

NOTICE

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.

**COMPTON CITY COUNCIL
AGENDA
Tuesday, October 23, 2007
3:00 PM**

HEARING(S)

3:20 P.M. JOINT PUBLIC HEARING - TO CONSIDER A SHOPPING CENTER LEASE AGREEMENT BETWEEN THE COMMUNITY REDEVELOPMENT AGENCY AND PRISM-IQ PARTNERS, LLC., AND ASSIGNMENT OF THE LEASE TO THE CITY OF COMPTON AND A REIMBURSEMENT AGREEMENT BETWEEN THE CITY AND PRISM-IQ PARTNERS TO ENHANCE SECURITY SERVICES AT GATEWAY TOWNE CENTER.

OPENING

ROLL CALL

APPROVAL OF MINUTES

1. October 2, 2007

INTRODUCTION OF SPECIAL GUESTS

COMMENDATORY RESOLUTIONS/PRESENTATIONS

2. PROCLAMATION - PROCLAIMING THE MONTH OF OCTOBER AS NATIONAL COMMUNITY PLANNING MONTH IN THE CITY OF COMPTON

3. COUNCIL PRESENTATION TO THE HOMELESS VETERAN'S
STAND DOWN PARTICIPANTS

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 and item be removed or discussed

REPORTS OF OFFICERS AND COMMISSIONS

CITY MANAGER/CITY ATTORNEY REPORTS

4. REQUEST TO SCHEDULE A PUBLIC HEARING - APPEAL OF
PLANNING COMMISSION DECISION TO CONSTRUCT A NEW
SELF-SERVICE CAR WASH AT 519 S. LONG BEACH
BOULEVARD - NOVEMBER 20, 2007 AT 7:15 P.M.
5. REQUESTING THE USE OF THE TRANSIT CENTER TO HOST
AN ANNUAL HOLIDAY SHOWCASE ON WEDNESDAY,
DECEMBER 12, 2007 FROM 12:00 NOON TO 8:00 P.M.
(COMPTON EDUCATION FOUNDATION - REQUESTER)

COMPTON CAREERLINK

6. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
COMPTON AUTHORIZING THE CITY MANAGER TO ENTER
INTO A LEASE AGREEMENT BETWEEN THE COMPTON
CAREERLINK WORKSOURCE CENTER AND COMPTON
UNIFIED SCHOOL DISTRICT'S REGIONAL OCCUPATIONAL
PROGRAM/VOCATIONAL EDUCATION/SCHOOL-TO-WORK
FOR FISCAL YEAR 2007-08

MUNICIPAL LAW ENFORCEMENT SERVICES

7. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
COMPTON AUTHORIZING THE CITY MANAGER TO RENEW
THE AGREEMENT WITH THE CITY OF INGLEWOOD FOR
COMPUTERIZED PARKING CITATION MANAGEMENT
SERVICES FOR FISCAL YEARS 2007-2010.

PLANNING AND ECONOMIC DEVELOPMENT

8. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON CERTIFYING THAT THE CITY'S REVOLVING LOAN FUND (RLF) PROGRAM WAS OPERATED ACCORDING TO THE REQUIREMENTS OF THE U.S. DEPARTMENT OF COMMERCE, ECONOMIC DEVELOPMENT ADMINISTRATION DURING THE 2006-2007 PROGRAM FISCAL YEAR

PUBLIC WORKS-ENGINEERING

9. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO AN IMPLEMENTATION AGREEMENT FOR OVERSIGHT OF SPECIAL STUDIES RELATED TO THE LOS ANGELES RIVER METAL TMDLS WITH GATEWAY CITIES COUNCIL OF GOVERNMENTS
10. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ADOPTING THE SEWER SYSTEM MANAGEMENT PLAN (SSMP) AND ESTABLISHING A SCHEDULE FOR ADDITIONAL SEWER MANAGEMENT PROGRAMS
11. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT AGREEMENT WITH RON'S MAINTENANCE FOR CATCH BASIN CLEANING AND TO ISSUE A PURCHASE ORDER FOR AN AMOUNT NOT TO EXCEED SEVENTY THOUSAND, ONE HUNDRED SEVENTY FIVE DOLLARS (\$70,175.00)

REPORTS OF OFFICERS, BOARDS, COMMISSIONS AND COMMITTEES

CITY MANAGER'S REPORT

12. MONTHLY MANAGEMENT REPORTS
September 2007 -
Municipal Law Enforcement Services
Community Redevelopment Agency

CITY ATTORNEY'S REPORTS

CLOSED SESSION

13. PUBLIC EMPLOYMENT APPOINTMENT

Title: City Manager

Pursuant to California Government Code Section 54957

CITY TREASURER'S REPORTS

UNFINISHED BUSINESS

NEW BUSINESS

14. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE LAND USE ELEMENT AND LAND USE POLICY MAP OF THE GENERAL PLAN TO CHANGE THE DESIGNATION OF PROPERTY LOCATED AT 15610-15810 SOUTH FRAILEY AVENUE, COMPTON
15. AUTHORIZING A SHOPPING CENTER LEASE AGREEMENT BETWEEN THE COMMUNITY REDEVELOPMENT AGENCY AND PRISM-IQ PARTNERS, LLC., AND ASSIGNMENT OF THE LEASE TO THE CITY OF COMPTON PURSUANT TO A REIMBURSEMENT AGREEMENT BETWEEN THE CITY AND PRISM-IQ PARTNERS, LLC., IN CONNECTION WITH THE ESTABLISHMENT OF A SHERIFF SUBSTATION AT THE GATEWAY TOWNE CENTER SITE IN THE REDEVELOPMENT PROJECT AREA
16. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COMPTON, CALIFORNIA, ADDING SECTION 9-24 TO CHAPTER IX OF THE COMPTON MUNICIPAL CODE PROHIBITING THE ESTABLISHMENT AND OPERATION OF MEDICAL MARIJUANA DISPENSARIES

APPROVAL OF WARRANTS

AUDIENCE COMMENTS

COUNCIL COMMENTS

ADJOURNMENT

NEXT REGULAR MEETING: Tuesday, November 06, 2007 @ 7:00 PM.

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1.

AUTHORIZING A PURCHASE ORDER WITH MOTOROLA INC., TO PURCHASE VEHICULAR RADIO MODEMS FOR THE DEPARTMENT'S EMERGENCY VEHICLES

Resolution # 22,440
Robert Ray questioned if these modems were compatible with inter-agency communications.

Jon Thomas, Acting Fire Chief, replied affirmatively, noting that the modems would allow the Fire Department the option to communicate from mobile units.

ACCEPTING THE BID OF ARMORCAST PRODUCTS COMPANY FOR FURNISHING AND DELIVERY OF POLYMER METER BOXES AND COVERS

Resolution # 22,441

AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER TO GRAINGER TO PURCHASE CUSTODIAL SUPPLIES

Resolution # 22,442

AMENDING THE REPRODUCTION 2007-08 FISCAL YEAR BUDGET TO DELETE THE TWO PRINTING AND DUPLICATION TECHNICIAN POSITIONS AND ADD ONE REPROGRAPHICS EQUIPMENT OPERATOR I AND ONE REPROGRAPHICS EQUIPMENT OPERATOR II POSITION

Resolution # 22,443

AUTHORIZING THE SUBMISSION OF THE CITY'S 2006-07 CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT (CAPER) TO THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Resolution # 22, 444

ITEMS REMOVED FROM THE CONSENT AGENDA

AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER FOR JOHN T. MALLOY, INC. FOR THE INSTALLATION OF 68 SERVICE CONNECTIONS TO THE MIDLAND PARK RESIDENTS AND TRANSFERRING FUNDS BETWEEN ACCOUNTS

Removed.

REPORTS OF OFFICERS, BOARDS, COMMISSIONS AND COMMITTEES

Appointment(s) of Officers, Council Members, Boards/Commissions and Committees - Expired Terms and Vacancies for Boards and Commissions

Reagendad.

CITY MANAGER'S REPORTS

**Weekly Graffiti Reports -
Urban Graffiti Enterprises
September 4, 2007
September 11, 2007
September 18, 2007**

Mayor Perrodin requested that a local graffiti removal agency be hired to maintain the city's graffiti removal during the weekend.

On motion by Arceneaux, seconded by Hall, the report was received and filed by the following vote on roll call:

AYES: Council Members - Calhoun, Dobson, Arceneaux, Hall, Perrodin
NOES: Council Members - None
ABSENT: Council Members - None

**Financial Report for Month Ending
July 31, 2007**

On motion by Arceneaux, seconded by Dobson, the financial report was received and filed by the following vote on roll call:

AYES: Council Members - Calhoun, Dobson, Arceneaux, Hall, Perrodin
NOES: Council Members - None
ABSENT: Council Members - None

CITY ATTORNEY'S REPORTS**CLOSED SESSION**

**Conference with Legal Counsel -
Anticipated Litigation, Pursuant
to California Government Code
Section 54956.9 One Potential Case**

On motion by Hall, seconded by Arceneaux, the closed sessions were approved by the following vote on roll call:

**Tanyi Morris vs. City of Compton
Claim No. I-80049, Pursuant to
California Government Code
54957.1(a)(3)**

AYES: Council Members - Calhoun, Dobson, Arceneaux, Hall, Perrodin
NOES: Council Members - None
ABSENT: Council Members - None

SUBSEQUENT NEED ITEM**CLOSED SESSION**

**Conference with Legal Counsel -
Anticipated Litigation with
Significant Exposure to Litigation,
Pursuant to California Government
Code 54956.9 Sub-Division B**

On motion by Arceneaux, seconded by Calhoun, to consider the subsequent need item by the following vote on roll call:

AYES: Council Members - Calhoun, Dobson, Arceneaux, Hall, Perrodin
NOES: Council Members - None
ABSENT: Council Members - None

On motion by Arceneaux, seconded by Calhoun, the subsequent need item was approved by the following vote on roll call:

AYES: Council Members - Calhoun, Dobson, Arceneaux, Hall, Perrodin
NOES: Council Members - None
ABSENT: Council Members - None

CLAIMS AGAINST THE CITY OF COMPTON

Cecilia Granados I-80071

On motion by Arceneaux, seconded by Calhoun, the above claim was denied by the following vote on roll call:

AYES: Council Members - Calhoun, Dobson, Arceneaux, Hall, Perrodin
NOES: Council Members - None
ABSENT: Council Members - None

CITY TREASURER'S REPORTS

<u>Investment Report</u> Report Accurately Reflects All Pooled Investments Held on Behalf of the City and Redevelopment Agency as of August 31, 2007	Mayor Perrodin questioned if the city's finances were affected by the issues surrounding sub-prime lending.
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City Treasurer Sanders assured the Mayor that the city's finances were not affected by the recent problems surrounding sub-prime lending.

Mayor Perrodin asked Councilperson Hall if the city's real estate values had declined.

Councilperson Hall explained that the Southern California area has been experiencing a drastic decrease in property values by at least ten to fifteen percent. Mr. Hall also mentioned that the loan companies that previously approved one hundred percent and interest-only loans have closed down or now requiring higher down payments and fico scores.

Mayor Perrodin requested that the city conduct a financial mid-year review, in order to accurately project the 2008-09 fiscal year budget. Mayor Perrodin also commented on the Los Angeles City Council and their issues concerning utility taxes. As a result, Mayor Perrodin commended the City Council and citizens of Compton for having the foresight to review, discuss and veto the supplementary utility tax in the City of Compton.

