

Members of the public may address the City Council on any item shown on the agenda or matter of the Council's authority after completion of "Request to Address the Council Form" available in the lobby of the Council Chambers or in the City Clerk's office. This form must be completed 15 minutes prior to the scheduled meeting time. Pursuant to Section 54957.5 of the California Government Code, Any writings (Except for those writings which are exempt from disclosure) which are distributed to all or a majority of the members of the City Council are available for public inspection in the lobby of the City Council Chambers and in the office of the City Clerk during regular business hours.

**COMPTON CITY COUNCIL
AGENDA
02/04/2020
5:30 PM**

CLOSED SESSION

CLOSED SESSION – 4:30 P.M.

CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

**Sherani Taylor v. City of Compton, et al., LASC Case No. BC 709 024
Pursuant to California Government Code Section 54956.9(a)**

CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Initiation of litigation

1 potential case

Pursuant to subdivision (c) of Section 54956.9

CONFERENCE WITH LABOR NEGOTIATOR

Agency Negotiators: Damon Brown and Jabari Willis

**Employee Organizations: AFSCME Local 2325, AFSCME Local 3947, SEIU
Local 721, Fire Local 2216**

CALL TO ORDER

ROLL CALL

PUBLIC COMMENTW ON CLOSED SESSION AGENDA ITEMS

(Persons wishing to address the City Council on the Closed Session items may do so at this time. Comments are limited to one (1) minute per speaker and shall be limited to Closed Session agenda items)

RECESS TO CLOSED SESSION

OPENING

PUBLIC MEETING – 5:30 P.M.

HEARING

6:00 P.M. - PUBLIC HEARING - TO AUTHORIZE THE CITY MANAGER TO ENTER INTO A PURCHASE SALE AGREEMENT OF CERTAIN CITY OWNED PROPERTY LOCATED AT 1950 NORTH CENTRAL AVENUE WITH THE OLSON COMPANY TO DEVELOP 30 DETACHED SINGLE-FAMILY RESIDENTIAL UNITS (Item #6)

MOMENT OF SILENCE

PLEDGE OF ALLEGIANCE

ROLL CALL

REPORT ON CLOSED SESSION ACTION(S)

INTRODUCTION OF SPECIAL GUESTS

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

1. JANUARY 14, 2020

**CITY MANAGER/CITY ATTORNEY/CITY CONTROLLER/CITY TREASURER
REPORTS**

2. INVESTMENT REPORT - NOVEMBER 29, 2019 (Receive and File)

REGULAR AGENDA

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

3. APPOINTMENT(S) OF OFFICERS, COUNCIL MEMBERS,
BOARDS/COMMISSIONS AND COMMITTEES

CHARTER REVIEW APPOINTMENT
(COUNCIL MEMBER CHAMBERS APPOINTMENT)

CITY MANAGER'S REPORT

4. REQUEST FOR CITY COUNCIL TO WAIVE FACILITY FEES FOR USE OF THE
DOLLARHIDE COMMUNITY CENTER FOR REPASS SERVICES FOR ROSIE L.
LOVETT TO BE HELD ON WEDNESDAY, FEBRUARY 5, 2020 (\$225.00)
(ACTION ITEM)
5. REQUEST FOR CITY COUNCIL TO WAIVE FACILITY FEES FOR USE OF THE
DOLLARHIDE COMMUNITY CENTER FOR MEMORIAL SERVICES FOR CHIEF
MONROE SMITH TO BE HELD ON SATURDAY, FEBRUARY 8, 2020 (\$500.00)
(ACTION ITEM)

NEW BUSINESS

6. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON MAKING
CERTAIN FINDINGS, APPROVING A PURCHASE AND SALE AGREEMENT
BETWEEN THE CITY OF COMPTON (ACTING AS SUCCESSOR TO THE
HOUSING ASSETS OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE
CITY OF COMPTON), AS SELLER, AND OLSON URBAN HOUSING, LLC, AS
BUYER, FOR THE SALE OF PROPERTY LOCATED AT 1950 NORTH CENTRAL
AVENUE, AND THE DEVELOPMENT OF A HOUSING PROJECT THEREON,
INCLUDING AFFORDABLE HOUSING, AND FINDING THE PROJECT EXEMPT
FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT
7. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON
AMENDING THE 2019-2020 FISCAL YEAR BUDGET TO TRANSFER FUNDS,
RESCINDING RESOLUTION NO. 24,998, RATIFYING THE FOURTH (4TH)
AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH AND
ISSUING A PURCHASE ORDER TO DUDEK FOR PERFORMANCE OF
ADDITIONAL CORRECTIVE ACTION SERVICES IN ACCORDANCE WITH
DIRECTIVES OF THE LOS ANGELES REGIONAL WATER QUALITY CONTROL
BOARD REGARDING REMEDIATION AT COMPTON FIRE STATION NO. 1
(\$273,787.41)

8. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO THE ATLANTIC AVENUE/BOULEVARD CORRIDOR STUDY IMPLEMENTATION AGREEMENT BETWEEN THE GATEWAY CITIES COUNCIL OF GOVERNMENTS AND THE CITY OF COMPTON AND ISSUE A PURCHASE ORDER (\$6,551.79)

COUNCIL COMMENTS

ADJOURNMENT

NEXT REGULAR MEETING: 2/11/2020 @ 5:30 PM

Visit our website at <http://www.comptoncity.org>

JANUARY 14, 2020

The Compton City Council meeting was called to order at 5:50 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 Brown.

ROLL CALL

Council Members Present: McCoy, Sharif, Brown

Council Members Absent: Chambers (*Entered the meeting at 5:51 p.m.*), Galvan

Other Officials Present: R. Rugley/D. Brown, A. Godwin, C. Cornwell

PUBLIC COMMENTS ON AGENDA ITEMS AND NON-AGENDA MATTERS

Jackie Venters, Compton resident, addressed the homeless crisis in the community and questioned what happened to the funds designated to assist the homeless population. Ms. Venters praised the Volunteers of America (VOA) organization for all the work they do to assist the homeless and asked that the City Council work together to find a solution to the homeless crisis.

Benjamin Holifield, President/Founder Compton Business Chamber of Commerce, urged the City Council to develop a comprehensive plan to assist the homeless population immediately. Mr. Holifield stated that he and his wife ran a homeless program for years without any financial assistance from the City. Mr. Holifield commented that Compton must be safe, clean and friendly and concluded by repeating his request for a monthly report about the City's finances from the City Treasurer and City Controller.

Sheik Bey questioned the administrative process to combat the illegal and improper treatment he and his Temple have experienced by the actions of the L. A. County Sheriffs and indicated that the citation he received was never filed. Sheik Bey indicated that he received a letter from the Attorney General's Office which directed him to the District Attorney's office and asserted that there was incompetency on the part of certain agencies who are currently in default for not responding to his affidavit. Sheik Bey asserted that the people must follow the chain of command and take back their power.

F. Hernandez commented that at a previous meeting, the City Council approved invoices over the contract amount and indicated that no one is being held accountable. Mr. Hernandez commented on the condition of the City--including individuals drinking, smoking and gambling in the civic center area. Mr. Hernandez then stated that in 2020, he should be able to access his water utility account online. He further noted that his water meter is leaking, and questioned why the meter reader has not scheduled a service call. Mr. Hernandez concluded by questioning how the Council plans to address the homeless population.

Maria Villareal, Latino Chamber of Commerce, commented that the Chamber is in the process of acquiring a new office. Ms. Villareal raised concerns with the operation of the Code Enforcement, and further noted that it is very difficult to obtain a business license, and further requested that the City Council review all City departments to make them more business-friendly. Ms. Villareal spoke in support of dialog between the community members to develop a plan to clean up and beautify the community.

Adolpho Varas, Latino Chamber of Commerce, wished everyone a Happy New Year and indicted that in 2020, the Chamber is entering a new phase of improving businesses in Compton. Mr. Varas noted that in 1985 the Latino Chamber of Commerce was presented with a proclamation by the City acknowledging the Chamber as an official entity to represent Latinos and minority businesses. He indicated that the City of Compton possesses huge potential and further noted that he can envision a better Compton with a robust economy and increased jobs. Mr. Varas concluded by urging the City council to set aside their difference and work together to move the City forward.

David Irons, Compton resident, spoke regarding the improvements taking place at the Compton Municipal Stadium. Mr. Irons requested that the City Council donate land to the homeless population and offer tents and storage sheds for housing.

Brook McDuffy, Compton resident, requested an update on improvements to the Council Chamber's steps where she experience a fall at a previous Council meeting. Ms. McDuffy also requested an update on the City's attempts to require CVS Stores to clean up their surrounding area and parking lot. She suggested that the Council encourage the residents to visit the City's website to report complaints or concerns whereby the residents can track their issues or complaints. Ms. McDuffy then suggested that the Council receive monthly follow-up reports on the number of complaints that have been filed and addressed.

Lynn Boone, Compton resident, indicated that everything in Compton is being outsourced to other agencies or contractors, including the citation fee processing. Ms. Boone then commented that at the previous meeting, the homeless crises was referenced and highlighted and now the Measure H program is being rushed through the system.

Joyce Kelly, Compton resident, spoke in opposition to agenda item Number 4 (purchase order for Infosend) and suggested that the City Council use the \$135,000 to fix the potholes instead. Ms. Kelly further noted that the homelessness crisis is exacerbated by the lack of rent control in Compton. She suggested that the City Council read the Brown Act and the Constitution and abide by the rules governing public officials. Ms. Kelly concluded by suggesting that the City Council stop giving away contracts and hire a qualified and knowledgeable Human Resources Director.

Craig Henry, Compton resident, indicated that he is speaking as a 53-year resident of the City and offered that he has a heart full of compassion, noting that his wish is to assist people in improving their lives, particularly the homeless. Mr. Henry further commented that he is simply following the footsteps of his Lord and Savior, Jesus Christ, adding that he is passionate about helping people. Mr. Henry praised his mother, Lady Mary Henry, who also possessed a servant's heart, adding that it is in his blood to standup and serve those without a voice.

CONSENT AGENDA

APPROVAL OF MINUTES

1. DECEMBER 3, 2019 (*Approved*)

HUMAN RESOURCES

2. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER TO THE SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY FOR METROLINK TRAIN PASSES (\$75,000) (*Approved Resolution Number 25,190*)

WATER DEPARTMENT

3. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROPRIATING FUNDS FROM FUND BALANCE, RESCINDING RESOLUTION NO. 24,970, RATIFYING THE PROFESSIONAL SERVICES AGREEMENT WITH AND ESTABLISH A PURCHASE ORDER FOR AKM CONSULTING ENGINEERS FOR THE PREPARATION OF THE WATER SYSTEM MASTER PLAN UPDATE AND HYDRAULIC CALIBRATION (\$115,440.00) (*Approved Resolution Number 25,191*)

4. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A THREE (3) YEAR AGREEMENT WITH AND ESTABLISH A PURCHASE ORDER FOR INFOSEND, INC. FOR PROCESSING, PRINTING AND MAILING THE WATER DEPARTMENT WATER BILLS AND BILL INSERTS (\$135,000) (*Approved Resolution Number 25,192*)

On motion by Sharif, seconded by McCoy, the consent agenda was approved by the following vote on roll call:

AYES: Council Members - Chambers, McCoy, Sharif, Brown
NOES: Council Members - None
ABSENT: Council Members - Galvan

REGULAR AGENDA

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

APPOINTMENT(S) OF OFFICERS, COUNCIL MEMBERS,
BOARDS/COMMISSIONS AND COMMITTEES

5. REMOVAL OF OFFICERS, COUNCIL MEMBERS, BOARDS/COMMISSIONS AND COMMITTEES

ACCEPTING THE RESIGNATION OF PARKS AND
RECREATION COMMISSIONER - CORINTH KING

On motion by Sharif, seconded by McCoy, the above resignation was accepted by the following vote on roll call:

AYES: Council Members - Chambers, McCoy, Sharif, Brown
NOES: Council Members - None
ABSENT: Council Members - Galvan

CITY MANAGER'S REPORT

6. REQUEST FOR CITY COUNCIL TO WAIVE FACILITY FEES FOR USE OF THE DOLLARHIDE COMMUNITY CENTER FOR REPASS SERVICES FOR JAMES MOSES TO BE HELD ON SATURDAY, JANUARY 18, 2020 (\$300.00) (ACTION ITEM) (*Removed at the request of the family*)
7. ORAL REPORT - HOMELESS COUNT 2020 - January 23, 2020 at 700 North Bullis Road

City Manager Craig Cornwell indicated that the Homeless Count will begin on January 23, 2020 from 6 p.m. to approximately 12:00-midnight. The volunteers will meet at 700 N. Bullis Road, Compton. Mr. Cornwell indicated that an accurate count is critical to the City receiving the maximum amount of resources and funding. Mr. Cornwell requested that volunteers visit: theycountwillyou.org to sign up to assist and receive additional information.

8. ORAL REPORT - FIREFIGHTER RECRUITMENT UPDATE

City Manager Craig Cornwell indicated that the City will re-open the recruitment process for the Firefighter position and noted that the deadline for submission of applications is January 23, 2020. The application period will close when the City has received 50 applications. Applicants may contact the Human Resources Department in City Hall or Compton CareerLink at (310) 605-5635 or (310) 605-3050.

NEW BUSINESS

9. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO AMEND THE EXISTING LEASE AGREEMENT BETWEEN THE CITY OF COMPTON AND CRYSTAL STAIRS, INC. FOR INDOOR AND OUTDOOR SPACES AT 1108 NORTH OLEANDER AVENUE

On motion by McCoy, seconded by Chambers, **Resolution Number 25,193** entitled '**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO AMEND THE EXISTING LEASE AGREEMENT BETWEEN THE CITY OF COMPTON AND CRYSTAL STAIRS, INC. FOR INDOOR AND OUTDOOR SPACES AT 1108 NORTH OLEANDER AVENUE**' was adopted by the following vote on roll call:

AYES: Council Members - Chambers, McCoy, Sharif, Brown
NOES: Council Members - None
ABSENT: Council Members - Galvan

10. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE ISSUANCE OF A SUPPLEMENTAL PURCHASE ORDER FOR ADDITIONAL FUNDING TO EBS GENERAL ENGINEERING, INC. FOR CITYWIDE POTHOLE REPAIRS (\$14,147.47)

On motion by Sharif, seconded by McCoy, **Resolution Number 25,194** entitled '**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE ISSUANCE OF A SUPPLEMENTAL PURCHASE ORDER FOR ADDITIONAL FUNDING TO EBS GENERAL ENGINEERING, INC. FOR CITYWIDE POTHOLE REPAIRS (\$14,147.47)**' was adopted by the following vote on roll call:

AYES: Council Members - Chambers, McCoy, Sharif, Brown
NOES: Council Members - None
ABSENT: Council Members - Galvan

11. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON MAKING CERTAIN FINDINGS, APPROVING A PURCHASE AND SALE AGREEMENT BETWEEN THE CITY OF COMPTON (ACTING AS SUCCESSOR TO THE HOUSING ASSETS OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON), AS SELLER, AND OLSON URBAN HOUSING, LLC, AS BUYER, FOR THE SALE OF PROPERTY LOCATED IN THE CITY AT 1950 NORTH CENTRAL AVENUE, AND THE DEVELOPMENT OF A HOUSING PROJECT THEREON, INCLUDING AFFORDABLE HOUSING, AND FINDING THE PROJECT EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (*Removed from agenda*)
12. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO GRANT A RIGHT OF ENTRY PERMIT TO OLSON URBAN HOUSING, LLC (DEVELOPER) FOR THE HOUSING SUCCESSOR AGENCY PROPERTY LOCATED AT 1950 NORTH CENTRAL AVENUE FOR THE PURPOSES OF PERFORMING CERTAIN INVESTIGATIONS FOR THE PURPOSE OF DILIGENCE WORK RELATED TO A HOUSING DEVELOPMENT

On motion by McCoy, seconded by Sharif, **Resolution Number 25,195** entitled '**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO GRANT A RIGHT OF ENTRY PERMIT TO OLSON URBAN HOUSING, LLC (DEVELOPER) FOR THE HOUSING SUCCESSOR AGENCY PROPERTY LOCATED AT 1950 NORTH CENTRAL AVENUE FOR THE PURPOSES OF PERFORMING CERTAIN INVESTIGATIONS FOR THE PURPOSE OF DILIGENCE WORK RELATED TO A HOUSING DEVELOPMENT**' was adopted by the following vote on roll call:

AYES: Council Members - Chambers, McCoy, Sharif, Brown
NOES: Council Members - None
ABSENT: Council Members - Galvan

COUNCIL COMMENTS

Councilperson Chambers offered the following communications/announcements:

- Reported a water main break on Rosecrans Avenue.
- Thanked the City Manager for his rapid response to the water main break in front of the Douglas apartments.
- Commented on the importance of responding to the 2020 Census to ensure that the City receives all the necessary funding to improve the lives of the residents and continue to move Compton forward.
- Requested a presentation from the Housing Department regarding the status of developing a comprehensive plan to assist the homeless population.

Councilmember McCoy offered the following communications/announcements:

- Requested that the City Manager make plans to trim the trees on Compton Boulevard.
- Requested that the City Manager address the debris-filled lot on Kemp Avenue, adjacent to the Successor Agency property.
- Announced a ‘save the date’ for a Crime Summit she will be hosting on February 15, 2020, adding that she will provide details at the next Council meeting.
- Adjourn in memory of Compton Unified School District **Officer Anthony Miller** and Los Angeles Sheriff’s **Detective Amber Joy Leist**.

Councilmember Sharif offered the following communications/announcements:

- Requested that the City Manager address the large amount of debris on Alameda Street near the 91 Freeway.
- Reported several large potholes filled with standing water near Chester and Alondra Boulevard.
- Reported the enormous amount of illegal dumping on Bowen Street and requested that the City Manager dispatch Code Enforcement to the site.
- Invited the community to attend her Business Round-Table discussion scheduled for January 20, 2020 from 9 a.m. to 11 a.m. at the Dollarhide Community Center, 301 N. Tamarind Avenue.
- Introduced her new Liaison—Ms. Sarah Franks to the Council and community.
- Adjourn in memory of **Ann Strickland** and **Delores Walker**.

Mayor Brown offered the following communications/announcements:

- Invited young ladies between the ages of 13 and 19 to attend [Girlspace](https://girlspacecompton.com), which is a one-day interactive conference for girls in our community and schools, scheduled for January 25, 2020 from 7 a.m. until 4 p.m. at the Dollarhide Community Center, 301 N. Tamarind Avenue. This conference will feature discussions, workshops, and other cool activities. Please visit: girlspacecompton.com for registration and further information.

- Suggested that a correspondence be sent to all businesses operating in the City informing them of the common Compton Municipal Code violations and include the fine for violating those Codes.
- Commented that several years ago, the U.S. Postal Service discontinued delivery of mail along East McMillan Street because a mail carrier was chased by a vicious dog, noting that the residents had to travel outside the neighborhood to a central location in order to access their mail. Currently, the resident/owner of the dog has moved, consequently, the residents are requesting that mail delivery service be re-instituted to their home mail boxes. Mayor Brown requested that the City Manager investigate this issue and report back to the Council.
- Thanked the McMillan Street Block Club for their hard work and dedication to the community, adding that it was a pleasure to fellowship with residents, and further noted that community block clubs are a powerful and effective way to improve the community.
- Requested that the City Manager address the illegally parked motor homes camped along Bullis Road.
- Invited the entire community to join the Clean Compton Community Task Force strategy meeting on February 6, 2020 from 6:30 p.m. until 7:30 p.m. at the Dollarhide Community Center, 301 N. Tamarind Avenue, Compton. During the meeting, residents, small business owners and stakeholders will have the opportunity to present ideas and suggestions regarding the beautification of the City.

ADJOURNMENT

On motion by McCoy, seconded by Chambers, the meeting was adjourned in memory of **LASD Detective Amber Leist, Ann Strickland, Delores Walker, and CUSD Officer Anthony Miller**, at 7:11 p.m. by the following vote on roll call:

AYES: Council Members - Chambers, McCoy, Sharif, Brown
NOES: Council Members - None
ABSENT: Council Members - Galvan

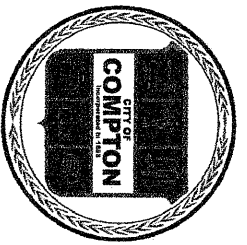
CITY CLERK OF THE CITY OF COMPTON

MAYOR OF THE CITY OF COMPTON

DATE: FEBRUARY 04, 2020
TO: MAYOR AND COUNCIL MEMBERS
FROM: CITY TREASURER
SUBJECT: INVESTMENT REPORT

IN ORDER TO COMPLY WITH STATE LAW AND THE CITY'S INVESTMENT POLICY, THE ATTACHED REPORT ACCURATELY REFLECTS ALL POOLED INVESTMENTS HELD ON BEHALF OF THE CITY AND THE SUCCESSOR AGENCY AS OF NOVEMBER 29, 2019.

DOUGLAS SANDERS
CITY TREASURER



CITY OF COMPTON
Portfolio Management
Portfolio Summary
November 29, 2019

City of Compton
205 S. Willowbrook Ave.
Compton, CA 90220
(310)605-5515

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 366 Equiv.
Passbook/Checking Accounts -2	126,413.55	126,413.55	126,413.55	0.14	1	1	0.089	0.070
Local Agency Investment Funds	91,504,547.72	91,504,547.72	91,504,547.72	99.86	1	1	2.416	2.450
Investments	91,630,961.27	91,630,961.27	91,630,961.27	100.00%	1	1	2.413	2.447

Total Earnings	November 29 Month Ending	Fiscal Year To Date
Current Year	167,966.57	939,682.43
Average Daily Balance	92,803,368.04	92,789,371.35
Effective Rate of Return	2.28%	2.43%

This report reflects all pooled investments in conformity with the Investment Policy adopted by the City Council Gov Code 53646(b) (3). The monthly investment report must state the ability of the agency to meet its expenditure requirements for the next six months or provide an explanation as to why sufficient cash funds may or may not be available. The investment program should provide sufficient cash to meet six months of estimated expenditures; there should be sufficient cash available. As of November 30, 2019, the 5th month of the Fiscal Year 2019/2020, the City had a total in the General City Bank account plus LAIF account of \$39.85 million. At the time of this reporting period, the City had \$1.088 million in large outstanding warrants payable to vendors. On December 20, 2018, January 20, 2019 and May 20, 2019 the City received its portion of Property Tax revenue from the County. In addition, the Successor Agency received its property tax revenue called ROPS, on January 2 and June 2 of 2019 in the General account, some of that going towards the PERS account. Our PERS balance is \$24.2 million as of the date of this reporting period. The FOMC adjusted another interest reduction, 25 bases points or ¼ point just recently. However, the FOMC Chairman stated that it will not lower any more rates, but will use more Quantitative Easing measures. FOMC future adjustments to the target range for the Federal Funds Rate between 1 ½-2%, this will determine realized and expected economic conditions to maximum employment objective and it's symmetric 2% inflation objective, as well as financials and international developments. Lower interest rates will result in lower interest revenue going forward. Compton is anticipating a large road construction program, which will require large use of cash expenditures during these periods. The City Manager's office has notified the Treasurer's office of major back payments to the Sheriff Department. Payments will be sent down to the Treasurer's office after contract negotiations. There is an estimate of approximately \$5 to \$10 million for back service months.

The pricing of securities is done by Union Bank and Interactive Data Services. Moody Investor Service rates the State Pool Accounts AAA.

Treasury Rates as of 11/29/19
3 month T-Bill @ 1.557%
6 month T-Bill @ 1.591%
1 year T-Bill @ 1.585%

DOUGLAS SANBORN, CITY TREASURER

1-22-2020

Reporting period 11/01/2019-11/29/2019

CITY OF COMPTON
Portfolio Management
Portfolio Details - Investments
November 29, 2019

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity
Passbook/Checking Accounts -2											
5007	5007	Family Self Sufficiency			126,413.55	126,413.55	126,413.55	0.070	0.069	0.070	1
		Subtotal and Average	126,406.53		126,413.55	126,413.55	126,413.55		0.069	0.070	1
Local Agency Investment Funds											
6000	6000	General City			29,834,282.73	29,834,282.73	29,834,282.73	2.450	2.416	2.450	1
6029	6029	Measure R			1,882,697.19	1,882,697.19	1,882,697.19	2.450	2.416	2.450	1
6019	6019	EDA Revolving Loan			71,869.85	71,869.85	71,869.85	2.450	2.416	2.450	1
6002	6002	Prop C			1,599,856.23	1,599,856.23	1,599,856.23	2.450	2.416	2.450	1
6030	6030	PROP A			3,143,548.61	3,143,548.61	3,143,548.61	2.450	2.416	2.450	1
6027	6027	River Mountain Conservancy			12,462.94	12,462.94	12,462.94	2.450	2.416	2.450	1
6007	6007	Successor Agency General			29,661,196.94	29,661,196.94	29,661,196.94	2.450	2.416	2.450	1
6003	6003	Sewer Bond Proceeds			878,283.74	878,283.74	878,283.74	2.450	2.416	2.450	1
SYS10128	10128	Measure M			1,229,906.30	1,229,906.30	1,229,906.30	2.450	2.416	2.450	1
2100	6021	Retirement Fund			23,190,443.19	23,190,443.19	23,190,443.19	2.450	2.416	2.450	1
		Subtotal and Average	92,676,961.51		91,504,547.72	91,504,547.72	91,504,547.72		2.416	2.450	1
		Total and Average	92,803,368.04		91,630,961.27	91,630,961.27	91,630,961.27		2.413	2.447	1

**CITY OF COMPTON
BANK ACCOUNT BALANCES AS OF
NOVEMBER 29, 2019**

FUND #	NAME OF ACCOUNT	BANK NAME	BALANCE
101	PAYROLL	WELLS FARGO BAI	1,238,896.65
1001	GENERAL CITY ACCOUNT	BANK OF THE WES	10,780,313.41
1520	MEASURE R	BANK OF THE WES	1,015,195.70
2000	PROP A	BANK OF THE WES	1,604,621.24
4000	SA GENERAL	BANK OF THE WES	928,913.08
1203	SA LOW COST HOUSING	BANK OF THE WES	6,635,330.18
2100	PERS	BANK OF THE WES	951,992.04
1528	MEASURE M	BANK OF THE WES	373,672.43
2820	FAMILY SELF SUFFICIENCY	BANK OF THE WES	126,413.55
2754-84-8	JTPA - CAREERLINK	BANK OF THE WES	592,715.57
2805	HOME LOAN PROGRAM	BANK OF THE WES	1,455,190.26
2818	SECTION 108 - HUD FUND	BANK OF THE WES	1,833,001.35
5116	BOND SEWER CONSTRUCTION	BANK OF THE WES	8,328.40
6400	LIABILITY	BANK OF THE WES	65,882.13
1001	COC - CHANGE FUND	BANK OF THE WES	546.00
1900	PROP C	BANK OF THE WES	1,498,301.97

**CITY OF COMPTON
BANK ACCOUNT BALANCES AS OF
NOVEMBER 29, 2019**

FUND #	NAME OF ACCOUNT	BANK NAME	BALANCE
6300	WORKERS COMP	BANK OF THE WES	164,610.69
2820	HOUSING AUTHORITY	BANK OF THE WES	30,189.24
1001	EMERGENCY MEDICAL SERVI	BANK OF THE WES	345,798.95
1061	COPS GRANT WEED AND SEE	BANK OF THE WES	3,997.00
1001	COC PARKING VIOLATIONS	BANK OF THE WES	675,705.98
5000	COC UTILITIES BILLINGS	BANK OF THE WES	2,080,554.46

February 4, 2020

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: PARKS AND RECREATION DEPARTMENT

RE: REQUEST FOR CITY COUNCIL TO WAIVE FACILITY FEES FOR USE OF THE DOLLARHIDE COMMUNITY CENTER FOR REPASS SERVICES FOR ROSIE L. LOVETT TO BE HELD ON WEDNESDAY, FEBRUARY 5, 2020 (\$225.00) (ACTION ITEM)

The Parks and Recreation Department ("Department") received a request to utilize the Dollarhide Community Center on Wednesday, February 5, 2020, from 1:00 P.M. to 4:00 P.M. for repass services for Rosie L. Lovett. This event will consist of celebrating the life of Ms. Lovett as she is remembered by friends and family.

