount	**$3,500,000**

RECOMMENDATION

Staff recommends that the City Council approve the attached resolution authorizing the City Manager to enter into an Exclusive Negotiation Agreement with Meta Housing Corporation to acquire and develop certain Agency-owned parcel located at 409-415 N. Alameda Street (APN 6166-010-910, 6166-010-911, and 6166-010-912) for development of Seniors Rental Housing in the North Downtown Area.

KOFI SEFA-BOAKYE
REDEVELOPMENT MANAGER

APPROVED FOR FORWARDING:

CECIL W. RHAMBO JR.
CITY MANAGER

#7.

RESOLUTION NO. __________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ACTING IN THE CAPACITY OF HOUSING SUCCESSOR AUTHORIZING THE CITY MANAGER TO ENTER INTO AN EXCLUSIVE NEGOTIATION AGREEMENT BETWEEN THE HOUSING SUCCESSOR AND META HOUSING CORPORATION TO WORK OUT THE TERMS AND CONDITIONS OF A PURCHASE AND SALE AGREEMENT FOR THE DISPOSITION AND DEVELOPMENT OF CERTAIN CITY OWNED PROPERTY LOCATED AT 409-415 NORTH ALAMEDA STREET (APN Nos. 6166-010-910, 6166-010-911 AND 6166-010-912) FOR A PROPOSED SENIOR RESIDENTIAL DEVELOPMENT IN THE NORTH DOWNTOWN MASTER PLAN AREA

WHEREAS, on February 8, 2014, the Board, pursuant to Resolution # 39, approved the proposal from Meta Housing Corporation to acquire certain Agency-owned properties located at 409-415 N. Alameda Street (6166-010-910, 6166-010-911, and 6166-010-912) in the North Downtown Area for development of a 36-unit seniors housing project; and

WHEREAS, as a result of the dissolution of redevelopment agencies in California in 2012, the California State Department of Finance (DOF) prohibited local agencies from disposition of their properties until their respective Long Range Property Management Plans (LRPMP's) were completed and approved, and Compton's was approved December 2015; and

WHEREAS, Meta Housing Corporation (Meta Housing), a recognized leader in the design and development of high quality senior housing projects, has been instrumental in strengthening Southern California communities for over twenty (20) years by creating affordable homes for seniors in Compton, Santa Monica, Inglewood, Los Angeles and other communities; and

WHEREAS, there is a compelling need to address the deficiency in Compton's housing stock to meet the needs of the City's growing senior population. According to staff research, seniors account for more than 7% of the City of Compton's population; and

WHEREAS, Meta Housing desires to acquire and develop a 36-unit affordable senior citizen residential project on approximately 0.77 acres of Agency-owned property located at 409-415 N. Alameda Street; and

WHEREAS, rental income from the proposed $13.5 million project will not cover its construction and operating costs; and

WHEREAS, in order to fill the financing gap to facilitate construction of the Seniors Rental Housing, the Council, pursuant to Resolution #39 (February 8, 2014), authorized the City Manager to enter into an Exclusive Negotiation Agreement with Meta Housing Corporation to work out the terms of the necessary financing support to effectuate the proposed development; and

WHEREAS the terms of the financial arrangements provide that the Housing Successor will: a) convey the Agency-owned parcels towards the development in accordance with the LRPMP; and b) disburse $3,500,000 from the Agency's Tax Allocation Series 2010A housing proceeds for this project to Meta Housing to partially defray its costs and expenses; and

WHEREAS, the Housing Successor has funds available in its Series 2010A housing bond proceeds for this project.

#7.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON ACTING IN THE CAPACITY OF THE HOUSING SUCCESSOR HEREBY RESOLVES AS FOLLOWS:

Section 1. That the City Manager, upon the advice and approval of the City Attorney, is hereby authorized to enter into an Exclusive Negotiation Agreement with Meta Housing for acquisition and development of certain parcels located at 409-415 N. Alameda Street (APN Nos.6166-010-910, 6166-010-911, and 6166-010-912) in the North Downtown Area for development of a 36 unit seniors housing project.

Section 2. That subject to the terms of a proposed funding arrangement, the City in its capacity as the Housing Successor will: a) Convey certain City-owned parcel to Meta Housing towards development of the Seniors Housing project; and b) disburse $3,500,000 from the Agency's Series 2010A housing bond proceeds for this project to defray development costs .

Section 3. That there is no negative fiscal impact to the City's General Fund with the approval of this Resolution. Funds are allocated in the Housing Successor fiscal year 2016 – 2017 budget (Series 2010A Housing Bonds) in the in the following accounts to subsidize the development:

3071-910-NCA-4238 -	$200,000
3071-910-NCA-4261 -	$100,000
3071-910-NCA-4262 -	$250,000
3071-910-NCA-4266 -	$250,000
3071-910-NCA-4269 -	$300,000
3071-910-NCA-4291 -	$500,000
3071-910-ERB-4238-	$296,453
3071-910-ERB-4261-	$250,000
3071-910-ERB-4262-	$300,000
3071-910-ERB-4266-	$300,000
3071-910-ERB-4269-	$300,000
3071-910-ERB-4291-	$324,351
3071-910-9WC-4291-	$129,196
Total Amount	**$3,500,000**

Section 4. That a certified copy of this resolution shall be filed in the offices of the Executive Director, City Attorney, City Controller, Successor Agency, and City Clerk.

Section 5. That the Mayor shall sign and the Clerk shall attest to the adoption of this resolution.

ADOPTED this _____ day of ____________, 2017.