On motion by Arceneaux, seconded by Calhoun, the investment report was received and filed by the following vote on roll call:

AYES: Council Members - Calhoun, Dobson, Arceneaux, Hall, Perrodin
NOES: Council Members - None
ABSENT: Council Members - None

UNFINISHED BUSINESS	There was no Unfinished Business.
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NEW BUSINESS

ADDING SECTION 12-9 TO THE COMPTON MUNICIPAL CODE AND ESTABLISHING A PREFERENTIAL PERMIT PARKING PROGRAM WITHIN THE CITY OF COMPTON	On motion by Arceneaux, seconded by Calhoun, to waive the reading of the ordinance in full by the following vote on roll call:
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AYES: Council Members - Calhoun, Dobson, Arceneaux, Hall, Perrodin
NOES: Council Members - None
ABSENT: Council Members - None

On motion by Arceneaux, seconded by Hall, “**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COMPTON ADDING SECTION 12-9 TO THE COMPTON MUNICIPAL CODE AND ESTABLISHING A PREFERENTIAL PERMIT PARKING PROGRAM WITHIN THE CITY OF COMPTON**” was placed on first reading by title only by the following vote on roll call:

AYES: Council Members - Calhoun, Dobson, Arceneaux, Hall, Perrodin
NOES: Council Members - None
ABSENT: Council Members - None

APPROVAL OF WARRANTS

<u>Warrant #</u>	<u>Description</u>	<u>Amount</u>
155554	Acella Inc. (Payment for Acella software maintenance and software updates invoice numbers: PS35967, PL35985, MI050277)	18,637.89
155324	Banner Industries (Extra detail cleaning at Careerlink Annex Building; Studio and Dance Studio per Invoice #WSB701)	540.20
155359	IT Ascent, Inc. (Consulting Services from June 2007 to September 2007)	15,000.00
155357	Humanomics Insurance Service Inc. (Premium and Excess Coverage for the Dial-A-Ride Program effective 9/26/07 - 9/26/08)	<u>99,582.26</u> Total \$133,760.35

Mayor Perrodin questioned why the city's annual insurance premium is almost \$100,000.00.

City Manager Evans indicated that the city’s premium pays for primary coverage and excess coverage for up to ten million dollars, i.e., Dial-A-Ride buses, residential Dial-A-Ride program and senior citizen transportation. Mr. Evans also mentioned that the premiums are paid out of Proposition “C” funds.

Councilperson Dobson mentioned that all risks are not covered by insurance companies and asked if proposals were requested from other companies.

City Manager Evans affirmed that the city requests insurance proposals during each renewal stage and the most beneficial company is selected out of the group.

Mayor Perrodin requested the criteria an insurance company must follow to obtain a contract with the city.

City Manager Evans stated that the insurance company in question, must maintain an A+ rating and be licensed in the State of California. Nevertheless, Mr. Evans mentioned that there have been some exceptions in the past.

Mayor Perrodin questioned if the City Manager had any information concerning those other companies. City Manager Evans indicated that he did not have that information available at this time.

Mayor Perrodin requested that the information be forwarded to the City Council in two weeks.

Mayor Perrodin further inquired as to how many years the city has been insured by Humanomics Insurance Company. City Manager Evans stated that the city has been covered by Humanomics for the past ten years.

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Mayor Perrodin requested the percentage price, the insurance company receives for their brokerage services. City Manager Evans indicated that the insurance company receives approximately four to six percent for the services they provide to the city.

Mayor Perrodin asked if it would be beneficial for the city to deal directly with the insurance company. City Manager Evans informed the Mayor that insurance companies do not deal directly with their clients.

City Treasurer Sanders noted that it has become difficult for cities to obtain coverage, due to insurance carriers leaving the business.

Mayor Perrodin requested a list of the city's insurance companies, premiums and the value of their policies.

Councilperson Arceneaux asked if the city was also self-insured. City Manager Evans commented that the city's liability insurance and worker's compensation program are self-insured.

Mayor Perrodin questioned if the city maintained an unrelated financial representative to ensure the city's balance could support a contingency plan.

Mr. Okonu, Risk Manager, replied affirmatively and mentioned that the city was recently audited by AID, Consulting Company in June 2007.

Mayor Perrodin inquired as to whether they reviewed all of the city's insurance policies. Mr. Okonu explained that they reviewed the city's liability insurance policy, however the worker's compensation policy is audited by state insurance representatives.

Mayor Perrodin requested the percentage of cities in the State of California that are self-insured, as it relates to worker's compensation and liability insurance.

Mr. Okonu indicated that he would bring back that information at a later date.

Mayor Perrodin asked if the city ever looked into the costs or benefits of an insurance company versus being self-insured. Mr. Okonu informed Mayor Perrodin that the city determined in 2004, that it was more cost effective to remain self-insured.

Mayor Perrodin asked that the city conduct a more recent cost analysis, concerning prospective insurance services.

Councilperson Dobson noted that worker's compensation rates are set by the state, based upon company payrolls.

Mr. Okonu informed the council that self-insured cities are allowed to pay their premiums as they go, opposed to top party administrators required to fund their policies up front.

Mayor Perrodin requested the liability to the city, in the event all city employees are injured simultaneously. Mr. Okonu stated that employee payment rates would be dependent upon the severity of the injury.

Councilperson Hall asked if the city is currently paying a company to maintain its facilities.

City Manager Evans affirmed that the city does pay another company to maintain the city's facilities, such as Careerlink and the Public Works and Water yard. Mr. Evans noted that the warrant amount is over and above the company's existing agreement with the city.

Councilperson Hall expressed his concerns for a company that maintains a significantly large contract with the city and would charge an additional \$500.00 to clean up a small room after an event.

On motion by Arceneaux, seconded by Dobson, the above warrants were approved by the following vote on roll call:

AYES: Council Members - Calhoun, Dobson, Arceneaux, Hall, Perrodin
NOES: Council Members - None
ABSENT: Council Members - None

**PUBLIC HEARING -
 DECLARE RESIDENCE A PUBLIC
 NUISANCE 501 WEST RAYMOND
 STREET**

On motion by Arceneaux, second by Calhoun, the hearing was opened at 7:52 p.m., by the following vote on roll call:

AYES: Council Members - Calhoun, Dobson, Arceneaux, Hall, Perrodin
NOES: Council Members - None
ABSENT: Council Members - None

Craig Cornwell, Chief Deputy City Attorney of the City Attorney's Office, stated that the purpose of this hearing is to address the illegal sales of unpasteurized milk from the residence located at 501 West Raymond Street. Mr. Cornwell stated that the residents of this location have either allowed or been involved in behavior that is in direct violation of the following codes:

- Compton Municipal Code 30-7.2A; Limits persons in the Richland Farms area to one cow for each 2,500 square feet, not to exceed a total of five goats.
- Compton Municipal Code 30-7.2B, Prohibits the operation of dairies in a private home.
- California Food & Agriculture Penal Code 597.1 regulates dairy farms and animals in specified places without proper care or attention.

As a result, a joint task force was established, consisting of the Compton Sheriff's Department, Municipal Law Enforcement Services Department, Department of Animal Care & Control, California Department of Health & Safety, Department of Alcohol Beverage Control and the City Attorney's Office. On February 24, 2007, the task force assembled and approached the location for an arrest, but illegal milk sales were not being conducted at that time. Mr. Cornwell noted that surveillance activity had been collected by the Sheriff's Department.

Mr. Cornwell commented that after scheduling this hearing, the owner of the property contacted him and consented that he examine her backyard. Mr. Cornwell confirmed that as of Monday, there were no goats on her property. Mr. Cornwell also mentioned that she was the only property owner to contact him, since the scheduling of the hearings.

Mr. Cornwell indicated that certified notices regarding this hearing were sent to the property owners on August 1, 2007 and requested that the council declare the residence at 501 West Raymond Street a public nuisance for past violations, though abatement does not need to be included at this time, because the owner has self-abated.

Councilperson Hall requested that the property be declared a public nuisance as well as continuing the abatement process.

Mr. Cornwell consented with the recommendations of the council.

Councilperson Arceneaux excused herself from the meeting, due to her living within the 500 foot radius of the subject properties.

**AUDIENCE COMMENTS
ON THE HEARING**

Raymond Street.

Val Dudley stated that her life has been significantly impacted for over a year, due to the illegal activities taking place at 501 West

Esther Riviera, property owner of 501 West Raymond Street, informed the council that she no longer has any goats and promised that she would not acquire anymore animals.

Alfred Riviera, resident of 501 West Raymond Street, stated that he has been living on the property for over thirty years and was unaware that there was a limit on the number a goats allowed per square feet. Mr. Riviera also stated that the goats were owned by his uncle who no longer lives on the property. Mr. Riviera further stated that he is working hard to remedy this issue concerning his mother's property.

On motion by Dobson, seconded by Calhoun, the hearing was closed at 8:06 p.m., by the following vote on roll call:

- AYES:** Council Members - Calhoun, Dobson, Hall, Perrodin
- NOES:** Council Members - None
- ABSENT:** Council Members - Arceneaux

**COUNCIL COMMENTS
ON THE HEARING**

commended the City Attorney's Office and staff for their diligent hard work in this matter.

Councilperson Hall felt it was important that the city follow through on the public nuisance and abatement process and

**PUBLIC HEARING -
DECLARE RESIDENCE A PUBLIC
NUISANCE 608 WEST RAYMOND
STREET**

On motion by Hall, second by Dobson, the hearing was opened at 8:07 p.m., by the following vote on roll call:

- AYES:** Council Members - Calhoun, Dobson, Hall, Perrodin
- NOES:** Council Members - None
- ABSENT:** Council Members - Arceneaux

Craig Cornwell, Chief Deputy City Attorney of the City Attorney's Office, stated that the purpose of this hearing is to address the illegal sales of unpasteurized milk from the residence located at 608 West Raymond Street. Mr. Cornwell stated that the residents of this location have either allowed or been involved in behavior that is in direct violation of the following codes:

- Compton Municipal Code 30-7.2A; Limits persons in the Richland Farms area to one cow for each 2,500 square feet, not to exceed a total of five goats with a five goat limit.
- Compton Municipal Code 30-7.2B, Prohibits the operation of dairies in a private home.
- California Food & Agriculture Penal Code 597.1 regulates dairy farms and animals in specified places without proper care or attention.

As a result, a joint task force was established, consisting of the Compton Sheriff's Department, Municipal Law Enforcement Services Department, Department of Animal Care & Control, California Department of Health & Safety, Department of Alcohol Beverage Control and the City Attorney's Office. On February 24, 2007, the task force assembled and approached the location for an arrest, but illegal milk sales were not being conducted at that time. Mr. Cornwell noted that surveillance activity had been collected by the Sheriff's Department.

Deputy John Carter, representative of the Compton Sheriff's Station, stated that on October 21, 2006, another officer and himself responded to the location and observed an open gate with people walking to the rear of the residence. Subsequently, he proceeded further and witnessed approximately forty-five adults and children congregating with music playing. Deputy Carter further stated that he observed an individual milking a cow directly into a styrofoam cup, a cash register, chocolate cocoa mix and an 80 Proof clear alcoholic beverage.

Mayor Perrodin asked Deputy Carter if he actually witnessed someone milking the cow directly into a cup.

Deputy Carter replied affirmatively and described the gentleman to be 35 to 40 years old, wearing a white shirt and blue jeans, sitting on a red milk crate.

Mayor Perrodin requested additional information concerning the type of cup used to catch the milk. Deputy Carter stated that the gentleman used a 32 ounce styrofoam cup.

Mayor Perrodin asked what the gentleman did with the cup. Deputy Carter stated that the gentleman held the cup.

Mayor Perrodin asked Deputy Carter if he observed any money being exchanged. Deputy Carter stated that he did not see any money being exchanged, although he did see approximately \$300.00 in the cash register and twenty plain bags of white cheese with no commercial lettering inside a refrigerator.

Mayor Perrodin asked Deputy Carter if he saw any milk contained in a commercial package. Deputy Carter stated that he did not see any commercial packaging.

Councilperson Dobson asked Deputy Carter if he saw the gentleman strain the milk. Deputy Carter stated that there were no strainers at the location.

Mayor Perrodin questioned what the alcohol was contained in. Deputy Carter stated that the tequila was contained in a clear bottle.

Councilperson Hall requested the time of day. Deputy Carter stated he responded to the call at 6:30 a.m. on Saturday morning.

Mr. Cornwell requested the number of animals on the property. Deputy Carter indicated that there were twenty cows and thirty goats on the property.