Mrs. Lovett was a long time Compton resident for over 60 years residing at 1419 W. 163rd Street. She and her husband, Pastor Lovett, moved to Compton in 1960 and through their union had eight children who all graduated from Compton High School. Mrs. Lovett was well respected and a leader in the community in which she served.

The family is requesting the use of the Dollarhide Community Center to conduct the event and is seeking a waiver of facility use fees; however, City policy does not give authorization for staff to waive fees for use of City-owned facilities for non-City related activities or business; thus, City Council approval is required.

Breakdown of the fees associated with use of the Dollarhide Community Center for the requested event are described below.

DEPARTMENT	COSTS
Facility Fees \$75 hour x 3 hours =\$225	\$225.00
General Services 1 Custodian x \$35 an hour x 5 hours = \$175	\$175.00
Total	\$400.00

**Action Item – Request for Facility Use Fee Waiver
Dollarhide Community Center
Rosie L. Lovett Repass
February 4, 2020, page 2**

As in the case of previous requests, City Council has the option of waiving the facility costs only of \$225.00 for the event. Staff costs for this event, assuming City Council waives the facility fee, would be \$175.00 and will be directed to be paid by the organizers.

**MARVIN C. HUNT, DIRECTOR
PARKS AND RECREATION DEPARTMENT**

APPROVED FOR FORWARDING:

**CRAIG J. CORNWELL
CITY MANAGER**

February 4, 2020

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

**FROM: MARVIN C. HUNT, DIRECTOR
PARKS AND RECREATION DEPARTMENT**

**RE: REQUEST FOR CITY COUNCIL TO WAIVE FACILITY FEES FOR USE
OF THE DOLLARHIDE COMMUNITY CENTER FOR MEMORIAL
SERVICES FOR CHIEF MONROE SMITH TO BE HELD ON SATURDAY,
FEBRUARY 8, 2020 (\$500.00) (ACTION ITEM)**

The Parks and Recreation Department ("Department") received a request to utilize the Dollarhide Community Center on Saturday, February 8, 2020, from 12:00 P.M. to 4:00 P.M. for memorial services for Chief Monroe Smith. This event will consist of celebrating the life of Mr. Smith as he is remembered by friends, family, and City of Compton colleagues.

Mr. Smith was employed as a Fire Chief for the Compton Fire Department in 1971; and recognized as the first African American fire chief West of the Mississippi until his retirement in 1993. Mr. Smith was well respected by his peers and a leader in the community in which he served.

The family as well as the Fire Department is requesting the use of the Dollarhide Community Center to conduct the event and is seeking a waiver of facility use fees; however, City policy does not give authorization for staff to waive fees for use of City-owned facilities for non-City related activities or business; thus, City Council approval is required.

Breakdown of the fees associated with use of the Dollarhide Community Center for the requested event are described below.

DEPARTMENT	COSTS
Facility Fees 125 hour x 4 hours =\$500.00	\$500.00
General Services 1 Custodian x \$35 an hour x 6 hours = \$210.00	\$210.00
Security 1 Security x \$30 an hour x 6 hours = \$180.00	\$180.00
Total	\$890.00

**Action Item – Request for Facility Use Fee Waiver
Dollarhide Community Center
Monroe Smith Memorial
February 4, 2020, page 2**

As in the case of previous requests, City Council has the option of waiving the facility costs only of \$500.00 for the event. Staff costs for this event, assuming City Council waives the facility fee, would be \$390.00 and will be directed to be paid by the organizers.

**MARVIN C. HUNT, DIRECTOR
PARKS AND RECREATION DEPARTMENT**

APPROVED FOR FORWARDING:

**CRAIG J. CORNWELL
CITY MANAGER**

February 4, 2020

TO: MAYOR AND CITY COUNCIL MEMBERS

FROM: CITY MANAGER

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON MAKING CERTAIN FINDINGS, APPROVING A PURCHASE AND SALE AGREEMENT BETWEEN THE CITY OF COMPTON (ACTING AS SUCCESSOR TO THE HOUSING ASSETS OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON), AS SELLER, AND OLSON URBAN HOUSING, LLC, AS BUYER, FOR THE SALE OF PROPERTY LOCATED AT 1950 NORTH CENTRAL AVENUE AND THE DEVELOPMENT OF A HOUSING PROJECT THEREON, INCLUDING AFFORDABLE HOUSING, AND FINDING THE PROJECT EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

SUMMARY

Staff respectfully requests the City Council to (i) hold a public hearing and (ii) adopt a Resolution approving the City Council's execution and delivery of a Purchase and Sale Agreement by and between the City of Compton (the "City") and Olson Urban Housing, LLC, a Delaware limited liability company (the "Developer"), making certain findings, and finding the project exempt from the California Environmental Quality Act.

BACKGROUND

The property subject to the Purchase and Sale Agreement is an approximately 3.03acre parcel located at 1950 N. Central Avenue. The Developer is acquiring the land for the purpose of developing market rate and affordable housing consisting of 30 3-4 bedroom/2.5 bath townhomes. Four (4) of the units will be required to be sold at affordable sales prices to moderate-income households that are at a minimum of 80% of AMI (Average Median Income) within Los Angeles County. The former Community Redevelopment Agency of the City of Compton acquired the land, and following the dissolution of the Agency, the land was conveyed to the City as the housing successor to the former Agency.

STATEMENT OF THE ISSUE

The City and the Developer desire to enter into the Purchase and Sale Agreement attached to the Resolution. By adopting the attached Resolution, the Council will approve the execution and delivery of the Purchase and Sale Agreement in substantially the form attached to the Resolution as Exhibit "A", make certain findings, and find that the project is exempt from the California Environmental Quality Act.

California Health and Safety Code Section 33433 requires that the City make available for public inspection a report which shall contain a copy of the Purchase and Sale Agreement as well as a summary of certain aspects regarding the sale of the land to the Developer (the "Summary Report"). The Summary Report and a copy of the Purchase and Sale Agreement, with attachments,

and other related exhibits, have been made available for public inspection in the manner required by Section 33433. The Purchase and Sale Agreement and Summary Report are attached as Exhibit “A” and Exhibit “B”, respectively, to the resolution.

Health and Safety Code Section 33433 also requires the sale of land to the Developer to be approved by the City Council by resolution after a public hearing, and that the resolution contain certain findings. The Resolution contains findings that sale of the land to the Developer and the development of the project by the Developer will provide affordable housing and that the land will be conveyed to the Developer for not less than its fair reuse value at the use and with the covenants and conditions and development costs authorized by the Purchase and Sale Agreement. Notice of the public hearing was published once a week on 1/22/20 and 1/29/20 for two successive weeks prior to the date of the public hearing on February 4, 2020.

The Resolution also contains a finding that the project is exempt from CEQA because it is an infill project subject to the exemption set forth in Section 15332 of the State CEQA Guidelines. The Resolution directs staff to file a notice of exemption with the Los Angeles County Clerk-Recorder’s Office.

FISCAL IMPACT

The former Compton Redevelopment Agency (and now the Successor Agency) purchased the land for \$2,160,000 in March of 2011 with proceeds of Housing Tax Exempt bonds issued by the former Compton Redevelopment Agency. The former Agency (and now the Successor Agency to the Agency) pays interest on the bonds (the bonds bear interest at the rate of approximately 5.6% per year), and the Successor Agency pays legal and consulting fees and maintenance expenses in connection with the land. After the Compton Redevelopment Agency was dissolved, the land was conveyed to the City, as Housing Successor to the former Agency, at no cost to the City.

The City has incurred ordinary legal and consulting fees and maintenance expenses in connection with the land. Pursuant to the Purchase and Sale Agreement, the City will be responsible for the cost of CLTA title coverage and transfer taxes and one-half of the escrow charges and recording fees in connection with the conveyance of the land to the Developer. Per the conditions, covenants and development costs required by the Agreement, the fair reuse value of the land was determined to be \$0.00. As part of the Development Agreement (DA), staff will negotiate with the developer to pay a fee to the City for associated public infrastructure improvements and impacts of the project. The DA will be brought to the City Council at a later date.

RECOMMENDATION

That the City Council (i) hold a public hearing and (ii) adopt the attached resolution approving the execution and delivery of the Purchase and Sale Agreement by and between the City and the Developer, making certain findings, and finding the project exempt from the California Environmental Quality Act.

CRAIG J. CORNWELL
CITY MANAGER

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON MAKING CERTAIN FINDINGS, APPROVING A PURCHASE AND SALE AGREEMENT BETWEEN THE CITY OF COMPTON (ACTING AS SUCCESSOR TO THE HOUSING ASSETS OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON), AS SELLER, AND OLSON URBAN HOUSING, LLC, AS BUYER, FOR THE SALE OF PROPERTY LOCATED AT 1950 NORTH CENTRAL AVENUE, AND THE DEVELOPMENT OF A HOUSING PROJECT THEREON, INCLUDING AFFORDABLE HOUSING, AND FINDING THE PROJECT EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

WHEREAS, the City of Compton, as successor to the housing assets of the former Community Redevelopment Agency of the City of Compton (the “Housing Successor”) is the owner of certain real property within the City of Compton located at 1950 N. Central Avenue (the “Site”); and

WHEREAS, the City proposes to enter into a Purchase and Sale Agreement (the “PSA”) with Olson Urban Housing, LLC, a Delaware limited liability company (the “Developer”), for the sale of the Site to the Developer, and the development thereon by the Developer of a 30 unit housing project consisting of single-family detached townhomes (the “Development”). Pursuant to the PSA, four of the townhomes within the Development will be restricted for sale to moderate income households at affordable sales prices; and

WHEREAS, California Health and Safety Code Section 33433 (“Section 33433”) requires that the City make available for public inspection a report which shall contain a copy of the PSA as well as a summary of certain aspects regarding the sale of the Site to the Developer (the “Summary Report”). The Summary Report and a copy of the PSA, with attachments, and other related exhibits, have been made available for public inspection in the manner required by Section 33433. The PSA and Summary Report are attached hereto as Exhibit “A” and Exhibit “B”, respectively, and are incorporated herein by this reference; and

WHEREAS, Section 33433 requires that before any property of the former Agency acquired in whole or in part with tax increment moneys is sold for development, the sale shall first be approved by the legislative body by resolution after a public hearing, and that the resolution contain certain findings; and

WHEREAS, the project contemplated by the PSA qualifies for exemption from the California Environmental Quality Act (“CEQA”), Pub. Res. Code §§ 21000 *et seq.*, as an infill project pursuant to state CEQA Guidelines set forth in 14 Cal. Code Regs. § 15000 *et seq.*; and

WHEREAS, as provided by the PSA, the four affordable units which will be included in the Development are required to have a term of affordability which shall be not less than 45 years.

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

Section 1. That the above recitals are all true and correct.

Section 2. That a public hearing was properly noticed and held by the City Council on February 4, 2020, in the City Council Chambers, prior to the adoption of a resolution to approve the execution and delivery of a Purchase and Sale Agreement by and between the City of Compton and Olson Urban Housing, LLC for the sale of certain real property within the City of Compton located at 1950 N. Central Avenue (the “Site”).

Section 3. That the sale and development of the Site will provide affordable housing for moderate-income households, because four of the proposed townhomes will be restricted for sale to moderate-income households at affordable sales prices for not less than 45 years.

Section 4. That, as explained in the Summary Report, the Site will be conveyed to the Developer for no consideration under the terms of the PSA, which is the fair reuse value of the Site at the use and with the covenants and conditions and development costs authorized by the sale.

Section 5. That the City Council finds the project exempt from CEQA because it is an infill project subject to the exemption set forth in Section 15332 of the State CEQA Guidelines, and hereby directs staff to file a notice of exemption with the County Clerk.

Section 6. That the City Manager is hereby authorized to execute the PSA between the City and the Developer in substantially the form attached hereto as Exhibit "A".

Section 7. That the City Manager, or his designee, are hereby authorized, jointly and severally, to execute and deliver any and all necessary documents and instruments, and to do all things which they may deem necessary or proper to effectuate the purposes of this Resolution and the PSA, and any such actions previously taken are hereby ratified and confirmed.

Section 8. That a certified copy of this Resolution shall be filed in the offices of the City Manager, City Controller, City Clerk, and the City Attorney.

Section 9. That the Mayor shall sign and the City Clerk shall attest to the adoption of this Resolution.

ADOPTED this _____ day of _____, 2020.

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 L. 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 the ____ day of _____, 2020.

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

AYES: **Council Members-**
NOES: **Council Members-**
ABSENT: **Council Members-**
ABSTAIN: **Council Members-**

CITY CLERK OF THE CITY OF COMPTON

Exhibit A

Exhibit A

PURCHASE AND SALE AGREEMENT

(1950 N. Central Avenue, Compton, CA)

by and between the

THE CITY OF COMPTON, a municipal corporation
 (“City”)

and

OLSON URBAN HOUSING, LLC, a Delaware limited liability company

(“Developer”)

_____, 2020

PURCHASE AND SALE AGREEMENT
(1950 N. Central Avenue, Compton, CA)

THIS PURCHASE AND SALE AGREEMENT (the “**Agreement**” or the “**PSA**”) is dated as of _____, 2020 and is entered into by and between THE CITY OF COMPTON, a municipal corporation (the “**City**”), and OLSON URBAN HOUSING, LLC, a Delaware limited liability company (the “**Developer**”).

RECITALS

A. The City has succeeded to the housing assets of the former Redevelopment Agency of the City of Compton including the land located at 1950 N. Central Avenue, Compton, California, as described on Exhibit “A” (the “**Land**”), which was originally purchased by the former Redevelopment Agency solely from the proceeds of bonds secured by, and payable from, the former Redevelopment Agency’s Low and Moderate Income Housing Fund, established pursuant to Health and Safety Code Section 33334.3.

B. The purpose of this Agreement is to facilitate the development of affordable housing improvements on the Land, and associated housing and other improvements which are necessary for the development and economic feasibility of the affordable housing improvements (collectively, the “**Improvements**”).

C. Construction of the Improvements, which shall include for-sale housing, open space and other improvements, will increase and improve the City’s supply of housing, including affordable housing for low and moderate income persons, and will also provide additional jobs, encourage new investment, and otherwise substantially improve the economic and physical conditions in the City.

D. A material inducement to the City to enter into this Agreement is the agreement by Developer to develop the “**Project**” as defined herein.

E. The City has prepared and placed on file a copy of the summary of the transaction contemplated by this Agreement; the City Council has conducted a noticed public hearing on this Agreement; and the City Council has made findings that the disposition of the Land pursuant to this Agreement is in accordance with all laws.

AGREEMENT

NOW, THEREFORE, in consideration of the above recitals and of the mutual covenants contained in this Agreement, the parties hereto agree as follows:

1. **DEFINITIONS.**

1.1 **Definitions.** The following capitalized terms used in this Agreement shall have the meanings set forth below:

1.1.1 “**Affiliate**” means any person or entity directly or indirectly, through one or more intermediaries, controlling, controlled by or under common control with The Olson

Company, which, in the case of a partnership, shall include, each of the constituent general partners thereof, and in the case of a limited liability company, each of the constituent members thereof. The term “control”, as used in the immediately preceding sentence, means, with respect to a for-profit corporation, the right to exercise, directly or indirectly, fifty percent (50%) or more of the voting rights attributable to the shares of the controlled corporation and, with respect to a person or entity that is not a for-profit corporation, the possession directly or indirectly, of the power to direct or cause the direction of the management or policies of the controlled person.

1.1.2 “**Agreement**” means this Purchase and Sale Agreement and the exhibits attached hereto.

1.1.3 “**Approved Title Exceptions**” is defined in Section 2.3.1.

1.1.4 “**Building Permit**” means, collectively, any and all permits necessary to grade the Land and construct the Project that would be issued by the City.

1.1.5 “**Certificate of Completion**” means the certificate described in Section 3.12.

1.1.6 “**City**” means the City of Compton, a municipal corporation.

1.1.7 “**City Manager**” means the City Manager of the City or the City Manager’s designee.

1.1.8 “**Close of Escrow**” is defined in Section 2.2.

1.1.9 “**Closing Conditions**” is defined in Section 2.4.

1.1.10 “**Construction Contract**” is defined in Section 3.3.

1.1.11 “**Construction Loan**” is defined in Section 3.4.

1.1.12 “**Default**” is defined in Section 6.1.

1.1.13 “**Escrow**” is defined in Section 2.2.

1.1.14 “**Escrow Holder**” means First American Title Insurance Company (Escrow officer, Jeanne Gold) or another licensed escrow holder mutually selected by the Parties.

1.1.15 “**Feasibility Investigation**” means feasibility investigations of the Land to determine the suitability of the Land for development of the Project, including investigation of the environmental and geotechnical suitability of the Land, as deemed appropriate in the reasonable discretion of Developer, all at the sole cost and expense of Developer, as further provided in Section 2.6.2.

1.1.16 “**Feasibility Period**” means time period of one hundred twenty (120) continuous days commencing on the day immediately following the opening of escrow.

1.1.17 “**FIRPTA Certificate**” is defined in Section 2.7.1.3.

1.1.18 “**Force Majeure Delay**” is defined in Section 6.7.

1.1.19 “**General Contractor**” is defined in Section 3.3.

1.1.20 “**Grant Deed**” is defined in Section 2.3.2.

1.1.21 “**Hazardous Materials**” means any chemical, material or substance now or hereafter defined as or included in the definition of hazardous substances, hazardous wastes, hazardous materials, extremely hazardous waste, restricted hazardous waste, toxic substances, pollutant or contaminant, imminently hazardous chemical substance or mixture, hazardous air pollutant, toxic pollutant, or words of similar import under any local, state or federal law or under the regulations adopted or publications promulgated pursuant thereto applicable to the Land, including, without limitation: the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq. (“**CERCLA**”); the Hazardous Materials Transportation Act, as amended, 49 U.S.C. 1801, et seq.; the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251, et seq.; and the Resource Conservation and Recovery Act of 1976, 42 U.S.C. 6901, et seq. (“**RCRA**”). The term Hazardous Materials shall also include any of the following: any and all toxic or hazardous substances, materials or wastes listed in the United States Department of Transportation Table (49 CFR 172.101) or by the Environmental Protection Agency as hazardous substances (40 CFR Part 302) and in any and all amendments thereto in effect as of the Close of Escrow; oil, petroleum, petroleum products (including, without limitation, crude oil or any fraction thereof), natural gas, natural gas liquids, liquefied natural gas or synthetic gas usable for fuel, not otherwise designated as a hazardous substance under CERCLA; any substance which is toxic, explosive, corrosive, reactive, flammable, infectious or radioactive (including any source, special nuclear or by-product material as defined at 42 U.S.C. 2011, et seq.), carcinogenic, mutagenic, or otherwise hazardous and is or becomes regulated by any governmental authority; asbestos in any form; urea formaldehyde foam insulation; transformers or other equipment which contain dielectric fluid containing levels of polychlorinated biphenyls; radon gas; or any other chemical, material or substance (i) which poses a hazard to the Land, to adjacent properties, or to persons on or about the Land, (ii) which causes the Land to be in violation of any of the aforementioned laws or regulations, or (iii) the presence of which on or in the Land requires investigation, reporting or remediation under any such laws or regulations.

1.1.22 “**Holder**” is defined in Section 4.2.

1.1.23 “**Improvements**” means all buildings, landscaping, infrastructure, utilities, and other improvements to be built on the Land, as described in the Scope of Development.

1.1.24 “**Land**” means the land described on Exhibit “A” attached hereto.

1.1.25 “**Party**” means any party to this Agreement, and “**Parties**” means all parties to this Agreement.

1.1.26 “**Permitted Exceptions**” is defined in Section 2.3.2.

1.1.27 “**Plans and Specifications**” means all drawings, landscaping and grading plans, engineering drawings, final construction drawings, and any other plans or specifications for construction of the Project.

1.1.28 “**Project**” means the Land and Improvements.

1.1.29 “**Released Parties**” is defined in Section 2.6.3.

1.1.30 “**Schedule of Performance**” means Exhibit “B” attached hereto.

1.1.31 “**Scope of Development**” means the description of the Project set forth in Exhibit “C” attached hereto.

1.1.32 “**Secured Credit Facility**” is defined in Section 3.4.

1.1.33 “**Title Company**” shall mean the Escrow Holder (Title Officer, Hugo Tello) (i.e., the Title Company and the Escrow Holder are the same).

1.1.34 “**Transfer**” is defined in Section 4.1.1.

1.1.35 “**Transferee**” is defined in Section 4.1.1.

1.1.36 “**Withholding Affidavit**” is defined in Section 2.7.1.2.

2. PURCHASE AND SALE OF THE PROPERTY; PURCHASE PRICE; DEPOSIT.

2.1 Conveyance of Land.

2.1.1 Conveyance of Land to Developer. In accordance with and subject to the terms and conditions hereinafter set forth, and in consideration of the Developer’s performance of all of its responsibilities under this Agreement, the City agrees to convey the Land to the Developer, and the Developer agrees to acquire the Land from the City. No monetary consideration shall be payable for the Developer’s acquisition of the Land from the City, and no deposit shall be required.

2.2 Opening and Closing of Escrow. Within fifteen (15) business days after the Date this Agreement is executed by the City and delivered to the Developer, the City and the Developer shall cause an escrow (the “**Escrow**”) to be opened with Escrow Holder for the sale of the Land by the City to the Developer. The Parties shall deposit with Escrow Holder a fully executed duplicate original of this Agreement as the escrow instructions for the Escrow. The City and the Developer shall provide such additional instructions as shall be necessary and consistent with this Agreement. Subject to the satisfaction of the Closing Conditions as described in Section 2.4, Escrow shall close (the “**Close of Escrow**” or “**Closing**”) on or before the date set forth in the Schedule of Performance. If the Close of Escrow does not occur by such date, any Party not then in default may terminate this Agreement, and all the funds and documents deposited with Escrow Agent shall be promptly refunded or returned, as the case may be, by Escrow Agent to the depositing Party, except that all escrow and title cancellation fees shall be paid by the Party in default.

2.3 Condition of Title; Title Insurance.

2.3.1 Prior to the execution of this Agreement, the Developer has obtained a current title report from Title Company for the Land and copies of the title exception documents, and the Developer shall have the right to approve or disapprove the title exceptions by written notice to City given within thirty (30) days after the date of this Agreement. If the Developer does not approve or disapprove the exceptions, then all matters in said title report, shall be deemed to have been approved by the Developer. Title exceptions approved or deemed approved by the Developer are referred to herein as the “**Approved Title Exceptions**”. City shall have the right, but not the obligation, to remove any disapproved exceptions prior to Closing or provide assurances satisfactory to the Developer that such disapproved exceptions will be removed on or before the Closing.

2.3.2 The City shall convey title to the Land to the Developer by grant deed substantially in the form attached hereto as Exhibit “D” (the “**Grant Deed**”) that is also executed by the Developer. Title shall be conveyed subject to: (i) non-delinquent current real property taxes and assessments not yet due for the tax year during which the conveyance occurs, (ii) the Approved Title Exceptions, (iii) a Memorandum of Purchase and Sale Agreement in the form attached hereto as Exhibit “E”, (vi) a Regulatory Agreement in the form attached hereto as Exhibit “F”; (v) a Notice of Affordability Restrictions in the form attached hereto as Exhibit “G”; (vi) a Subordination Agreement in the form attached hereto as Exhibit “H”; and (vii) any matters which arise out of the actions of the Developer or its agents and representatives (collectively, the “**Permitted Exceptions**”).

2.4 Conditions to Close of Escrow. The obligation of the City and the Developer under this Agreement to close Escrow shall be subject to the satisfaction or express written waiver by the benefited Party, and in no event shall any contemplated action by the Developer be at the option of the Developer but the Developer must use reasonable good faith efforts to satisfy of each of the following conditions (collectively, the “**Closing Conditions**”):

2.4.1 For the benefit of the Developer, there shall have been no change to the physical condition of the Land and no new title exceptions after the date of the preliminary title report referenced in Section 2.4.1 hereof (except those changes to the physical condition or new title exceptions resulting from the activities of the Developer as contemplated herein) that, in either case, in the Developer’s opinion, would materially and adversely affect the development, use or operation of the Project. All title exceptions disapproved by Developer shall have been removed or waived by Developer.

2.4.2 For the benefit of the City and the Developer, the representations and warranties of the City and the Developer contained in this Agreement being true and correct in all material respects.

2.4.3 For the benefit of the City and the Developer, the delivery by the City and the Developer of all documents and funds required to be delivered pursuant to Section 2.7 hereof.

2.4.4 For the benefit of the Developer, the Title Company shall have committed to issue at the Close of Escrow an ALTA extended coverage Owner’s Title Insurance Policy, with any endorsements reasonably requested by the Developer, showing fee simple title to the Land

vested in the Developer (or Developer's assignee as permitted by this Agreement), subject only to the Permitted Exceptions.

2.4.5 For the benefit of the City and the Developer, the Developer and the City shall have performed, observed and complied with all covenants, agreements and conditions required by this Agreement to be performed, observed and complied with on its part prior to or as of the Close of Escrow.

2.4.6 For the benefit of the City and the Developer, the Land constitutes one or more separate legal parcels.

2.4.7 For the benefit of the City and the Developer, all tenants and other inhabitants of the Land (if any) shall have been relocated and the Developer in accordance with all existing federal, state and local laws.

2.4.8 For the benefit of the City and the Developer, the issuance of all grading and building permits required for the Project (or such permits and entitlements shall be ready to be issued upon the closing and payment of required permit fees to the City) and the issuance of all other project entitlements. Notwithstanding anything to the contrary contained herein, the failure of the City to issue such permits and entitlements shall not constitute a Default by the City.

2.4.9 For the benefit of the City, the Developer's issuance of written notice to the City accepting the condition of the Land pursuant to Section 2.6.2.

2.4.10 For the benefit of the City and the Developer, the Developer shall obtain, at the Developer's sole cost and expense, an environmental insurance policy (reasonably acceptable in form and substance to the City) which protects the Developer against liability arising from unknown Hazardous Materials located on or under the Land as of and prior to the Close of Escrow. The City shall be an additionally insured party under such environmental insurance policy. In connection with the issuance of such insurance policy, the City shall not be required to provide any representations or covenants with respect to the Property in addition to or otherwise modifying those otherwise expressly set forth herein.

2.5 Costs; Escrow Holder Settlement Statement.

2.5.1 The Developer shall be solely responsible for all costs and expenses related to all surveys and endorsements to title policies and any additional premiums for ALTA extended coverage title insurance. The City shall be responsible for the cost of CLTA title coverage and transfer taxes. The parties shall each pay one-half (½) of all escrow charges and recording fees. Each party shall bear its own expenses (including, but not limited to, attorneys' fees and expenses) incurred by such party in the negotiation of this Agreement.

2.5.2 Escrow Holder is authorized on the Close of Escrow to pay and charge the Developer for any fees, charges and costs payable under Section 2.5.1, which shall be set forth on a settlement statement prepared by Escrow Holder. Escrow Holder shall deliver draft settlement statements to the Parties for their mutual reasonable approval.