____
MAYOR OF THE CITY OF COMPTON

ATTEST:

____
CITY CLERK OF THE CITY OF COMPTON

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

I, Alita Godwin, City Clerk of the City of Compton hereby certify that the foregoing Resolution was adopted by the City Council of the City of Compton, signed by the Mayor and attested by the City Clerk at a regular meeting thereof held on this ______ day of _______________, 2017.

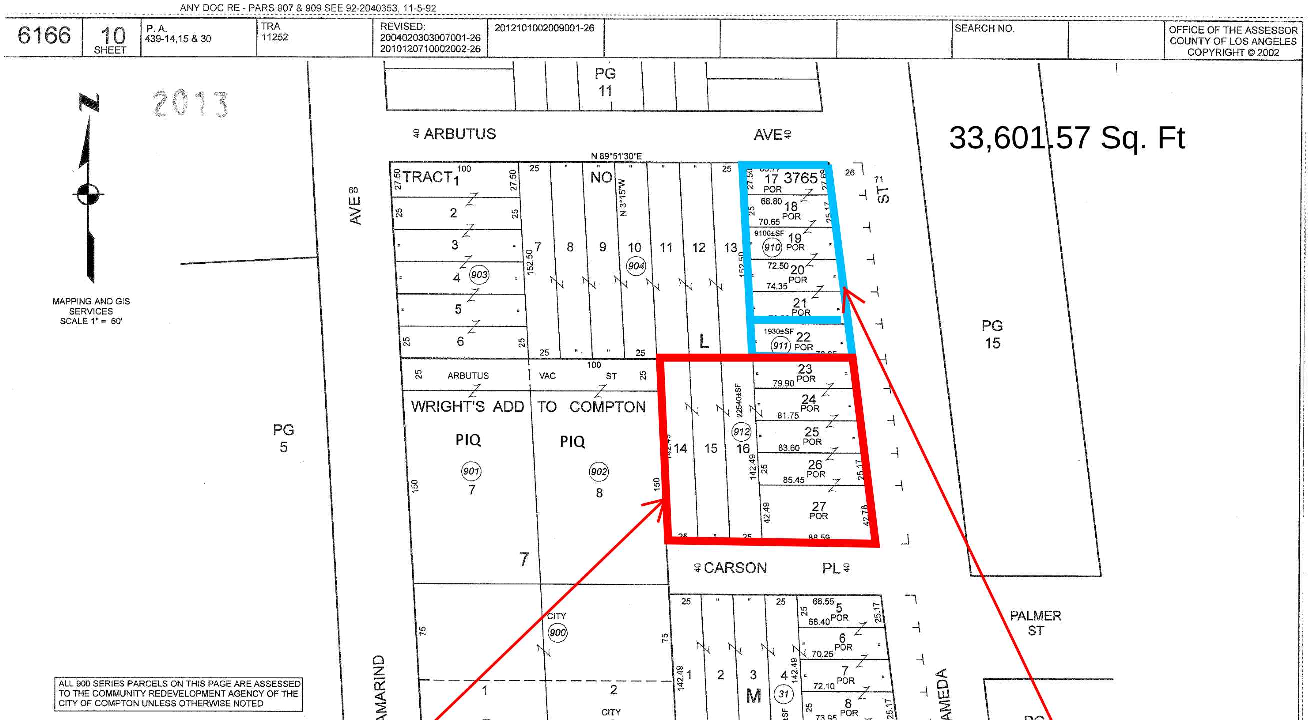
That said Resolution was adopted by the following vote, to wit:

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

____
CITY CLERK OF THE CITY OF COMPTON

#7.

Metro @ Compton - Phase II - GRANT DEEDS



PARCEL 1:

APN: 6166-010-912
Address: 409 N. Alameda Street, Compton CA
Grant Deed: 9/19/2012
Purchase Price: $800,000
Source of Funds: Low and Moderate Income Housing Funds
Fee Ownership: Housing Successor Agency of the City of Compton
Department of Finance (DOF) Status: Property disposition subject to DOF Housing Asset guidelines.

PARCEL 2:

APN: 6166-010-910
Address: 415 N. Alameda Street, Compton CA
Grant Deed: 9/24/2010

PARCEL 3:

APN: 6166-010-911
Address: 413 N. Alameda Street, Compton CA
Grant Deed: 9/24/2010

PARCEL 2 & 3:
Purchase Price: $550,000
Source of Funds: Tax Exempt Bonds Series B
Fee Ownership: Successor Agency of the City of Compton
Department of Finance (DOF) Status: Property disposition subject to Long Range Property Management Plan (LRPMP)

CITY OF COMPTON HOUSING SUCCESSOR

EXCLUSIVE NEGOTIATION AGREEMENT

(409-415 N. Alameda Street Seniors Rental Housing Project)

THIS EXCLUSIVE NEGOTIATION AGREEMENT ('Agreement') is dated as of ___________, 2017 for reference purposes only, and is entered into by and between the Housing Successor of the City of Compton, a public body corporate and politic ("Housing Successor" or "City"), and Meta Housing Corporation ("Developer"), to provide a specified period of time to attempt to negotiate a Purchase and Sale Agreement. The Housing Successor Developer are sometimes referred to in this Agreement individually, as a 'Party' and, collectively, as the 'Parties.' This Agreement is entered into by the Parties with reference to the following recited facts (each, a 'Recital'):

RECITALS

A. The Housing Successor of the City of Compton is the current owner of certain real property located at 409-415 N. Alameda Street and more specifically described in the legal description attached to this Agreement as Exhibit 'A' ('Property') and incorporated into this Agreement by this reference; and

B. The Developer has proposed the acquisition and redevelopment of the Property as a Seniors Rental Housing development. This proposed development is generally depicted in the project concept proposal attached to this Agreement as Exhibit 'B' ("Project") and incorporated into this Agreement by this reference; and

C. The intent of both the Housing Successor and the Developer in entering into this Agreement is to establish a specific, limited period of time to negotiate regarding a future agreement between them governing the potential sale of the Property from the Housing Successor to the Developer and development of the Project on the Property, all subject to mutually agreeable terms, conditions, covenants, restrictions and agreements to be negotiated and documented a future purchase and sale agreement ('PSA').