Councilperson Hall requested the type of condition the animals were in. Deputy Carter stated that the animals were in poor condition with feces everywhere.

Mayor Perrodin asked if there were any other animals on the property. Deputy Carter indicated that there were approximately thirty chickens and roosters on the property.

Mayor Perrodin inquired as to whether any milk was sent out for analysis. Deputy Carter stated that there were no samples taken from this location.

Councilperson Dobson questioned if the Sheriff's Department had responded to this location before October 2006. Deputy Carter replied that the Sheriff's Department had never been to that location prior to October 2006.

Councilperson Calhoun asked if the abatement would prohibit all animals. Mr. Cornwell replied affirmatively and stated that staff would be presenting the council with a proposed abatement resolution.

Councilperson Hall requested the logistics of staff's recommendation. Mr. Cornwell explained that staff would be conducting periodic inspections for up to thirty six months to ensure proper abatement.

Councilperson Hall insisted that “no animals” be allowed on the property for the entire abatement probation.

Mr. Cornwell informed the council that the City Attorney's Office was involved in a civil lawsuit, in which a man incidentally drove his 1997 Dodge truck into a Compton Airport hanger. Mr. Cornwell stated that the incident happened at 10 a.m. in December 2005. The man stated that he had just left a home where he was drinking “Rye Milk” and implied that he fell asleep due to the effects of the drink.

Mayor Perrodin questioned if the man provided an address. Mr. Cornwell stated that the man indicated the residence at 608 West Raymond Street.

**AUDIENCE COMMENTS
ON THE HEARING**

Val Dudley stated that on numerous occasions, she has witnessed rude and inebriated individuals walking and riding horses down her street from 608 West Raymond Street. Ms. Dudley mentioned that the illegal milk patrons are also verbally abusive to the residents and broke glass in residential driveways.

Robert Ray stated that he was present during the time of the accident at the Compton Airport and confirmed that the man driving the truck was drunk.

Daniel Haley inquired as to whether the city monitored the public health effects of the unpasteurized milk.

Mr. Cornwell stated that the city had not yet determined any ill-effects to date.

Enrique Gonzales, Tichenor Street, stated that he has never seen twenty cows at 608 West Raymond Street and commented that he does not drink milk or alcohol. Mr. Gonzales also stated that he has never seen people littering after leaving the location and felt other establishments should be punished for individuals littering after leaving their premises.

Marie Hollis, 40-year Raymond Street resident, stated that she has never experienced such drunkenness, traffic congestion and disrespect in all her years of living in this neighborhood. Ms. Hollis also stated that on several occasions, she has had to pick up cups in front of her home. Ms. Hollis commended the City Council and City Attorney's Office for addressing this situation.

Lorraine Cervantes notified the City Council that “Rye Milk” is considered a health drink in Mexico. Ms. Cervantes felt the lack of code enforcement was a bigger issue than “Rye Milk.”

On motion by Hall, seconded by Calhoun, the hearing was closed at 8:47 p.m., by the following vote on roll call:

AYES: Council Members - Calhoun, Dobson, Hall, Perrodin
NOES: Council Members - None
ABSENT: Council Members - Arceneaux

**COUNCIL COMMENTS
ON THE HEARING**

Councilperson Hall felt due diligence had been provided to all property owners, however they chose to continue to participate in illegal activities. Mr. Hall indicated that the City Council had the responsibility to make sure Compton citizens were safe and secure. Mr. Hall stated that he supports the abatement and public nuisance declaration on this property.

Councilperson Dobson stated that this property has received several warnings from law enforcement and city staff. Therefore, the City Council is obligated to act on the evidence provided by staff.

**PUBLIC HEARING -
DECLARE RESIDENCE A PUBLIC
NUISANCE 628 WEST RAYMOND
STREET**

On motion by Hall, second by Calhoun,
the hearing was opened at 8:57 p.m., by the
following vote on roll call:

AYES: Council Members - Calhoun, Dobson, Hall, Perrodin
NOES: Council Members - None
ABSENT: Council Members - Arceneaux

Craig Cornwell, Chief Deputy City Attorney of the City Attorney's Office,
stated that the purpose of this hearing is to address the illegal sales of unpasteurized milk
from the residence located at 628 West Raymond Street. Mr. Cornwell stated that the
residents of this location have either allowed or been involved in behavior that is in direct
violation of the following codes:

- Compton Municipal Code 30-7.2A; Limits persons in the Richland Farms area to
one cow for each 2,500 square feet, not to exceed a total of five goats with a five goat
limit.
- Compton Municipal Code 30-7.2B, Prohibits the operation of dairies in a private
home.
- California Food & Agriculture Penal Code 597.1 regulates dairy farms and animals in
specified places without proper care or attention.

As a result, a joint task force was established, consisting of the Compton Sheriff's
Department, Municipal Law Enforcement Services Department, Department of Animal
Care & Control, California Department of Health & Safety, Department of Alcohol
Beverage Control and the City Attorney's Office. On February 24, 2007, the task force
assembled and approached the location for an arrest, but illegal milk sales were not being
conducted at that time. Mr. Cornwell noted that surveillance activity had been collected by
the Sheriff's Department.

Deputy John Carter, representative of the Compton Sheriff's Station, stated that he
responded to a call at 628 West Raymond Street and observed small groups of individuals
walking towards the rear of the residence through an open security gate. Subsequently, he
proceeded to the backyard and witnessed thirty-five to forty people including children
sitting down and drinking with music playing. Deputy Carter indicated that he also
observed thirty goats, twenty cows and thirty chickens and roosters running freely.

Deputy Carter also mentioned that he observed approximately \$300.00 in numerous
denominations inside a white container on a table.

Mr. Cornwell asked Deputy Carter if he was in plain clothes. Deputy Carter stated that he
was dressed in his police uniform.

**AUDIENCE COMMENTS
ON THE HEARING**

Val Dudley stated that this home has posed
the worst threat to the residents right to a
decent quality of life. Ms. Dudley indicated
that individuals leaving this residence were very disrespectful to the point of breaking glass
in driveways and damaging property. Ms. Dudley commented that the illegal activities at
this residence also succeeded in moving a new resident out of the neighborhood. Ms.
Dudley stated that she personally observed people leaving the residence intoxicated and
cows covered in mud up to their utters.

Matilda Toscano, owner of the property at 628 West Raymond Street, stated that she was
listening to Deputy Carter's testimony and contended that she does not sell milk. Ms.
Toscano stated that those people are her relatives and that she does not play loud music or
leave trash around her property. Ms. Toscano also defended that she does not have twenty
cows, neither are they up to their utters in mud.

Mayor Perrodin asked Ms. Toscano if she was engaged in any type of criminal trial with the city. Ms. Toscano stated that she was not involved in any type of criminal trial with the city.

Mayor Perrodin informed Ms. Toscano that she did not have to respond to any of his questions. Mayor Perrodin requested the different types and number of animals owned by Ms. Toscano.

Ms. Toscano stated that she has three milking cows, two pregnant cows, three goats and four kids.

Councilperson Hall asked Ms. Toscano if she was ever involved in the illegal sale of unpasteurized milk. Ms. Toscano stated that she was never involved in the illegal sale of unpasteurized milk.

Councilperson Hall stated that he received a phone call at 6 a.m. concerning the activities at her residence and witnessed the sale of unpasteurized milk. Mr. Hall asked Ms. Toscano if he observed the sale of unpasteurized milk at her residence at 6 a.m.

Ms. Toscano stated that Councilperson Hall saw her open the door to people asking for milk.

Mr. Cornwell asked Ms. Toscano if he could inspect her premises at 9 a.m. tomorrow escorted by the Sheriff's Department. Ms. Toscano replied affirmatively.

Councilperson Calhoun questioned if any pictures were taken of this location. Mr. Cornwell stated that he did not obtain any pictures of this location.

Councilperson Hall stated that on October 24, 2006, he witnessed approximately forty people with cups in their hands on the property. Mr. Hall also stated that he observed a cow with his legs tied up next to a milk crate. Mr. Hall asked Deputy Carter if he was accompanied by any other law enforcement personnel at the time of the call.

Deputy Carter stated that there were four other deputies and one supervisor.

On motion by Hall, seconded by Dobson, the hearing was closed at 9:22 p.m., by the following vote on roll call:

AYES: Council Members - Calhoun, Dobson, Hall, Perrodin
NOES: Council Members - None
ABSENT: Council Members - Arceneaux

COUNCIL COMMENTS ON THE HEARING **Councilperson Hall** felt due diligence had been provided to all property owners, however they chose to continue to participate in illegal activities. Mr. Hall indicated that the City Council had the responsibility to make sure Compton citizens were safe and secure. Mr. Hall stated that he supports the abatement and public nuisance declaration on this property.

Councilperson Calhoun affirmed that the abatement should prohibit all types of animals from the property.

Mayor Perrodin questioned if staff would bring back a recommendation concerning the terms and conditions of the abatement and public nuisance declaration. Mr. Cornwell replied affirmatively.

Mayor Perrodin felt each property owner should be treated on a case by case basis. Therefore, he requested that the property located at 501 West Raymond Street be excluded from excessive terms of probation.

Councilperson Hall agreed with the Mayor's recommendation and added that the animal restriction terms of probation should go as follows: 501 West Raymond Street; 12 months, 608 West Raymond Street; 36 months and 628 West Raymond Street; 36 months.

On motion by Dobson, seconded by Hall, to bring back the recommendations of council, in regards to each of the hearings by the following vote on roll call:

AYES: Council Members - Calhoun, Dobson, Hall, Perrodin

NOES: Council Members - None

ABSENT: Council Members - Arceneaux

***Councilperson Arceneaux returned at 9:30 p.m.**

AUDIENCE COMMENTS

Joel Smith, Chairman of the Beautification Committee, announced that the Beautification Committee Recognition Awards Contest would begin in the 3rd District and invited everyone in the community to participate. For more information, please obtain a flyer from your local Block Club President or City Hall.

William Carter expressed a concern for the hazardous odors coming from the business located at 1900 East Rosecrans Avenue. Mr. Carter stated that he has lived in the same neighborhood for over thirty years and requested that a certain area of his street be paved.

Mayor Perrodin assured Mr. Carter that his office would be contacting him concerning that request.

Lorraine Cervantes stated that she would like to dispel a rumor that the Compton Chamber of Commerce was closed for five months. Ms. Cervantes also stated that she would like to compliment the City Council for their choice of diverse city representatives. Ms. Cervantes further announced that the Chamber of Commerce would be hosting a "Business Mixer" on Thursday, October 18, 2007 in the Student Lounge at El Camino Community College Compton Center beginning at 5:30 p.m. For more information on this event, please contact Ms. Cervantes at (310) 635-0777.

Councilperson Arceneaux expressed a concern for the lack of landscape maintenance of the Compton Center. Ms. Cervantes explained that the maintenance department is currently understaffed; however she will address the issue with her colleagues.

Councilperson Hall voiced his concerns for a lack of positive results from the Chamber of Commerce. Ms. Cervantes commented that she is currently working to contact the city's businesses.

Val Dudley thanked Councilperson Arceneaux for her efforts in reforming the corner of Center Street and Alondra Boulevard.

Lynn Boone apologized to Captain Ryan, Lieutenant Gooden and the Sheriff's Department for accusing them of helicopter training in her neighborhood. Ms. Boone informed the council that she attended a meeting, in which she was told that the helicopters were being flown by civilians from other cities. Ms. Boone cited that her home is located in an area that is not monitored by the Compton Airport.

Councilperson Arceneaux stated that she coordinated the meeting, referred to by Ms. Boone and found out from aviation officials that the area over Ms. Boone's home is not monitored. Ms. Arceneaux assured Ms. Boone that an investigation would be conducted.

Ms. McAlpine announced that she is the owner of the new Coldstone Creamery, which will be located at 1301 East Rosecrans Avenue. Ms. McAlpine invited the City Council to attend the grand opening.