2.6 Condition of the Land.

2.6.1 “As-Is” Sale. The Developer acknowledges and agrees that, except as expressly set forth herein, the Developer is acquiring the Land in its “AS IS” condition, WITH ALL FAULTS, IF ANY, AND, EXCEPT AS EXPRESSLY SET FORTH HEREIN, WITHOUT ANY WARRANTY, EXPRESS OR IMPLIED, and neither the City nor any agents, representatives, officers, or employees of the City have made any representations or warranties, direct or indirect, oral or written, express or implied, to the Developer or any agents, representatives, or employees of the Developer with respect to the condition of the Land, its fitness for any particular purpose, or its compliance with any laws, and the Developer is not aware of and does not rely upon any such representation to any other party. Except as expressly set forth herein, neither the City nor any of its representatives is making or shall be deemed to have made any express or implied representation or warranty, of any kind or nature, as to (a) the physical, legal or financial status of the Land, (b) the Land’s compliance with applicable laws, (c) the accuracy or completeness of any information or data provided or to be provided by the City, or (d) any other matter relating to the Land.

2.6.2 Feasibility Investigations. The Developer shall complete all of its Feasibility Investigations within the Feasibility Period. All Feasibility Investigations shall be conducted by the Developer at its sole cost and expense. The City licenses the Developer to enter the Land for the sole purpose of conducting the Feasibility Investigations, subject to all of the terms and conditions of this Agreement. The license given in this Section 2.6.2 shall terminate with the termination of this Agreement. Any Feasibility Investigations by the Developer shall not unreasonably disrupt any existing use or occupancy of the Land. The Developer shall not conduct any intrusive or destructive testing of any portion of the Land, other than low volume soil samples, without the City’s prior written consent, which consent shall not be unreasonably withheld or delayed. The Developer shall pay all of its vendors, inspectors, surveyors, consultants or agents engaged in any inspection or testing of the Land, such that no mechanics liens or similar liens for work performed are imposed upon the Land by any such persons. Following the conduct of any Feasibility Investigations on the Land, the Developer shall restore the Land to substantially its condition prior to the conduct of such Feasibility Investigations. The activities of the Developer or its agents directly or indirectly related to the Feasibility Investigations shall be subject to the Developer’s indemnity, defense and hold harmless obligations pursuant to Section 7.2 hereof. The Developer shall provide City with evidence of liability insurance in the amount of One Million Dollars (\$1,000,000.00) naming the City as beneficiary, and insuring against any damage or liability that may arise from the activities of the Developer or its agents or contractor’s on the Land, prior to the commencement of any Feasibility Investigations on the Land. The Developer shall deliver a written notice to both the City and Escrow Agent, prior to the end of the Feasibility Period, stating the Developer’s unconditional acceptance of the condition of the Land or stating the Developer’s rejection of the condition of the Land and refusal to accept a conveyance of title to the Land, describing in reasonable detail the actions that Developer reasonably believes are indicated to allow Developer to unconditionally accept the condition of the Land. If the Developer does not accept the condition of the Land by delivery of such notice stating such acceptance prior to the end of the Feasibility Period, the Developer shall be deemed to have disapproved the condition of the Land. If the condition of the Land is rejected (or deemed rejected) by the Developer, then the Developer shall have the right to cancel the Escrow and terminate this

Agreement, in its sole and absolute discretion, without liability to the City, by delivery of a notice of termination to the City and the Escrow Agent.

2.6.3 Releases and Waivers. The Developer and anyone claiming by, through or under the Developer hereby, effective as of the Close of Escrow, waives its right to recover from and fully and irrevocable releases the City and its council members, employees, officers, representatives, agents and attorneys (“**Released Parties**”) from any and all claims, responsibility and/or liability that it may now have or hereafter acquire against any of the Released Parties for any costs, loss, liability, damage, expenses, demand, action or cause of action arising from or related to (i) the condition (including any defects, errors, omissions or other conditions, latent or otherwise, and the presence in the soil, air, structures and surface and subsurface waters of materials or substances that have been or may in the future be determined to be Hazardous Materials or otherwise toxic, hazardous, undesirable or subject to regulation and that may need to be specifically treated, handled and/or removed from the Land under current or future federal, state and local laws, regulations or guidelines), valuation, salability or utility of the Land, or its suitability for any purpose whatsoever, and (ii) any information furnished by the Released Parties under or in connection with this Agreement. This release includes claims of which the Developer is presently unaware or which the Developer does not presently suspect to exist which, if known by the Developer, would materially affect the Developer’s release to the City. The Developer specifically waives the provision of California Civil Code Section 1542, which provides as follows:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, AND THAT, IF KNOWN BY HIM OR HER WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.”

In this connection and to the extent permitted by law, the Developer hereby agrees, represents and warrants that the Developer realizes and acknowledges that factual matters now unknown to it may have given or may hereafter give rise to causes of action, claims, demands, debts, controversies, damages, costs, losses and expenses which are presently unknown, unanticipated and unsuspected, and the Developer further agrees, represents and warrants that the waivers and releases herein have been negotiated and agreed upon in light of that realization and that the Developer nevertheless hereby intends to release, discharge and acquit the Released Parties from any such unknown causes of action, claims, demands, debts, controversies, damages, costs, losses and expenses which might in any way be included as a material portion of the consideration given to the City by the Developer in exchange for the City’s performance hereunder.

The Developer hereby agrees that, if at any time after the Close of Escrow any third party or any governmental agency seeks to hold the Developer responsible for the presence of, or any loss, cost or damage associated with, Hazardous Materials in, on, above or beneath the Land or emanating therefrom, then the Developer waives any rights it may have against the City in connection therewith, including, without limitation, under CERCLA (as defined in Section 1.1.21) and the Developer agrees that it shall not (i) impede the City, (ii) bring a contribution action or

similar action against the City, or (iii) attempt in any way to hold the City responsible with respect to any such matter. The provisions of this Section 2.6.3 shall survive the Close of Escrow.

The City has given the Developer material concessions regarding this transaction in exchange for the Developer agreeing to the provisions of this Section 2.6.3. The City and the Developer have each initialed this Section 2.6.3 to further indicate their awareness and acceptance of each and every provision hereof.

CITY'S INITIALS

DEVELOPER'S INITIALS

2.6.4 Environmental Indemnity. From and after the Close of Escrow, the Developer shall indemnify, protect, defend and hold harmless the City and its officials, officers, attorneys, employees, consultants, agents and representatives, from and against any and all claims, liabilities, suits, losses, costs, expenses and damages, including but not limited to attorneys' fees and costs, arising directly or indirectly out of any claim for loss or damage to any property, including the Land, injuries to or death of persons, or for the cost of cleaning up the Land and removing Hazardous Materials or toxic substances, materials and waste therefrom, by reason of (i) the release of Hazardous Materials on the Land by the Developer or its officers, employees, contractors or subcontractors, or (ii) the violation by the Developer or its officers, employees, contractors or subcontractors of any statutes, ordinances, orders, rules or regulations of any governmental entity or agency related to Hazardous Materials on or under the Land. This indemnification shall survive the Close of Escrow.

2.7 Deposits into Escrow.

2.7.1 The City shall deposit with Escrow Holder, prior to Close of Escrow, the following instruments and documents, the delivery of each of which shall be a condition of the Close of Escrow:

2.7.1.1 A Grant Deed, duly executed and acknowledged by the City, in the form attached hereto as Exhibit "D" (the "**Grant Deed**");

2.7.1.2 The affidavit as contemplated by California Revenue and Taxation Code § 18662 (the "**Withholding Affidavit**");

2.7.1.3 A Certification of Non-Foreign Status in accordance with I.R.C. Section 1445 (the "**FIRPTA Certificate**");

2.7.1.4 A counterpart of a Memorandum of Purchase and Sale Agreement, substantially in the form attached hereto as Exhibit "E" duly executed by the City and acknowledged;

2.7.1.5 A counterpart of the Regulatory Agreement, substantially in the form attached hereto as Exhibit "F", duly executed by City and acknowledged;

2.7.1.6 A counterpart of the Notice of Affordability Restrictions, substantially in the form attached hereto as Exhibit “G”, duly executed and acknowledged;

2.7.1.7 Such proof of the City’s authority and authorization to enter into this transaction as the Title Company may reasonably require in order to issue the Developer’s policy of title insurance; and;

2.7.1.8 A fully executed copy of the Subordination Agreement in the form attached hereto as Exhibit “H”; and

2.7.1.9 The City shall deposit with Escrow Holder funds sufficient to satisfy the City’s monetary obligations in accordance with this Agreement.

2.7.2 The Developer shall deposit with Escrow Holder, prior to the Close of Escrow, counterparts of the Grant Deed, Memorandum of Purchase and Sale Agreement, the Regulatory Agreement, the Notice of Affordability Restrictions, and Subordination Agreement, all duly executed by the Developer and acknowledged, and funds sufficient to satisfy the Developer’s monetary obligations in accordance with this Agreement.

2.8 Authorization to Record Documents and Disburse Funds. Escrow Holder is hereby authorized to record the documents and disburse the funds and documents called for hereunder upon Close of Escrow, provided each of the following conditions has then been fulfilled:

(i) The Title Company can issue in favor of the Developer an ALTA Extended Coverage Owner’s Policy of Title Insurance, with liability equal to the Purchase Price (or such other amount as shall have been reasonably requested by the Developer), showing title to the Land vested in Developer subject only to the Permitted Title Exceptions.

(ii) The City and Developer shall have deposited in Escrow the documents required pursuant to Section 2.7.1 and 2.7.2, and the City and Developer shall have deposited in Escrow all Escrow closing costs.

(iii) The City and the Developer have confirmed to Escrow Holder that all of the other closing conditions set forth in Section 2.4 have been satisfied or expressly waived in writing by the Party(s) benefited thereby.

Unless otherwise instructed in writing, Escrow Holder is authorized to record at the Close of Escrow any instrument delivered through this Escrow if necessary or proper for issuance of the Developer’s title insurance policy.

2.9 Escrow’s Closing Actions. On the Close of Escrow, Escrow Holder shall:

2.9.1 Record the Grant Deed, the Memorandum of Purchase and Sale Agreement, the Regulatory Agreement, the Notice of Affordability Restrictions, and the Subordination Agreement, with the Los Angeles County Recorder, in that order;

2.9.2 Issue the Title Policy (or cause the Title Company to issue the Title Policy);

2.9.3 Prorate taxes, assessments, rents, and other charges as of the Close of Escrow in accordance with the settlement statements approved by the Parties.

2.9.4 From funds deposited by the Developer, pay prorated amounts and charges to be paid by or on behalf of the Developer, and return any excess to the Developer;

2.9.5 Prepare and deliver to both the Developer and the City one signed copy of Escrow Holder's closing statement showing all receipts and disbursements of the Escrow; and

2.9.6 Deliver the FIRPTA Certificate and the Withholding Affidavit to the Developer.

2.10 Additional Instructions. If required by the Escrow Holder, the Parties shall execute appropriate escrow instructions, prepared by the Escrow Holder, which are not inconsistent herewith. If there is any inconsistency between the terms hereof and the terms of the escrow instructions, the terms hereof shall control unless an intent to amend the terms hereof is expressly stated in such instructions.

3. DEVELOPMENT COVENANTS.

3.1 Development of the Project.

3.1.1 Developer's agents, employees, contractors, representatives (collectively "**Licensee's Designees**") shall have the right, at the Developer's discretion and expense (without a condition of the Close of Escrow), to enter upon the Land prior to the Close of Escrow for the purpose of improvements, rough-grading and utility undergrounding (collectively, the "**Pre-Closing Work**"). The Developer shall indemnify, defend and hold the City harmless from and against any and all claims, liens, liabilities, damages, losses, costs and expenses of any kind or nature whatsoever (including, without limitation, attorneys' fees and expenses and court costs) ("collectively "**Claims**") suffered, incurred or sustained by the City as a result of, by reason of, or in connection with the Pre-Closing Work, except for Claims resulting from the willful misconduct, negligence or breach of this Agreement by the City. The Developer shall procure and maintain reasonable insurance naming the City as beneficiary and in such amounts as the City shall reasonably require and covering claims for injuries to persons and property that may arise from or are otherwise connected with the performance of the Pre-Closing Work, and the Developer shall deliver evidence of such insurance to the City prior to entering the Land. The Developer shall not be obligated by this Agreement to perform any Pre-Closing Work.

3.1.2 The Developer shall demolish any improvements on (and rough grade) the Land, install underground utilities, and develop the Improvements on the Land, in accordance with the Scope of Development, the Schedule of Performance, all requirements of any and all applicable federal, state and local laws, rules and regulations (including any conditions of approval required by the City), the Plans and Specifications, and all other terms, conditions and requirements of this Agreement. The Developer shall comply with the Schedule of Performance in a timely manner, provided that the obligations of the Developer set forth therein which are to be performed after the Close of Escrow shall be delayed by Force Majeure Delays, if applicable, and provided, further, that the City Manager may extend any deadline therein, in writing, in his sole and absolute discretion, not to exceed one hundred twenty (120) days per applicable deadline. Until a

Certificate of Completion is issued, the Developer shall provide the City with periodic progress reports, as reasonably requested by the City, regarding the status of the construction of the Improvements.

3.2 City's Right to Review Plans and Specifications. In connection with construction of the Project, the Developer shall comply in all respects with Plans and Specifications approved by the City. The City shall have the right to review all Plans and Specifications for the Improvements to ensure that the Improvements are constructed in accordance with the Scope of Development and the other applicable provisions of this Agreement.

3.3 Construction Contracts. The Developer shall retain one or more reputable and financially responsible general contractors (each, a "**General Contractor**") to undertake the construction of the Improvements. Each General Contractor shall be acceptable to and approved in writing by the City Manager (in the exercise of his sole and absolute discretion), licensed in California, shall have any other licenses required by the City, and shall be experienced in constructing the type of improvements constituting the Improvements; provided, however, that Olson Urban Housing, L.P., a Delaware limited partnership, is hereby approved as an acceptable contractor. On or before the date set forth in the Schedule of Performance, the Developer shall enter into a written contract, in form and substance acceptable to the City Manager (in the exercise of his sole and absolute discretion) (the "**Construction Contract**"), with the General Contractor(s) for performing the work constituting the construction of such improvements. Each such Construction Contract shall obligate the General Contractor to commence and complete such construction in accordance with this Agreement and all applicable federal, state and local laws, rules and regulations. The General Contractor will utilize good faith efforts to provide opportunities to residents and businesses within the City of Compton to be utilized for construction labor and building materials in the construction of the Project.

3.4 Construction Financing. The Developer shall submit to the City, for approval by the City Manager (in the exercise of his reasonable and good faith discretion), evidence of an executed Construction Loan or Construction Loan commitment. As used herein, the term "**Construction Loan**" shall mean a loan in an aggregate amount equal to (or greater than) all hard costs of designing and constructing the Improvements and all soft costs for owning and operating the Project until maturity of the construction loan, as shown in the budget for such Construction Loan and the Project Budget, less equity funds for such purposes to be provided by the Developer and shown in the Project Budget. The Construction Loan may be a loan provided under a line of credit or credit facility, and the City hereby approves the credit facility in the aggregate principal amount of Twenty-Five Million Dollars (\$ 25,000,000), which may be increased due to its revolving nature, to be provided by Wells Fargo Bank, as administrative agent for the lenders, which is described in Recital B of the form of Subordination Agreement attached hereto (the "**Secured Credit Facility**"). Evidence of an executed Construction Loan commitment may consist of a letter demonstrating that the Project meets the requirements to be added to the Secured Credit Facility.

3.5 Costs of Entitlement, Development and Construction. The Developer agrees that all costs, expenses and fees associated with the development and construction of the Project, including the costs for developing and constructing the Improvements thereon (including, but not limited to governmental permits and approvals), shall be borne by the Developer.

3.6 Rights of Access and Inspection. In addition to those rights of access to and across the Land to which the City and the City may be entitled by law, members of the staff of the City shall have a reasonable right of access to the Land, without charge or fee, at any reasonable time, upon reasonable notice to the Developer (which may be telephonic notice to the Developer or its construction foreman) to inspect the work being performed at the Land in connection with the initial development of the Project but shall not be obligated to do so and the City shall not be liable for any failure to disclose any information discovered by the City (or that could or should have been discovered by any City inspection). The City shall also have the right at all reasonable times to inspect and copy those portions of the books, records and all other documentation of the Developer specifically and directly pertaining to its obligations under this Agreement.

3.7 Local, State and Federal Laws. The Developer shall carry out the construction of the Improvements on the Land in conformity with all applicable federal, state and local laws, including, but only to the extent applicable by law, state labor standards and prevailing wage laws, Labor Code Section 1720, *et seq.*, and its implementing regulations (“**Prevailing Wage Laws**”). It is the understanding and intent of the Parties that any assistance provided by City under this Agreement meets the exemption from Prevailing Wage Laws set forth in Labor Code Section 1720(c)(4) for the construction or rehabilitation of affordable housing units for low or moderate-income persons pursuant to paragraph (5) or (7) of subdivision (e) of Section 33334.2 of the Health and Safety Code that are paid for solely with moneys from the Low and Moderate Income Housing Fund established pursuant to Section 33334.3 of the Health and Safety Code or that are paid for by a combination of private funds and funds available pursuant to Section 33334.2 or 33334.3 of the Health and Safety Code. It is the further understanding and intent of the Parties that, other than the amount of the purchase price of the Land, City is providing no other assistance to the Project which would constitute construction, alteration, demolition, installation, or repair work done under contract and paid for in whole or in part out of public funds as defined pursuant to Labor Code Section 1720. Notwithstanding the foregoing, Developer shall be solely responsible for determining and effectuating compliance with any applicable Prevailing Wage Laws, and City makes no representation as to the applicability or non-applicability of the Prevailing Wage Laws to the Project. Developer hereby releases from liability, and agrees to indemnify, defend, assume all responsibility for and hold City and its officers, employees, agents and representatives, harmless from any and all claims, demands, actions, suits, proceedings, fines, penalties, damages, expenses resulting from, arising out of, or based upon Developer’s acts or omissions pertaining to the compliance with the Prevailing Wage Laws for the Project. The indemnification provisions of this Section 3.7 shall survive the Close of Escrow and the termination of this Agreement.

3.8 City and Other Governmental City Permits and Approvals. Before commencement of construction or development of any work of improvement on the Land, the Developer shall (at the Developer’s expense) secure, or cause to be secured, any and all permits which may be required by the City or any other governmental agency having jurisdiction over such construction or development.

3.9 Anti-discrimination During Construction. The Developer, for itself and its successors and assigns, agrees that it shall not discriminate against any employee or applicant for employment, as provided in Section 5.3, in the construction of the Improvements.

3.10 Taxes, Assessments, Encumbrances and Liens. The Developer shall pay when due all real property taxes and assessments assessed or levied on portions of the Land from time to time owned by the Developer, commencing immediately after closing of the land acquisition.

3.11 No Agency Created. In performing this Agreement, the Developer is an independent contractor and not the agent of the City. The City is not an agent of the Developer. The City shall not have any responsibility whatsoever for payment to any contractor or supplier of the Developer or its contractors. The Developer shall not have any responsibility whatsoever for payment to any contractor or supplier of the City.

3.12 Certificate of Completion. Upon the Developer's completion of the construction of all of the Improvements, the Developer may apply to the City for a Certificate of Completion. The City's issuance of the Certificate of Completion shall constitute the acknowledgement of the City that the Developer has complied in all respects with its development obligations (and only the development obligations) set forth in this Article 3 with respect to all of the Improvements required hereunder. Promptly following the City's issuance of a final certificate of occupancy for a unit of housing (and in conjunction with the sale of such housing unit to a third party), and provided that the Developer is then in full compliance with all of its obligations under Article 3 of this Agreement (and is not otherwise in default under the provisions of this Agreement), the City shall, at the Developer's request, execute, acknowledge and deliver to the Developer a form, reasonably acceptable to the Developer, of an express termination or reconveyance of the City's right of reversion as contained in the Grant Deed. If the City believes that the Developer is not in compliance with its obligations under this Article 3, the City shall promptly specify the nature of such non-compliance by written notice to the Developer.

4. LIMITATIONS ON TRANSFERS AND SECURITY INTERESTS.

4.1 Restrictions on Transfer of Developer's Rights and Obligations.

4.1.1 Prior to issuance of a Certificate of Completion, the Developer shall not sell, assign, transfer, mortgage, lease (except for space leases conditioned upon Project completion), hypothecate, or convey (collectively, a "**Transfer**") the Land or any part thereof or any of the Developer's rights or obligations hereunder to another person or entity (a "**Transferee**"), without the City's prior written consent, which consent may be granted or withheld in the City's sole and absolute discretion, except that no City approval shall be required for (i) the execution of one or more deeds of trust and related instruments securing the Developer's construction loan(s), (ii) a conveyance of the Land resulting from the foreclosure thereof (or a deed-in-lieu of such a foreclosure to the lender or any Affiliate of the lender), (iii) the conveyance or dedication of any portion of the Land to the City or other appropriate governmental agency, (iv) the granting of easements or permits to facilitate construction of the Improvements, (v) the sale of for-sale units to qualified persons and households in the normal course of business, in accordance with the Regulatory Agreement if applicable, (vi) any transfer of the Land and the corresponding rights and obligations of this Agreement to an Affiliate of the Developer, provided that the Transferee assumes all of the provisions of this Agreement that relate to the transferred Land pursuant to an assignment and assumption agreement and all design and constructions contracts and plans and rights to financing shall be assigned in writing to and assumed in writing by the Transferee. The Developer acknowledges that the identity of the Developer is of particular concern to the City, and

it is because of the Developer's identity that the City has entered into this Agreement with the Developer. Except for any Transferee approved by the City pursuant to this Section 4.1, and except for any Holder (defined in Section 4.2) that has taken possession of the Land, no voluntary or involuntary successor in interest of the Developer shall acquire any rights or powers under this Agreement. No Transfer of the Developer's interest hereunder without the City's prior written approval shall be deemed to release the Developer from the obligations of the Developer hereunder.

4.2 Holders of Deeds of Trust. Notwithstanding any provisions of Section 4.1 to the contrary, the Developer shall have the right to hypothecate its interest in the Land and Project pursuant to one or more deeds of trust from an institutional lender approved by the City (which approval shall not unreasonably be withheld or delayed), for the purpose of securing loans of funds to be used for financing the direct and indirect costs of the Improvements (including land development costs, reasonable and customary developer fees, loan fees and costs, and other normal and customary project costs), or for refinancing the construction financing. Any institutional lender of record holding any such deed of trust, whose name and address shall have been provided by the Developer to the City, shall be referred to herein as a "**Holder**."

4.3 Rights of Holders. The City shall deliver a copy of any notice or demand to the Developer concerning any breach or default by the Developer under this Agreement to each Holder who has previously made a written request to the City for special notice hereunder. Any notice of breach or default by the Developer shall not be effective against any such Holder unless given to such Holder. Such Holder shall have the right at its option to cure or remedy any such default, within the thirty (30) days after the later of the expiration of the Developer's period to cure such default or the Holder's receipt of the default notice from the City, and to add the cost thereof to the secured debt and the lien of its security interest. If such breach or default can only be remedied or cured by such Holder upon obtaining possession, such Holder may remedy or cure such breach or default within a reasonable period of time after obtaining possession, provided such Holder seeks possession with diligence through a receiver or foreclosure. Such Holder shall not undertake or continue the construction or completion of the Improvements beyond the extent necessary to conserve or complete the Improvements. Any Holder completing the Improvements may assume all rights and obligations of the Developer under this Agreement (but without any obligation to do so); provided that, in the event of any such assumption, (i) the City shall reasonably cooperate with the Holder and (ii) such Holder shall be entitled to a reasonable extension of time to complete the Project in accordance with this Agreement. If a Holder should, as a condition of providing financing for development of all or a portion of the Project, request any modification of this Agreement in order to protect its interests in the Project or this Agreement, the City shall not unreasonably withhold its consent to such request consistent with the purpose and intent of this Agreement and the rights and obligations of the parties under this Agreement. As used in this Agreement, to the extent applicable, the term "**Holder**" shall include any successors and assigns of Holder and any person or entity acquiring the Land at or at any time after a foreclosure event.

4.4 Noninterference with Holders. The provisions of this Agreement do not limit the right of Holders (a) to foreclose or otherwise enforce any mortgage, deed of trust, or other security instrument encumbering all or any portion of the Land, and the Improvements thereon, (b) to pursue any remedies for the enforcement of any pledge or lien encumbering such portions of the Land, or (c) to accept, or cause its nominee to accept, a deed or other conveyance in lieu of

foreclosure or other realization. In the event of (i) a foreclosure sale under any such mortgage, deed of trust or other lien or encumbrance, (ii) a sale pursuant to any power of sale contained in any such mortgage or deed of trust, or (iii) a deed or other conveyance in lieu of any such sale, the purchaser or purchasers and their successors and assigns, and such portions of the Land shall be, and shall continue to be, subject to all of the conditions, restrictions and covenants of all documents and instruments recorded pursuant to this Agreement, including, without limitation, the restrictions set forth in the grant deed on such property from the City to the Developer, subject to the provisions hereof. The City agrees to execute such further documentation regarding the rights of any Holder as set forth in Section 4.7 hereof.

4.5 Right of City to Cure. In the event of a default or breach by the Developer of a loan by a Holder prior to the completion of the Improvements, the City may, upon prior written notice to the Developer, cure the default, prior to the completion of any foreclosure, in accordance with the terms of the Subordination Agreement.

4.6 Right of City to Satisfy Other Liens. After the Close of Escrow, and after the Developer has had a reasonable time to challenge, cure, or satisfy any liens or encumbrances on the Land or any portion thereof, and has failed to do so, in whole or in part, the City shall, upon prior written notice to the Developer, have the right to satisfy any such lien or encumbrances; however, nothing in this Agreement shall require the Developer to pay or make provision for the payment of any tax, assessment, lien or charge so long as the Developer in good faith shall contest the validity or amount therein and so long as such delay in payment shall not subject the Land or any portion thereof to forfeiture or sale.

4.7 Subordination. Upon the request of the Holder, the City shall enter into a subordination agreement, substantially in the form attached hereto as Exhibit "H" and incorporated herein (the "**Subordination Agreement**"), as such form may be amended or otherwise modified at the reasonable request of such Holder, to subordinate its rights under this Agreement, the Grant Deed, the PSA Memorandum and the Regulatory Agreement, to the lien or encumbrance of the therein described financing. The City shall also execute such further documents as Holder may reasonably require to effectuate such subordination.

4.8 USE AND OPERATION OF THE PROPERTY.

4.9 Maintenance by Developer. During their respective periods of ownership of the Project, the Developer and its successors in interest with respect to the Project shall maintain the Project (including landscaping) in a commercially reasonable manner substantially comparable to maintenance provided to other developments of similar age and quality located in Los Angeles County. The Developer shall maintain the Improvements in good repair and working order, and in a neat, clean and orderly condition, including the walkways, driveways, and landscaping, and from time to time make all necessary and proper repairs, renewals, and replacements. In the event that there arises at any time prior to the expiration of such period a condition in contravention of the above maintenance standard, then the City shall notify the Developer in writing of such condition, giving the Developer thirty (30) days from receipt of such notice to cure said condition. In the event the Developer fails to cure or commence to cure the condition within the time allowed, the City shall have the right to perform all acts necessary to cure such a condition, or to take other recourse at law or in equity the City may then have and to receive from the Developer the City's actual and reasonable costs in taking such action, which shall be paid by the Developer within ten (10) days after written demand describing the costs. The foregoing provisions shall be a covenant running with the Land and will be enforceable by the City, its successors and assigns.