NOW, THEREFORE, IN VIEW OF THE GOALS AND OBJECTIVES OF THE HOUSING SUCCESSOR RELATING TO THE IMPLEMENTATION OF THE POJECT AND THE PROMISES OF THE HOUSING SUCCESSOR AND THE DEVELOPER SET FORTH IN THIS AGREEMENT, THE HOUSING SUCCESSOR AND THE DEVELOPER AGREE, AS FOLLOWS:

1. **Incorporation of Recitals.** The Recitals of fact set forth above are true and correct and are incorporated into this Agreement, in their entirety, by this reference.

2. **Deposits.** Concurrent with the Developer's execution of this Agreement, the Developer shall pay to the Housing Successor a deposit in the amount of Twenty Five Thousand Dollars ($25,000) in immediately available funds ('Initial Deposit') to ensure that the Developer will proceed diligently and in good faith to fulfill its obligations under this Agreement during the Negotiation Period (as defined in Section 3(a)), as part of the consideration for the Housing Successor's agreement not to negotiate with other persons during the Negotiation Period, and to defray certain costs of the Housing in pursuing the contemplated negotiations with the Developer during the Negotiation Period, pursuant to this Agreement. The Initial Deposit shall be credited and applied by the Housing to the Sales Price of the Property or, in lieu thereof, refunded or released to the Developer upon receipt by the Housing Successor of written

direction from the Developer at any time following execution of a PSA by the Parties and prior to the termination of this Agreement. Notwithstanding the foregoing, in the event that the Parties do not execute a PSA prior to the termination of this Agreement, except for the Commission's breach of this Agreement or the Developers failure to perform per the Exclusive Negotiating Agreement Timeline contained in Exhibit___, the Developer shall be entitled to a return of the Deposit and any accrued interest thereon.

3. **Term of Agreement.**

(a) The rights and duties of the Housing Successor and the Developer established by this Agreement shall commence on the first date on which all of the following have occurred (the 'Effective Date'): (1) execution of this Agreement by the authorized representative(s) of the Developer and delivery of such executed Agreement to the Housing Successor, (2) payment of the Initial Deposit to the Housing Successor by the Developer, in accordance with Section 2, and (3) approval of this Agreement by the Housing Successor governing body and execution of this Agreement by the authorized representative(s) of the Housing Successor and delivery of such executed Agreement to the Developer. The Housing Successor shall deliver a fully executed counterpart original of this Agreement to the Developer, within ten (10) calendar days following the Housing Successor's approval of this Agreement, if approved, and the execution of this Agreement by the authorized representative(s) of the Housing Successor. This Agreement shall continue in effect for the period of ninety (90) consecutive calendar days immediately following the Effective Date ('Negotiation Period').

(b) This Agreement shall automatically expire and be of no further force or effect at the end of the Negotiation Period, unless, prior to that time, both the Housing Successor and the Developer approve and execute a separate PSA acceptable to both the Housing and the Developer, in their respective sole and absolute discretion, in which case this Agreement will terminate on the effective date of such PSA.

4. **Obligations of Developer.** During the Negotiation Period, the Developer shall proceed diligently and in good faith to develop and present to Housing Successor staff and, subsequently, to the Housing Successor Board, for review, all of the following:

(a) A proposed complete conceptual development plan for the Project on the Property that describes and depicts: (1) the location and placement of proposed buildings and (2) the architecture and elevations of the proposed buildings;

(b) Proposed zoning change or changes to the City's General Plan, if any, necessary to accommodate the Project on the Property;

(c) A market study justifying the Developers proposed home sale price, as developed with the Project;

(d) A proposed time schedule and cost estimates for the development of the Project on the Property;

(e) A proposed financing plan identifying financing sources for all private and public improvements proposed for the Project; and

(f) A preliminary financial analysis demonstrating the costs and benefits to the City and the Housing Successor regarding all construction, maintenance and operations of all proposed public improvements, the costs of additional or increased levels of public services and any new public revenues anticipated to be generated by the Project.

#7.

5. **Milestone Schedule.** Housing Successor and Developer acknowledge and agree that all submittals required by this Agreement shall be made pursuant to the time schedule attached hereto as Exhibit ___ may be amended administratively by Executive Director with the concurrence of Developer; provided that the timeline does not exceed the Negotiation Period.