Robert Ray stated that he visited the site of the Gateway Towne Center and expressed his approval with the establishment. Mr. Ray notified the council that a young girl was sent to the hospital due to food poisoning from a traveling food vendor.

COUNCIL COMMENTS

Councilperson Dobson informed the community that the Black Caucus event in Washington D.C. was a total success. Ms. Dobson also cordially invited the community to attend the opening of the new pocket park at 201 North Long Beach Boulevard on Saturday, October 13, 2007 from 9 a.m. to 12 p.m. For more information on this event, please contact Deborah Dickerson at (310) 605-5511.

Councilperson Dobson also announced that she would be hosting a “Town Hall Meeting” at Lueders Park on Saturday, November 10, 2007.

Councilperson Dobson further announced that the 2008-09 Civil Grand Jury is open for recruitment. For more information on this recruitment, please call (213) 893-1047.

Councilperson Arceneaux stated that she had an enlightening experience at the NAJEA meeting held last week, in which issues concerning pit bulls were on the agenda. Ms. Arceneaux asked the City Manager to organize a meeting with the necessary agencies to address this issue in the community.

Councilperson Arceneaux thanked the council for working on her behalf, concerning the abatement and public nuisance declarations.

Councilperson Hall thanked the businesses that participated in the “Networking Session” held last month.

Councilperson Hall also reminded the citizens of Compton that Target would be hosting their “Grand Opening Celebration” on Sunday, October 14, 2007 at the new Gateway Towne Center. Mr. Hall requested that this event be aired on the character generator.

Councilperson Hall announced that the “4th Annual Economic Empowerment & Development Summit” would be held on Saturday, October 27, 2007 at the Martin Luther King, Jr. Transit Center from 8:30 a.m. to 1 p.m.

Mayor Perrodin requested that the meeting be adjourned in memory of Imogene Cooper-Rose. Please send your condolences to: Lillie Darden at 309 South Poinsettia Avenue, Compton, California 90221.

Mayor Perrodin announced that the “Compton Farmer's Market” would be opened on Friday, November 2, 2007 located along Alameda Street at Wilson Park.

Mayor Perrodin also announced that Careerlink would be hosting job interviews for the Gateway Towne Center, Shoe Pavilion on Tuesday, October 9, 2007 from 9 a.m. to 5 p.m.

Mayor Perrodin informed the citizens of Compton that the Martin Luther King, Jr. Hospital Urgent Care Center would be open seven days a week from 8 a.m. to midnight to handle routine non-urgent care.

Mayor Perrodin invited the community to attend “Breakfast with Captain Ryan” on Thursday, October 4, 2007 at the Starbucks located at 2151 Rosecrans Avenue.

Mayor Perrodin further requested that an ordinance be implemented prohibiting “day workers” from loitering on private property, i.e., Gateway Towne Center. Mayor Perrodin reiterated that the Gateway Towne Center will be a “zero tolerance” establishment.

Mayor Perrodin thanked Pastor Hill of the Love & Unity Church of God in Christ for inviting him to participate in their reconstruction phase celebration held last Sunday.

Mayor Perrodin invited the citizens of Compton to visit him on the 9th Floor, of the Los Angeles Airport Courthouse to discuss their concerns.

The meeting was recessed to closed session at 10:34 p.m. and reconvened at 11:40 p.m.

Council Members Present: Calhoun, Arceneaux, Perrodin
Council Members Absent: Dobson, Hall

City Attorney Clegg stated that the Honorable Mayor and City Council met in closed session, concerning conference with legal counsel, relating to anticipated litigation, pursuant to California Government Code Section 54956.9, one potential case. 2) The settlement concerning Tanyi Morris vs. City of Compton, Claim No. I-80049, pursuant to California Government Code 54957.1(a)(3), the case was settled. 3) The subsequent need item concerning conference with legal counsel and anticipated litigation with significant exposure to litigation, California Government Code 54956.9 sub-division B was considered. No action was taken.

SETTLEMENT

Tanyi Morris vs. City of Compton On motion by Arceneaux, seconded by Calhoun, the settlement was approved by the following vote on roll call:

AYES: Council Members - Calhoun, Arceneaux, Perrodin
NOES: Council Members - None
ABSENT: Council Members - Dobson, Hall

Welcome to the Birthing of a New Compton.

On motion by Arceneaux, seconded by Calhoun, the meeting was adjourned in memory of **Imogene Cooper-Rose** at 11:41 p.m., by the following vote on roll call:

AYES: Council Members - Calhoun, Arceneaux, Perrodin
NOES: Council Members - None
ABSENT: Council Members - Dobson, Hall

Clerk of the City of Compton

Mayor of the City of Compton

October 23, 2007

TO: MAYOR AND COUNCIL MEMBERS

FROM: CITY MANAGER

SUBJECT: REQUEST FOR PROCLAMATION READING

The Planning and Economic Development Department is requesting that the Mayor and City Council proclaim the month of October as “National Community Planning Month” in the City of Compton. The celebration of National Community Planning Month gives the City of Compton the opportunity to publicly recognize the participation and dedication of members of the Planning Commission, citizens, and professional planners who have contributed their time and expertise to the improvement of the City of Compton.

The American Institute of Certified Planners (AICP), the professional institute of the American Planning Association (APA), endorses National Community Planning Month as an opportunity to highlight the contributions sound planning and plan implementation make to the quality of our communities.

The Planning and Economic Development Department will host a program of activities beginning Monday, October 22 – Thursday, November 8, 2007. These will include a photo display of recently completed development projects, Final Enterprise Zone designation and SCAG Achievement Award as well as “The Making of the Gateway Towne Center” in the Compton City Hall lobby. The concluding event will be the Third Annual World Town Planning Day Awards Luncheon on Thursday, November 8, 2007 at the Martin Luther King Jr. Transit where citizen and professional planners as well as developers involved in the implementation of the “Birthing of A New Compton” will be recognized and honored.

Staff recommends that City Council read the proclamation recognizing October as National Community Planning Month in the City of Compton.

**JOSEPH LIM, AICP
PLANNING DIRECTOR**

**CHARLES EVANS
CITY MANAGER**

THE FOLLOWING ORGANIZATIONS WILL RECEIVE AWARDS:

1. U.S. VETS-
2. VVA CHAPTER 53
3. VVA CHAPTER 756
4. VVA CHAPTER 446
5. JOHNSON CONTROLS
6. SOUTHBAY VEC
7. BROTHERS OF THE SUN M.C.
8. SISTERS OF THE SUN
9. VA MEDICAL CENTER LONG BEACH
10. VA MEDICAL CENTER WEST LOS ANGELES
11. THE SALVATION ARMY BELL SHELTER
12. ARMOL SAFETY INTERNATIONAL PROTECTION, INC.
13. THE KENNY NICHOLSON MEMORIAL FOUNDATION
14. BOEING VETERANS COMMITTEE
15. 4TH DISTRICT VFW
16. VFW 5394
17. FOOD FINDERS
18. LARRY WATKINS ATTORNEY AT LAW
19. MAGICIAN ARRIN BURRISS
20. Roc's Barber Shop
21. VICTORY OUTREACH MINISTRIES COMPTON
22. CARAVAN CANOPIES
23. PACIFIC COAST WASTE/RECYCLING
24. VVA INC. CH. 288
25. MARBLE SLAB
26. THE FOXY DIVAS



Presented to

Recipient name here

In Recognition of Your Outstanding Dedication and Commitment in making the
4th Homeless Veteran's Stand Down a Success

October 23, 2007

TO: MAYOR AND COUNCIL MEMBERS

FROM: CITY MANAGER

**SUBJECT: REQUEST TO SCHEDULE PUBLIC HEARING:
APPEAL OF PLANNING COMMISSION DECISION**

On June 13, 2007, the Planning Commission completed a public hearing on a proposal to **construct a new self-service car wash at 519 S. Long Beach Boulevard, Compton** in a C-L (Limited Commercial) zone. The Planning Commission voted to deny the request and the applicant and filed an application for an appeal before City Council.

Appeal of Planning Commission decisions must be considered at an advertised public hearing. Consequently, staff recommends that Council schedule a public hearing on this matter for **Tuesday, November 20, 2007 at 7:15 p.m.**

**JOSEPH LIM, AICP
PLANNING DIRECTOR**

**CHARLES EVANS
CITY MANAGER**

4.

October 24, 2007

TO: CITY CLERK

FROM: PLANNING DIRECTOR

**SUBJECT: REQUEST FOR LEGAL ADVERTISING –
PUBLIC HEARING FOR CITY COUNCIL APPEAL
OF A PLANNING COMMISSION DECISION**

The attached legal notice should be published in the Compton Bulletin on Wednesday, October 31 and November 7, 2007, for the above-referenced public hearing. A copy of the notice should also be sent to the following:

Charles W. Banks, Jr. P. O. Box 688 Paramount, CA 90723	Abolfazl Rahbar-Vafae 4437 Twin Hills Northridge, CA 91326	Callie Parker 515 S. Poinsettia Avenue Compton, CA 90221
Kimberly McKenzie 701 S. Poinsettia Avenue Compton, CA 90221	Susan Adams 404 S. Poinsettia Avenue Compton, CA 90221	Sarah C. Penniman 521 S. Poinsettia Avenue Compton, CA 90221

Thank you for your assistance in this matter.

**JOSEPH LIM, AICP
PLANNING DIRECTOR**

Attachment

NOTICE OF PUBLIC HEARING

APPEAL OF PLANNING COMMISSION DECISION

Notice is hereby given that the City Council of the City of Compton will hold a public hearing on **Tuesday, November 20, 2007 at 7:15 p.m.** in the City Council Chambers, at 205 South Willowbrook Avenue, Compton to consider an appeal of a Planning Commission decision to deny a request to **construct a new self-service car wash at 519 South Long Beach Boulevard.** Appeals of Planning Commission decisions require review and approval by City Council in accordance with Section 30-26 of the Compton Municipal Code.

ALITA GODWIN
CITY CLERK

Publish: The Compton Bulletin
 October 31 and November 7, 2007



Keeping the A-R-T-S in the H-E-A-R-TS of Students!

October 1, 2007

Honorable Mayor Eric J. Perrodin
City Council Members
 City of Compton
 205 S. Willowbrook Ave
 Compton, CA 90220

Dear Mayor Perrodin and Council Members:

On behalf of the Compton Education Foundation, I am requesting the use of the Transit Center to host our Annual Holiday Showcase on Wednesday, December 12, 2007, from Noon-8pm. The purpose of this event is to showcase the Compton Unified School District's programs that the Compton Education Foundation sponsors such as visual & performing arts education. 21

We will need two rooms. One room will be used to showcase artwork and the other room will showcase performances. The latter should hold about 150 seats/chairs, with room for a stage or platform. We would like to use these facilities with minimal or no charge as we are a non-profit organization, whose *sole* purpose is to supplement the educational needs of the CUSD. We are not charging a fee for this event and we will proudly name the City of Compton as a co-sponsor of it. Please provide us with your answer at your earliest convenience.

If you need any additional information, please call me at (310) 593-1553. Thanks for your consideration.

Sincerely,

Lanette White
 Chairperson

cc: Councilwoman Barbara Calhoun
 Councilwoman Lillie Dobson
 Councilwoman Yvonne Arceneaux
 Councilman Isadore Hall III

October 23, 2007

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 A LEASE
AGREEMENT BETWEEN THE COMPTON CAREERLINK
WORKSOURCE CENTER AND COMPTON UNIFIED SCHOOL
DISTRICT'S REGIONAL OCCUPATIONAL PROGRAM/VOCATIONAL
EDUCATION/SCHOOL-TO-WORK FOR FISCAL YEAR 2007-08**

SUMMARY

This resolution authorizes the City Manager to establish a Lease Agreement between the Compton CareerLink WorkSource Center and Compton Unified School District's Regional Occupational Program/Vocational Education/School-to-Work for fiscal year 2007-08.