Prior to selling any housing units, the Developer shall prepare and submit a Declaration of CC&Rs for the Project to the City and obtain its reasonable approval. The CC&Rs shall be recorded prior to the sale of any housing units. The CC&Rs shall obligate the owners of the homes to maintain their individual units and assume all liability for the foregoing maintenance requirements with respect to the individual units, and the owner's association to maintain the common areas and assume all liability for the foregoing maintenance requirements, with respect to the common areas, and the Developer shall have no further responsibility for maintenance of any completed improvements subject to the CC&Rs.

4.10 Obligation to Refrain from Discrimination. The Developer covenants by and for himself, and any successors in interest, that there shall be no discrimination against or segregation of any person, or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, rental, sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Land or Improvements, nor shall the Developer himself or any such person claiming under or through him establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the Site. The foregoing covenants shall run with the Land.

4.11 Form of Nondiscrimination and Non-Segregation Clauses.

All deeds, leases or contracts entered into by the Developer that relate to the Project or any portion thereof shall contain or be subject to substantially the following nondiscrimination or non-segregation clauses:

1. In deeds: "The grantee herein covenants by and for and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group or persons on account of any basis listed

in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall the grantee himself, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the land herein conveyed. The foregoing covenants shall run with the land.

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

2. In leases: “The lessee herein covenants by and for himself, his heirs, executors, administrators and assigns, and all persons claiming under or through him, and that this lease is made and accepted upon and subject to the following conditions:

That there shall be no discrimination against or segregation of, any person or group or persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, in the leasing, subleasing, transferring, use, or enjoyment of the land herein leased nor shall the lessee himself, or any person claiming under or through him, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the land herein leased.

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

3. In contracts: “There shall be no discrimination against or segregation of, any person or group or persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land, nor shall the transferee himself or any person claiming under or through him, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the land.

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

4.12 Affordability Covenants. The Developer shall comply with the Regulatory Agreement. The Developer shall commence the marketing of the affordable units required by the Regulatory Agreement to eligible purchasers, and shall use good faith efforts to designate and sell the affordable units, as early as practicable. The City shall assist the Developer in the marketing of the affordable units by providing Developer the names and contact information of eligible purchasers on the City’s homebuyer interest list.

5. EVENTS OF DEFAULT, REMEDIES AND TERMINATION.

5.1 Defaults - Definition. Subject to the provisions of Section 6.7 hereof, the occurrence of any or all of the following shall constitute a default (“**Default**”) under this Agreement:

5.1.1 The Developer’s failure to perform its obligations under this Agreement on a timely basis as contained herein, or in the Schedule of Performance, involving the payment of money, and the continuance of such breach for a period of ten (10) days after the City has given written notice to the Developer, as specified in Section 8.1; provided; however, if such breach is not reasonably curable within such ten (10) day period, then Developer shall be deemed in Default only if Developer does not commence to cure such breach within such ten (10) day period and thereafter fails to diligently prosecute such breach to completion.

5.1.2 Except as otherwise provided in Section 6.1.1 hereof, a breach of any material term of this Agreement, the Grant Deed, the Regulatory Agreement, or the Subordination Agreement by any Party not involving the payment of money and failure of such Party to cure such breach within thirty (30) days after the non-defaulting Party has given written notice to the

defaulting Party; provided, however, if such breach is not reasonably curable within such thirty (30) day period, then such Party shall be deemed in Default only if such Party does not commence to cure such breach within such thirty (30) day period and thereafter fails to diligently prosecute such breach to completion;

5.1.3 Developer's Transfer (as defined in Section 4.2), or the occurrence of any involuntary Transfer, of the Project or Improvements or any part thereof or interest therein, or any rights or obligations of the Developer under this Agreement, in violation of this Agreement;

5.1.4 The Developer's failure or refusal to keep in force and effect any material permit or approval with respect to construction, and the Developer's failure to cure such breach within thirty (30) calendar days after notice from the City of the Developer's breach; provided, however, if such breach is not reasonably curable within such thirty (30) day period, then the Developer shall be deemed in Default only if the Developer does not commence to cure such breach within such thirty (30) day period and thereafter fails to diligently prosecute such breach to completion;

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

5.2 Remedies.

5.2.1 Remedies Prior to the Close of Escrow. In the event of a Default by any Party prior to the Close of Escrow, the non-defaulting Party shall have the right to terminate this Agreement (provided it is not in Default of its obligation under this Agreement), by delivering written notice thereof to the defaulting Party and to Escrow Holder, subject to the rights of the defaulting Party to cure such Default as provided in Section 6.1. Subject to Section 2.2, such Party may seek against the defaulting Party any available remedies at law or equity, including but not limited to, the right to receive damages (excluding damages for lost profits) or to pursue an action for specific performance.

5.2.2 Remedies for Default After the Close of Escrow. In addition to, and without limiting, the City's right of re-entry and termination contained in the Grant Deed, in the event of a Default by any Party after the Close of Escrow, a non-defaulting party shall be entitled to the following remedies, as applicable:

(i) A defaulting Party shall be liable to the non-defaulting Party for all damages, costs and losses incurred by the non-defaulting Party, and the non-defaulting Party may seek against the defaulting Party any available remedies at law or equity, including but not limited to the right to receive damages or to pursue an action for specific performance.

(ii) The Developer shall deliver to the City absolute assignments (with appropriate written consents) of all design contracts and plans and specifications for the Project, which shall be in form and substance reasonably acceptable to the City.

5.3 No Speculation. The rights established in this Article are to be interpreted in light of the fact that the City will convey the Land to the Developer for development of the Project thereon and not for speculation in undeveloped land or for construction of different improvements.

5.4 No Personal Liability. No representative, agent, attorney, consultant, or employee of the City shall personally be liable to the Developer or any successor in interest of the Developer, in the event of any Default or breach by the City, or for any amount which may become due to the Developer or any successor in interest, on any obligation under the terms of this Agreement.

5.5 Rights and Remedies are Cumulative. The rights and remedies of the Parties are cumulative, and the exercise by either Party of one or more of such rights or remedies shall not preclude the exercise by it, at the same time or different times, of any other rights or remedies for the same default or any other default by the non-defaulting Party.

5.6 Inaction Not a Waiver of Default. Any failures or delays by either Party in asserting any of its rights and remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies, or deprive either such Party of its rights to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies. The acceptance by a Party of less than the full amount due from the other Party shall not constitute a waiver of such Party's right to demand and receive the full amount due, unless such Party executes a specific accord and satisfaction.

5.7 Force Majeure. Following the Close of Escrow, and notwithstanding anything to the contrary in this Agreement, nonperformance shall be excused when performance is prevented or delayed by reason of any of the following forces reasonably beyond the control of such party (a "**Force Majeure Delay**"): (i) failure to perform by the Developer affecting all similar works of construction in the Compton, California, area, attributable to any strike, lockout or other labor or industrial disturbance (whether or not on the part of the employees of either party hereto), civil disturbance, future order claiming jurisdiction, act of the public enemy, acts of terrorism, war, riot, sabotage, blockade, embargo, inability to secure customary materials, supplies or labor through ordinary sources by reason of regulation or order of any government or regulatory body; and (ii) delay attributable to severe weather, lightning, earthquake, fire, storm, hurricane, tornado, flood, washout, explosion, or any other similar industry-wide cause beyond the reasonable control of the party from whom performance is required, or any of its contractors or other representatives. Any prevention, delay or stoppage due to any Force Majeure Delay shall excuse the performance of the party affected for a period of time equal to any such prevention, delay or stoppage (except the obligations of either party to pay money to the other party or to close escrow); provided that the party claiming Force Majeure Delay notifies the other party within ten (10) business days after the commencement of the Force Majeure Delay if the Party claiming delay has no actual knowledge of the event of Force Majeure Delay, the Party claiming the Force Majeure Delay must nevertheless notify the other Party of the Force Majeure Delay within a reasonable time (not to exceed thirty days) after the commencement of the Force Majeure Delay.

6. INSURANCE; INDEMNITY.

6.1 Insurance.

6.1.1 From and after the Close of Escrow and until the issuance of a Certificate of Completion, the Developer shall obtain and maintain at no cost or expense to the City, with a reputable and financially responsible insurance company reasonably acceptable to the City, (i) commercially reasonable property insurance for the Improvements in an amount not less than the replacement cost of the Improvements (subject to commercially reasonable deductibles) with a reasonable inflation rider; (ii) commercial general liability insurance, insuring against claims and liability for bodily injury, death, or property damage arising from the construction, use, occupancy, condition, or operation of the Land, which liability insurance shall provide combined single limit protection of at least Five Million Dollars (\$5,000,000), contractual liability coverage and products and completed operations coverage, and (iii) commercial automobile liability insurance of at least One Million Dollars (\$1,000,000) combined single limit. Such liability insurance policies shall name the City and its council members, board members, officers, agents and employees as additional insureds.

6.1.2 Before commencement of any demolition or construction work by the Developer on any portion of the Land owned by the Developer, the Developer shall obtain and maintain in force until completion of such work (i) "all risk" builder's risk insurance, including coverage for vandalism and malicious mischief, in a form and amount and with a company reasonably acceptable to the City, and (ii) workers' compensation insurance covering all persons employed by the Developer in connection with work on the Project, or any portion thereof. During the construction of Improvements on any portion of the Land by the Developer, such builder's risk insurance shall cover improvements in place and all material and equipment at the job site furnished under contract, but shall exclude contractors', subcontractors', and construction managers' tools and equipment and property owned by contractors' and subcontractors' employees.

6.1.3 The Developer shall also require that any contractor with whom it has contracted for the performance of work on the Land or otherwise pursuant to this Agreement carry workers' compensation insurance as required by law.

6.1.4 With respect to each policy of insurance required above, the Developer and each of the Developer's general contractors, engineers and architects shall furnish to the City a certificate on the insurance carrier's form setting forth the general provisions of the insurance coverage promptly after written request by the City showing the additional insureds. The certificate shall also be furnished by the Developer prior to commencement of construction of any Improvements.

6.1.5 All such policies required by this Section shall contain (i) language to the effect that the policies cannot be cancelled or materially changed except after thirty (30) days' written notice by the insurer to the City, and (ii) a waiver of the insurer of all rights of subrogation against the City and the other additional insureds. All such insurance shall have deductibility limits which shall be commercially reasonable.

6.2 Indemnity. From and after the execution of this Agreement, the Developer hereby agrees to indemnify, defend, protect, and hold harmless the City and any and all agents, employees, representatives, council members, board members, consultants, and offices of the City, from and against all losses, liabilities, claims, damages (including foreseeable or unforeseeable

consequential damages), penalties, fines, forfeitures, costs and expenses (including all reasonable out-of-pocket litigation costs and reasonable attorneys' fees) and demands of any nature whatsoever, related directly or indirectly to, or arising out of or in connection with:

- (i) the validity of this Agreement;
- (ii) the development and construction by the Developer of the Improvements on the Land or the use, ownership, management, occupancy, or possession of the Land during the Developer's period of ownership of the Land;
- (iii) any breach or Default by the Developer hereunder (subject to any liquidated damages provisions otherwise contained in this Agreement); or
- (iv) any of the Developer's activities on the Land (or the activities of the Developer's agents, employees, lessees, representatives, licensees, guests, invitees, contractors, subcontractors, or independent contractors on the Land), regardless of whether such losses and liabilities shall accrue or are discovered before or after termination or expiration of this Agreement, except to the extent such losses or liabilities are caused by the gross negligence or willful misconduct of the City. The City may in its discretion, and at its own cost, participate in the defense of any legal action naming the City. The provisions of this Section 7.2 shall survive the Close of Escrow and the termination of this Agreement.

7. REPRESENTATIONS AND WARRANTIES.

7.1 Developer Representations. The Developer represents and warrants to the City as of the date of this Agreement and as of the Close of Escrow that:

- (i) The Developer is a limited liability company validly existing and in good standing under the laws of the State of Delaware, and eligible to do business within the state of California.
- (ii) The Developer has duly authorized the execution and performance of this Agreement and the execution and performance of all of the closing documents set forth herein.
- (iii) The Developer's execution and performance of this Agreement and the closing documents will not violate any provision of the Developer's operating agreement or any deed of trust, lease, contract, agreement, instrument, order, judgment or decree by which the Developer is bound.
- (iv) The Developer has not engaged a broker with respect to the purchase of the Land contemplated herein.

7.2 City Representations. The City hereby represents and warrants to the Developer as of the date of this Agreement and as of the Close of Escrow that:

- (i) the City has not engaged a broker with respect to the purchase of the Land as contemplated herein.

(ii) This Agreement has been duly authorized by the City.

(iii) The City is not a “foreign person” within the parameters of FIRPTA or any similar state statute, or is exempt from the provisions of FIRPTA or any similar state statute, or the City has complied and will comply with all the requirements under FIRPTA or any similar state statute.

(iv) To the current, actual knowledge of the City Manager, the City’s execution, delivery and performance of its obligations under this Agreement will not constitute a default or a breach under any contract, agreement or order to which the City is a party or by which it is bound.

(v) The City Manager has no current, actual knowledge of, nor has the City received any notice of, nor does the City Manager know of any basis for, any actual or pending litigation or proceeding by any organization, person, individual or governmental agency against the City with respect to the Land or against the Land.

(vi) The City Manager has no knowledge of, nor has City received any notice of, nor does the City Manager know of any basis for, any violations of laws, statutes, regulations, ordinances, other legal requirements with respect to the Land (or any part thereof) or with respect to the use, occupancy or construction thereof, or any investigations by any governmental or quasi-governmental authority into potential violations thereof or any condemnation or eminent domain proceedings pending or threatened with respect to the Land or any portion thereof.

(vii) The City hereby represents to the current, actual knowledge of the City Manager, it has delivered all material non-privileged documents in its possession and pertaining to the Land to the Developer. The City hereby represents that to the actual knowledge of the City Manager, the City has not received any written notice or written communication from any government agency having jurisdiction over the Land notifying the City of the presence of surface or subsurface zone Hazardous Materials in, on, or under the Land, or any portion thereof.

(viii) All funds used by the former Redevelopment Agency to acquire each and every component of the Land, solely constitute moneys from a Low and Moderate Income Housing Fund established pursuant to Section 33334.3 of the California Health and Safety Code, all within the meaning of Section 1720(c)(4) of the California Labor Code. The City is not providing funds from any other source in assistance to the Project.

(ix) The City Manager shall have no personal liability with respect to the accuracy of the representations contained in this Section 8.2.

8. GENERAL PROVISIONS.

8.1 Notices. All notices and demands shall be given in writing by certified mail, postage prepaid, and return receipt requested, or by reputable overnight messenger service. Notices shall be considered given upon the earlier of (a) personal delivery, or (b) one business day following deposit or delivery with a nationally recognized overnight courier delivery charges prepaid, or (c) date of delivery or attempted delivery shown on the return receipt if sent by mail, certified or return receipt requested. Notices shall be addressed as provided below for the respective Party; provided that if any Party gives notice in writing of a change of name or address, notices to such Party shall thereafter be given as demanded in that notice:

City: City of Compton
205 South Willowbrook Avenue
Compton, California 90220
Attn: Craig J. Cornwell, Jr., City Manager

With a copy to: The City of Compton
205 South Willowbrook Avenue
Compton, California 90220
Attn: Michael L. Antwine, II, Assistant City Manager

and The City of Compton
205 South Willowbrook Avenue
Compton, California 90220
Attn: Damon M. Brown, City Attorney

and Richards, Watson & Gershon
355 S. Grand Ave., 40th Floor
Los Angeles, California 90071
Attn: Jim G. Grayson, Esq.

Developer: Olson Urban Housing, LLC
3010 Old Ranch Parkway, Suite 100
Seal Beach, California 90740-2751
Attn: Todd J. Olson
Copy to: Katherine Chandler

8.2 Construction. The Parties agree that each Party and its counsel have reviewed and revised this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting Party shall not apply in the interpretation of this Agreement or any amendments or exhibits thereto. This Agreement shall be construed as a whole according to its fair language and common meaning to achieve the objectives and purposes of the Parties.

8.3 Interpretation. In this Agreement the neuter gender includes the feminine and masculine, and singular number includes the plural, and the words "person" and "party" include corporation, partnership, firm, trust, or association where ever the context so requires. Unless otherwise required by a specific provision of this Agreement, time hereunder is to be computed by excluding the first day and including the last day. If the date for performance falls on a Saturday,

Sunday, or legal holiday, the date for performance shall be extended to the next business day. All references in this Agreement to a number of days in which either Party shall have to consent approve or perform shall mean calendar days unless specifically stated to be business days.

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

8.5 Warranty Against Payment of Consideration for Agreement. Developer warrants that it has not paid or given, and will not pay or give, to any third person, any money or other consideration for obtaining this Agreement, other than normal costs of conducting business and costs of professional services such as architects, engineers and attorneys.

8.6 Attorneys' Fees. If any Party brings an action to enforce the terms hereof or declare its rights hereunder, the prevailing Party in any such action shall be entitled to its reasonable attorneys' fees to be paid by the losing Party as fixed by the court. If the City is made a party to any litigation instituted by or against the Developer or to any litigation attacking the validity of this Agreement, then the Developer shall indemnify and defend the City in accordance with Section 7.2 hereof.

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

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

8.9 Headings. All section headings and subheadings are inserted for convenience only and shall have no effect on the construction or interpretation of this Agreement.

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

8.11 Governing Law; Jurisdiction; Service of Process. This Agreement and the rights and obligations of the Parties shall be governed by California law. The Parties consent to the exclusive jurisdiction of the California Superior Court for the County of Los Angeles. If any legal

action is commenced by the Developer against the City, or by the City against the Developer, service of process on the City shall be made by personal service upon the City Manager or City Clerk, or in such other manner as may be provided by law. If any legal action is commenced by the City against the Developer, service of process on the Developer shall be made in any manner as may be provided by law. The Developer agrees, for the benefit of the City, that it shall designate an agent for service of process in the State of California in the manner prescribed by law.

8.12 Assignability. Except as otherwise expressly provided in Section 4.2, the Developer may not assign, transfer or convey its rights and obligations under this Agreement without the prior written consent of the City, which the City may withhold in its sole and absolute discretion.

8.13 Survival. The provisions hereof shall not merge into, but rather shall survive, any conveyance hereunder (including, without limitation, the delivery and recordation of any Grant Deed) and the delivery of all consideration.

8.14 Estoppel Certificates. Upon written request of the Developer, the City shall within thirty (30) days of the date of such request, execute and deliver to the Developer, a written statement certifying, to the best of such City's knowledge, that (a) this Agreement in full force and effect, if such is the case, and has not been modified or amended, except as shall be stated; and (b) that no default by Developer exists under this Agreement.

8.15 City Actions. In addition to any provisions of this Agreement that gives the City Manager the authority to make decisions and grant approvals, the City hereby authorizes the City Manager to deliver such approvals, consents as are contemplated by this Agreement, waive requirements under this Agreement, and modify this Agreement, on behalf of the City provided that the applicable approval, consent, waiver or modification is not substantial (*i.e.*, does not change the fundamental business transaction between the Developer and the City, as determined by the City Manager in his reasonable discretion).

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

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

DEVELOPER:

OLSON URBAN HOUSING, LLC,
a Delaware limited liability company

By: In Town Living, Inc.
a Delaware corporation
its Managing Member

By: _____
Name: Todd Olson, President of
Community Development

By: _____
Name: _____

CITY:

THE CITY OF COMPTON,
a municipal corporation

By: _____
Craig J. Cornwell, City Manager

ATTEST:

Alita Godwin, City Clerk

APPROVED AS TO FORM:

By: _____
Damon M. Brown, City Attorney

EXHIBIT "A"

LEGAL DESCRIPTION OF LAND

(1950 North Central Avenue)

Real property in the City of Compton, County of Los Angeles, State of California, described as follows:

THAT PORTION OF THE 249.89 ACRE PARCEL OF LAND IN THE CITY OF COMPTON, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS ALLOTTED TO M. KELLER IN THE PARTITION OF THE TAJAUTA RANCHO AS SHOWN ON THE MAP FILED IN CASE NO. 1200 OF THE DISTRICT COURT OF THE 17TH JUDICIAL DISTRICT OF THE STATE OF CALIFORNIA IN AND FOR SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE TWO INCH PIPE SET AT THE NORTHWESTERLY CORNER OF LOT 2 IN TRACT NO. 3626 AS SHOWN ON THE MAP RECORDED IN BOOK 40 PAGE 96 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE NORTH 0° 33' 30" EAST ALONG THE EASTERLY LINE OF CENTRAL AVENUE, AS SHOWN ON LAST MENTIONED MAP, SAID LINE LYING 20.00 FEET EASTERLY OF THE CENTER LINE OF THE EXISTING STREET, A DISTANCE OF 500.85 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING NORTH 0° 33' 30" EAST 217.15 FEET; THENCE NORTH 89° 35' 35" EAST, PARALLEL WITH THE CENTER LINE OF 134TH STREET, A DISTANCE OF 480.05 FEET; THENCE NORTH 0° 33' 30" EAST, PARALLEL WITH SAID CENTRAL AVENUE, 123.00 FEET TO THE SOUTHERLY LINE OF 134TH STREET, 50 FEET WIDE; THENCE NORTH 89° 35' 35" EAST, ALONG SAID SOUTHERLY LINE OF 134TH STREET, 100.14 FEET TO THE INTERSECTION WITH A LINE THAT IS PARALLEL WITH AND DISTANCE 580.13 FEET EASTERLY, AT RIGHT ANGLES FROM SAID EASTERLY LINE OF CENTRAL AVENUE; THENCE SOUTH 0° 33' 30" WEST ALONG SAID PARALLEL LINE 340.15 FEET TO THE INTERSECTION WITH A LINE PARALLEL WITH THE NORTHERLY LINE OF SAID LOT 2 OF TRACT 3626, THAT PASSES THROUGH THE TRUE POINT OF BEGINNING; THENCE SOUTH 89° 35' 35" WEST, 580.19 FEET TO THE TRUE POINT OF BEGINNING.

EXCEPT THAT PORTION LYING WITHIN CENTRAL AVENUE, AS DEDICATED TO THE CITY OF COMPTON.

A.P.N.: 6145-003-902

EXHIBIT “B”

SCHEDULE OF PERFORMANCE

This Schedule of Performance requires the submission of plans or other documents at specific times. Some of the submissions are not described in the text of the Agreement. Such plans or other documents, as submitted, must be complete and adequate for review by the City or other applicable governmental entity when submitted. Prior to the time set forth for each particular submission, the Developer shall consult with City staff informally as necessary concerning such submission in order to assure that such submission will be complete and in a proper form within the time for submission set forth herein.

Action

Date / Deadline

NOTE: The PSA is to be dated as of the date of its execution by City.

- | | | |
|----|--|---|
| 1. | <u>Opening of Escrow</u> . The Parties shall open escrow with the Escrow Holder. | Within fifteen (15) business days after the date of this PSA. |
| 2. | <u>Entitlements</u> . The Developer shall obtain all Project entitlements from the City. | Prior to or concurrent with the Close of Escrow. |
| 3. | <u>Grading and Building Permits</u> . The Developer shall obtain the Grading Permit for the grading of the Land and all Building Permits for the of construction of the Project. | Prior to the Close of Escrow. |

<u>Action</u>	<u>Date / Deadline</u>
4. <u>Close of Escrow.</u> The Developer shall acquire the Land from the City and shall concurrently close the Construction Loan on the Close of Escrow.	The Close of Escrow shall occur within sixty (60) days after City approval of all Project entitlements and Developer's receipt of the necessary permits for the Project, but in no event later than six (6) months following the date of execution of the Agreement. If (i) Developer is diligently pursuing required land use entitlements, building and grading permits, but City has not provided final approval by such time and ((ii) City receives a written request from Developer to extend such six (6) month period at least thirty (30) days prior to the expiration of the such six (6) month period, then the City Manager may, but is not obligated, to extend such period for an additional six (6) months to obtain final City approvals.
5. <u>Commencement of Construction.</u> Developer shall substantially commence the Improvements.	No later than sixty (60) days after the Close of Escrow.
6. <u>Qualification for Certificate of Completion.</u> The Project shall qualify for the Certificate of Completion.	No later than twenty-four (24) months from commencement of construction as described in the preceding item.

EXHIBIT “C”

SCOPE OF DEVELOPMENT

Developer shall cause to be constructed the following improvements on the Land (the “Project”):

- Single Family Townhouses: 30 total on a one-lot subdivision
 - 3-Bedroom*/2.5 Bath** (market) – 13 units
 - 4-Bedroom*/2.5 Bath ** (market) - 13 units
 - 3-Bedroom*/2.5 Bath** (each an “Affordable Unit”) - 2 units
 - 4-Bedroom*/2.5 Bath** (each an “Affordable Unit”) - 2 units

* Developer may increase some or all units to 4 bedrooms

** Developer may reduce number of bathrooms to 2 on some or all units, or increase the number of bathrooms to 3 on some or all units.

The homes shall be of very good quality, and shall have high efficiency windows and insulation, and quality finishes. Approvals of the finish level will be determined in conjunction with the approval of land use entitlements for the Project.

- Backbone Street
- Site Work

EXHIBIT "D"

FORM OF GRANT DEED

Recording Requested by:

The City of Compton

And when recorded return to
and mail tax statements to:

Olson Urban Housing, LLC,
3010 Old Ranch Parkway, Suite 100
Seal Beach, CA 90740
Attention: Todd J. Olson

With a copy to:

The City of Compton
205 South Willowbrook Avenue
Compton, CA 90220
Attn: City Clerk

And:

Richards, Watson & Gershon
355 S. Grand Ave., 40th Floor
Los Angeles, CA 90071
Attn: Jim G. Grayson, Esq.

Assessor's Parcel Map No.: 6145-003-902

[Space Above this Line for Recorder's Use]

***This Grant Deed is exempt from Recording Fees pursuant to
California Government Code Sections 6103 and 27383***

GRANT DEED

(1950 N. Central Avenue, Compton, CA)

The undersigned grantor(s) declare(s):

Documentary Transfer Tax is \$

☒ computed on full value of property conveyed, or
☐ computer on full value less value of liens or encumbrances remaining at time of sale
☐ Unincorporated area ☒ City of Compton

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, **THE CITY OF COMPTON**, a municipal corporation (“**Grantor**”) hereby GRANTS to **OLSON URBAN HOUSING, LLC**, a Delaware limited liability company (“**Grantee**”) the land (the “**Land**”) located in the City of Compton, County of Los Angeles, State of California, as described in Exhibit “A” hereto, SUBJECT TO all easements, covenants, conditions, restrictions, and rights of way of record.

1. This grant of the Land is subject to a Purchase and Sale Agreement entered into by and between Grantor and Grantee dated as of _____, 2020 (the “**Agreement**”), the terms of which are incorporated herein by reference. A copy of the Agreement is available for public inspection at the offices of the Grantor at 205 South Willowbrook Avenue, Compton, California 90220.

2. The Grantee covenants and agrees that for a period of ten (10) years after the date of completion, the Grantee and its successors in interest shall maintain the improvements required by the Agreement (including landscaping) in good condition and repair and in the manner substantially comparable to the highest level of maintenance provided to other projects of similar age and quality located in Los Angeles County, and if Grantee fails to do so, then Grantor shall have the rights and remedies described in Section 5.1 of the Agreement, in addition to any and all other rights or remedies under applicable law or in equity. As provided in Section 5.1 of the Agreement, the Declaration of CC&Rs for the Project shall obligate the owners of the homes to maintain and assume all liability for the foregoing maintenance requirements with respect to individual homes, and shall obligate the owner’s association to maintain and assume all liability for the foregoing maintenance requirements, and Grantee shall have no further responsibility for maintenance of improvements after the recordation of the CC&Rs. Grantee shall also maintain the insurance described in Article 7 of the Agreement.