6. **Negotiation of PSA.** During the Negotiation Period, the Housing Successor and the Developer shall negotiate diligently and in good faith to negotiate a PSA between them. The Housing Successor and the Developer shall generally cooperate with each other and supply such documents and information as may be reasonably requested by the other to facilitate the conduct of the negotiations. Both the Housing Successor and the Developer shall exercise reasonable efforts to complete discussions relating to the terms and conditions of a PSA and such other matters, as may be mutually acceptable to both the Housing Successor and the Developer, in their respective sole discretion. The exact terms and conditions of a PSA, if any, shall be determined during the course of these negotiations. Nothing in this Agreement shall be interpreted or construed to be a representation or agreement by either the Housing Successor or the Developer that a mutually acceptable PSA will be produced from negotiations under this Agreement. Nothing in this Agreement shall impose any obligation on either Party to agree to a definitive PSA in the future. Nothing in this Agreement shall be interpreted or construed to be a guaranty, warranty or representation that any proposed PSA that may be negotiated by Housing Successor staff and the Developer will be approved by the Housing Successor governing body. The Developer acknowledges and agrees that the Housing Successor consideration of any PSA is subject to the sole and absolute discretion of the Housing Successor governing body and all legally required public hearings, public meetings, notices, factual findings and other determinations required by law.

7. **Restrictions Against Change in Ownership, Management and Control of Developer and Assignment of Agreement.**

(a) The qualifications and identity of the Developer and its principals are of particular concern to the Agency. It is because of these qualifications and identity that the Housing Successor has entered into this Agreement with the Developer. During the Negotiation Period, no voluntary or involuntary successor-in-interest of the Developer shall acquire any rights or powers under this Agreement, except as provided in Section 7(c).

(b) The Developer shall promptly notify the Housing Successor in writing of any and all changes whatsoever in the identity of the business entities or individuals either comprising or in Control (as defined in Section 6(d) of the Developer, as well as any and all changes in the interest or the degree of Control of the Developer by any such person, of which information the Developer or any of its shareholders, partners, members, directors, managers or officers are notified or may otherwise have knowledge or information. Upon the occurrence of any significant or material change, whether voluntary or involuntary, in ownership, management or Control of the Developer (other than such changes occasioned by the death or incapacity of any individual) that has not been approved by the Housing Successor, prior to the time of such change, the Housing Successor may terminate this Agreement, without liability to the Developer or any other person, by sending written notice of termination to the Developer, referencing this Section 7(b).

(c) The Developer may assign its rights under this Agreement to an Affiliate (as defined in Section 6(d)), on the condition that such Affiliate expressly assumes all of the obligations of the Developer under this Agreement in a writing reasonably satisfactory to the Housing Successor, and further provided that Meta Housing Corporation, a California Limited Liability Company, shall, at all times, Control any such Affiliate and be responsible and obligated directly to the Housing Successor for performance of the Developer's obligations under this Agreement.

#7.

(d) For the purposes of this Agreement, the term 'Affiliate' means any person, directly or indirectly, controlling or controlled by or under common control with the Developer, whether by direct or indirect ownership of equity interests, by contract, or otherwise. For the purposes of this agreement, 'Control' means possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an entity, whether by ownership of equity interests, by contract, or otherwise.

8. **Developer Obligations to Review Draft Agreements and Attend Meetings.**

(a) During the Negotiation Period, the Developer shall diligently review and comment on drafts of a PSA prepared by the Housing Successor's legal counsel and, if the terms and conditions of such a PSA are agreed upon between Housing Successor staff and the Developer, submit the PSA fully executed by the authorized representative(s) of the Developer to the Housing Successor's Executive Director for submission to the Housing Successor governing body for review and approval or disapproval. Any future PSA shall consist of terms and conditions acceptable to both the Developer and the Housing Successor governing body, in their respective sole and absolute discretion.

(b) During the Negotiation Period, the Developer shall also keep the Housing Successor governing body and staff advised on the progress of the Developer in performing its obligations under this Agreement, on a regular basis or as requested by Housing Successor staff, including, without limitation, having one or more of the Developer's employees or consultants who are knowledgeable regarding this Agreement, the design and planning of the Project and the progress of negotiation of a PSA, such that such person(s) can meaningfully respond to Housing Successor questions regarding the progress of the design and planning of the Project or the negotiation of a PSA attend both: (1) weekly meetings or conference calls with Housing Successor staff, as reasonably scheduled by Housing Successor staff during the Negotiation Period (each, a 'Weekly Meeting'), and (2) meetings of the Housing Successor governing body, when reasonably requested to do so by Agency staff.

9. **Developer to Pay All Costs and Expenses.** All fees or expenses of engineers, architects, financial consultants, legal, planning or other consultants or contractors, retained by the Developer for any study, analysis, evaluation, report, schedule, estimate, environmental review, planning and/or design activities, drawings, specifications or other activity or matter relating to the Property or the Project or negotiation of a PSA that may be undertaken by the Developer during the Negotiation Period, pursuant to or in reliance upon this Agreement or in the Developer's discretion, regarding any matter relating to a PSA, the Property or the Project, shall be the sole responsibility of and undertaken at the sole cost and expense of the Developer and no such activity or matter shall be deemed to be undertaken for the benefit of, at the expense of or in reliance upon the Housing Successor. The Developer shall also pay all fees, charges and costs, make all deposits and provide all bonds or other security associated with the submission to and processing by the City and/or the Housing Successor of any and all applications and other documents and information to be submitted to the City and/or the Housing Successor by the Developer pursuant to this Agreement or otherwise associated with the Project. The Housing Successor shall not be obligated to pay or reimburse any expenses, fees, charges or costs incurred by the Developer in pursuit of any study, analysis, evaluation, report, schedule, estimate, environmental review, planning and/or design activities, drawings, specifications or other activity or matter relating to the Property or the Project or negotiation of a PSA that may be undertaken by the Developer during the Negotiation Period, whether or not this Agreement is, eventually, terminated or extended or a PSA is entered into between the Housing Successor and the Developer, in the future.