BACKGROUND INFORMATION

The CareerLink, under the auspices of the City of Compton, has assumed management of the Compton CareerLink WorkSource Center facility and is mandated to provide office space for their co-located partner agencies. One such agency is the Compton Unified School District's (CUSD) Regional Occupational Program (ROP)/Vocational Education/School-to-Work. The CUSD-ROP/Vocational Education/School-to-Work has occupied office and classroom space at the CareerLink for many years and wishes to continue occupying space at the facility from July 1, 2007 through June 30, 2008.

STATEMENT OF THE ISSUES

The CUSD-ROP/Vocational Education/School-to-Work is to be billed monthly, by the City of Compton's Controller's Office, for the period July 1, 2007 through October 31, 2007 as follows:

6.

MAYOR AND COUNCIL MEMBERS

October 23, 2007

Page 2

Room 2C	\$406.00
Room 8A	\$541.80
Room 9A	\$542.43
Room 12A	<u>\$279.30</u>

Total \$1,769.53

The CUSD-ROP/Vocational Education/School-to-Work desires to add Room 7A and is to be billed monthly, by the City of Compton Controller's Office, for the period of November 1, 2007 through June 30, 2008 as follows:

Room 2C	\$406.00
Room 8A	\$541.80
Room 7A	\$600.00
Room 9A	\$542.43
Room 12A	<u>\$279.30</u>

Total \$2,369.53

FISCAL IMPACT

There is fiscal impact to the General Fund. The additional collected revenues are to be posted to the CareerLink's Rents and Concessions fund account number 10010000003425 that has been established to receive CareerLink facility rents. CUSD-ROP/Vocational Educational/School-to-Work is to be billed a total of \$1,769.53 per month from the period of July 1, 2007 to October 31, 2007 and a total of \$2,369.53 per month, for the period of November 1, 2007 to June 30, 2008. The annual payments collected will be a total of \$26,034.36.

RECOMMENDATION:

Staff recommends City Council approval of the attached resolution.

MAYOR AND COUNCIL MEMBERS

October 23, 2007

Page 3

**KIMBERLY MCKENZIE, DIRECTOR
CAREER/INK WORKSOURCE CENTER**

**CHARLES EVANS
CITY MANAGER**

KMCK:CE:MM

Attachment

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON
AUTHORIZING THE CITY MANAGER TO ENTER INTO A LEASE AGREEMENT
BETWEEN THE COMPTON CAREERLINK WORKSOURCE CENTER AND
COMPTON UNIFIED SCHOOL DISTRICT’S REGIONAL OCCUPATIONAL
PROGRAM/VOCATIONAL EDUCATION/SCHOOL-TO-WORK FOR FISCAL
YEAR 2007-08**

WHEREAS, the City of Compton has assumed management of the Compton CareerLink WorkSource Center facility; and

WHEREAS, the Compton Unified School District Regional Occupational Program/Vocational Education/School-to-Work wishes to continue occupying space on an annual basis; and

WHEREAS, an account number 10010000003425 has been established to receive CareerLink facility rents; and

WHEREAS, the CUSD-ROP/Vocational Education/School-to-Work is to be billed monthly for the period July 1, 2007 through October 31, 2007 as follows:

Room 2C	\$406.00
Room 8A	\$541.80
Room 9A	\$542.43
Room 12A	<u>\$279.30</u>
TOTAL	\$1,769.53

WHEREAS, CUSD-ROP/Vocational Education/School-to-Work is to be billed monthly for the period of November 1, 2007 through June 30, 2008 as follows:

Room 2C	\$406.00
Room 8A	\$541.80
Room 7A	\$600.00
Room 9A	\$542.43
Room 12A	<u>\$279.30</u>
TOTAL	\$2,369.53

WHEREAS, CUSD-ROP/Vocational Educational/School-to-Work is to be billed a total of \$1,769.53 per month from the period of July 1, 2007 to October 31, 2007 and a total of \$2,369.53 per month, for the period of November 1, 2007 to June 30, 2008.

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

Section 1. That the City Manager is authorized to execute a Lease Agreement between the Compton CareerLink WorkSource Center and CUSD-ROP/Vocational Education/School-to-Work.

RESOLUTION NO. _____
PAGE TWO

Section 2. That the tenant will continue occupying space at the facility on an annual basis.

Section 3. That the account number 10010000003425 has been established to receive CareerLink facility rents monthly.

Section 4. That the month-to-month rent payment for the period July 1, 2007 through June 30, 2008 will total \$26,034.36

Section 5. That a certified copy of this resolution shall be filed in the Offices of the City Manager, City Controller, City Attorney, Compton CareerLink and the City Clerk.

Section 6. That the Mayor shall sign and the City Clerk shall attest to the adoption of this Resolution.

ADOPTED this _____ day of _____, 2007.

MAYOR OF THE CITY OF COMPTON

ATTEST:

CITY CLERK OF THE CITY OF COMPTON

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON

RESOLUTION NO. _____
PAGE THREE

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 _____, 2007.

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

RESOLUTION SIGN-OFF FORM

DEPARTMENT: City Clerk

RESOLUTION TITLE: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A LEASE AGREEMENT BETWEEN THE COMPTON CAREERLINK WORKSOURCE CENTER AND COMPTON UNIFIED SCHOOL DISTRICT’S REGIONAL OCCUPATIONAL PROGRAM/VOCATIONAL EDUCATION/SCHOOL-TO-WORK FOR FISCAL YEAR 2007-08

<ManagersName>
DEPARTMENT MANAGER’S SIGNATURE

<ManagersDate>
DATE

REVIEW / APPROVAL

<LegalName>
CITY ATTORNEY

<LegalDate>
DATE

<ControllerName>
CITY CONTROLLER

<ControllerDate>
DATE

<BudgetName>
BUDGET OFFICER

<BudgetDate>
DATE

<CityManager>
CITY MANAGER

<CityManagerDate>
DATE

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

October 23, 2007

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: CITY MANAGER

RE: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO RENEW THE AGREEMENT WITH THE CITY OF INGLEWOOD FOR COMPUTERIZED PARKING CITATION MANAGEMENT SERVICES FOR FISCAL YEARS 2007-2010.

SUMMARY

The City Council will adopt a resolution authorizing the City Manager to renew the Agreement with the City of Inglewood for computerized parking citation management services for Fiscal Years 2007 through 2010.

STATEMENT OF THE ISSUE

Since 1989 the City of Compton has contracted with the City of Inglewood to provide assistance with computerized parking citation services which have greatly enhanced the City's revenue collection from parking citation fines.

The City of Inglewood has recently completed an extensive procurement process, which has substantially upgraded its equipment and service delivery capabilities to include many levels of service to choose from; including, but not limited to provision of a web-enabled AutoPROCESS citation management system, imaging and data entry of manual citations, notice printing and mailing, call center customer services, payment processing using lockbox services, IVR payment, web payment, credit and debit card merchant accounts, administrative reviews, administrative hearings, dispute resolution, DMV holds, FTB tax intercept liens and secondary collection services.

ISSUE

In order to continue utilizing the citation management services offered by the City of Inglewood, current client agencies, such as the City of Compton, must renew their service agreement under the new terms and pricing. The agreement proposed by the City of Inglewood has a three (3) year term (extending from November 1, 2007 through October 31, 2010), with an option for two (2) additional one year extensions. Either party may terminate the agreement upon 120 days written notice.

**Staff Report Re Resolution to
Renew Citation Management Services
Agreement with City of Inglewood
October 23, 2007, page 2**

FISCAL IMPACT

Based on the level of services selected by the City, in addition to the need to purchase fourteen (14) new handheld ticket writers – 7 with cameras – to replace the old ticket writers purchased in 1998, funds for expenditures have been projected at Two Hundred Thousand Dollars (\$200,000.00) for services rendered during the 2007-2008 fiscal year.

Two Hundred Thousand Dollars (\$200,000.00) has been allocated in the Municipal Law Enforcement Services Department budget in Account No. 1001 670 000 4269.

RECOMMENDATION

Staff recommends that Council adopt the attached resolution authorizing the City Manager to renew the Agreement with the City of Inglewood for computerized parking citation management services for Fiscal Years 2007 through 2010.

**CARL HOUSTON
DIRECTOR, MUNICIPAL
LAW ENFORCEMENT SERVICES**

**CHARLES EVANS
CITY MANAGER**

RESOLUTION SIGN-OFF FORM

DEPARTMENT: Law Enforcement

RESOLUTION TITLE: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO RENEW THE AGREEMENT WITH THE CITY OF INGLEWOOD FOR COMPUTERIZED PARKING CITATION MANAGEMENT SERVICES FOR FISCAL YEARS 2007-2010.

<ManagersName>
DEPARTMENT MANAGER’S SIGNATURE

<ManagersDate>
DATE

REVIEW / APPROVAL

<LegalName>
CITY ATTORNEY

<LegalDate>
DATE

<ControllerName>
CITY CONTROLLER

<ControllerDate>
DATE

<BudgetName>
BUDGET OFFICER

<BudgetDate>
DATE

<CityManager>
CITY MANAGER

<CityManagerDate>
DATE

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

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO RENEW THE AGREEMENT WITH THE CITY OF INGLEWOOD FOR COMPUTERIZED PARKING CITATION MANAGEMENT SERVICES FOR FISCAL YEARS 2007-2010.

WHEREAS, for many years the City has contracted with the City of Inglewood to provide assistance with computerized parking citation services which have enhanced the City’s revenue collection from parking citation fines; and

WHEREAS, the City of Inglewood has recently completed an extensive procurement process, which has substantially upgraded its equipment and service delivery capabilities to include many levels of service to choose from; and

WHEREAS, in order to continue utilizing the citation management services offered by the City of Inglewood, the City must renew its service agreement and the City finds that renewal of the agreement will be beneficial and advantageous to the City; and

WHEREAS, funds for expenditures have been projected at Two Hundred Thousand Dollars (\$200,000.00) for services rendered during the 2007-2008 fiscal year, which have been allocated in the Municipal Law Enforcement Services Department budget, in Account No. 1001 670 000 4269.

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

Section 1. That the City Manager is authorized to renew the Agreement with the City of Inglewood for computerized parking citation management services.

Section 2. That the term of the Agreement with the City of Inglewood shall be for three (3) years, commencing on November 1, 2007 through October 31, 2010, with an option for two (2) additional one year extensions, if funding is available.

Section 3. That the City Manager is authorized to remit payments projected at Two Hundred Thousand Dollars (\$200,000.00), to the City of Inglewood for citation management services rendered during the 2007-2008 fiscal year from funds that have been allocated in the Municipal Law Enforcement Services Department budget in Account No. 1001 670 000 4269.

Section 4. That funds will be appropriated for the remaining fiscal years of the Agreement during the adoption of the annual City budget.

Section 5. That a copy of this Resolution shall be filed in the offices of the City Clerk, City Attorney, City Manager, City Controller and the Municipal Law Enforcement Services Department.

Resolution No. _____
Page 2

Section 6. That the Mayor shall sign and the City Clerk shall attest to the adoption of this Resolution.

ADOPTED this _____ day of _____, 2007.

MAYOR OF THE CITY OF COMPTON

ATTEST:

CITY CLERK OF THE CITY OF COMPTON

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

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing Resolution was adopted by the City Council of the City of Compton, signed by the Mayor and attested by the City Clerk at a regular meeting thereof held on this _____ day of _____, 2007.

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

AYES: **COUNCIL MEMBER(S)**
NOES: **COUNCIL MEMBER(S)**
ABSTAIN: **COUNCI MEMBER(S)**
ABSENT: **COUNCIL MEMBER(S)**

CITY CLERK OF THE CITY OF COMPTON

October 23, 2007

TO: MAYOR AND CITY COUNCIL MEMBERS

FROM: CITY MANAGER

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON, CERTIFYING THAT THE CITY'S REVOLVING LOAN FUND (RLF) PROGRAM WAS OPERATED ACCORDING TO THE REQUIREMENTS OF THE U.S. DEPARTMENT OF COMMERCE, ECONOMIC DEVELOPMENT ADMINISTRATION DURING THE 2006-2007 PROGRAM FISCAL YEAR

SUMMARY

Council will consider a resolution certifying that the City of Compton Commercial Revolving Loan Fund (RLF) operated according to requirements of the U.S. Department of Commerce, Economic Development Administration during the 2006-2007 fiscal year period.