3. By acceptance hereof, Grantee agrees, for itself, its successors and assigns, to refrain from restricting the rental, sale or lease of the Land on any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, rental, sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Land or Improvements, nor shall the Developer himself or any such person claiming under or through him establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the Land. The foregoing covenants shall run with the land.

All deeds, leases or contracts entered into by Grantee, its successors and assigns, or any successor-in-interest to all or any portion of or interest in the Land shall contain or be subject to substantially the following nondiscrimination or non-segregation clauses:

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

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

2. In leases: “The lessee herein covenants by and for himself, his heirs, executors, administrators and assigns, and all persons claiming under or through him, and that this lease is made and accepted upon and subject to the following conditions:

That there shall be no discrimination against or segregation of, any person or group or persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, in the leasing, subleasing, transferring, use, or enjoyment of the land herein leased nor shall the lessee himself, or any person claiming under or through him, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the land herein leased.

Notwithstanding the immediately preceding paragraph, with respect to familial status, said paragraph shall not be construed to apply to housing for

older persons, as defined in Section 12955.9 of the California Government Code. With respect to familial status, nothing in said paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the California Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the California Civil Code and subdivisions (n), (o) and (p) of Section 12955 of the California Government Code shall apply to said paragraph.”

3. In contracts: “There shall be no discrimination against or segregation of, any person or group or persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land, nor shall the transferee himself or any person claiming under or through him, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the land.

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

The foregoing shall be a covenant running with the land for the benefit of, and as a burden upon the Land.

4. All covenants contained in this Grant Deed shall run with the land and shall be binding for the benefit of Grantor and its successors and assigns and such covenants shall run in favor of the Grantor and for the entire period during which the covenants shall be in force and effect, without regard to whether the Grantor is or remains an owner of any land adjacent to the Land or interest in such land or any other land. The Grantor, in the event of any breach of any such covenants, shall have the right to exercise all of the rights and remedies available under the Agreement or this Grant Deed, or at law or in equity. The covenants contained in this Grant Deed shall be for the benefit of and shall be enforceable only by the Grantor and its successors and assigns.

5. The Grantee covenants, for itself and its successors and assigns, that there shall be no sale, transfer, assignment, conveyance, lease, pledge or encumbrance of the Agreement, or the Land and the Improvements thereon or any part thereof, or of other ownership interest in the

Grantee in violation of the Agreement, which contains restrictions on the assignment of the Agreement, the transfer of the Land and interests in Grantee.

6. The Grantor shall have, at its option, the additional right, on thirty (30) days' prior written notice to the Grantee and the holders of any mortgages, deeds of trust or other financing instruments, to repurchase, reenter and take possession of the Land (or portion thereof) with all improvements thereon, if after conveyance of title to the Land and prior to the issuance of a final Certificate of Completion therefor, the Grantee shall:

- a. Fail to commence construction of the improvements (or portion thereof) within the time required by the Agreement for a period of three (3) months after written notice thereof from the Grantor (subject to extension of time caused by Force Majeure or time of delay caused by or contributed to by the Grantor) to the Grantee and the holders of any mortgages, deeds of trust or other financing instruments; or
- b. Abandon or substantially suspend construction of the improvements (or portion thereof), other than as a result of Force Majeure or any actions by the Grantor which caused or contributed to such suspension, for a period of three (3) months after written notice of such abandonment or suspension from the Grantor to the Grantee and the holders of any mortgages, deeds of trust or other financing instruments; or
- c. Assign the Agreement, or transfer or suffer any involuntary transfer of the Property or any part thereof in violation of the Agreement.

Notwithstanding anything to the contrary set forth above, any such right to repurchase, enter and repossess shall be: (i) subject to and conditioned upon (A) in the case of the Secured Credit Facility, payment to the holders of such Secured Credit Facility, the then current collateral value of the Land (including all improvements thereon) as reflected on the holder of such Secured Credit Facility books and records pursuant to the Secured Credit Facility loan documents or (B) with respect to any other first in priority mortgage or deed of trust holder, payment of the full amount of the unpaid debt, plus any accrued and unpaid interest, costs and expenses; and (ii) subordinate and subject to and be limited by and shall not defeat, render invalid or limit:

- d. Any other then existing and remaining mortgage, deed of trust or other security instruments permitted by the Agreement; or
- e. Any rights or interests provided in the Agreement for the protection of the holder of such mortgages, deeds of trust or other security instruments.

In addition to payment of the amounts required to be paid above, to exercise its right to repurchase, reenter and take possession with respect to the Land (or portion thereof), the Grantor (or its designee) shall pay to the Grantee in cash an amount equal to the actual purchase price paid to the Grantor for the Land (or allocable to such portion thereof). Grantee shall thereupon execute and deliver to Grantor a grant deed transferring to Grantor (or its designee) all of Grantee's interest in the Land (or portion thereof) in its AS-IS, WHERE-IS CONDITION, WITHOUT ANY REPRESENTATIONS OR WARRANTIES. In the event Grantor exercises its repurchase option under this Section 6, such exercise shall constitute Grantor's sole and exclusive remedy on account

of any default of Grantee which gives rise to Grantor's repurchase option hereunder, except that the foregoing limitation on remedies shall not affect the Grantee's indemnity obligations under the Agreement.

IN WITNESS WHEREOF, the undersigned has executed this Grant Deed as of the date set forth below.

GRANTOR:

Dated: _____, 2020

THE CITY OF COMPTON,
a municipal corporation

By: _____

Print Name: _____

Title: _____

ATTEST:

Alita Godwin, City Clerk

GRANTEE:

Dated: _____, 2020

OLSON URBAN HOUSING, LLC,
a Delaware limited liability company

By: In Town Living, Inc.
a Delaware corporation
its Managing Member

By: _____
Todd Olson, President of
Community Development

By: _____
Name: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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 _____

On _____ before me, _____ 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, and that by his/her/their signature(s) on the instrument the person(s), or the entity(ies) 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.

Place Notary Seal Above

Signature of Notary Public

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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 _____

On _____ before me, _____ 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, and that by his/her/their signature(s) on the instrument the person(s), or the entity(ies) 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.

Place Notary Seal Above

Signature of Notary Public

EXHIBIT A

LEGAL DESCRIPTION OF LAND

Real property in the City of Compton, County of Los Angeles, State of California, described as follows:

THAT PORTION OF THE 249.89 ACRE PARCEL OF LAND IN THE CITY OF COMPTON, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS ALLOTTED TO M. KELLER IN THE PARTITION OF THE TAJAUTA RANCHO AS SHOWN ON THE MAP FILED IN CASE NO. 1200 OF THE DISTRICT COURT OF THE 17TH JUDICIAL DISTRICT OF THE STATE OF CALIFORNIA IN AND FOR SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE TWO INCH PIPE SET AT THE NORTHWESTERLY CORNER OF LOT 2 IN TRACT NO. 3626 AS SHOWN ON THE MAP RECORDED IN BOOK 40 PAGE 96 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE NORTH 0° 33' 30" EAST ALONG THE EASTERLY LINE OF CENTRAL AVENUE, AS SHOWN ON LAST MENTIONED MAP, SAID LINE LYING 20.00 FEET EASTERLY OF THE CENTER LINE OF THE EXISTING STREET, A DISTANCE OF 500.85 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING NORTH 0° 33' 30" EAST 217.15 FEET; THENCE NORTH 89° 35' 35" EAST, PARALLEL WITH THE CENTER LINE OF 134TH STREET, A DISTANCE OF 480.05 FEET; THENCE NORTH 0° 33' 30" EAST, PARALLEL WITH SAID CENTRAL AVENUE, 123.00 FEET TO THE SOUTHERLY LINE OF 134TH STREET, 50 FEET WIDE; THENCE NORTH 89° 35' 35" EAST, ALONG SAID SOUTHERLY LINE OF 134TH STREET, 100.14 FEET TO THE INTERSECTION WITH A LINE THAT IS PARALLEL WITH AND DISTANCE 580.13 FEET EASTERLY, AT RIGHT ANGLES FROM SAID EASTERLY LINE OF CENTRAL AVENUE; THENCE SOUTH 0° 33' 30" WEST ALONG SAID PARALLEL LINE 340.15 FEET TO THE INTERSECTION WITH A LINE PARALLEL WITH THE NORTHERLY LINE OF SAID LOT 2 OF TRACT 3626, THAT PASSES THROUGH THE TRUE POINT OF BEGINNING; THENCE SOUTH 89° 35' 35" WEST, 580.19 FEET TO THE TRUE POINT OF BEGINNING.

EXCEPT THAT PORTION LYING WITHIN CENTRAL AVENUE, AS DEDICATED TO THE CITY OF COMPTON.

A.P.N.: 6145-003-902

EXHIBIT "E"

FORM OF PSA MEMORANDUM

RECORDING REQUESTED BY:

The City of Compton

AND WHEN RECORDED MAIL TO:

The City of Compton
205 South Willowbrook Avenue
Compton, California 90220
Attn: City Manager

With a copy to:

Richards, Watson & Gershon
355 S. Grand Ave., 40th Floor
Los Angeles, CA 90071
Attn: Jim G. Grayson, Esq.

APN: 6145-003-902

[Space Above This Line For Recorder's Use]

***This Memorandum Of Purchase and Sale Agreement is exempt from Recording Fees
pursuant to California Government Code Sections 6103 and 27383***

MEMORANDUM OF PURCHASE AND SALE AGREEMENT
(1950 N. Central Avenue, Compton, CA)

THIS MEMORANDUM OF PURCHASE AND SALE AGREEMENT (the "**Memorandum of PSA**") is made as of _____, 2020, by and between **THE CITY OF COMPTON**, a municipal corporation (the "**City**"), and **OLSON URBAN HOUSING, LLC**, a Delaware limited liability company (the "**Developer**"), to confirm that the City and the Developer have entered into that certain Purchase and Sale Agreement dated as of _____, 2019 (the "**PSA**"). The PSA imposes certain conditions (including but not limited to, construction requirements, affordable housing requirements, and transfer restrictions) on the real property described in Exhibit "A" attached hereto and incorporated herein (the "**Land**"). The PSA is a public document and may be reviewed at the principal office of the City.

IN WITNESS WHEREOF, the parties have caused this Memorandum of PSA to be duly executed as of the date first above written.

CITY: **THE CITY OF COMPTON,**
a municipal corporation

By: _____
Print Name: _____
Title: _____

ATTEST:

Alita Godwin, City Clerk

DEVELOPER: **OLSON URBAN HOUSING, LLC,**
a Delaware limited liability company

By: In Town Living, Inc.
a Delaware corporation
its Managing Member

By: _____
Todd Olson, President of
Community Development

By: _____
Name: _____

[SIGNATURES MUST BE DULY ACKNOWLEDGED BY A NOTARY PUBLIC]

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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 _____

On _____ before me, _____ 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, and that by his/her/their signature(s) on the instrument the person(s), or the entity(ies) 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.

Place Notary Seal Above

Signature of Notary Public

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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 _____

On _____ before me, _____ 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, and that by his/her/their signature(s) on the instrument the person(s), or the entity(ies) 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.

Place Notary Seal Above

Signature of Notary Public

EXHIBIT A

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THAT PORTION OF THE 249.89 ACRE PARCEL OF LAND IN THE CITY OF COMPTON, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS ALLOTTED TO M. KELLER IN THE PARTITION OF THE TAJAUTA RANCHO AS SHOWN ON THE MAP FILED IN CASE NO. 1200 OF THE DISTRICT COURT OF THE 17TH JUDICIAL DISTRICT OF THE STATE OF CALIFORNIA IN AND FOR SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE TWO INCH PIPE SET AT THE NORTHWESTERLY CORNER OF LOT 2 IN TRACT NO. 3626 AS SHOWN ON THE MAP RECORDED IN BOOK 40 PAGE 96 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE NORTH 0° 33' 30" EAST ALONG THE EASTERLY LINE OF CENTRAL AVENUE, AS SHOWN ON LAST MENTIONED MAP, SAID LINE LYING 20.00 FEET EASTERLY OF THE CENTER LINE OF THE EXISTING STREET, A DISTANCE OF 500.85 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING NORTH 0° 33' 30" EAST 217.15 FEET; THENCE NORTH 89° 35' 35" EAST, PARALLEL WITH THE CENTER LINE OF 134TH STREET, A DISTANCE OF 480.05 FEET; THENCE NORTH 0° 33' 30" EAST, PARALLEL WITH SAID CENTRAL AVENUE, 123.00 FEET TO THE SOUTHERLY LINE OF 134TH STREET, 50 FEET WIDE; THENCE NORTH 89° 35' 35" EAST, ALONG SAID SOUTHERLY LINE OF 134TH STREET, 100.14 FEET TO THE INTERSECTION WITH A LINE THAT IS PARALLEL WITH AND DISTANCE 580.13 FEET EASTERLY, AT RIGHT ANGLES FROM SAID EASTERLY LINE OF CENTRAL AVENUE; THENCE SOUTH 0° 33' 30" WEST ALONG SAID PARALLEL LINE 340.15 FEET TO THE INTERSECTION WITH A LINE PARALLEL WITH THE NORTHERLY LINE OF SAID LOT 2 OF TRACT 3626, THAT PASSES THROUGH THE TRUE POINT OF BEGINNING; THENCE SOUTH 89° 35' 35" WEST, 580.19 FEET TO THE TRUE POINT OF BEGINNING.

EXCEPT THAT PORTION LYING WITHIN CENTRAL AVENUE, AS DEDICATED TO THE CITY OF COMPTON.

A.P.N.: 6145-003-902

EXHIBIT “F”

FORM OF REGULATORY AGREEMENT

RECORDING REQUESTED BY:

The City of Compton

AND WHEN RECORDED MAIL TO:

The City of Compton
205 South Willowbrook Avenue
Compton, CA 90220
Attention: City Manager

With a copy to:

Richards, Watson & Gershon
355 S. Grand Ave., 40th Floor
Los Angeles, CA 90071
Attention: Jim G. Grayson, Esq.

APN: 6145-003-902

[Space Above This Line For Recorder's Use]

***This Regulatory Agreement is exempt from Recording Fees
pursuant to California Government Code Sections 6103 and 27383***

REGULATORY AGREEMENT
(1950 N. Central Avenue, Compton, CA)

THIS REGULATORY AGREEMENT (the “**Restrictions**”) is entered into this ____ day of _____, 2020 by and between **OLSON URBAN HOUSING, LLC**, a Delaware limited liability company (the “**Developer**”), and the **CITY OF COMPTON**, a municipal corporation (the “**City**”).

RECITALS:

A. Developer and the City have entered into that certain Purchase and Sale Agreement (1950 N. Central Avenue, Compton, CA), dated _____, 2020 (the “**Agreement**”), for the purpose of providing for the development of affordable housing and market rate housing in the City of Compton. Any capitalized term used herein that is not otherwise defined herein shall have the meaning ascribed to such term in the Agreement.

B. Pursuant to the Agreement, the City has conveyed to the Developer certain land located in the City of Compton more particularly described in Exhibit “A” and depicted in Exhibit “B” (the “**Land**”), upon which the Developer intends to construct thirty (30) detached townhomes

(the “**Townhomes**”), four (4) of which (the “**Affordable Units**”) shall be restricted for sale to Moderate Income Households at an Affordable Sales Price, as more particularly described herein.
[TO BE PROVIDED BY DEVELOPER]

C. The Townhomes other than the four Affordable Units (the “Market Rate Units”) will not be subject to the requirements of these Restrictions.

D. The Agreement contains certain provisions relating to the use of the Land both before and after completion of such development.

NOW, THEREFORE, THE CITY AND THE DEVELOPER COVENANT AND AGREE AS FOLLOWS:

1. Definitions.

“**Area Median Income**” shall mean the median income for Los Angeles County as annually published by the Department of Housing and Community Development pursuant to California Health and Safety Code Section 50093, or the most closely related successor thereto.

“**Area Median Income adjusted for family size**” shall mean the Area Median Income adjusted for the actual number of persons in the applicable household.

“**Area Median Income adjusted for household size appropriate for the unit**” shall mean the Area Median Income for a household of four persons, unless pertinent federal statutes applicable to the Affordable Unit specify otherwise.

“**Affordable Sales Price**” shall mean a sales price which is established at a level which ensures that the Housing Costs of (a) any Moderate Income Household purchaser who earns not greater than one hundred and ten percent (110%) of the Area Median Income adjusted for family size, is not less than twenty-eight percent (28%) of the Gross Income of the household, nor exceeds the product of thirty-five percent (35%) multiplied by one hundred and ten percent (110%) of the Area Median Income Adjusted for Household Size Appropriate for the Unit, and (b) any Moderate Income Household purchaser whose Gross Income exceeds one hundred and ten percent (110%) of the Area Median Income adjusted for family size, is not less than twenty-eight percent (28%) of the Gross Income of the household and does not exceed the greater of (i) thirty-five percent (35%) of the Gross Income of such purchaser or (ii) the product of thirty-five percent (35%) multiplied by one hundred and ten percent (110%) of the Area Median Income Adjusted for Household Size Appropriate for the Unit.

“**Gross Income**” shall have the meaning ascribed to such term in Section 6914 of Title 25 of the California Code of Regulations, as amended from time to time, and any successor statutes and regulations.

“**Housing Cost**” shall have the meaning ascribed to such term in Section 6920 of Title 25 of the California Code of Regulations, as amended from time to time, and any successor statutes and regulations.

“Moderate Income Household” or **“Qualified Purchaser”** shall mean persons and families whose income does not exceed one hundred and twenty percent (120%) of the Area Median Income adjusted for family size.

2. Ownership Housing Requirements. The Developer is required to sell each of the Affordable Units to a Moderate Income Household at an Affordable Sales Price, assuming (i) a reasonable down payment and (ii) a thirty year fixed rate mortgage at prevailing interest rates for similarly situated homes, without providing any vendor/purchase money financing, for use as owner-occupied housing, in accordance with the following restrictions:

(a) Prior to any such sale of an Affordable Unit, the Developer shall submit to the City Manager the proposed location of the Affordable Unit, the proposed sales price, and documentation reasonably demonstrating to the City Manager that the proposed sales price is an Affordable Sales Price, and that the proposed purchaser qualifies as a Moderate Income Household, in accordance with the procedure set forth in Section 3 hereof.

(b) The grant deed from the Developer to any such proposed Moderate Income Household purchaser shall restrict the use of the Affordable Unit to owner-occupancy, and shall restrict subsequent resales of the Affordable Unit to Moderate Income Households, at an Affordable Sales Price, who agree that the use of the Affordable Unit is restricted to owner-occupancy pursuant to and in conformance with the Grant Deed Rider. These restrictions shall continue to apply until the forty-fifth (45th) anniversary of the date of recordation of the grant deed conveying the Affordable Unit from the Developer to a Moderate Income Household purchaser at an Affordable Sales Price in accordance with these Restrictions.

(c) To implement this Section, the Developer agrees to attach the Grant Deed Rider to the grant deed conveying the Affordable Unit to any such proposed Moderate Income Household purchaser substantially in the form attached to these Restrictions as Exhibit “C” (**“Grant Deed Rider”**), which is incorporated herein by this reference.

(d) The Affordable Units shall be the units designated by mutual agreement of the Developer and the City Manager.

(e) The Developer shall commence the marketing of the Affordable Units required hereunder to eligible purchasers and shall use good faith efforts to designate and sell the Affordable Units as early as practicable. The City shall assist the Developer in the marketing of the Affordable Units by providing Developer the names and contact information of eligible purchasers on the City’s homebuyer interest list.

(f) All construction and sales of Affordable Units as required hereunder and under the Agreement shall be in compliance with the requirements for affordable housing units for low or moderate income persons pursuant to paragraph (5) of subdivision (e) of Section 33334.2 of the Health and Safety Code.

(g) Developer shall not rent any of the Affordable Units without the prior written consent of the City, which consent may be granted or withheld in the sole and absolute discretion of the City.

3. Method of Initial Sale of Affordable Units.

A. Procedures to Notify City.

(i) Notice of Proposed Sale. For each Affordable Unit proposed to be sold by the Developer, the Developer shall notify the City Manager in writing to that effect not less than thirty (30) days prior to the anticipated closing date, and shall provide such information as the City may reasonably require regarding the proposed Qualified Purchaser. The writing (hereinafter referred to as the “**Notice of Intended Sale**”) shall state the street address of the Affordable Unit, the name(s) and existing address of the proposed Qualified Purchaser, and the terms of the proposed documentation reasonably demonstrating to the City Manager that the proposed sales price is an Affordable Sales Price, and that the proposed purchaser qualifies as a Moderate Income Household. The Notice of Intended Sale, together with the City required information, shall be personally delivered or deposited into the U.S. mail, postage prepaid, first class, certified mail, return receipt requested, addressed to:

CITY OF COMPTON
205 South Willowbrook Avenue
Compton, California 90622-5009
Attn: City Manager

(ii) Submission of Additional Information. The City Manager may at any time after the submission of the Notice of Intended Sale request the Developer or the proposed Qualified Purchaser to provide additional information regarding the proposed Qualified Purchaser and/or the proposed transaction for the sale of the Affordable Unit, and the Developer and/or Qualified Purchaser shall supply such information as soon as possible.

(iii) Assumption of Obligations to City. If the City Manager determines that the proposed purchaser is a Qualified Purchaser, and the proposed terms of sale result in an Affordable Sales Price, the City shall allow the sale of the Affordable Unit subject to these Restrictions, which shall be deemed to have been assigned to and assumed by the proposed Qualified Purchaser pursuant to and in conformance with the Grant Deed Rider.

B. Disposition of the Subject Land Contrary to These Restrictions. If the Developer disposes of any portion of the Land contrary to these Restrictions, the City shall at any time thereafter, have all rights and remedies available to it as described in the Agreement or otherwise available to it at law and in equity and may seek enforcement of the terms and conditions hereof in any manner allowed by law or equity.

C. Disposition of Market Rate Units. The Developer may sell the Market Rate Units without complying with the procedures set forth in these Restrictions. Upon request of the Developer, the City shall furnish to the Developer a release or such other documentation as may be necessary to confirm that a Market Rate Unit is not subject to these Restrictions.

4. Terms of Purchase. The following provisions shall also apply to the initial sale of each of the Affordable Units by Developer:

A. Escrow. The Developer acknowledges and agrees that the percentage amount of any deposit required pending close of escrow shall not exceed that customarily required

for the purchase of newly constructed residential units in Los Angeles County at the time of the escrow. Closing costs shall be allocated between buyer and seller according to the customary practices in Los Angeles County in effect at the time of an offer to purchase by a Qualified Purchaser. The Developer shall agree to reasonable terms of sale that are consistent with promoting the purpose of these Restrictions.

B. Conditions to Close of Escrow. The purchase agreement and escrow instructions for the purchase of an Affordable Unit from the Developer may provide for conditions or contingencies of the type or nature commonly included within purchase agreements and escrow instructions for the purchase of new homes (including, but not limited to, financing contingencies, inspection rights, and preliminary title report approvals), provided that the escrow period shall be not less than sixty days from the date of the purchase agreement. The Qualified Purchaser's qualifications are subject to prior review and approval by the City.

C. Purchase Price. The purchase price paid by the Qualified Purchaser shall not exceed an Affordable Sales Price.

5. Maintenance. Until the sale of an Affordable Unit, the Developer shall maintain the Affordable Unit in compliance with all applicable housing quality standards, and all applicable local code requirements, and shall keep the Land free from any unreasonable accumulation of debris or waste materials. The Developer shall also maintain in a healthy condition any landscaping required to be planted pursuant to the Scope of Development.

6. Non Discrimination and Non Segregation Clauses. Developer shall refrain from restricting the sale of Affordable Units on the basis of race, color, religion, sex, marital status, disability, ancestry or national origin of any person. All deeds or contracts shall contain or be subject to substantially the following nondiscrimination or non-segregation clauses:

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

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

12955 of the Government Code shall apply to the immediately preceding paragraph.”

(b) In contracts: “There shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, transfer, use, occupancy, tenure, or enjoyment of the premises which are the subject of the Agreement, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land.”

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

7. The covenants established in these Restrictions and any amendments hereto approved by the City and Developer shall, without regard to technical classification and designation, be binding for the benefit and in favor of City, and its successors and assigns.

8. City is deemed to be the beneficiary of the terms and provisions of these Restrictions and the covenants herein, both for and in its own right and for the purposes of protecting the interests of the community and other parties, public or private, for whose benefit these Restrictions and the covenants running with the land have been provided. City shall have the right if the covenants are breached, to exercise all rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which it or any other beneficiaries of these Restrictions and covenants are entitled.

9. The covenants and agreements contained herein shall run with the land and not be personal obligations of Developer. Upon the sale, conveyance or other transfer of an Affordable Unit (“**Transfer**”) in accordance with the requirements of these Restrictions, Developer’s liability for performance with respect to the transferred Affordable Unit shall be terminated as to any obligation to be performed hereunder after the date of such Transfer.

10. In connection with a sale of an Affordable Unit and in accordance with these Restrictions and recordation of the Grant Deed Rider in the form attached hereto as Exhibit “C”, these Restrictions shall cease to apply to the applicable Affordable Unit that is the subject of such sale, and City shall execute a release of these Restrictions from that Affordable Unit.

11. The provisions of these Restrictions shall be deemed independent and severable, and a determination of invalidity or partial invalidity or unenforceability of any one provision or portion hereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provisions hereof.

12. These Restrictions may be executed in one or more counterparts, each of which shall be deemed as original but all of which together shall constitute one and the same instrument.

13. These Restrictions shall be governed by, construed, and enforced in accordance with the laws of the State of California.

IN WITNESS WHEREOF, the City and the Developer have executed these Restrictions as of the date on the date set forth herein above.

CITY:

CITY OF COMPTON,
a municipal corporation

By: _____
Craig J. Cornwell, City Manager

ATTEST:

By: _____
Alita Godwin, City Clerk

DEVELOPER:

OLSON URBAN HOUSING LLC,
a Delaware limited liability company

By: In Town Living, Inc.,
a Delaware corporation
its Managing Member

By: _____
Todd Olson, President of
Community Development

By: _____
Name: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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 _____

On _____ before me, _____ 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, and that by his/her/their signature(s) on the instrument the person(s), or the entity(ies) 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.

Place Notary Seal Above

Signature of Notary Public

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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 _____

On _____ before me, _____ 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, and that by his/her/their signature(s) on the instrument the person(s), or the entity(ies) 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.