10. **Housing Successor Not To Negotiate With Others.**

(a) During the Negotiation Period, the Housing Successor shall not negotiate with any other person regarding the sale or redevelopment of the Property. The term 'negotiate,' as used in this Agreement, means and refers to engaging in any discussions with a person other than the Developer, regardless of how initiated, with respect to that person's redevelopment of the Property to the total or partial exclusion of the Developer from redeveloping the Property, without the Developer's written consent, subject to the provisions of Section 10(b) and further provided that the Housing Successor may receive and retain unsolicited offers regarding redevelopment of the Property, but shall not negotiate with the proponent of any such offer during the Negotiation Period; provided, however, that the Housing Successor may discuss the fact that the Housing Successor is a party to this Agreement.

(b) Implementation of this Project development shall be and remain in the sole and exclusive purview and discretion of the Housing Successor. Nothing in this Agreement shall limit, prevent, restrict or inhibit the Housing Successor from providing any information in its possession or control that would customarily be furnished to persons requesting information from the Housing Successor concerning the Housing Successor's activities, goals, matters of a similar nature relating to implementation of the project as required by law to be disclosed, upon request or otherwise.

11. **Acknowledgments and Reservations.**

(a) The Housing Successor and the Developer agree that, if this Agreement expires or is terminated for any reason, or a future PSA is not approved and executed by both the Housing Successor and the Developer, for any reason, neither the Housing Successor nor the Developer shall be under any obligation, nor have any liability to each other or any other person regarding the sale or other disposition of the Property or the redevelopment of the Property.

(b) The Developer acknowledges and agrees that no provision of this Agreement shall be deemed to be an offer by the Housing Successor, nor an acceptance by the Housing Successor of any offer or proposal from the Developer for the Housing Successor to convey any estate or interest in the Property to the Developer or for the Housing Successor to provide any financial or other assistance to the Developer for redevelopment of the Project or the Property.

(c) The Developer acknowledges and agrees that the Developer has not acquired, nor will acquire, by virtue of the terms of this Agreement, any legal or equitable interest in real or personal property from the Housing Successor.

(d) Certain development standards and design controls for the Project may be established between the Developer and the Housing Successor, but it is understood and agreed between the Housing Successor and the Developer that the Project and the redevelopment of the Property must conform to all Housing Successor, City and other applicable governmental development, land use and architectural regulations and standards. Drawings, plans and specifications for the Project shall be subject to the approval of the Housing Successor and the City, through the standard development application process in the community. Nothing in this Agreement shall be considered approval of any plans or specifications for the Project or of the Project itself by the City.

(e) The Housing Successor reserves the right to reasonably obtain further information, data and commitments to ascertain the ability and capacity of the Developer to lease develop and operate the Property and/or the Project. The Developer acknowledges that it may be requested to make certain financial disclosures to the Housing Successor, its staff, legal counsel or other consultants,

#7.

as part of the financial due diligence investigations of the Housing Successor relating to the potential sale of the Property and redevelopment of the Project on the Property by the Developer and that any such disclosures may become public records. The Housing Successor shall maintain the confidentiality of financial information of the Developer to the extent allowed by law, as determined by the City Attorney.

(f) The Housing Successor shall not be deemed to be a Party to any agreement for the acquisition of, lease of or disposition of real or personal property, the provision of financial assistance to the Developer or development of the Project on the Property or elsewhere, until the terms and conditions of a complete future PSA are considered and approved by both the City Council and the Housing Successor governing body, in their respective sole and absolute discretion, following the conclusion of one or more duly noticed public hearings, as required by law. The Developer expressly acknowledges and agrees that the Housing Successor will not be bound by any statement, promise or representation made by Housing Successor staff or representatives during the course of negotiations of a future PSA and that the Housing Successor shall only be legally bound upon the approval of a complete PSA by both the City Council and the Housing Successor Board, in their respective sole and absolute discretion, following one or more duly noticed public hearings, as required by law.

12. **Nondiscrimination.** The Developer shall not discriminate against nor segregate any person, or group of persons on account of race, color, creed, religion, sex, marital status, handicap, national origin or ancestry in undertaking its obligations under this Agreement.

13. **Limitation on Damages and Remedies.**

(a) THE DEVELOPER AND THE HOUSING SUCCESSOR ACKNOWLEDGE THAT IT IS EXTREMELY DIFFICULT AND IMPRACTICAL TO ASCERTAIN THE AMOUNT OF DAMAGES THAT WOULD BE SUFFERED BY THE DEVELOPER UPON THE BREACH OF THIS AGREEMENT BY THE HOUSING SUCCESSOR. HAVING MADE DILIGENT BUT UNSUCCESSFUL ATTEMPTS TO ASCERTAIN THE ACTUAL DAMAGES THE DEVELOPER WOULD SUFFER UPON THE BREACH OF THIS AGREEMENT BY THE HOUSING SUCCESSOR, THE DEVELOPER AND THE HOUSING SUCCESSOR AGREE THAT A REASONABLE ESTIMATE OF THE DEVELOPER'S DAMAGES IN SUCH EVENT IS FIFTY THOUSAND DOLLARS ($50,000) (THE 'LIQUIDATED DAMAGES AMOUNT'). THEREFORE, UPON THE BREACH OF THIS AGREEMENT BY THE HOUSING SUCCESSOR, THE HOUSING SUCCESSOR SHALL PAY THE LIQUIDATED DAMAGES AMOUNT TO THE DEVELOPER AND THIS AGREEMENT SHALL TERMINATE. RECEIPT OF THE LIQUIDATED DAMAGES AMOUNT SHALL BE THE DEVELOPER'S SOLE AND EXCLUSIVE REMEDY ARISING FROM ANY BREACH OF THIS AGREEMENT BY THE HOUSING SUCCESSOR.