STATEMENT OF THE ISSUE

Each RLF program year, EDA requires that the City Council, acting as the RLF program Loan Administration Board (LAB) certify by a resolution that the City RLF program operated according to the policies and procedures contained in the City's RLF Administration Plan. EDA also requires that the LAB certify the City RLF operated in conformance with EDA Standard Terms and Conditions.

EDA has established the City's RLF Program fiscal year beginning October 1st and ending September 30th. Staff reports to EDA on City RLF program activities annually. The annual report along with the LAB certification of the RLF program is due to EDA by October 31st.

RLF staff is requesting the LAB to certify the City RLF program for the 2006-2007 fiscal year.

RLF PROGRAM ANALYSIS

Staff conducted a program review of the City RLF to determine if the City's RLF program operated in accordance with EDA RLF programmatic provisions. The review consisted of staff examining elements of the City RLF program operations and loan portfolio activities comparing them to applicable provisions of the EDA Standard Terms and Conditions document, and to provisions contained in the City RLF Administration Plan. Staff also compared the City RLF Administration Plan to the most recent enforced Comprehensive Economic Development Strategy document (CEDS) in order to determine consistency of the two documents. The CEDS is a regional economic adjustment strategy required by EDA. The CEDS sets forth a framework for evaluating current projects and future EDA projects that the City would like EDA to fund.

8.

RLF Certification
October 23, 2007
Page 2

Except for the finding exception discussed below, staff's examination did not disclose any substantial deviations from the EDA Standard Terms and Condition document, or from the City RLF Administration Plan. And the RLF program also appeared consistent with the CEDS document. Thus, based on staff evaluation, the City RLF is being operated in accordance with EDA prescribed requirements warranting LAB certification.

MITIGATED EXCEPTION

According to an RLF programmatic provision contained in the EDA Standard Terms and Conditions, the City RLF is restricted from having more than 25% of its capital loan monies, available to loan out, undisbursed at the end of any one annual reporting period. In the City recent September 30th 2007 annual report, staff is reporting that the RLF program capital utilization ratio (monies to loan out) above the EDA 25% retention threshold standard. EDA will normally allow grant recipients a reasonable period of time to loan out the excess funds to achieve the EDA standard, provided that the City submits a written explanation and provide a remedial action plan to eliminate the excess fund amount. The written explanation and remedial action plan was submitted to EDA in the October annual report, detailing the City's proposed action plan to bring the City RLF capital utilization ratio below the EDA 25% standard.

Staff reported in the September 30, 2007 RLF *Semi-annual Report* that the State of California has designated City of Compton a California Enterprise Zone (EZ) program. The designation notice was sent to staff by email on October 09, 2007. Compton's EZ designation will be retroactive to August 1, 2007 and end July 31, 2022, *a 15 year duration*. The EZ covers the entire area of the City and make available EZ incentives to all businesses located in Compton.

Having EZ California Tax Incentives in hand to offer to businesses will place the City in a more favorable position to fund more RLF loans and reduce the City's RLF capital loan retention ratio. Many of the businesses accessing EZ Tax Incentives (e.g. for job credits, or for equipment purchases, and etc.) will need money to help them to either expand or relocate their operations to Compton, which event could be funded with the assistance of a City RLF loan.

RECOMMENDATION

Staff recommends that the City Council adopt the attached Resolution.

JOSEPH LIM, AICP
PLANNING AND ECONOMIC DEVELOPMENT DIRECTOR

CHARLES EVANS
CITY MANAGER

RESOLUTION SIGN OFF FORMDEPARTMENT: **PLANNING AND ECONOMIC DEVELOPMENT**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON CERTIFYING THAT THE CITY'S REVOLVING LOAN FUND (RLF) PROGRAM WAS OPERATED ACCORDING TO THE REQUIREMENTS OF THE U.S. DEPARTMENT OF COMMERCE, ECONOMIC DEVELOPMENT ADMINISTRATION DURING THE 2006-2007 FISCAL YEAR**

DEPARTMENT MANAGER'S SIGNATURE_____
DATE**REVIEW/APPROVAL:**_____
PUBLIC WORKS DIRECTOR (when applicable)_____
DATE_____
CITY ATTORNEY (when applicable)_____
DATE_____
CITY CONTROLLER_____
DATE_____
BUDGET OFFICER_____
DATE_____
ASSISTANT CITY MANAGER/OAS_____
DATE_____
CITY MANAGER_____
DATE**USE WHEN:****Public Works:**

When contracting for Engineering Services

City Attorney:

When contracting for Legal Services; contracts that require City Attorney's review.

Controller/Budget Officer:

Amending Budget; appropriating and/or transferring funds; adding and/or deleting position; any resolution having account numbers.

Assistant City Manager/OAS:

All personnel actions

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON CERTIFYING THAT THE CITY’S REVOLVING LOAN FUND (RLF) PROGRAM WAS OPERATED ACCORDING TO THE REQUIREMENTS OF THE U.S. DEPARTMENT OF COMMERCE, ECONOMIC DEVELOPMENT ADMINISTRATION DURING THE 2006-2007 PROGRAM FISCAL YEAR

WHEREAS, the City of Compton has received funding from the Economic Development Administration (EDA) of the United States Department of Commerce to implement a Commercial Industrial Revolving Loan Program, hereafter “RLF”; and

WHEREAS, the City RLF, through its policies and procedures is established to meet the City’s commerce, industry and trade rehabilitation, development and expansion needs; and

WHEREAS, EDA requires that the City RLF Administration Plan be consistent with and is supportive of the Comprehensive Economic Development Strategy also known as the Economic Adjustment Strategy submitted to EDA; and

WHEREAS, EDA requires that the City RLF is operated in accordance with the Standard Terms and Conditions which apply to all Economic Adjustment Program awards for RLF activities funded under Section 209 of the Public Works and Economic Development Act of 1965, P.L. 89-136, as amended (42 U.S.C. 3121, et seq) and later amended to include the Economic Development Administrative Reform Act of 1998 which establishes comprehensive Economic Development Strategy for regional planning and growth; and

WHEREAS, EDA requires that the Mayor and City Council, acting as the RLF Loan Administration Board (LAB), annually certify that the City RLF was operated according to EDA Standard Terms and Conditions, and is in accordance with the Policies and Procedures of the City RLF Administration Plan; and

WHEREAS, a specific EDA provision is that RLF’s not have more than 25% of its capital base monies undisbursed at the end of a RLF reporting period, and if so, the RLF is required to provide EDA with an explanation and action plan of how it will reduce the excess undisbursed funds; and

WHEREAS, City RLF staff has determined that at the end of the 2006-2007 fiscal year ending September 30th , the RLF had more than 25% of its capital base monies undisbursed; and

WHEREAS, City staff submitted to EDA in the September 30th ending RLF Semi-annual report an explanation and approach of how the City will disburse the excess loan capital funds to bring the City RLF within EDA’s 25% standard; and

WHEREAS, City staff completed a review of the City RLF and have determined from the review that the City RLF was operated during the RLF 2006-2007 program fiscal year in accordance with the policies and procedures of the City RLF Administration Plan, and EDA Standard Terms and Conditions (exceptions noted).

NOW, THEREFORE THE CITY COUNCIL OF THE CITY OF COMPTON OFFICIALLY ACTING AS THE CITY RLF LOAN ADMINISTRATION BOARD DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. That the City RLF was operated in accordance with the policies and procedures contained in the City RLF Administration Plan, and that the loan portfolio meets the standards contained therein (exceptions are noted).

Section 2. That the City RLF was operated in accordance with the Standard Terms and Conditions which apply to all Economic Administration program awards (any exceptions are noted).

Section 3. That a copy of this Resolution shall be filed in the offices of the City Manager, City Controller, City Attorney, City Clerk and Planning and Economic Development Department.

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

ADOPTED this _____ day of _____, 2007.

MAYOR OF THE CITY OF COMPTON

ATTEST:

CITY CLERK OF THE CITY OF COMPTON

**STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
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, signed by the Mayor and attested by the City Clerk at the regular meeting thereof held on the _____ day of _____, 2007.

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

8.

RESOLUTION SIGN OFF FORM

DEPARTMENT: PLANNING AND ECONOMIC DEVELOPMENT

RESOLUTION TITLE: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON CERTIFYING THAT THE CITY'S REVOLVING LOAN FUND (RLF) PROGRAM WAS OPERATED ACCORDING TO THE REQUIREMENTS OF THE U.S. DEPARTMENT OF COMMERCE, ECONOMIC DEVELOPMENT ADMINISTRATION DURING THE 2006-2007 FISCAL YEAR

DEPARTMENT MANAGER'S SIGNATURE

DATE

REVIEW/APPROVAL:

PUBLIC WORKS DIRECTOR (when applicable)

DATE

CITY ATTORNEY (when applicable)

DATE

CITY CONTROLLER

DATE

BUDGET OFFICER

DATE

ASSISTANT CITY MANAGER/OAS

DATE

CITY MANAGER

DATE

USE WHEN:

Public Works:

Contracting for Engineering Services

City Attorney:

Contracting for Legal Services; contracts that require City Attorney's review.

Controller/Budget Officer:

Amending Budget; appropriating and/or transferring funds; adding and/or deleting position; any resolution having account numbers.

Assistant City Manager/OAS:

All personnel actions

RESOLUTION SIGN-OFF FORM

DEPARTMENT: Planning

RESOLUTION TITLE: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON CERTIFYING THAT THE CITY’S REVOLVING LOAN FUND (RLF) PROGRAM WAS OPERATED ACCORDING TO THE REQUIREMENTS OF THE U.S. DEPARTMENT OF COMMERCE, ECONOMIC DEVELOPMENT ADMINISTRATION DURING THE 2006-2007 PROGRAM FISCAL YEAR

<ManagersName>
DEPARTMENT MANAGER’S SIGNATURE

<ManagersDate>
DATE

REVIEW / APPROVAL

<LegalName>
CITY ATTORNEY

<LegalDate>
DATE

<ControllerName>
CITY CONTROLLER

<ControllerDate>
DATE

<BudgetName>
BUDGET OFFICER

<BudgetDate>
DATE

<CityManager>
CITY MANAGER

<CityManagerDate>
DATE

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

October 23, 2007

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 AN IMPLEMENTATION AGREEMENT FOR OVERSIGHT OF SPECIAL STUDIES RELATED TO THE LOS ANGELES RIVER METAL TMDLS WITH GATEWAY CITIES COUNCIL OF GOVERNMENTS

SUMMARY

This resolution will authorize the City Manager to enter into an implementation agreement for oversight of special studies related to the Los Angeles River metal TMDLS with Gateway Cities Council of Government.

BACKGROUND

Angeles River Metals TMDL, adopted by the Regional Water Quality Control Board, requires that watershed agencies fund a monitoring program and recommends several scientific special studies. This report outlines the need for these efforts, their foreseeable costs, proposed implementation through a cost sharing agreement and fiscal management through the Gateway Cities Council of Governments.

A Consent Decree between local environmental organizations and the United States Environmental Protection Agency identified over 700 local water body-pollutant impairments in Los Angeles County, including the Los Angeles River and its tributaries. The Consent Decree, which was adopted in 1999, mandated a schedule for addressing these water bodies, including the adoption of Total Daily Maximum Loads (TMDLs.). The Los Angeles River Metals TMDL (Metals TMDL) was adopted by the the Los Angeles Regional Water Quality Control Board (Regional Board) January of 2006, pursuant to the Consent Decree.