Place Notary Seal Above

Signature of Notary Public

EXHIBIT A TO REGULATORY AGREEMENT

LEGAL DESCRIPTION

Real property in the City of Compton, County of Los Angeles, State of California, described as follows:

THAT PORTION OF THE 249.89 ACRE PARCEL OF LAND IN THE CITY OF COMPTON, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS ALLOTTED TO M. KELLER IN THE PARTITION OF THE TAJAUTA RANCHO AS SHOWN ON THE MAP FILED IN CASE NO. 1200 OF THE DISTRICT COURT OF THE 17TH JUDICIAL DISTRICT OF THE STATE OF CALIFORNIA IN AND FOR SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE TWO INCH PIPE SET AT THE NORTHWESTERLY CORNER OF LOT 2 IN TRACT NO. 3626 AS SHOWN ON THE MAP RECORDED IN BOOK 40 PAGE 96 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE NORTH 0° 33' 30" EAST ALONG THE EASTERLY LINE OF CENTRAL AVENUE, AS SHOWN ON LAST MENTIONED MAP, SAID LINE LYING 20.00 FEET EASTERLY OF THE CENTER LINE OF THE EXISTING STREET, A DISTANCE OF 500.85 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING NORTH 0° 33' 30" EAST 217.15 FEET; THENCE NORTH 89° 35' 35" EAST, PARALLEL WITH THE CENTER LINE OF 134TH STREET, A DISTANCE OF 480.05 FEET; THENCE NORTH 0° 33' 30" EAST, PARALLEL WITH SAID CENTRAL AVENUE, 123.00 FEET TO THE SOUTHERLY LINE OF 134TH STREET, 50 FEET WIDE; THENCE NORTH 89° 35' 35" EAST, ALONG SAID SOUTHERLY LINE OF 134TH STREET, 100.14 FEET TO THE INTERSECTION WITH A LINE THAT IS PARALLEL WITH AND DISTANCE 580.13 FEET EASTERLY, AT RIGHT ANGLES FROM SAID EASTERLY LINE OF CENTRAL AVENUE; THENCE SOUTH 0° 33' 30" WEST ALONG SAID PARALLEL LINE 340.15 FEET TO THE INTERSECTION WITH A LINE PARALLEL WITH THE NORTHERLY LINE OF SAID LOT 2 OF TRACT 3626, THAT PASSES THROUGH THE TRUE POINT OF BEGINNING; THENCE SOUTH 89° 35' 35" WEST, 580.19 FEET TO THE TRUE POINT OF BEGINNING.

EXCEPT THAT PORTION LYING WITHIN CENTRAL AVENUE, AS DEDICATED TO THE CITY OF COMPTON.

A.P.N.: 6145-003-902

EXHIBIT “B” TO REGULATORY AGREEMENT

DIAGRAM/SITE PLAN

(Attached)

[TO BE PROVIDED BY DEVELOPER IN FUTURE]

EXHIBIT C TO REGULATORY AGREEMENT

Form of Grant Deed Rider to be used by Developer
In Connection with a Sale of an Affordable Unit
To Qualified Moderate Income Household Purchaser

GRANT DEED RIDER **(AFFORDABLE HOUSING DEED RESTRICTIONS)**

Grantee, by acceptance and recordation of this Grant Deed Rider, expressly accepts, covenants, and agrees to be bound by and assume performance of all the applicable provisions and requirements set forth in this Grant Deed Rider, the provisions and requirements of which are acknowledged by Grantee to be reasonable, and which are incorporated in [this] Grant Deed by this reference, and this grant is expressly conditioned upon the performance of such provisions to be performed by Grantee. The use for which the Subject Property is intended is owner-occupied residential, and the restrictions on its use and subsequent transfer are fully set forth in this Grant Deed Rider, to which [the] Grant Deed is expressly made subject.

1. Affordable Housing Restrictions. The grant made by the Grant Deed is conditioned upon and subject to the following terms, conditions, covenants and restrictions of this Grant Deed Rider:

(a) Grantee will use and occupy the residential unit (i.e., the Subject Property) as Grantee's principal place of residence immediately upon the close of escrow and shall continue to so use and occupy the Subject Property for the duration of Grantee's ownership of the Subject Property. Grantee shall not lease or rent the Subject Property for any reason. Grantee shall devote and continuously maintain the Subject Property as a 3-bedroom residential dwelling unit affordable for "Qualified Purchaser(s)" (as hereinafter defined) until 12:01 A.M. on the day immediately succeeding the forty-fifth (45th) anniversary of the date of recordation of the Grant Deed by which the Subject Property is initially conveyed by Grantor to Grantee.

(b) If, during the duration of his/her/their ownership, Grantee shall fail to use and occupy the Subject Property as his/her/their principal place of residence, the City of Compton (the "City"), at its option, shall have the right to purchase the Subject Property upon the payment to Grantee of the lesser of (i) the then fair market value of the Subject Property, as determined by an appraisal obtained by the City, or (ii) an amount which is an "Affordable Sales Price" (as that term is defined in this Grant Deed Rider), subject to the Minimum Resale Amount set forth in Section 2(C) hereof. The City shall exercise its option to purchase the Subject Property by written notice to Grantee within thirty (30) days after providing Grantee written notice of the default that entitles City to the option, and shall close escrow on the purchase of the Subject Property within sixty (60) days after the date of the notice of exercise of the Option. If City does not timely exercise its option, such option rights shall expire with respect to the default that entitled City to the option. The purchase price payable by City shall be applied first to pay off the unpaid principal balance of any first trust deed loan or any other encumbrance secured by a lien on the Subject Property upon such sale to the City (plus any interest or other sums due and payable thereon); and

(c) The provisions of the foregoing subparagraphs (a) and (b) and this subparagraph (c) shall terminate and become void automatically at 12:01 A.M. on the day immediately succeeding the forty-fifth (45th) anniversary of the date of the recordation of the Grant Deed which the Subject Property is initially conveyed by Grantor to Grantee, and the same shall constitute and be construed as covenants which shall run with the land.

(d) There shall be no discrimination against or segregation of any person, or group of persons on account of race, color, religion, disability, sex, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Subject Property hereby conveyed. Any owner of the Subject Property and all persons claiming under or through the owner shall not establish or permit any such practice or practices of discrimination against or segregation of, any person or group of persons on account of race, color, religion, disability, sex, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Subject Property, nor shall Grantee itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sub-tenants, sub-lessees, or vendees in the Subject Property. The foregoing covenants shall run with the land in perpetuity. Each Owner of the Subject Property shall not be responsible for violations of this subparagraph (d) occurring after it has no interest in the Subject Property.

(e) All covenants without regard to technical classification or designation shall be binding for the benefit of City and such covenants shall run in favor of City for the entire period during which such covenants shall be in force and effect, without regard to whether City is or remains an owner of any land or interest therein to which such covenants relate. City, in the event of any breach of any such covenant, shall have the right to exercise all the rights and remedies, and to maintain any action at law or suits in equity or other proper proceedings to enforce the curing of such breach.

(f) In accepting the Grant Deed, the undersigned Grantee understands and acknowledges that the Subject Property is being sold to Grantee at a purchase price that is below the fair market value of the Subject Property as the result of terms and conditions contained in that Purchase and Sale Agreement dated as of _____, 2020 between City and Grantor (referred to as the “**Agreement**”), so as to make the Subject Property “affordable” to Grantee. In return for and in consideration of the opportunity for Grantor to sell and Grantee to purchase the Subject Property under the above-referenced terms, conditions, covenants and restrictions, and for other good and valuable consideration, the receipt and legal sufficiency of which the undersigned hereby acknowledges, Grantee, on behalf of himself, herself, or themselves and with the express intent to bind all those defined as “Owner” as hereinafter defined, hereby agrees to comply with all of the requirements of this Grant Deed Rider.

(g) For purposes of this Grant Deed Rider, the following terms shall have the following definitions:

“**Area Median Income**” shall mean the median income for Los Angeles County as annually published by the Department of Housing and Community Development pursuant to California Health and Safety Code Section 50093, or the most closely related successor thereto.

“Area Median Income adjusted for family size” shall mean the Area Median Income adjusted for the actual number of persons in the applicable household.

“Area Median Income adjusted for household size appropriate for the unit” shall mean the Area Median Income for a household of four persons, unless pertinent federal statutes applicable to the Affordable Unit specify otherwise.

“Affordable Sales Price” shall mean a sales price which is established at a level which ensures that the Housing Costs of (a) any Moderate Income Household purchaser who earns not greater than one hundred and ten percent (110%) of the Area Median Income adjusted for family size, is not less than twenty-eight percent (28%) of the Gross Income of the household, nor exceeds the product of thirty-five percent (35%) multiplied by one hundred and ten percent (110%) of the Area Median Income Adjusted for Household Size Appropriate for the Unit, and (b) any Moderate Income Household purchaser whose Gross Income exceeds one hundred and ten percent (110%) of the Area Median Income adjusted for family size, is not less than twenty-eight percent (28%) of the Gross Income of the household and does not exceed the greater of (i) thirty-five percent (35%) of the Gross Income of such purchaser or (ii) the product of thirty-five percent (35%) multiplied by one hundred and ten percent (110%) of the Area Median Income Adjusted for Household Size Appropriate for the Unit.

“Gross Income” shall have the meaning ascribed to such term in Section 6914 of Title 25 of the California Code of Regulations, as amended from time to time, and any successor statutes and regulations.

“Housing Cost” shall have the meaning ascribed to such term in Section 6920 of Title 25 of the California Code of Regulations, as amended from time to time, and any successor statutes and regulations.

“Moderate Income Household” or **“Qualified Purchaser”** shall mean persons and families whose income does not exceed one hundred and twenty percent (120%) of the Area Median Income adjusted for family size.

“Owner” shall mean and include the undersigned Grantee and any or all successors in interest (whether voluntary or involuntary), transferees, assigns, heirs, executors, or administrators of the undersigned.

2. Method of Sale.

A. Notice of Proposed Sale. If at any time during the duration of this Grant Deed Rider, the Owner desires or elects to sell, transfer, convey, assign or otherwise dispose of the Subject Property (“dispose”), the Owner in such event is required to do so only to a Qualified Purchaser and is required to dispose of the Subject Property to such Qualified Purchaser in its entirety. If the Owner of the Subject Property desires to dispose of the Subject Property, the Owner shall notify City Manager in writing to that effect not less than thirty (30) days prior to the anticipated closing date and shall provide such information as City may reasonably require regarding the proposed Qualified Purchaser. That writing (hereinafter referred to as the **“Notice of Intended Sale”**) shall state the street address of the Subject Property, the Owner’s name(s), the

name(s) and existing address of the proposed Qualified Purchaser, and the terms of the proposed transaction, including the proposed purchase price, and documentation reasonably demonstrating to City Manager (or his or her designee) that the proposed purchase price will result in an Affordable Sales Price, and that the proposed purchaser qualifies as a Moderate Income Household. The Notice of Intended Sale, together with the City-required information shall be personally delivered or deposited into the U.S. mail, postage prepaid, first class, certified mail, return postage prepaid, first class, certified mail, return receipt requested, addressed to:

CITY OF COMPTON
205 South Willowbrook Avenue
Compton, CA 90220
Attn: City Manager

B. Submission of Additional Information. Representatives of City may at any time after the submission of the Notice of Intended Sale request the Owner or the proposed Qualified Purchaser to provide additional information regarding the proposed Qualified Purchaser and/or the proposed transaction for the disposal of the Subject Property, and the Owner and/or Qualified Purchaser shall supply such information as soon as practicable.

C. City Approval of Sale of Subject Property. If City determines that the proposed purchaser is a Qualified Purchaser, and the proposed terms of sale make the sale price an Affordable Sales Price, City shall allow the disposition of the Subject Property subject to this Grant Deed Rider which shall be deemed to have been assigned to and assumed by the proposed Qualified Purchaser pursuant to and in conformance with the provisions hereof.

D. Notice of Default Under Deed of Trust. The Owner covenants to cause to be filed in the office of the Recorder of the County of Los Angeles a request for a copy of any notice of sale or notice of default under any deed of trust with power of sale encumbering the Subject Property or any part thereof. Such request shall specify that any such notice shall be mailed to:

CITY OF COMPTON
205 South Willowbrook Avenue
Compton, CA 90220
Attn: City Manager

E. Disposition of the Subject Property Contrary to Grant Deed Rider. If the Owner disposes of the Subject Property contrary to this Grant Deed Rider, City shall at any time thereafter, at its election, have the right to declare such disposition or other act null and void and/or seek enforcement of the terms and conditions hereof in any manner allowed by law or equity.

3. Terms of Purchase. Upon sale of the Subject Property, the following provisions shall govern:

A. Escrow. The Owner acknowledges and agrees that the percentage amount of any deposit required pending close of escrow shall not exceed that customarily required for the purchase of residential units in Los Angeles County, California at the time of the escrow. Closing

costs shall be allocated between buyer and seller according to the customary practices in Los Angeles County in effect at the time of an offer to purchase by a Qualified Purchaser. The Owner shall agree to reasonable terms of sale that are consistent with promoting the purpose of Grant Deed Rider.

B. Condition to Close of Escrow. The purchase agreement and escrow instructions may provide for conditions or contingencies of the type or nature commonly included within residential purchase escrows to the obligation of the purchaser to purchase the Subject Property from the then Owner (including, but not limited to, financing contingencies, inspection rights, and preliminary title report approvals), provided that such purchase agreement and escrow instructions shall provide for an escrow period of at least sixty (60) days. The Qualified Purchaser's qualifications are subject to review and approval by City.

C. Purchase Price. Owner shall have the right to sell the Subject Property to another Qualified Purchaser, for an Affordable Sales Price, for use as owner occupied housing, upon terms and conditions that are in accordance with the following restrictions:

Prior to any such resale of the Subject Property, Owner shall provide Notice of Intended Sale to City, as provided in Paragraph 2.A, above.

The Grant Deed from Owner to any such proposed purchaser shall restrict the use of the Subject Property to owner-occupancy, and shall restrict subsequent resales of the Subject Property to Qualified Purchasers, at an Affordable Sales Price, who agree to occupy the Subject Property as their principal place of residence. This restriction shall continue to apply until the date set forth in Section 1 hereof.

Notwithstanding the requirement herein that the resale price of the Subject Property must be at an Affordable Sales Price, Owner shall not be prohibited by this Grant Deed Rider from obtaining a resale price (whether the sale is to a Qualified Purchaser or to City) which recovers the sum of Owner's original purchase price for the Subject Property, plus Owner's reasonable costs of sale of the Subject Property, plus the reasonable costs of improvements made to the Subject Property by Owner (the "**Minimum Amount**").

To implement this Paragraph 3, Owner agrees that the grant deed conveying the Subject Property to any such proposed Qualified Purchaser shall provide that the grant of the Subject Property is subject to the terms of this Grant Deed Rider.

4. Limits on Liability. City shall not be liable to the Owner or become obligated in any manner to the Owner by reason of the enforcement of this Grant Deed Rider, nor shall City be in any way obligated or liable to the Owner for any failure of any Qualified Purchaser to consummate a purchase of the Subject Property or to comply with the terms of any agreement of escrow for the sale of the Subject Property. Only the purchaser executing a purchase agreement or escrow instruction shall be liable to the Owner pursuant to the terms of any such agreement or escrow instructions. City shall not be liable or responsible for any defect in the condition of the Subject Property of whatever nature and the Owner agrees to release City from any such liability and/or responsibility and further agrees to hold City harmless from any claim or cause of action brought by third parties arising out of any such defect.

5. Transfers and Conveyances. Until such time as this Grant Deed Rider is released by City or expires, the Subject Property and any interest in title thereto shall not be disposed of or rented to any person or entity except with the express written consent of City (except for Permitted Transfers, as provided in Paragraph 6, or Permitted Encumbrances, as provided in Paragraph 7, which do not require the consent of City). Owner acknowledges that its purchase of the Subject Property is being assisted with assistance made available by City, which is available exclusively for the purpose of increasing, improving or preserving the community's supply of Moderate Income Household housing, in accordance with applicable state and federal laws, and that City's purpose in restricting the disposition of the Subject Property is to ensure that the Subject Property remains part of City's affordable housing inventory. In light of these purposes, City shall not unreasonably withhold, condition or delay approval of a request by Owner to dispose of the Subject Property, and shall approve sales to Qualified Purchasers, as defined herein, in accordance with and subject to the terms and conditions of this Grant Deed Rider, and any disposition of the Subject Property reasonably requested by Owner as the result of extreme hardship, determined by City in its sole and absolute discretion. Any request for the consent of City to a transfer or disposition of the Subject Property shall be in writing, and City shall approve or disapprove such request, in writing, within thirty (30) days after its receipt of Owner's written request. Any transfer or disposition of the Subject Property without the express written consent of City shall be null and void and City shall have the right to seek judicial enforcement hereof. Owner shall use and occupy the Subject Property as his or her principal place of residence immediately upon the close of escrow and shall continue to so use and occupy the Subject Property for the duration of the Owner's ownership thereof, except as provided in this Paragraph 5.

6. Permitted Transfers. The following transfers of title or any interest therein shall not require the prior written consent of City: transfer by gift, devise or inheritance to the Owner's spouse or issue; the taking of title by a surviving joint tenant; the transfer of title to a spouse in connection with a divorce or dissolution proceeding; acquisition of title or interest therein in conjunction with marriage; provided, however, that the covenants contained in and the restrictions imposed upon the Owner and the Subject Property by Grant Deed (including this Grant Deed Rider shall continue to encumber and run with the title to the Subject Property following any such transfer.

7. Permitted Encumbrances; Termination Upon Foreclosure. Notwithstanding Paragraph 5, deeds of trusts or any other form of conveyance required for any reasonable method of financing are permitted to be recorded against title to the Subject Property, but only for the purpose of securing loans to be used for financing the acquisition of the Subject Property. (Such deed of trust or other security instrument shall be referred to herein as a "**Deed of Trust**" and the holder thereof shall be referred to as a "**Beneficiary**"). City agrees that the terms, conditions, covenants and restrictions herein contained shall be subject and subordinate to the rights of Beneficiary under any such Deed of Trust and shall automatically terminate if title to the Subject Property is transferred by foreclosure or deed in lieu of foreclosure.

8. Runs with the Land. Unless otherwise provided by the terms herein, all of the terms and provisions of this Grant Deed Rider constitute covenants which shall run with the Subject Property, shall further and independently constitute an encumbrance upon the Subject Property, and shall be binding upon the Owner, the Owner's heirs, executors, administrators, successors, transferees and assigns, and all parties having or acquiring any right, title or interest in or to any

part of the Subject Property. As long this Grant Deed Rider has not expired, any attempt to transfer title to any interest in the Subject Property in violation of this Grant Deed Rider shall be voidable at the election of City.

9. Acceptance of Terms by Owner. By acceptance of this Grant Deed Rider, the Owner accepts and agrees to be bound by all of the covenants and restrictions contained in this Grant Deed Rider and further acknowledges receipt of and agrees to be bound by all of the terms and provisions of this Grant Deed Rider.

10. Terms of Restriction. The provisions of this Grant Deed Rider shall terminate and become void automatically at 12:01 A.M. on the day immediately succeeding the forty-fifth (45th) anniversary of the date of the recordation of the Grant Deed by which the Subject Property is initially conveyed by Grantor to Grantee.

11. Miscellaneous Provisions.

A. Independent and Severable Provisions. In the event that any provision of this Grant Deed Rider is held by a court of competent jurisdiction to be unenforceable or invalid, such holding shall not render unenforceable any other provision hereof, each provision hereof being expressly severable and independently enforceable to the fullest extent permitted by law.

B. Further Assurances and Restrictions. Grantee covenants that upon the request of City, he, she or they will execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such further instruments and agreements and do such further acts as may be necessary, desirable or proper to carry out more effectively the purpose of this Grant Deed Rider and other instruments required hereunder, and upon the sale or other transfer of an interest in the Subject Property, the Grantee shall cause the purchaser or transferee to execute and acknowledge a Grant Deed Rider in a form acceptable to City, which shall be attached to a grant deed by which the Owner conveys title to the Subject Property.

C. Captions and Paragraph Headings. Captions and paragraph headings used herein are for convenience only and shall not be used in construing this Attachment.

D. Waiver. No waiver by City of any breach by the Owner of any covenant, restriction or condition herein contained shall be effective unless such waiver is in writing, signed by City and delivered to the undersigned. The waiver by City of any such breach or breaches, or the failure by City to exercise any right or remedy in any such breach or breaches, shall not constitute a waiver or relinquishment for the future of any such covenant or condition nor bar any right or remedy of City in respect of any such subsequent breach.

12. City as Third-Party Beneficiary. The City is hereby designated a third-party beneficiary under this Grant Deed Rider with the right to enforce the terms, conditions, covenants and restrictions herein contained.

By signature herein below, Grantee hereby accepts and approves the foregoing, agrees to be bound by the provisions of this Grant Deed and the Attachment thereto, and grants to City such powers and rights that are set forth in this Grant Deed Rider.

“GRANTEE”

Date: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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 _____

On _____ before me, _____ 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, and that by his/her/their signature(s) on the instrument the person(s), or the entity(ies) 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.

Place Notary Seal Above

Signature of Notary Public

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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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.

Place Notary Seal Above

Signature of Notary Public

EXHIBIT “G”

FORM OF NOTICE OF AFFORDABILITY RESTRICTIONS

(Attached)

RECORDING REQUESTED BY:

City of Compton

AND WHEN RECORDED MAIL TO:

City of Compton
205 South Willowbrook Avenue
Compton, California 990220
Attn: City Manager

With a copy to:

Richards, Watson & Gershon
355 S. Grand Ave., 40th Floor
Los Angeles, CA 90071
Attn: Jim G. Grayson, Esq.

APN: 6145-003-902

SPACE ABOVE THIS LINE FOR RECORDER'S USE

FREE RECORDING REQUESTED PURSUANT TO GOVERNMENT CODE §6103

NOTICE OF AFFORDABILITY RESTRICTIONS ON TRANSFER OF PROPERTY

IMPORTANT NOTICE TO OWNERS, PURCHASERS, TENANTS, LENDERS, BROKERS, ESCROW AND TITLE COMPANIES, AND OTHER PERSONS, REGARDING AFFORDABLE HOUSING RESTRICTIONS ON THE REAL PROPERTY DESCRIBED IN THIS NOTICE: RESTRICTIONS HAVE BEEN RECORDED WITH RESPECT TO THE PROPERTY DESCRIBED BELOW WHICH RESTRICT FOUR (4) OF THE TOWNHOMES AS DESCRIBED BELOW.

This NOTICE OF AFFORDABILITY RESTRICTIONS (the “**Notice**”), is dated as of _____, ___, 2020, and is executed by **OLSON URBAN HOUSING, LLC**, a Delaware limited liability company (“**Owner**”), whose address is 3010 Old Ranch Parkway, Suite 100, Seal Beach. CA 90740, and by the **CITY OF COMPTON**, a municipal corporation (“**City**”) in connection with that certain Regulatory Agreement between Owner and the City dated substantially concurrently herewith and recorded in the Official Records of Los Angeles County substantially concurrently herewith (the “**Regulatory Agreement**”).

RECITALS

A. Owner owns the land located at 1950 N. Central Avenue described on Exhibit “A” in the City of Compton, State of California and the improvements thereon (the “**Property**”).

B. Owner and City are entering into the Regulatory Agreement substantially concurrently herewith.

C. Capitalized terms used herein but not defined shall have the meaning set forth as described in the Regulatory Agreement.

TERMS OF NOTICE

1. Requirement for Recorded Notice. This Notice is being executed and recorded pursuant to California Health and Safety Code Section 33334.3(f)(3)(B).

2. Regulatory Agreement. This Notice is being recorded substantially concurrently with the recordation of the Regulatory Agreement, which is incorporated herein by reference.

3. Summary of Affordability Restrictions; Term. The Regulatory Agreement restricts four (4) of the townhomes (the “**Affordable Units**”) for sale to Moderate Income Households (as defined in the Regulatory Agreement) at an Affordable Sales Price (as defined in the Regulatory Agreement) for (45) years from the date of recordation of the grant deed conveying the Affordable Unit from Owner to a Moderate Income Household at an Affordable Sales Price.

This Notice does not contain a full description of the details of all of the terms and conditions of the Affordable Housing Restrictions. You will need to obtain and read the Regulatory Agreement to fully understand the restrictions and requirements which apply to the Property. In the event of any conflict between the terms of this Notice and the terms of the Regulatory Agreement, the terms of the Regulatory Agreement shall control.

IN WITNESS WHEREOF, this Notice has been executed and made effective on the day and year first above written.

CITY:

CITY OF COMPTON,
a municipal corporation

By: _____
Craig J. Cornwell, City Manager

OWNER:

OLSON URBAN HOUSING, LLC,
a Delaware limited liability company

By: In Town Living, Inc.,
a Delaware corporation
its Managing Member

By: _____
Todd Olson, President of
Community Development

By: _____
Name: _____

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.

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 _____)

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)

STATE OF CALIFORNIA)
COUNTY OF _____)

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

WITNESS my hand and official seal.

-G-7-

EXHIBIT "A"

LEGAL DESCRIPTION OF LAND

Real property in the City of Compton, County of Los Angeles, State of California, described as follows:

THAT PORTION OF THE 249.89 ACRE PARCEL OF LAND IN THE CITY OF COMPTON, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS ALLOTTED TO M. KELLER IN THE PARTITION OF THE TAJAUTA RANCHO AS SHOWN ON THE MAP FILED IN CASE NO. 1200 OF THE DISTRICT COURT OF THE 17TH JUDICIAL DISTRICT OF THE STATE OF CALIFORNIA IN AND FOR SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE TWO INCH PIPE SET AT THE NORTHWESTERLY CORNER OF LOT 2 IN TRACT NO. 3626 AS SHOWN ON THE MAP RECORDED IN BOOK 40 PAGE 96 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE NORTH 0° 33' 30" EAST ALONG THE EASTERLY LINE OF CENTRAL AVENUE, AS SHOWN ON LAST MENTIONED MAP, SAID LINE LYING 20.00 FEET EASTERLY OF THE CENTER LINE OF THE EXISTING STREET, A DISTANCE OF 500.85 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING NORTH 0° 33' 30" EAST 217.15 FEET; THENCE NORTH 89° 35' 35" EAST, PARALLEL WITH THE CENTER LINE OF 134TH STREET, A DISTANCE OF 480.05 FEET; THENCE NORTH 0° 33' 30" EAST, PARALLEL WITH SAID CENTRAL AVENUE, 123.00 FEET TO THE SOUTHERLY LINE OF 134TH STREET, 50 FEET WIDE; THENCE NORTH 89° 35' 35" EAST, ALONG SAID SOUTHERLY LINE OF 134TH STREET, 100.14 FEET TO THE INTERSECTION WITH A LINE THAT IS PARALLEL WITH AND DISTANCE 580.13 FEET EASTERLY, AT RIGHT ANGLES FROM SAID EASTERLY LINE OF CENTRAL AVENUE; THENCE SOUTH 0° 33' 30" WEST ALONG SAID PARALLEL LINE 340.15 FEET TO THE INTERSECTION WITH A LINE PARALLEL WITH THE NORTHERLY LINE OF SAID LOT 2 OF TRACT 3626, THAT PASSES THROUGH THE TRUE POINT OF BEGINNING; THENCE SOUTH 89° 35' 35" WEST, 580.19 FEET TO THE TRUE POINT OF BEGINNING.

EXCEPT THAT PORTION LYING WITHIN CENTRAL AVENUE, AS DEDICATED TO THE CITY OF COMPTON.

A.P.N.: 6145-003-902

EXHIBIT "H"

FORM OF SUBORDINATION AGREEMENT

[TO BE DISCUSSED]

RECORDING REQUESTED BY:

The City of Compton

AND WHEN RECORDED MAIL TO:

Attention: _____

Loan No.: _____

SPACE ABOVE THIS LINE FOR RECORDER'S USE

This Subordination Agreement is exempt from Recording Fees pursuant to California Government Code Sections 6103 and 27383

SUBORDINATION AGREEMENT

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR RIGHTS IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

THIS SUBORDINATION AGREEMENT (this "**Agreement**") is made as of _____, 2020 by and between **OLSON URBAN HOUSING, LLC**, a Delaware limited liability company, owner of the real property hereinafter described ("**Developer**"), and the **CITY OF COMPTON**, a _____ municipal _____ corporation ("**City**"), in favor of _____, as Administrative Agent (collectively with its successors or assigns, "**Administrative Agent**"), for its benefit and the benefit of the Lenders (as defined in the Security Instrument referred to below).