____________________	____________________
Initials of Authorized Representative of Housing Successor	Initials of Authorized Representative of Developer

(b) THE HOUSING SUCCESSOR AND THE DEVELOPER EACH ACKNOWLEDGE AND AGREE THAT THE HOUSING SUCCESSOR WOULD NOT HAVE ENTERED INTO THIS AGREEMENT, IF IT WERE TO BE LIABLE TO THE DEVELOPER FOR ANY MONETARY DAMAGES, MONETARY RECOVERY OR ANY REMEDY OTHER THAN TERMINATION OF THIS AGREEMENT AND PAYMENT OF THE LIQUIDATED DAMAGES AMOUNT. ACCORDINGLY, THE HOUSING SUCCESSOR AND THE DEVELOPER AGREE THAT

THE DEVELOPER'S SOLE AND EXCLUSIVE RIGHT AND REMEDY UPON THE BREACH OF THIS AGREEMENT BY THE HOUSING SUCCESSOR IS TO TERMINATE THIS AGREEMENT AND RECEIVE THE LIQUIDATED DAMAGES AMOUNT.

(c) THE DEVELOPER ACKNOWLEDGES THAT IT IS AWARE OF THE MEANING AND LEGAL EFFECT OF CALIFORNIA CIVIL CODE SECTION 1542, WHICH PROVIDES:

> A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

(d) CALIFORNIA CIVIL CODE SECTION 1542 NOTWITHSTANDING, IT IS THE INTENTION OF THE DEVELOPER TO BE BOUND BY THE LIMITATION ON DAMAGES, RECOVERY AND REMEDIES SET FORTH IN THIS SECTION 13, AND THE DEVELOPER HEREBY RELEASES ANY AND ALL CLAIMS AGAINST THE HOUSING SUCCESSOR FOR MONETARY DAMAGES, MONETARY RECOVERY OR OTHER LEGAL OR EQUITABLE RELIEF RELATED TO ANY BREACH OF THIS AGREEMENT, EXCEPT RECEIPT OF THE LIQUIDATED DAMAGES AMOUNT, WHETHER OR NOT ANY SUCH RELEASED CLAIMS WERE KNOWN OR UNKNOWN TO THE DEVELOPER AS OF THE EFFECTIVE DATE OF THIS AGREEMENT. THE DEVELOPER SPECIFICALLY WAIVES THE BENEFITS OF CALIFORNIA CIVIL CODE SECTION 1542 AND ALL OTHER STATUTES AND JUDICIAL DECISIONS (WHETHER STATE OR FEDERAL) OF SIMILAR EFFECT WITH REGARD TO THE LIMITATIONS ON DAMAGES AND REMEDIES AND WAIVERS OF ANY SUCH DAMAGES AND REMEDIES CONTAINED IN THIS SECTION 13.

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Initials of Authorized Representative of Housing Successor	Initials of Authorized Representative of Developer

14. **Default.**

(a) Failure or delay by either Party to perform any material term or provision of this Agreement shall constitute a default under this Agreement. If the Party who is claimed to be in default by the other Party cures, corrects or remedies the alleged default within fifteen (15) calendar days after receipt of written notice specifying such default, such Party shall not be in default under this Agreement. The notice and cure period provided in the immediately preceding sentence shall not, under any circumstances, extend the Negotiation Period. If there are less than fifteen (15) days remaining in the Negotiation Period, the cure period allowed pursuant to this Section 14(a) shall be automatically reduced to the number of days remaining in the Negotiation Period.

(b) The Party claiming that a default has occurred shall give written notice of default to the Party claimed to be in default, specifying the alleged default. Delay in giving such notice shall not constitute a waiver of any default nor shall it change the time of default. However, the injured Party shall have no right to exercise any remedy for a default under this Agreement, without first delivering written notice of the default.

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(c) Any failure or delay by a Party in asserting any of its rights or remedies as to any default shall not operate as a waiver of any default or of any rights or remedies associated with a default.

(d) If a default of either Party remains uncured for more than fifteen (15) calendar days following receipt of written notice of such default, a 'breach' of this Agreement by the defaulting Party shall be deemed to have occurred. In the event of a breach of this Agreement, the sole and exclusive remedy of the Party who is not in default shall be to terminate this Agreement by serving written notice of termination on the Party in breach and, in the case of a breach by the Housing Successor, the Developer shall also be entitled to receive the Liquidated Damages Amount.

15. **Compliance with Law.** The Developer acknowledges that any future PSA, if approved by the governing body of the Housing Successor , will require the Developer (among other things) to carry out the development of the Project in conformity with all applicable laws, including all applicable building, planning and zoning laws, environmental laws, safety laws and federal and state labor and wage laws.

16. **Press Releases.** The Developer agrees to obtain the approval of the Housing Successor Executive Director or his or her designee or successor in function of any press releases Developer may propose relating to the lease or redevelopment of the Property or negotiation of a PSA with the Housing Successor, prior to publication.