The Metals TMDL regulates dissolved concentrations of cadmium, copper, lead, selenium and zinc in urban runoff (storm water and dry-weather flows) from 41 Cities, Los Angeles County and Caltrans, by requiring metal load reductions from local agencies. Fortunately, recent monitoring data indicates that the cadmium impairment no longer exists, the selenium impairment is from natural sources and the zinc impairment is only found in the Rio Hondo Tributary. The Metals TMDL is based on the California Toxics Rule (CTR), which was adopted by the United States Environmental Protection Agency (EPA) in 2000. The toxicity standards were determined by EPA scientists, whose test relied on ultra pure water and laboratory test species, producing overly

conservative results. When placed in local waters containing a mix of constituents, both test and native species often tolerate many times higher concentrations of these metals, without exhibiting toxicity.

Since the TMDL was adopted according to the court ordered schedule, the Regional Board resources were insufficient to conduct the appropriate standard setting studies that could have adjusted for background sources of metals. The TMDL allows for reconsideration of the standards, if the regulated local agencies promptly complete several suggested special studies. It is critical that our implementation decisions be based on sound science, since the Regional Board estimated twenty-two year implementation costs to the watershed are \$2.4 billion. The Regional Board envisioned the local agencies constructing infiltration devices and sand filters. Many engineers believe the Regional Board's stated costs to be a gross underestimate.

Proposed Special Studies

The Steering Committee is proposing two studies. The first would study adjustments to the CTR standards based on actual river conditions, not laboratory conditions. The second study would examine natural and atmospheric sources of the metals. Examining CTR makes sense when one considers that CTR limits are much lower than the concentrations of metals routinely found in the drinking water in many communities. For example, the copper concentration of local potable water ranges from 200 to 774 parts per billion (ppb), while the Los Angeles River Metals TMDL proposed copper limits are as low as 13 ppb.

Site Specific Objectives (SSO) studies, based on EPA protocols, maybe accepted by the Regional Board to correct for the "real world" conditions by establishing Water Effects Ratios (WERs) that adjust the CTR limits. Although these studies take multiple years to complete and must consider both wet and dry-weather flow conditions, they are worth completing. A three year study of the Burbank Western Channel suggests that CTR may be "overly protective" by a factor of 4 to 14 fold. If the proposed SSO-WER study on the Los Angeles River were to find similar results, and the Regional Board were to accept them, most of the metal impairments would no longer exist and the many costly TMDL capital improvement projects might be avoided.

It is also known that significant amounts of the metals found in urban runoff originate from air pollution, including copper (brake pads), zinc (tire dust) and lead (aviation fuels). These metals also occur naturally in soils and can be carried downwind from brush fires or eroded from burned areas. Although these sources are beyond our regulatory control, the Metals TMDL makes no load adjustments for them, and cities are consequently responsible for them.

Additional special studies of the air pollution impacts on urban runoff and natural sources of metals to the Los Angeles River watershed are immediately necessary due to the adopted time scheduled for load reductions, which begins in 2012.

Costs of the Special Studies

Steering and Technical Committees, consisting of staff from the cities, County, Caltrans, the Sanitation Districts and the Regional Board were formed to assess the need for these special studies, identify their costs, propose a funding formula and address administrative issues. The City of Los Angeles will have a significant role in completing these studies, since it comprises nearly half of the watershed. The Steering Committee estimated that the special studies will cost over \$3.97 million, which is beyond individual local agency staffing and budget limitations, and recommended that the watershed agencies collectively fund the studies relying on an allocation formula. The cost sharing formula establishes a base amount of \$500 per \$100,000 of study costs, with the balance allocated according to the square mileage of each community in the watershed (See Exhibit B of the proposed Oversight Implementation Agreement). The City will be required to enter into a separate agreement for these studies, once the exact costs are more accurately known, but the estimated costs are currently \$64,905.60 for the City of Compton over the three-year study period.

Special Studies Project Oversight Need and Costs

It is anticipated that the special studies would be contracted out to independent scientific organizations, which will require oversight and direction. Since the special studies are scientifically complex and local agencies do not have qualified staff or resources to manage them, the Steering Committee recommended retaining a specialized consultant as the Project Manager to assist the Committees in completing the studies. The project manager would coordinate monitoring and the SSO study, manage the atmospheric deposition/watershed runoff study and prepare final reports. The City of Los Angeles has volunteered to complete the SSO/WER study and coordination with the City will be required. The estimated three-year costs project oversight costs are \$348,700, which would be shared by the participating agencies. The scientific oversight costs are estimated at \$338,700, while the GCCPG administrative costs are estimated at \$10,000. The estimated costs for the City of Compton are \$5658.15 over the three years. The City Council is being asked to approve the Oversight Implementation Agreement as this time.

Coordinated Monitoring Plan

Preparation and implementation of a Coordinated Monitoring Plan (CMP) is a mandatory TMDL requirement that was undertaken by a Technical Committee made up of agency staff and environmental consultants. It's goals are to monitor water quality at key locations along the river, in addition to future targeted monitoring if found necessary. The estimated first year watershed wide CMP costs are \$520,000, which includes purchase and installation of auto-sampling devices. The annual monitoring costs are

estimated at \$145,000. These costs may change based on comments received by the Regional Board. The current estimated City of Compton costs are \$8,437.73 for the first year and \$2,352.83 for annual monitoring costs, based on the Metal TMDLs allocation formula.

Administration of the Special Studies and CMP

The special studies and CMP will require administration, professional contracts, invoicing of participating local governments, bill payments and auditing. The Steering Committee considered administering the projects through existing organizations or creating a new Joint Powers Agency, but the limited study duration and agency contracting obstacles with the County and Caltrans were prohibitive. Additionally, the administrative tasks would overburden any one City.

The Steering Committee recommends that the Gateway Cities Council of Governments (GCCOG) administer the special studies and the CMP. The GCCOG has a decade of experience in administering multi-agency agreements with Los Angeles County, Caltrans and local communities. Fifteen of the COG cities are impacted, along with large areas of unincorporated Los Angeles County. The GCCOG's direct and actual administration costs would be fully paid by the participating agencies, including the costs of auditing, legal reviews of agreements and staff. The GCCOG Board of Directors unanimously approved the Project Oversight Agreement on May 3, 2007.

Execution and Activation of the Oversight Agreement

Each watershed agency must authorize the Special Studies Oversight Agreement in order to engage a Project Manager, which is the first step in moving forward. The Project Manager's first task would be developing the work plan and refining the cost estimates for the studies, with input from the Technical Committee and approval by the Steering Committee. A special studies implementation agreement would then need to be adopted by each agency, once the work plans are finalized and each agency's costs are better known.

The Steering Committee surveyed the agencies to assess management support for the funding formula, the mandatory CMP and the special studies, prior to drafting the Implementation Agreement. While two cities have not responded, none of the remaining agencies were unfavorable. At this point in time, agencies representing 99% of the watershed support moving forward. Four of the supporting cities expressed concern with the funding formula, two cities were concerned about unanimity of participation and one with the selection of the GCCOG for administration.

While funding of the mandatory CMP effort should be straight forward, the fate of the special studies is unclear if there is less than full participation. The Steering Committee will need to examine the viability of moving forward, should there not be full participation, with a report back to the watershed agencies. The Steering Committee has

indicated that they will apply for Federal and State grants to assist in funding these technically important studies and work to reconcile the remaining issues.

City staff believes that the proposed special studies are necessary in order to determine whether metal toxicity actually exists and to determine how much metal our City will individually be responsible for controlling. The Metals TMDL requires watershed agencies in the watershed to implement source control planning by July of 2010, so it is vitally important that the special studies begin immediately. Time will be required to plan and budget for future capital projects which might be necessary in order to comply with clean water regulations. The Metals TMDL are current in force and require 50% dry-weather runoff compliance by January of 2012 and 25% wet-weather compliance by this same date. Additional dry and wet-weather reductions are required in subsequent years, until 100% annual compliance is achieved.

FISCAL IMPACT

The estimated budget for Project Management Oversight of Special Studies is \$338,700, which is to be shared among 40 agencies, based on a funding formula. The City of Compton's allocation is \$1,622.64 per \$100,000 of costs, resulting in an estimated cost of \$5,658.15 over three years. The Gateway Cities Council of Governments anticipates costs of \$10,000 per year in administrative costs, which will be shared among the 40 agencies, based on the funding formula.

RECOMMENDATION

It is recommended that the City Council approve the attached resolution authorizing the City Manager to enter into an Oversight Agreement with the Gateway Cities Council of Governments.

CHARLES BERGSON, P.E.
DIRECTOR OF PUBLIC WORKS

CHARLES EVANS
CITY MANAGER

CE/CB/ap

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON
AUTHORIZING THE CITY MANAGER TO ENTER INTO AN IMPLEMENTATION
AGREEMENT FOR OVERSIGHT OF SPECIAL STUDIES RELATED TO THE LOS
ANGELES RIVER METAL TMDLS WITH GATEWAY CITIES COUNCIL OF
GOVERNMENTS**

WHEREAS, a Consent Decree between local environmental organizations and the United States Environmental Protection Agency identified over 700 local water body-pollutant impairments in Los Angeles County, including the Los Angeles River and its tributaries; and

WHEREAS, The Consent Decree, which was adopted in 1999, mandated a schedule for addressing these water bodies, including the adoption of Total Daily Maximum Loads (TMDLs.); and

WHEREAS, the Los Angeles Regional Water Quality Control Board adopted the Los Angeles River Metals TMDL (Metals TMDL) in January of 2006 pursuant to the Consent Decree; and

WHEREAS, the Metals TMDL regulates dissolved concentrations of cadmium, copper, lead, selenium and zinc in urban runoff (storm water and dry-weather flows) from 41 Cities, Los Angeles County and Caltrans, by requiring metal load reductions from local agencies; and

WHEREAS, the Metals TMDL is based on the California Toxics Rule (CTR), which was adopted by the United States Environmental Protection Agency (EPA) in 2000; and

WHEREAS, the Metals TMDL allows for reconsideration of the standards, if the regulated local agencies promptly complete several suggested special studies; and

WHEREAS, the Los Angeles River Metals TMDL, adopted by the Regional Water Quality Control Board, requires that watershed agencies fund a monitoring program and recommends several scientific special studies; and

WHEREAS, Steering and Technical Committees, consisting of staff from the cities, County, Caltrans, the Sanitation Districts and the Regional Board were formed to assess the need for these special studies, identify their costs, propose a funding formula and address administrative issues; and

WHEREAS, the Steering Committee is proposing two studies; and

WHEREAS, the first study would recommend adjustments to the CTR standards based on actual river conditions, not laboratory conditions; and

WHEREAS, the second study would examine natural and atmospheric sources of the metals; and

WHEREAS, the Steering Committee recommended retaining a specialized consultant as the Project Manager to assist the Committee in completing the studies; and

WHEREAS, the project manager would coordinate monitoring and the SSO study, manage the atmospheric deposition/watershed runoff study and prepare final reports; and

WHEREAS, preparation and implementation of a Coordinated Monitoring Plan (CMP) is a mandatory TMDL requirement that was undertaken by a Technical Committee made up of agency staff and environmental consultants; and

RES. NO. _____
PAGE 2

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3 **WHEREAS**, the special studies and CMP will require administration, professional
4 contracts, invoicing of participating local governments, bill payments and auditing, which
5 would overburden any one City; and

6 **WHEREAS**, the Steering Committee recommends that the Gateway Cities Council of
7 Governments (GCCOG) administer the special studies and the CMP; and

8 **WHEREAS**, the GCCOG has a decade of experience in administering multi-agency
9 agreements with Los Angeles County, Caltrans and local communities; and

10 **WHEREAS**, the GCCOG Board of Directors unanimously approved the Project
11 Oversight Agreement on May 3, 2007; and

12 **WHEREAS**, the Steering Committee has established a cost sharing formula with a base
13 amount of \$500 per \$100,000 of study costs, with the balance allocated according to the square
14 mileage of each community in the watershed; and

15 **WHEREAS**, the estimated budget for Project Management Oversight of Special Studies
16 is \$338,700, which is to be shared among 40 agencies, based on the funding formula; and

17 **WHEREAS**, the Gateway Cities Council of Governments anticipates costs of \$10,000
18 per year in administrative costs, which will be shared among the 40 agencies, based on the
19 funding formula; and

20 **WHEREAS**, the City of Compton's allocation is \$1,622.64 per \$100,000 of costs,
21 resulting in an estimated cost of \$5,658.15 over three years; and

22 **WHEREAS**, the City Council intends that no resolution accepting any proposal be
23 considered as binding the City until a valid contract has been executed by all parties to the
24 contract;

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

27 **SECTION 1.** That the City Manager is authorized to enter into an implementation
28 agreement for oversight of special studies related to the Los Angeles River Metal TMDLs with
29 gateway cities council of governments.