R E C I T A L S

A. Pursuant to the terms and provisions of that certain Purchase and Sale Agreement dated as of _____, 2020, executed by **OLSON URBAN HOUSING, LLC**, a Delaware limited liability company ("**Developer**"), (as amended, restated, amended and restated, supplemented, replaced or otherwise modified from time to time, the "**PSA**"), a memorandum of which was recorded on _____, 2020 in the Official Records of the County of Los Angeles, State of California, as Document No. _____, certain conditions (including but not

limited to, construction requirements, operating covenants, and transfer restrictions) were imposed on the real property described on the Exhibit "A" attached hereto (which property, together with all improvements now or hereafter located on the property, is hereinafter referred to as the "**Property**").

B. Developer has executed, or proposes to execute, that certain Construction Deed of Trust with Absolute Assignment of Leases and Rents, Security Agreement, and Fixture Filing (as amended, restated, amended and restated, supplemented, replaced or otherwise modified from time to time, the "**Security Instrument**") securing, among other things, one or more Revolving Notes or Swingline Notes (as each may be amended, restated, supplemented, increased, replaced or otherwise modified from time to time, collectively, the "**Note**") in the aggregate principal amount of Twenty-Five Million Dollars (\$25,000,000.00) (collectively, and as the same may be increased, the "**Loan**"), executed by Developer and payable to the order of Lenders. The Security Instrument is to be recorded concurrently herewith.

C. As a condition to Administrative Agent and Lenders continuing to make the Loan secured by the Security Instrument, Administrative Agent and Lenders require that the Security Instrument be unconditionally and at all times remain a lien or charge upon the Property, prior and superior to all the rights of City under the PSA, the Grant Deed (as defined in the PSA), the PSA Memorandum (as defined in the PSA) and the Regulatory Agreement (as defined in the PSA), and that City specifically and unconditionally subordinate its rights under the PSA, the Grant Deed, the PSA Memorandum and the Regulatory Agreement to the lien or charge of the Security Instrument.

D. Developer and City agree to the subordination in favor of Administrative Agent, for its benefit and the benefit of Lenders.

NOW THEREFORE, for valuable consideration and to induce Administrative Agent and Lenders to continue to make the Loan, Developer and City hereby agree for the benefit of Administrative Agent, for its benefit and the benefit of Lenders, as follows:

1. **Subordination**. Developer and City hereby agree that:

1.1. **Prior Lien**. The Security Instrument securing the Note in favor of Lenders, and any modifications, renewals or extensions thereof, shall unconditionally be and at all times remain a lien on the Property prior and superior to the PSA and the Regulatory Agreement;

1.2. **Subordination**. Administrative Agent and Lenders would not continue to make the Loan without this agreement to subordinate; and

1.3. **Whole Agreement**. This Agreement shall be the whole agreement with regard to the subordination of the PSA and the Regulatory Agreement to the lien of the Security Instrument and shall supersede and cancel, but only insofar as would affect the priority of the Security Instrument, any prior agreements as to such subordination, including, without limitation, those provisions, if any, contained in the PSA and/or Regulatory Agreement which provide for the subordination of the PSA and/or Regulatory Agreement to a deed or deeds of trust or to a mortgage or mortgages.

CITY FURTHER DECLARES, AGREES AND ACKNOWLEDGES FOR THE BENEFIT OF ADMINISTRATIVE AGENT, FOR ITS BENEFIT AND THE BENEFIT OF LENDERS, THAT:

1.4. **Use of Proceeds.** Administrative Agent and Lenders, in continuing to make disbursements pursuant to the Note, the Security Instrument or any loan agreements with respect to the Property, are under no obligation or duty to, nor has Administrative Agent or any Lender represented that it will, see to the application of such proceeds by the person or persons to whom Administrative Agent or any Lender disburses such proceeds, and any application or use of such proceeds for purposes other than those provided for in such agreement or agreements shall not defeat this agreement to subordinate in whole or in part; and

1.5. **Waiver, Relinquishment and Subordination.** City intentionally and unconditionally waives, relinquishes and subordinates all of City's right, title and interest in and to the Property to the lien of the Security Instrument and understands that in reliance upon, and in consideration of, this waiver, relinquishment and subordination, specific loans and advances are being and will be made by Administrative Agent and Lenders and, as part and parcel thereof, specific monetary and other obligations are being and will be entered into which would not be made or entered into but for said reliance upon this waiver, relinquishment and subordination.

2. **Notice of Holder.** By execution of this Agreement, the City hereby acknowledges the existence of and consents to the Loan and the Security Instrument, which Security Instrument will be a lien on the Property. The City further agrees and acknowledges (a) that Administrative Agent, for its benefit and the benefit of Lenders, qualifies as a "Holder" and is entitled to all of the rights of Holder under the PSA (including, without limitation, the right to receive notices from the City (which notices shall be sent to Administrative Agent at the address specified in Section 4.1 of this Agreement or such other address as provided to City by written notice from time to time) and to cure Developer's defaults); (b) that the Security Instrument is a "deed of trust" for all purposes under the PSA; (c) that Administrative Agent, for its benefit and the benefit of Lenders, qualifies as a "Beneficiary" and is entitled to all of the rights of a Beneficiary under the Regulatory Agreement; and (d) that the Security Instrument is a "Deed of Trust" for all purposes under the Regulatory Agreement.

3. **Notice of Default and Cure Rights.** Notwithstanding anything to the contrary contained in this Agreement, the PSA or the Regulatory Agreement, City will notify Administrative Agent in writing concurrently with any notice given to Developer of any default by Developer under the PSA and/or the Regulatory Agreement, and City agrees that Administrative Agent has the right (but not the obligation) to cure any breach or default specified in such notice and City will not declare a default of the PSA and/or the Regulatory Agreement, as to Administrative Agent, if Administrative Agent cures such default within thirty (30) days from and after the expiration of the time period provided in the PSA and/or the Regulatory Agreement for the cure thereof by Developer; provided, however, that if such default cannot with diligence be cured by Administrative Agent within such thirty (30) day period, the commencement of action by Administrative Agent within such thirty (30) day period to remedy the same shall be deemed sufficient so long as Administrative Agent pursues such cure with diligence.

4. **Miscellaneous**

4.1. **Notices.** All notices, demands, or other communications under this Agreement shall be in writing and shall be delivered to the appropriate party at the address set forth below (subject to change from time to time by written notice to all other parties to this Agreement). All notices, demands or other communications shall be considered as properly given if delivered personally or sent by first class United States Postal Service mail, postage prepaid, or by Overnight Express Mail or by overnight commercial courier service, charges prepaid, except that notice of any default may be sent by certified mail, return receipt requested, charges prepaid. Notices so sent shall be effective three (3) days after mailing, if mailed by first class mail, and otherwise upon delivery or refusal; provided, however, that non-receipt of any communication as the result of any change of address of which the sending party was not notified or as the result of a refusal to accept delivery shall be deemed receipt of such communication. For purposes of notice, the address of the parties shall be:

Developer: Olson Urban Housing, LLC
3010 Old Ranch Parkway, Suite 100
Seal Beach, CA 90740
Attention: Todd J. Olson

with a copy to: Olson Urban Housing, LLC
3010 Old Ranch Parkway, Suite 100
Seal Beach, CA 90740
Attention: Katherine Chandler

City: City of Compton
205 S. Willowbrook Ave.
Compton, CA 90220
Attention: Craig J. Cornwell
City Manager

with a copy to: City of Compton
205 S. Willowbrook Ave.
Compton, CA 90220
Attention: Michael L. Antwine, II,
Assistant City Manager

with a copy to: Richards, Watson & Gershon
355 S. Grand Ave., 40th Floor
Los Angeles, CA 90071
Attention: Jim Grayson, Esq.

Administrative Agent:

Attention: _____
Loan No.: _____

with a copy to:

Attention: _____
Loan No.: _____

Any party shall have the right to change its address for notice hereunder to any other location within the continental United States by the giving of thirty (30) days' notice to the other party in the manner set forth hereinabove.

4.2. **Heirs, Successors and Assigns.** Except as otherwise expressly provided under the terms and conditions herein, the terms of this Agreement shall bind and inure to the benefit of the heirs, executors, administrators, nominees, successors and assigns of the parties hereto.

4.3. **Headings.** All articles, sections or other headings appearing in this Agreement are for convenience of reference only and shall be disregarded in construing this Agreement.

4.4. **Counterparts.** To facilitate execution, this document may be executed in as many counterparts as may be convenient or required. It shall not be necessary that the signature of, or on behalf of, each party, or that the signature of all persons required to bind any party, appear on each counterpart. All counterparts shall collectively constitute a single document. It shall not be necessary in making proof of this document to produce or account for more than a single counterpart containing the respective signatures of, or on behalf of, each of the parties hereto. Any signature page to any counterpart may be detached from such counterpart without impairing the legal effect of the signatures thereon and thereafter attached to another counterpart identical thereto except having attached to it additional signature pages.

4.5. **Exhibits, Schedules and Riders.** All exhibits, schedules, riders and other items attached hereto are incorporated into this Agreement by such attachment for all purposes.

4.6. **Governing Law.** This Agreement and the rights and obligations shall be governed by California law.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

DEVELOPER:

OLSON URBAN HOUSING, LLC,
a Delaware limited liability company

By: In Town Living, Inc., a
Delaware corporation
its Managing Member

By: Todd Olson, President of
Community Development

By: _____
Name: _____

CALIFORNIA ALL PURPOSE ACKNOWLEDGMENT

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STATE OF CALIFORNIA

COUNTY OF _____

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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 of Notary Public

Place Notary Seal Above

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WITNESS my hand and official seal.

Signature of Notary Public

Place Notary Seal Above

CITY

THE CITY OF COMPTON,
a municipal corporation

By: _____
Craig J. Cornwell
City Manager

ATTEST:

Alita Godwin, City Clerk

APPROVED AS TO FORM:

By: _____
Damon M. Brown, City Attorney

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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EXCEPT THAT PORTION LYING WITHIN CENTRAL AVENUE, AS DEDICATED TO THE CITY OF COMPTON.

A.P.N.: 6145-003-902

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Exhibit B

SUMMARY REPORT

**CONSIDERATION OF A PURCHASE AND SALE AGREEMENT FOR THE
CONVEYANCE OF PROPERTY AND DEVELOPMENT OF MARKET RATE AND
AFFORDABLE TOWNHOMES**

**1950 NORTH CENTRAL AVENUE
COMPTON, CALIFORNIA**

February 4, 2020

I. INTRODUCTION

The City of Compton (the “City”) is considering entering into a Purchase and Sale Agreement (the “Agreement”) with Olson Urban Housing, LLC, a Delaware limited liability company (the “Developer”), governing the conveyance by the City to the Developer of the property located at 1950 North Central Avenue (the “Land”), for the development of market rate and affordable housing consisting of 30 Townhomes (the “Development”). Four of the Townhomes will be required to be sold at affordable sales prices to moderate-income households. The former Community Redevelopment Agency of the City of Compton (the “Agency”) acquired the Land. Following the dissolution of the Agency, the Land was conveyed to the City as the housing successor to the former Agency.

A copy of the proposed Purchase and Sale Agreement is attached hereto as Exhibit A.

II. DESCRIPTION OF THE PROPOSED AGREEMENT

A. Land to be Conveyed

The Land which is the subject of the Agreement is an approximately 3.03acre parcel located in the City at 1950 North Central Avenue. A legal description of the Land is attached to the Agreement as Exhibit “A”. The former Agency acquired the Land, and following the dissolution of the Agency, the Land was conveyed to the City as the housing successor to the former Agency.

B. The Proposed Development

The Developer intends to construct market rate and affordable single-family for-sale housing, and other associated improvements, including open space, on the Land. The housing will include 30 3- 4 bedroom/2.5 Bath and attached two car garage single family detached units, with 20 of the units for sale at market rate and 4 of the units restricted for sale to moderate-income households at affordable sales prices.

III. COST OF THE AGREEMENT TO THE CITY

The former Agency purchased the Land for \$2,160,000 in March of 2011 with proceeds of bonds issued by the Agency. The former Agency (and now the Successor Agency to the Agency) pays interest on the bonds (the bonds bear interest at the rate of approximately 5.6% per year), and the Successor Agency also paid ordinary legal and consulting fees and maintenance expenses in connection with the Land. After the Agency was dissolved, the Land was conveyed to the City, as housing successor to the former Agency, at no cost. The City has incurred ordinary legal and consulting fees and maintenance expenses in connection with the Land. Pursuant to the Agreement, the City will be responsible for the cost of CLTA title coverage and transfer taxes and one-half of the escrow charges and recording fees in connection with the conveyance of the Land to the Developer.

IV. ESTIMATED VALUE OF INTEREST TO BE CONVEYED

As of December 2018, the City estimated that the fair market value of the Land, at its highest and best use, assuming no affordability restrictions, is \$2,905,000. The City also estimated that the

value of the Land at the use and with the conditions, covenants and development costs required by the Agreement (the “fair reuse value”) is \$0.00. Pursuant to the Agreement, the City will convey the Land to the Developer for \$0.00, which is not less than the fair reuse value. Conveying the Land to the Developer at no cost will allow the Development to be feasible notwithstanding the price restrictions for the four (4) affordable units required by the Agreement.

EXPLANATION OF WHY SALE OF THE LAND WILL ASSIST IN THE ELIMINATION OF BLIGHT

The Land has remained vacant for an extended time, resulting in a loss to the community of property taxes, jobs and related economic benefits. The proposed Development will transform a vacant, unproductive site into new market rate and affordable housing.

February 4, 2020

TO: HONORABLE MAYOR AND CITY COUNCIL MEMBERS

FROM: CITY ATTORNEY

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE 2019-2020 FISCAL YEAR BUDGET TO TRANSFER FUNDS, RESCINDING RESOLUTION NO. 24,998, RATIFYING THE FOURTH (4TH) AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH AND ISSUING A PURCHASE ORDER TO DUDEK FOR PERFORMANCE OF ADDITIONAL CORRECTIVE ACTION SERVICES IN ACCORDANCE WITH DIRECTIVES OF THE LOS ANGELES REGIONAL WATER QUALITY CONTROL BOARD REGARDING REMEDIATION AT COMPTON FIRE STATION NO.1 (\$273,787.41)

SUMMARY

Adoption of the attached resolution will amend the 2019-2020 Fiscal Year budget to transfer One Hundred Twenty Thousand Five Hundred Eight Dollars (\$120,508.00); rescind Resolution No. 24,998; ratify the fourth (4th) amendment to the professional services agreement (effective as of July 1, 2018) entered into with Dudek for performance of additional corrective action remediation services in accordance with the March 24, 2016 and December 2, 2016 directives from the Los Angeles Regional Water Quality Control Board ("Regional Board") and the September 19, 2017 review from the State Water Resources Control Board ("SWRCB"), in regards to the City's continuing remedial efforts at Compton Fire Station No. 1; and, authorize the issuance of a purchase order in the amount of \$273,787.41.

BACKGROUND

The City's Fire Station No. 1, located at 201 South Acacia Avenue, was found to have groundwater contaminated with petroleum products that apparently leaked from underground gasoline storage tanks that were used to refill fire trucks. Remediation has been taking place at Fire Station No. 1 since 1998. The City initially contracted with Amnat Environmental but ended the contract in 2010 after receiving a directive from the Regional Board on June 10, 2010 to develop a more aggressive remedial approach.

Staff solicited proposals from environmental engineering firms and Dudek was awarded a contract pursuant to Resolution No. 23,241, adopted by the City Council on November 9, 2010, to review existing data, evaluate the effectiveness of the existing remediation system and prepare a Remedial Action Plan ("RAP") for submission and approval of the Regional Board.

In accordance with a 2012 Regional Board directive, on December 3, 2013, the City Council adopted Resolution No. 23,880, which authorized the City Manager to enter into a first (1st) amendment to the agreement with Dudek to continue conducting annual and semi-annual groundwater samplings, destruction of six (6) vapor extraction wells and rehabilitation of four (4) monitoring wells. The Regional Board issued another directive to the City on December 17, 2013, requesting a revised Interim Remedial Action Plan (“IRAP”) pursuant to their review of the City’s Annual Groundwater Monitoring Report and the IRAP, prepared by Dudek on the City’s behalf. The City was also required to submit a workplan to conduct soil gas investigations by February 17, 2014. The Regional Board issued a directive on March 12, 2014, concurring with Dudek’s workplan and requiring the City to include historical groundwater analytical data by July 15, 2014. On February 27, 2015, the Regional Board further required the City to take corrective action pursuant to the Semi-Annual Groundwater Monitoring Report.

The Regional Board’s directive of March 12, 2014 also required the City to perform soil vapor samples, a Soil Vapor Investigation, Soil Vapor Extraction (“SVE”) and High Vacuum Dual Phase Extraction (“HVDPE”). Dudek conducted the work as outlined by the Regional Board’s directive and submitted a plan. Dudek performed the work on June 11, 2014, October 15, 2014 and February 13, 2015.

Pursuant to the Regional Board’s directive of June 22, 2015, the City Council adopted Resolution No. 24,266, approving a second (2nd) amendment to the agreement authorizing Dudek to perform additional cleanup, continue semi-annual and annual event, in-situ chemical oxidation inspection, a Health and Safety Workplan and updated RAP.

The Regional Board issued March 24, 2016 and December 2, 2016 directives requiring cleanup continue at the remediation site. Thus, on March 28, 2017, the City Council adopted Resolution No. 24,545, approving a third (3rd) amendment to the agreement authorizing Dudek to perform continuing cleanup at the site.

STATEMENT OF ISSUE

The March 24, 2016 and December 2, 2016 directives from the Regional Board and the September 19, 2017 review from the SWRCB require continued cleanup efforts. The SWRCB report indicates, among other things, that the site does not meet groundwater media-specific criteria; that the contaminant plume is not stable or decreasing based on an upward trend in contaminant concentrations; that free product is present off-site. Based on the Regional Board directives and the SWRCB review, staff sought authorization to enter into a fourth (4th) amendment to the professional services agreement with Dudek to provide the following for this site:

1. Database management and upload of historical data requested by Regional Board
2. Monthly over-purge events for 24 months
3. Active remediation/free product removal from wells MW-3, MW-4, MW-8, MW-15, MW-16, MW-17 and MW-18 for 24 months
4. Continue annual and semi-annual events (four sampling events)

On April 23, 2019, the City Council adopted Resolution No. 24,998, which authorized the City Manager to amend the professional services agreement with Dudek to perform additional corrective action services in accordance with directives of the Los Angeles Regional Water Quality Control Board regarding remediation at Compton Fire Station No. 1 at an estimated costs of Four Hundred Thirty Two Thousand Dollars (\$432,000.00).

Based on said authorization, a fourth amendment to the agreement was entered into between Dudek and the City in/about May 2019 and services commenced; however, on further review of the proposed funding sources, staff has determined that there are not sufficient funds to cover these costs. Therefore, Resolution No. 24,998 needs to be rescinded and a budget amendment is necessary.

FINANCIAL IMPACT

Dudek's estimated cost of \$432,000.00 for time and materials for the events as directed by the Regional Board and SWRCB includes the following: \$8,000.00 for database management and to upload the Regional Board's historical data; \$96,000.00 for monthly over-purge events; \$168,000.00 for active remediation/free product removal from wells MW-3, MW-4, MW-8, MW-15, MW-16, MW-17 and MW-18; and \$160,000.00 for two (2) annual and two (2) semi-annual events.

Funds in the amount of \$158,212.59 were paid to Dudek from the Risk Management Account Fund No. 6400-420-000-4269 in Fiscal Year 2018-19. The remaining balance owed in the amount of \$273,787.41 will be available in the Risk Management Account Fund No. 6400-420-000-4269 budget for Fiscal Year 2019-20 after the following budget transfer is made:

Decrease Budget Accounts:

- | | | |
|---------------------|--------------------|------------|
| • 6400-420-000-4295 | Liability Payments | \$ 120,508 |
|---------------------|--------------------|------------|

Increase Budget Accounts:

- | | | |
|---------------------|-------------------------|------------|
| • 6400-420-000-4269 | Other Contract Services | \$ 120,508 |
|---------------------|-------------------------|------------|

Staff has been communicating with the Underground Storage Tank Fund, and more recently with the Expedited Claim Account Program within the USTF. They have indicated that the City has a Class “B” status and is on track to receive reimbursement for expenditures of about \$450,000.00. They will also be working with the City, the consultant and the Water Board to expedite the remediation at Fire Station 1, and bring the project to a close.

ALTERNATIVE

No alternative is recommended. The consultant entered into the agreement amendment with the City and commenced performing the contracted services based upon the good faith belief that proper authorization was obtained and funding allocated.

RECOMMENDATION

Staff recommends the adoption of the attached Resolution.

**DAMON M. BROWN
CITY ATTORNEY**

APPROVED FOR FORWARDING:

**CRAIG J. CORNWELL
CITY MANAGER**

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE 2019-2020 FISCAL YEAR BUDGET TO TRANSFER FUNDS, RESCINDING RESOLUTION NO. 24,998, RATIFYING THE FOURTH (4TH) AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH AND ISSUING A PURCHASE ORDER TO DUDEK FOR PERFORMANCE OF ADDITIONAL CORRECTIVE ACTION SERVICES IN ACCORDANCE WITH DIRECTIVES OF THE LOS ANGELES REGIONAL WATER QUALITY CONTROL BOARD REGARDING REMEDIATION AT COMPTON FIRE STATION NO.1 (\$273,787.41)

WHEREAS, the City's Fire Station No. 1, located at 201 South Acacia Avenue was found to have groundwater contaminated with petroleum products that apparently leaked from underground gasoline storage tanks that were used to refill fire trucks; and

WHEREAS, Dudek was awarded a contract pursuant to Resolution No. 23,241, adopted by the City Council on November 9, 2010, to review existing data, evaluate the effectiveness of the existing remediation system and prepare a Remedial Action Plan ("RAP") for submission and approval of the Los Angeles Regional Water Quality Control Board ("Regional Board"); and

WHEREAS, in accordance with a 2012 Regional Board directive, on December 3, 2013, the City Council adopted Resolution No. 23,880, which authorized the City Manager to enter into a first (1st) amendment to the agreement with Dudek to continue conducting annual and semi-annual groundwater samplings, destruction of 6 vapor extraction wells and rehabilitation of 4 monitoring well; and

WHEREAS, the Regional Board issued another directive to the City on December 17, 2013, requesting a revised Interim Remedial Action Plan ("IRAP") pursuant to their review of the City's Annual Groundwater Monitoring Report and the Revised Interim Remedial Action Plan prepared by Dudek on the City's behalf, in addition to submittal of a workplan to conduct soil gas investigations by February 17, 2014; and

WHEREAS, the Regional Board issued a directive on March 12, 2014, concurring with Dudek's workplan and requiring the City to include historical groundwater analytical data by July 15, 2014 and on February 27, 2015, the Regional Board further required the City to take corrective action pursuant to the Semi-Annual Groundwater Monitoring Report and perform soil vapor samples, a Soil Vapor Investigation, Soil Vapor Extraction and High Vacuum Dual Phase Extraction; and

WHEREAS, the Regional Board issued a directive on June 22, 2015, requiring additional cleanup, continue semi-annual and annual event, in-situ chemical oxidation inspection and a Health and Safety Workplan and updated Remedial Action Plan, therefore, on December 22, 2015, the City Council adopted Resolution No. 24,266, approving a second (2nd) amendment to the agreement authorizing Dudek to perform the services required by the June 2015 directive; and

WHEREAS, the Regional Board has issued March 24, 2016 and December 2, 2016 directives requiring cleanup continue at the remediation site; more specifically, to provide an updated Remedial Action Plan for free product removal and evaluation, monthly over-purge events, continued passive remediation/free product removal and evaluation from wells MW-3, MW-8 and MW-17, destruction/abandonment of 50 remediation wells and continue annual and semi-annual sampling; thus, on March 28, 2017, the City Council adopted

Resolution No. 24,545, approving a third (3rd) amendment to the agreement authorizing Dudek to perform continuing cleanup at the site; and

WHEREAS, the March 24, 2016 and December 2, 2016 directives from the Regional Board and the September 19, 2017 review from the State Water Resources Control Board ("SWRCB") require continuance of the cleanup efforts, in that the SWRCB report indicates that the site does not meet groundwater media-specific criteria; that the contaminant plume is not stable or decreasing based on an upward trend in contaminant concentrations; that free product is present off-site; in addition to other continuing issues; and

WHEREAS, on April 23, 2019, the City Council adopted Resolution No. 24,998, which authorized the City Manager to amend the professional services agreement with Dudek to perform additional corrective action services in accordance with directives of the Los Angeles Regional Water Quality Control Board regarding remediation at Compton Fire Station No. 1 at an estimated costs of Four Hundred Thirty Two Thousand Dollars (\$432,000.00); and

WHEREAS, based on said authorization, a fourth (4th) amendment to the agreement was entered into between Dudek and the City in/about May 2019 and services commenced; however, on further review of the proposed funding sources, staff has determined that there are not sufficient funds to cover these costs; therefore, Resolution No. 24,998 needs to be rescinded and a budget amendment is necessary.

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

Section 1. That Resolution No. 24,998, adopted by City Council on April 23, 2019, is hereby rescinded.

Section 2. That the fourth (4th) amendment to the professional services agreement entered into between the City and Dudek to perform additional corrective action services in accordance with directives of the Los Angeles Regional Water Quality Control Board regarding remediation at Compton Fire Station No. 1, at an estimated costs of Four Hundred Thirty Two Thousand Dollars (\$432,000.00) is hereby authorized and ratified.

Section 3. That the 2019-2020 Fiscal Year budget shall be amended to transfer funds as follows:

Decrease Budget Accounts:

• 6400-420-000-4295	Liability Payments	\$ 120,508
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Increase Budget Accounts:

• 6400-420-000-4269	Other Contract Services	\$ 120,508
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Section 4. That funds in the amount of \$158,212.59 were paid to Dudek from the Risk Management Account Fund No. 6400-420-000-4269 in Fiscal Year 2018-19. The remaining balance owed in the amount of \$273,787.41 will be available in the Risk Management Account Fund No. 6400-420-000-4269 budget for Fiscal Year 2019-20 after the budget amendment is made.

Resolution No. _____
Page 3

Section 5. That a purchase order is authorized to be issued in the amount of \$273,787.41 on behalf of Dudek.

Section 6. That copies of this Resolution shall be filed in the offices of the City Manager, City Controller, City Clerk and City Attorney.

Section 7. That the Mayor shall sign and the City Clerk shall attest to the adoption of this Resolution.

ADOPTED this _____ day of _____, 2020.

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 to by the City Clerk at a regular meeting thereof held on the ____ day of _____, 2020.

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

February 4, 2020

TO: MAYOR AND CITY COUNCIL MEMBERS

FROM: CITY MANAGER

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO THE ATLANTIC AVENUE/BOULEVARD CORRIDOR STUDY IMPLEMENTATION AGREEMENT BETWEEN THE GATEWAY CITIES COUNCIL OF GOVERNMENTS AND THE CITY OF COMPTON AND ISSUE A PURCHASE ORDER (\$6,551.79)

SUMMARY

This resolution authorizes the City Manager to enter into the Atlantic Avenue/Boulevard Corridor Study Implementation Agreement between the Gateway Cities Council of Governments ("Gateway") and the City of Compton and issue a purchase order in the amount of Six Thousand Five Hundred Fifty-One Dollars and Seventy-Nine Cents (\$6,551.79).

BACKGROUND

Atlantic Avenue/Boulevard is a major north/south arterial corridor through the Gateway Cities from Long Beach on the south to State Route 60 on the north. Atlantic Avenue/Boulevard carries a significant amount of traffic, particularly in relieving heavy traffic volumes along the I-710 Freeway, which it closely parallels.