17. **Notice.** All notices required under this Agreement shall be presented in person, by nationally recognized overnight delivery service or by facsimile and confirmed by first class certified or registered United States Mail, with return receipt requested, to the address and/or fax number for the Party set forth in this Section 17. Notice shall be deemed confirmed by United States Mail effective the third (3rd) business day after deposit with the United States Postal Service. Notice by personal service or nationally recognized overnight delivery service shall be effective upon delivery. Either Party may change its address for receipt of notices by notifying the other Party in writing. Delivery of notices to courtesy copy recipients shall not be required for valid notice to a Party.

TO DEVELOPER:	Meta Housing Corporation 1640 S. Sepulveda Boulevard, Suite 425 Los Angeles, CA 90025 Attention: Kasey Burke
TO HOUSING SUCCESSOR:	City of Compton – Housing Successor 205 South Willowbrook Avenue Compton, CA 90220 Attn: Kofi Sefa-Boakye Phone: (310) 605-5511

18. **Warranty against Payment of Consideration for Agreement.** The Developer warrants that it has not paid or given, and will not pay or give, any third party any money or other consideration for obtaining this Agreement. Third parties, for the purposes of this Section 18, shall not include persons to whom fees are paid for professional services, if rendered by attorneys, financial consultants, accountants, engineers, architects and other consultants, when such fees are considered necessary by the Developer.

19. **Acceptance of Agreement by Developer.** The Developer shall acknowledge its acceptance of this Agreement by delivering to the Agency three (3) original counterpart executed copies of this Agreement signed by the authorized representative(s) of the Developer.

20. **Counterpart Originals.** This Agreement may be executed by the Housing Successor and the Developer in multiple counterpart originals, all of which together shall constitute a single agreement.

21. **No Third-Party Beneficiaries.** Nothing in this Agreement is intended to benefit any person or entity other than the Agency or the Developer.

22. **Governing Law.** The Housing Successor and the Developer acknowledge and agree that this Agreement was negotiated, entered into and is to be fully performed in the City of Compton, California. The Housing Successor and the Developer agree that this Agreement shall be governed by, interpreted under, and construed and enforced in accordance with the laws of the State of California, without application of such laws' conflicts of laws principles.

23. **Waivers.** No waiver of any breach of any term or condition contained in this Agreement shall be deemed a waiver of any preceding or succeeding breach of such term or condition, or of any other term or condition contained in this Agreement. No extension of the time for performance of any obligation or act, no waiver of any term or condition of this Agreement, or any modification of this Agreement shall be enforceable against the Housing Successor or the Developer, unless made in writing and executed by both the Agency and the Developer.

24. **Construction.** Headings at the beginning of each section and sub-section of this Agreement are solely for the convenience of reference of the Housing Successor and the Developer and are not a part of this Agreement. Whenever required by the context of this Agreement, the singular shall include the plural and the masculine shall include the feminine and vice versa. This Agreement shall not be construed as if it had been prepared by one or the other of the Housing Successor or the Developer, but rather as if both the Housing Successor and the Developer prepared this Agreement. Unless otherwise indicated, all references to sections are to this Agreement. All exhibits referred to in this Agreement are attached to this Agreement and incorporated into this Agreement by this reference. If the date on which the Housing Successor or the Developer is required to take any action pursuant to the terms of this Agreement is not a business day of the Agency, the action shall be taken on the next succeeding business day of the Housing Successor.

24. **Attorneys' Fees.** If either Party hereto files any action or brings any action or proceeding against the other arising out of this Agreement, then the prevailing Party shall be entitled to recover as an element of its costs of suit, and not as damages, its reasonable attorneys' fees as fixed by the court, in such action or proceeding or in a separate action or proceeding brought to recover such attorneys' fees. For the purposes hereof the words 'reasonable attorneys' fees' mean and include, in the case of Housing Successor, salaries and expenses of the lawyers employed by Agency (allocated on an hourly basis) who may provide legal services to Housing Successor in connection with the representation of the Housing Successor in any such matter.

[Signatures on following page]

#7.

IN WITNESS WHEREOF, the Agency and the Developer have executed this Negotiation Agreement on the dates indicated next to each of the signatures of their authorized representatives, as appear below.

DEVELOPER:

Buena Knott, Inc.

Dated:____________________________

By:____
Kasey Burke
President

AGENCY:

HOUSING SUCCESSOR

By:____
Cecil W. Rhambo
City Manager

Dated:____________________________

ATTEST:

By:______________________________________
Alita Goodwin
Executive Secretary

APPROVED AS TO FORM:

By:______________________________________
Craig Cornwell
City Attorney

EXHIBIT 'A'
TO
NEGOTIATION AGREEMENT

Property Legal Description

#7.

EXHIBIT ‘B’
TO
NEGOTIATION AGREEMENT

Project Description

[To Be Attached Behind This Cover Page]

#7.

EXHIBIT ‘C’
TO
NEGOTIATION AGREEMENT

Timeline

[To Be Attached Behind This Cover Page]

#7.

EXHIBIT 'C'
Exclusive Negotiating Agreement Timeline

MILESTONE	DESCRIPTION
Within Days of Effective Date (__________, 2017) of ENA	
Initial Pro Forma	Submit initial pro forma for the proposed development.
Project Development Schedule	Submit projected construction schedule for the proposed development.
Due Diligence	Provide written determination of property's physical suitability for development, taking into account relevant regulatory and environmental conditions.
Full Project Submittal	Submit site plans and elevations. Submit all relevant applications and fees.
Within Days of Effective Date of ENA	
Plan Review	Staff reviews plans for compliance with applicable codes and regulations; letter prepared by Agency staff summarizing staff comments is sent to developer.
Within Days of Effective Date of ENA	
Revised Site Plans and	Submit revised site plans and elevations
2nd Plan Review	Staff reviews plans for compliance with applicable codes and regulations; letter prepared by Project Manager summarizing staff comments is sent to developer.
Revised Proforma and Development Schedule	Submit refined proforma and development schedule based on revised site plans and elevations.
Development Partners and Structure	Submit letter identifying investment partners.
Funding Partners and Structure	Submit letter identifying lenders and proof of ability to obtain financing.
Within Days of Effective Date of ENA	
Draft PSA	Complete negotiations and draft Disposition and Development Agreement.
Final Revisions	Finalize revisions to development proposal and all relevant materials
Within Days of Effective Date of ENA	
Housing Successor Agency / City Council Hearing	Present development proposal and DDA to Agency for final review and approval.