The cities along the Atlantic Avenue/Boulevard Corridor ("Corridor") are desirous of establishing a "Complete Streets" model on this major north/south arterial corridor to relieve traffic congestion and to enhance active transportation opportunities in the neighboring communities ("Atlantic Avenue/Boulevard Corridor Study" or the "Study").

The development of a sub-regional arterial corridor plan would position the participating agencies to apply for, and receive, federal, state, and regional funding for improvement of the Corridor. The parties hereto are each a government entity established by law with full powers of government in legislative, administrative, financial, and other related fields.

Section 21 of that certain Joint Exercise of Powers Agreement of the Gateway Cities Council of Governments (the "JPA"), to which the City is a signatory, provides that when authorized by the Board of Directors, affected Members may execute an Implementation Agreement for the purpose of authorizing Gateway to implement, manage and administer area-wide and regional programs in the interest of the local public welfare.

The costs incurred by Gateway for the Study, including indirect costs, shall be assessed only to those Members who are parties to an Implementation Agreement.

STATEMENT OF ISSUE

The study will evaluate the Atlantic Corridor beginning in the City of Long Beach traversing north to unincorporated Los Angeles County, for a complete street. Two primary alternatives considered include 1) the Atlantic Corridor as a “Complete Street” in the feasibility, and 2) as a multi-modal Corridor evaluated for consistency across the sub-region, including a potentially phased approach to a Complete Street, along with any major challenges and project benefits. The results would provide potential funding partners with an understanding of the holistic context of conditions, Levels of Service, truck volumes/impacts, pavement rehabilitation, pedestrian and bicycle traffic, transit connections, parking, commercial and residential linkages, City entryways/gateways, and potential safe routes to school options.

The study would require participation and consensus from all stakeholders including Commerce, Vernon, Maywood, Bell, Cudahy, South Gate, Lynwood, Long Beach and unincorporated Los Angeles County, on the general consistency and aesthetic theme of the corridor.

FISCAL IMPACT

Gateway proposes to complete the Atlantic Corridor Complete Street Evaluation and Master Plan for approximately \$301,534.69, which includes Gateway consultant staff time and overhead Gateway expenses. Member’s share of the cost of the Study is based on linear miles through each Member’s jurisdiction.

The City of Compton’s share of the total cost will be Six Thousand Five Hundred Fifty One Dollars and Seventy-Nine Cents (\$6,551.79). Funds for this expenditure are available in the Public Works Department’s 2019-2020 Fiscal Year budget in Account No. 1900-710-000-4266.

RECOMMENDATION

Staff recommends that the City Council adopt the attached Resolution.

**CRAIG J. CORNWELL
CITY MANAGER**

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON
AUTHORIZING THE CITY MANAGER TO ENTER INTO THE ATLANTIC
AVENUE/BOULEVARD CORRIDOR STUDY IMPLEMENTATION AGREEMENT
BETWEEN THE GATEWAY CITIES COUNCIL OF GOVERNMENTS AND THE
CITY OF COMPTON AND ISSUE A PURCHASE ORDER (\$6,551.79)**

WHEREAS, Atlantic Avenue/Boulevard is a major north/south arterial corridor through the Gateway Cities from Long Beach on the south to State Route 60 on the north and Atlantic Avenue/Boulevard carries a significant amount of traffic, particularly in relieving heavy traffic volumes along the I-710 Freeway, which it closely parallels; and

WHEREAS, the cities along the Atlantic Avenue/Boulevard Corridor ("Corridor") are desirous of establishing a "Complete Streets" model on this major north/south arterial corridor to relieve traffic congestion and to enhance active transportation opportunities in the neighboring communities ("Atlantic Avenue/Boulevard Corridor Study" or the "Study"); and

WHEREAS, the development of a sub-regional arterial corridor plan would position the participating agencies to apply for, and receive, federal, state, and regional funding for improvement of the Corridor and the parties hereto are each a government entity established by law with full powers of government in legislative, administrative, financial, and other related fields; and

WHEREAS, Section 21 of that certain Joint Exercise of Powers Agreement ("JPA") of the Gateway Cities Council of Governments ("Gateway"), to which the City is a signatory, provides that when authorized by the Board of Directors, affected Members may execute an Implementation Agreement for the purpose of authorizing Gateway to implement, manage and administer area-wide and regional programs in the interest of the local public welfare; and

WHEREAS, the costs incurred by Gateway for the Study, including indirect costs, shall be assessed only to those Members who are parties to an Implementation Agreement; and

WHEREAS, the Atlantic Corridor Study will evaluate the Atlantic Corridor beginning in the City of Long Beach traversing north to unincorporated Los Angeles County for a complete street; and

WHEREAS, two primary alternatives considered include 1). The Atlantic Corridor as a "Complete Street" in the feasibility, and 2). as a multi-modal Corridor evaluated for consistency across the sub-region, including a potentially phased approach to a Complete Street, along with any major challenges and project benefits and the results would provide potential funding partners with an understanding of the holistic context of conditions, Levels of Service, truck volumes/impacts, pavement rehabilitation, pedestrian and bicycle traffic, transit connections, parking, commercial and residential linkages, City entryways/gateways, and potential safe routes to school options; and

WHEREAS, Gateway proposes to complete the Atlantic Corridor Complete Street Evaluation and Master Plan for approximately \$301,534.69, which includes Gateway consultant staff time and overhead Gateway expenses. Member's share of the cost of the Study is based on linear miles through each Member's jurisdiction; and

WHEREAS, the City of Compton's share of the total cost will be Six Thousand Five Hundred Fifty One Dollars and Seventy-Nine Cents (\$6,551.79). Funds for this expenditure are available in the Public Works Department's 2019-2020 Fiscal Year budget in Account No. 1900-710-000-4266.

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

SECTION 1. That the City Manager, on the advice and approval of the City Attorney is authorized to enter into the Atlantic Avenue/Boulevard Corridor Study Implementation Agreement with the Gateway Cities Council of Governments and the City of Compton and issue a purchase order in the amount of Six Thousand Five Hundred Fifty-One Dollars and Seventy-Nine Cents (\$6,551.79).

SECTION 2. That the City of Compton's share of the total cost of the Study will be Six Thousand Five Hundred Fifty One Dollars and Seventy-Nine Cents (\$6,551.79), which is available in the Public Works Department's 2019-2020 Fiscal Year budget in Account No. 1900-710-000-4266.

SECTION 3. That a purchase order in the amount of \$6,551.79 is authorized to be issued to the Gateway Cities Council of Governments.

SECTION 4. That a copy of this Resolution shall be filed in the offices of the City Manager, City Controller, City Attorney, City Clerk and Public Works Department.

SECTION 5. That the Mayor shall sign and the City Clerk shall attest to the adoption of this Resolution.

ADOPTED this ____ day of _____, 2020.

MAYOR OF THE CITY OF COMPTON

ATTEST:

CITY CLERK OF THE CITY OF COMPTON

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

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing Resolution was adopted by the City Council, signed by the Mayor and attested by the City Clerk at a regular meeting thereof held on the ____ day of _____ 2020.

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

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

CITY CLERK OF THE CITY OF COMPTON

ATLANTIC AVENUE/BOULEVARD CORRIDOR STUDY

IMPLEMENTATION AGREEMENT

BY AND BETWEEN

GATEWAY CITIES COUNCIL OF GOVERNMENTS

AND

CITY OF COMPTON

THIS ATLANTIC AVENUE/BOULEVARD CORRIDOR STUDY IMPLEMENTATION AGREEMENT ("Agreement") is made and entered as of the ____ day of _____, 2020, by and between the Gateway Cities Council of Governments ("Gateway") and the City of Compton, a municipal corporation ("City"), individually a "party" and collectively, the "parties".

W I T N E S S E T H:

In consideration of the mutual covenants and conditions set forth herein, the parties hereto agree as follows:

Section 1. Recitals. This Agreement is made and entered into with respect to the following facts:

- (a) Atlantic Avenue/Boulevard is a major north/south arterial corridor through the Gateway Cities from Long Beach on the south to State Route 60 on the north; and
- (b) Atlantic Avenue/Boulevard carries a significant amount of traffic, particularly in relieving heavy traffic volumes along the I-710 freeway, which it closely parallels; and
- (c) The cities along the Atlantic Avenue/Boulevard Corridor ("Corridor") are desirous of establishing a "Complete Streets" model on this major north/south arterial corridor; to relieve traffic congestion and to enhance active transportation opportunities in the neighboring communities ("Atlantic Avenue/Boulevard Corridor Study" or the "Study"); and
- (d) The development of a subregional arterial corridor plan would position the participating agencies to apply for, and receive, federal, state, and regional funding for improvement of the Corridor; and

- (e) The parties hereto are each a governmental entity established by law with full powers of government in legislative, administrative, financial, and other related fields; and
- (f) Section 21 of that certain Joint Exercise of Powers Agreement of the Gateway Cities Council of Governments (the "JPA"), to which the City is a signatory, provides that when authorized by the Board of Directors, affected Members may execute an Implementation Agreement for the purpose of authorizing Gateway to implement, manage and administer area-wide and regional programs in the interest of the local public welfare; and
- (g) The costs incurred by Gateway for the Study, including indirect costs, shall be assessed only to those Members who are parties to an Implementation Agreement; and
- (h) City, by and through its legislative body, has determined that this Agreement is desired to authorize Gateway to implement and initiate the Atlantic Avenue/Boulevard Corridor Study and is in furtherance of the public interest, necessity and conveyance.

Section 2. Committees.

(a) Atlantic Avenue/Boulevard Corridor Cities Committee. There is hereby established a committee to be known as the Atlantic Avenue/Boulevard Corridor Cities Committee. The Atlantic Avenue/Boulevard Corridor Cities Committee shall consist of an elected member of the legislative body of each agency that has entered into an Atlantic Avenue/Boulevard Corridor Study Implementation Agreement with Gateway, designated by the respective legislative bodies. The Atlantic Avenue/Boulevard Corridor Cities Committee will work in coordination with the Atlantic Avenue/Boulevard Corridor Technical Advisory Committee to provide policy assistance, guidance and direction to Gateway as administrator of this Agreement.

(b) Atlantic Avenue/Boulevard Corridor Technical Advisory Committee. There is hereby established a committee to be known as the Atlantic Avenue/Boulevard Corridor Technical Advisory Committee. The Atlantic Avenue/Boulevard Corridor Technical Advisory Committee shall consist of a staff representative of each agency that has entered into an Atlantic Avenue/Boulevard Corridor Study Implementation Agreement with Gateway, designated by the City Manager or, for the County of Los Angeles, the appropriate designating authority. Such designated representative shall be the Public Works Director or the equivalent for each agency. The Atlantic Avenue/Boulevard Corridor Technical Advisory Committee shall report to and receive direction from the Atlantic Avenue/Boulevard Corridor Cities Committee.

Section 3. Implementation of Atlantic Avenue/Boulevard Corridor Study. To the fullest extent of its authority, the City authorizes Gateway to implement and initiate a Corridor Study for the length of Atlantic Avenue/Boulevard through the Gateway Cities subregion, including initial feasibility studies (as approved by the Corridor Cities and Technical Advisory Committees) required to coordinate with other regional transportation studies. Further, the City authorizes Gateway to request funding and partnering with other public transportation agencies for the Atlantic Avenue/Boulevard Corridor Study (Caltrans, SCAG and Metro).

Section 5. Scope of Work. The Scope of Work to be performed under this Agreement is described in Attachment A, attached hereto and incorporated by this reference.

Section 4. Assessment for Proportional Costs of Study. The City agrees to pay to Gateway upon execution of this Agreement an assessment as described in Attachment A, attached hereto and incorporated herein by this reference, for City's proportional share of the projected costs of the Study.

Section 5. Termination of Agreement. Either party may terminate this Agreement for any reason, in whole or in part, by giving the other party thirty (30) days written notice thereof.

Section 6. Meetings. All regular, adjourned and special meetings of the committees established by this Agreement shall be called and conducted in accordance with the Ralph M. Brown Act, Government Code Section 54950 et seq., as amended from time to time.

Section 7. Miscellaneous.

(a) Compensation and Expense Reimbursement. All members of the Atlantic Avenue/Boulevard Corridor Cities Committee shall receive a stipend of one hundred dollars (\$100) for attendance at each meeting. Each member shall be reimbursed for reasonable and necessary expenses actually incurred by such member in the conduct of business related to the purposes of this Agreement, pursuant to an expense reimbursement policy established by the Gateway Cities COG prior to such expenses being incurred.

(b) Amendments. This Agreement may be amended by written agreement of the parties hereto.

(c) Hold Harmless and Indemnification. To the fullest extent permitted by law, City and Gateway agree to save, indemnify, defend and hold harmless each other from any and all liability, claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses, or any injury or damage of any kind whatsoever, whether actual, alleged or threatened, actual attorney fees, court costs, interest, defense costs and expenses associated therewith including the use of experts, and any other costs of any nature without restriction incurred in

relation to, as a consequence of, or arising out of, the performance of this Agreement, and attributable to the fault of the other. Following a determination of the percentage of fault and or liability by agreement between the parties or a court of competent jurisdiction, the party responsible for liability to the other will indemnify the other party to this Agreement for the percentage of liability determined as set forth in this section.

(d) Party Action. Unless otherwise provided in this Agreement, any action of a party required or authorized in this Agreement shall be by appropriate legislative action of the governing body of such party.

(e) Notice. Any notice required to be given or delivered by any provision of this Agreement shall be deposited in any United States Post Office, registered or certified, postage prepaid, addressed as set forth below, and shall be deemed to have been received by the party to whom the same is addressed at the expiration of seventy-two (72) hours thereafter. Written notice shall be sent in the aforesaid manner:

To Gateway: Gateway Cities Council of Governments
16401 Paramount Boulevard
Paramount, CA 90723
Attention: Richard Powers, Executive Director

To City: _____

(f) Waiver. Waiver by a party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision, or a waiver of any subsequent breach or violation of any provision of this Agreement.

(g) Law to Govern; Venue. This Agreement shall be interpreted, construed and governed according to the laws of the State of California. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in the County of Los Angeles.

(h) No Presumption in Drafting. The parties to this Agreement agree that the general rule that an Agreement is to be interpreted against the party drafting it or causing it to be prepared shall not apply.

(i) Entire Agreement. This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes all prior or contemporaneous agreements, whether written or oral, with respect thereto.

(j) Severability. If any term, provision, condition or covenant of this Agreement is declared or determined by any court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement shall not be affected thereby and the Agreement shall be read and construed without the invalid, void or unenforceable provision(s).

(k) Litigation/Proceeding Fees. In the event litigation or other proceeding is required to enforce or interpret any provision of this Agreement, the prevailing party in such litigation or other proceeding shall be entitled to an award of reasonable fees, costs and expenses, in addition to any other relief to which it may be entitled.

(l) Successors. This Agreement shall be binding upon and inure to the benefit of any successor of a party.

(m) Assignment and Delegation. Neither party shall assign any rights nor delegate any duties under this Agreement without the written consent of the other party.

(n) Counterparts. This Agreement may be executed in one (1) or more counterparts, all of which together shall constitute a single agreement, and each of which shall be an original for all purposes.

(o) Execution. The legislative bodies of the parties hereto each have authorized execution of this Agreement, as evidenced by the respective signatures attested below.

IN WITNESS WHEREOF, the parties hereto have caused the Agreement to be executed the day and year first written above.

CITY OF COMPTON

By: _____
Craig J. Cornwell, City Manager

ATTEST:
City Clerk

By: _____
Alita Godwin, City Clerk

APPROVED AS TO FORM:

Damon M. Brown, City Attorney

GATEWAY CITIES COUNCIL OF
GOVERNMENTS

Fernando Dutra, President

ATTEST:

Nancy Pfeffer, Secretary

APPROVED AS TO FORM

Ivy Tsai, Legal Counsel

Attachment A

Atlantic Avenue/Boulevard Corridor Study Scope of Work and Budget

Gateway Cities Council of Governments

Atlantic Corridor Complete Street Evaluation and Master Plan

SECTION 1: INTRODUCTION, PROJECT GOALS & OBJECTIVES

INTRODUCTION

The Gateway Cities Council of Governments (GCCOG) proposes to complete a comprehensive Atlantic Corridor Complete Street Evaluation and Master Plan. This effort will include close coordination and significant collaboration with the Cities of Commerce, Vernon, Maywood, Bell, Cudahy, South Gate, Lynwood, Long Beach and Unincorporated Los Angeles County.

The Atlantic Corridor is a major regional North-South travel corridor through the GCCOG jurisdictions. Recent studies have identified the Atlantic Corridor as deficient in many locations, with a wide range of technical issues. Identified issues along the Atlantic corridor include future 2035 volume/capacity and Average Daily Traffic (ADT) volume failure, vehicular delay, high accident/collisions rates, poor Level of Service (LOS), high truck volumes, and poor freeway ramps operations.

The study will evaluate the Atlantic Corridor beginning in the City of Long Beach traversing north to Unincorporated LA, for a complete street. Two primary alternatives considered include 1) the Atlantic Corridor as a “Complete Street” in an “unconstrained” condition to quantify the preliminary engineering and evaluate the feasibility, and 2) as a multi-modal Corridor evaluated for consistency across the sub-region, including a potentially phased approach to a Complete Street, along with any major challenges and the project benefits. The results would provide potential funding partners with an understanding of the holistic context of the improvements. Evaluation would include the existing and future 2035 traffic conditions, Levels of Service, truck volumes/impacts, pavement rehabilitation, pedestrian and bicycle traffic, transit connections, parking, commercial and residential linkages, City entryways/gateways, and potential safe routes to school options. The study would require participation and consensus from all stakeholders, including Commerce, Vernon, Maywood, Bell, Cudahy, South Gate, Lynwood, Long Beach and Unincorporated Los Angeles County, on the general consistency and aesthetic theme of the corridor.

The study scope of work is detailed below.

RESPONSIBLE PARTY

The study will be led by GCCOG staff. The GCCOG anticipates the following scope of work to complete the effort provided in the pages to follow.

PROJECT GOALS AND OBJECTIVES

The goal of this study is to improve the Atlantic Corridor by promoting a balanced, comprehensive multimodal transportation system in an effort to enhance sustainability of the communities it serves and address local and regional transportation needs and issues. The study results and the Complete Street Master Plan are expected to lead to programming and implementation of the transportation improvements of complete streets. Specific goals include improving multimodal mobility and access, promote and preserve multimodal transportation system, improve safety and security, foster livable and healthy communities, promote social equity and environmental justice, improve the air quality, and support economic vitality and quality of life of its communities.

Objectives include:

- Identify improvements to reduce transportation related greenhouse gases
- Identify concepts to creating sustainable communities
- Identify and develop community to school or safe routes to school plans
- Identify and develop complete street plans and streetscapes plans
- Identify and develop bike and pedestrian safety enhancement plans
- Identify traffic operations and safety enhancements opportunities
- Evaluate for Corridor enhancements for multimodal mobility, access, safety, and linkages
- Evaluate transit improvement opportunities to preserve transit facilities and optimize transit infrastructure
- Evaluate accessibility and connectivity of the multimodal transportation network

SECTION 2: SCOPE OF WORK (TASKS)

1. PROJECT MANAGEMENT AND ADMINISTRATION

a. Project Initiation

- The GCCOG will hold a kick-off meeting with the jurisdictional stakeholders to discuss project expectations including the scope and schedule.

b. Project Administration

- The GCCOG will track and report milestone status and completion—at least quarterly, but no more frequently than monthly.

c. Project Management

- GCCOG will manage the project, including the coordination of project team meetings and all outreach efforts. Caltrans will be invited to participate in the project team meetings, as needed and appropriate when considering improvements that affect their facilities.

2. DATA COLLECTION AND REVIEW OF EXISTING CONDITIONS

a. Existing Information & Documents

- GCCOG staff will field review the corridor.
- GCCOG staff will meet with each of the jurisdictions/stakeholders.
- GCCOG staff will gather all relevant document and literature for review and summarize useful information and findings relating to the Corridor.

3. MULTI-MODAL CORRIDOR EVALUATION AND ANALYSIS

a. Existing Conditions Corridor Evaluation and Analysis

- GCCOG staff will conduct an existing conditions analysis by identifying opportunities and constraints for the multimodal Corridor. Analysis would include the current traffic conditions and Levels of Service, truck volumes/impacts, pavement needs, pedestrian and bicycle traffic, transit connections, parking and other commercial and residential linkages, and City entryways, or gateways, and potential safe routes to school options. This information will primarily be obtained via the existing technical information prepared from the I-710 draft EIR/EIS as well as the Strategic Transportation Plan.

b. Future Conditions Corridor Evaluation and Analysis

- GCCOG staff will use data and information from recent studies on future conditions along the project Corridor and conduct thorough future conditions analysis for the multimodal Corridor. Analysis will include the 2035 traffic conditions and Levels of Service, truck volumes/impacts, pavement needs, pedestrian and bicycle traffic, transit connections, parking and other commercial and residential linkages, and City entryways, or gateways, and potential safe routes to school options.

4. COMPLETE STREETS NEEDS ANALYSIS

a. Conduct Needs Analysis

- GCCOG staff will conduct a detailed needs analysis for complete streets and multimodal Corridor development, and identifying constraints/opportunities. A complete streets menu of options, or opportunities table, will be generated and coordinated with each jurisdiction to determine those elements which are most important and should be the focus of the jurisdiction.

5. COMMUNITY AND STAKEHOLDER OUTREACH

a. Stakeholder Outreach

- GCCOG staff will coordinate meetings to discuss the project with various stakeholder agencies. Access control and possible improvements that benefit/affect their facilities will be presented. GCCOG staff will also conduct stakeholder outreach after developing the concept alternatives and after the development of the draft Master Plan.

- GCCOG staff will coordinate and facilitate a workshop to introduce the project, define project parameters, present the project opportunities and constraints, and solicit opinions. GCCOG staff will also present the project to interested City Councils', or other affected groups after developing the concept alternatives and after the development of the draft Master Plan.

6. COMPLETE STREETS IMPLEMENTATION ALTERNATIVES

a. Develop Alternatives

- Based on the existing and future conditions evaluation and the stakeholder/community input, GCCOG staff will develop alternative concepts for complete street implementation, and will include concept plans, sketches, and photos.
- Two primary alternatives considered include 1) the Atlantic Corridor as a "Complete Street" in an "unconstrained" condition to quantify the high level engineering and feasibility, and 2) as a multi-modal Corridor evaluated for consistency across the sub-region, including a potentially phased approach to a Complete Street, along with any major challenges as well as project benefits so that potential funding partners could understand the holistic context of the improvements.

7. CONCEPTUAL DESIGN OF COMPLETE STREETS MASTER PLAN

a. Develop Master Plan

- Based on the preferred design alternative chosen in the stakeholder and outreach efforts and discussions with the Cities, GCCOG staff will develop a draft Master Plan.

8. DEVELOP CONCEPTUAL DESIGN ALTERNATIVE WITH COST ESTIMATE

a. Develop conceptual Design Alternative with Cost Estimate

- The conceptual plans will be based on site visits, engineering analysis and recommendations from City staff input.
- The conceptual plans will include proposed striping, roadway improvements, and structural improvements, connectivity to adjacent existing bikeway systems, and connectivity to future bikeway systems in order to understand the necessary improvements that will be required by the project footprint

9. PRESENTATIONS TO COMMITTEES AND CITY COUNCILS

a. Presentations

- GCCOG staff will prepare and present PowerPoint presentations to Committees and City Councils, describing quantified and other benefits.

10. FINALIZE CONCEPTUAL DESIGN OF COMPLETE STREETS MASTER PLAN

a. Finalize Master Plan with Schedule

- GCCOG staff will finalize the Master Plan.
- A program level project schedule will be prepared for preliminary engineering, environmental documentation, design and construction
- Four hard-copies and four electronic copies of the final Master Plan will be submitted to each jurisdiction.

SECTION 3: SCHEDULE

The Gateway Cities Council of Governments (GCCOG) proposes to complete the Atlantic Corridor Complete Street Evaluation and Master Plan over the period of approximately 1 year, with an anticipated kick off in July 2016.

SECTION 4: COST

The Gateway Cities Council of Governments (GCCOG) proposes to complete the Atlantic Corridor Complete Street Evaluation and Master Plan for approximately \$301,534.69, which includes GCCOG consultant staff time and overhead GCCOG expenses.

The initial breakdown, below, is based on linear mile for each jurisdiction.

Jurisdiction	Corridor Designation	Segment Limits	Linear Miles Through Jurisdiction	Cost Per Jurisdiction
Unincorp. LA County (East LA)	Atlantic Boulevard	Telegraph Road to SR-60	1.63	\$ 24,835.85
Commerce	Atlantic Boulevard	Telegraph Road south to 26 th Street	0.65	\$ 9,903.87
Vernon	Atlantic Boulevard	26 th Street to Leonis	0.38	\$ 5,789.95
Vernon/Maywood	Atlantic Boulevard	Leonis to 52 nd Drive	1.2	\$ 18,284.06
Maywood	Atlantic Boulevard	52 nd Drive to Randolph Street	0.83	\$ 12,646.48
Bell	Atlantic Avenue	Randolph Street to Florence Avenue	0.77	\$ 11,732.27
Cudahy/Bell	Atlantic Avenue	Walnut Street north to Florence Avenue	0.09	\$ 1,371.30
Cudahy	Atlantic Avenue	Walnut Street south to Patata Street	0.97	\$ 14,779.62
South Gate	Atlantic Avenue	Patata Street to just North of Abbott Rd.	1.5	\$ 22,855.08
Lynwood	Atlantic Avenue	Abbott Road south to McMillan Street	2	\$ 30,473.44
Unincorp. LA County (East Rancho Dominguez)	Atlantic Avenue	McMillan Street to just north of Alondra Blvd.	1.24	\$ 18,893.53
Compton	Atlantic Avenue	Just north of Alondra Boulevard to LA River	0.43	\$ 6,551.79
Long Beach	Atlantic Avenue	Los Angeles River south to Ocean Boulevard	8.1	\$ 123,417.43
Total Corridor Miles			19.79	\$ 301,534.69

Additionally, there was discussion at the initial meeting regarding funding scenarios, and how Cities would 1) pay for this effort; 2) could receive credit for work already completed or economy of scale; and 3) if there were additional outside sources that could pay or contribute to the cost of the study.

Regarding each jurisdiction paying their per linear mile proportional share, it was noted that there are several funding options, including a City's Prop C, Local Return Measure R, AB 2766 funds, since part of the project involves bicycle and pedestrian facilities, gas tax and/or general funds.

Total Cost	
Unincorp. LA County (East LA)	\$ 24,835.85
Commerce	\$ 9,903.87
Vernon	\$ 14,931.99
Maywood	\$ 21,788.51
Bell	\$ 12,417.93
Cudahy	\$ 15,465.27
South Gate	\$ 22,855.08
Lynwood	\$ 30,473.44
Unincorp. LA County (East Rancho Dominguez)	\$ 18,893.53
Compton	\$ 6,551.79
Long Beach	\$ 123,417.43
	\$ 301,534.69

Regarding credit for work already completed or economy of scale, it was difficult to quantify a cost on planning/design already completed, which likely does not consider all complete street, master plan, and/or Corridor collective goals and variables included in this scope of work that sum, that create the overall Corridor vision.

Lastly, regarding outside sources, this Corridor is a regional corridor, with a nexus to both the 605/405/91 Measure R Hot Spots and 710 Early Action revenue stream sources. However, in discussions with GGCCOG management and MTA staff, it was determined that the initial effort should be locally sponsored to show commitment to the vision and effort. Once the vision is established, with unanimous participation, there has been a high success rate of additional funds being infused into the project to take it to the next phase of implementation.