#8.

February 28, 2017

TO: MAYOR AND COUNCIL MEMBERS

FROM: CITY ATTORNEY

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVDING AN AMENDMENT TO THE 2016-2017 FISCAL YEAR BUDGET TO AUTHORIZE TRANSFER WITHIN THE CITY ATTORNEY'S DEPARTMENT AND AUTHORIZING A PURCHASE ORDER TO BLUE DIAMOND MATERIALS FOR STREET REPAIR MATERIALS

SUMMARY

This resolution is a request for City Council to approve a budget amendment for the City Attorney's Office to make transfers within its Department and to authorize a purchase order in the name of Blue Diamond Materials for urgently needed hot mix street repairs.

BACKGROUND

The City Attorney's Office is responsible for managing its Department's budget accounts including the general liability account as well as other legal expenditure accounts. Typically, any outstanding balances realized at the end of the year is transferred to the City's fund balance calculation until appropriated in the following year's budget.

STATEMENT OF THE ISSUE

A mid-year review by the City Attorney of the department's 2016-2017 fiscal year budget has identified a need to transfer funds within the Department's accounts. Unexpected large ticket items such as union negotiation cost and employee related investigations authorized by city management have led to additional expenditures that were not anticipated during this year's budget preparation. Consequently, there is a request to increase funds in the legal services account.

The review has also identified an opportunity to use City Attorney funds in the budget to purchase street repair materials. This purchase could limit future pothole claims that have increased by 60% this year from the last six months of 2016. The proposed vendor is Blue Diamond Materials a recognized vendor of the City of Compton.

ALTERNATIVE

None proposed.

FISCAL IMPACT

None.

RECOMMENDATION

None.

CRAIG J. CORNWELL
CITY ATTORNEY

APPROVED FOR FORWARDING

CECIL W. RHAMBO JR.
CITY MANAGER

#8.

RESOLUTION NO. ___________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING AN AMENDMENT TO THE 2016-2017 FISCAL YEAR BUDGET TO AUTHORIZE TRANSFERS WITHIN THE CITY ATTORNEY'S DEPARTMENT AND AUTHORIZING A PURCHASE ORDER TO BLUE DIAMOND MATERIALS FOR STREET REPAIR MATERIALS

WHEREAS, the City Attorney's Office is responsible for managing its City Attorney Departmental Accounts including the general liability fund and the other legal expenditure accounts within its Department; and

WHEREAS, after more than six months into the 2016-2017 Fiscal Year budget the City Attorney has identified funds in particular City Attorney Department accounts and as well as unexpected expenditures in other City Attorney Department Accounts; and

WHEREAS, sufficient funding of these accounts is essential to the continued operations of the City Attorney's Office, thus it is necessary to propose transfers within the City Attorney's budget to cover these unexpected expenditures; and

WHEREAS, the City Attorney is proposing to purchase street repair materials from anticipated savings identified in the City Attorney's Department funds to the Public Works Department in order to perform urgent hot mix street repairs in the City of Compton.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON RESOLVES AS FOLLOWS:

Section 1. That the City Council hereby authorizes an amendment to the City's 2016-2017 Fiscal Year Budget to authorize the following budget fund transfers:

FROM:

ACCOUNT NO.	DESCRIPTION	AMOUNT
6400 420 000 4261	Legal Services	$125,000.00
6300 420 000 4262	Other Professional Services	$100,000.00
	Total	**$225,000.00**

TO:

ACCOUNT NO.	DESCRIPTION	AMOUNT
1001 420 000 4261	Legal Services	$150,000.00
1001 420 000 4262	Other Professional Services	$ 75,000.00
	Total	**$225,000.00**

Section 2. That the City Manager may issue a purchase order in the amount of $100,000 for Blue Diamond Materials, Vendor #00100790 for hot mix street repair materials.

Section 3. That the Mayor shall sign and the City Clerk shall attest to the adoption of this Resolution.

#8.

Section 4. That a copy of this Resolution shall be forwarded to the offices of the Public Works Department, City Manager, City Attorney, City Clerk and the City Controller.

ADOPTED this ________ day of ____________, 2017.

____
MAYOR OF THE CITY OF COMPTON

ATTEST:

____
CITY CLERK OF THE CITY OF COMPTON

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

I, Alita Godwin, City Clerk of the City of Compton, do hereby certify that the forgoing Resolution was adopted by the City Council, signed by the Mayor, and attested to by the City Clerk at a regular meeting thereof held on the _____ day of __________________, 2017.

That said Resolution was adopted by the following vote, to wit:

AYES: **COUNCIL MEMBERS-**
NOES: **COUNCIL MEMBERS-**
ABSTAINS: **COUNCIL MEMBERS-**
ABSENT: **COUNCIL MEMBERS-**

____
CITY CLERK OF THE CITY OF COMPTON