30 **SECTION 2.** That the contract amount shall be based on the cost sharing formula
31 adopted by the Steering Committee.

32 **SECTION 3.** That \$5,658.15 be allocated to cover the City of Compton's share of
costs according to the cost sharing formula.

SECTION 4. That the funds will be available in the fiscal year 2007/2008 budget from
Account No. _____.

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

SECTION 6. That copies of this resolution shall be filed in the offices of the City
Manager, City Controller and the Director of Public Works/City Engineer.

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RES. NO. _____
PAGE 3

MAYOR OF THE CITY OF COMPTON

RES. NO. _____
PAGE 2

ATTEST:

CITY CLERK OF THE CITY OF COMPTON

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing resolution was adopted by the City Council of the City of Compton, signed by the Mayor and attested by the City Clerk at a regular meeting thereof held on this _____ day of _____, 2005.

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

AYES: COUNCIL MEMBERS –
NOES: COUNCIL MEMBERS –
ABSENT: COUNCIL MEMBERS –

CITY CLERK OF THE CITY OF COMPTON

IMPLEMENTATION AGREEMENT
BY AND BETWEEN
GATEWAY CITIES COUNCIL OF GOVERNMENTS
AND
THE CITY OF COMPTON

REGARDING THE OVERSIGHT OF THE PREPARATION OF SPECIAL
SCIENTIFIC STUDIES FOR THE LOS ANGELES RIVER METALS TMDLS

This Implementation Agreement (“Agreement”) is made and entered into this ____ day of _____, 2007 by and between the Gateway Cities Council of Governments, a California joint powers authority (“GCCOG”), and the City of Compton, a California municipal corporation (“City”).

RECITALS

WHEREAS, the mission of the GCCOG includes environmental planning and providing sound science to its member cities; and

WHEREAS, fifteen of the GCCOG’s cities are located in the Los Angeles River watershed and the GCCOG has established effective relationships with the surrounding Councils of Governments; and

WHEREAS, the GCCOG has successfully partnered and entered into implementation agreements in the past with various cities, SCAG, Caltrans and the County of Los Angeles on projects of regional significance; and

WHEREAS, the Los Angeles Regional Water Quality Control Board (“Regional Board”) adopted the Los Angeles River Metals Total Maximum Daily Loads (“TMDLs”) in September of 2005, with the intent of improving water quality in the Los Angeles River and its tributaries; and

WHEREAS, the TMDLs regulate the City and other cities, the County of Los Angeles and Caltrans (“the Regulated Entities”), requiring a high degree of organization and cooperation from the local agencies in the watershed; and

WHEREAS, the TMDLs require a coordinated monitoring plan (“CMP”) that is designed to monitor water quality at several key locations along the Los Angeles River and its tributaries, in addition to targeted monitoring; and

WHEREAS, the TMDLs provide for a series of scientific studies to be completed, including Water Effects Ratio/Biotic Ligand Model, Paired Atmospheric Deposition and Storm Flow Sampling (“Special Studies”) in connection with satisfying the TMDLs; and

WHEREAS, the Special Studies would provide the data necessary to assist the Regional Board in establishing the appropriate water quality standards for metals and to account for loading of atmospheric deposition and natural background metals on the water quality of the Los Angeles River and its tributaries; and

WHEREAS, the CMP and Special Studies require proper management and supervision by scientific experts ("Project Manager"), beyond the resource capabilities of any one of the Regulated Entities; and

WHEREAS, the GCCOG has agreed to enter into an agreement with a Project Manager in order to properly manage the CMP and Special Studies and in order to assist the Regulated Entities in the completion of both; and

WHEREAS, a Steering Committee, consisting of representatives from the Regulated Entities, has been established with the purpose of general oversight of the Special Studies; and

WHEREAS, a Technical Committee, consisting of representatives from the Regulated Entities, will be established with the responsibility for assisting the Project Manager and advising the Steering Committee; and

WHEREAS, the Regulated Entities, including the City, have agreed to share in fully funding the costs of the Project Manager, including those costs incurred by the GCCOG in administering the agreement with the Project Manager.

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

Section 1. Recitals. The recitals set forth above are fully incorporated as part of this Agreement.

Section 2. Term. The term of this Agreement shall remain and continue in effect until completion of the Project Manager's Scope of Services which are outlined in Exhibit A attached hereto and made a part of this Agreement by this reference.

Section 3. Assessment for Proportional Costs of the Project Management. The City agrees to provide funds to the GCCOG based on the cost allocation formula set forth in Exhibit B attached hereto and made a part of this Agreement by this reference. The GCCOG will invoice the City upon the execution of this Agreement, based on allocated project management costs, which includes the compensation of the Project Manager and all costs incurred by the GCCOG in the performance of its duties under this Agreement. These costs include, but are not limited to, administrative costs, legal costs, and compensation for staff time.

Section 4. Role of the GCCOG. The GCCOG shall enter into the agreement with the Project Manager; invoice the Regulated Entities based on the cost allocation formula in

Exhibit B; collect, hold, and distribute the funds provided by the Regulated Entities as set forth in this Agreement; and provide auditing services in connection with the agreement with the Project Manager.

Section 5. Independent Contractor

- (a) The GCCOG is and shall at all times remain a wholly independent contractor for performance of this obligations described in this Agreement. The GCCOG officers, employees and agents performing such obligations shall at all times be under the GCCOG's exclusive control. The City shall have no control over the conduct of the GCCOG or any of its officers, employees or agents, except as set forth in this Agreement. The GCCOG, and its officers, employees, or agents are not and shall not be deemed to be employees of the City.
- (b) No employee benefits shall be available to the GCCOG in connection with the performance of its obligations under this Agreement. The GCCOG is solely responsible for the payment of salaries, wages, other compensation, employment taxes, worker's compensation, or similar taxes for any employees for performing obligations hereunder.

Section 6. Indemnification. To the fullest extent permitted by law, the City of Compton and the GCCOG agree to save, indemnify, defend and hold harmless each other from any an all liability, claims, suits, actions, arbitration proceedings, administrative proceedings and regulatory proceedings, losses, expenses, or any injury or damage of any kind whatsoever, whether actual, alleged or threatened, actual attorney fees, court costs, and any other costs of any nature without restriction incurred in relation to, as a consequence of, or arising out of, the performance 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 in this section.

Section 7. Termination of Agreement. Either party may terminate this Agreement for any reason, in whole or part, by giving the other party thirty (30) days written notice thereof. The City of shall be responsible for the allocated costs of project management incurred up to the date of the termination.

Section 8. Miscellaneous.

- (a) Notices. All notices which any party is required or desires to give hereunder shall be in writing and shall be deemed given when delivered personally or three (3) days after mailing by registered or certified mail (return receipt requested) to the following address or as such other addresses as the parties may from time to time designate by written notice in the aforesaid manner:

To GCCOG: Mr. Richard Powers

Executive Director
16401 Paramount Blvd.
Paramount, CA 90723

To City: _____

- (b) Separate Accounting and Auditing. The GCCOG agrees to establish a separate account to track the revenues from the Regulated Entities and the expenses from the Project Manager. Monthly financial statements and the annual audit will be made available to all of the participating Regulated Entities and will be provided to the Steering and Technical Committees.
- (c) Binding Effect. This Agreement shall be binding upon and inure to the benefit of each party to this Agreement and their respective heirs, administrators, representatives, successors and assigns.
- (d) Amendment. The terms and provisions of this Agreement may not be amended, modified or waived, except by an instrument in writing signed by the parties.
- (e) Waiver. Waiver by any 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 to any breach of the provisions of this Agreement shall not constitute a waiver of any other provision, nor a waiver of any subsequent breach or violation of any provision of this Agreement.
- (f) 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 the state trial courts shall lie exclusively in the County of Los Angeles.
- (g) 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.
- (h) 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.
- (i) 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 this Agreement shall be read and constructed without the invalid, void or unenforceable provision(s).

- (j) Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which taken together shall constitute but one and the same instrument, provided, however, that such counterparts shall have been delivered to both parties to this Agreement.

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

CITY OF COMPTON

Charles Evans, City Manager

APPROVED AS TO FORM:

Legrand H. Clegg II, City Attorney

ATTEST:

Alita Godwin, City Clerk

GATEWAY CITIES COUNCIL OF
GOVERNMENTS

Elba Guerrero, President

ATTEST:

Richard Powers, Secretary

EXHIBIT A

SCOPE OF SERVICES**Task 1. Coordination with TMDL monitoring team(s)**

The County of Los Angeles Department of Public Works has taken the lead on TMDL monitoring, with input from a technical committee composed of representatives of several cities, the City of Los Angeles and additional entities. The monitoring plan is currently under development. Monitoring will include both ambient monitoring at various locations within the Los Angeles River and its tributaries, and TMDL compliance monitoring, which will be designed to assess progress towards compliance with TMDL concentration-based targets. Both wet and dry weather monitoring will be conducted and will include both single grab samples (for dry weather) and multiple samples per event, or event-mean concentration (EMCs) (for wet weather). Some of these samples will be used in the determination of site specific objections (SSO's) (see also Task 2). The Project Manager will attend regular meetings of the monitoring group, anticipated to occur once monthly, and will review work plans, study design, and sampling results, in order to provide input to the monitoring team and to work toward integration of all study components into a comprehensive report to the Regional Board.

Task 2. Coordination with SSO study team

The City of Los Angeles will take the lead in conducting SSO studies, building off of the SSO study work that is currently being done for copper at several locations in the Los Angeles River by the cities of Los Angeles and Burbank. The purpose of the new study will be to formulate site-specific metals objectives for copper, lead and zinc. This study would likely include saltwater and freshwater monitoring and laboratory analysis for toxicity, sediment, metals, and water quality parameters to be used in evaluating the biotic ligand model (BLM) (including TOC, DOC, total and dissolved metals, pH, major cations, major anions, alkalinity, sulfide, ammonia, DIC, TDS, humic acid, hardness, and conductivity). Although the details of this study are pending, the Project Manager will need to attend regular meetings of the SSO study team, anticipated to meet monthly. The Project Manager will also review work plans, study designs, and sampling and study results. The City of Los Angeles and/or its consultants will conduct all SSO work related to this task. As with Task 1, the Project Manager will provide liaison, continuity and consistency between studies.

Task 3. Project management and coordination for the paired atmospheric deposition/watershed runoff study

This study will involve the monitoring of storm water quality and atmospheric deposition in natural, predominantly open space areas of the Los Angeles River watershed. As currently scoped, this study would be separate from the TMDL monitoring and SSO studies, and would involve collection of 8 atmospheric samples (two samples in each of

the four seasons) in each of 4 predominantly open space watersheds. The Project Manager will develop a work plan for this study, assist in the preparation of a Request for Proposal (RFP), assist in the evaluation of the proposals and consultant selection, and provide technical project management over the course of the project.

Task 4. Coordination of Technical Committee (TC) efforts

The Project Manager will assist in identifying participants for a TC to oversee all study efforts and assist the TC in its responsibilities. The TC will meet periodically to evaluate the work plans for all projects and would meet while the studies are underway. The TC would reconvene to review the study results and a final work product.

Task 5. Coordination of Steering Committee (SC) efforts, final report and meetings with regulatory agencies

The Project Manager will meet periodically with the SC. At the SC's direction, the project manager will prepare a final, comprehensive report detailing results from the monitoring, the SSO studies, and the paired atmospheric deposition/storm flow studies. The project manager will also assist with meetings with the Regional Board, State Board, and/or EPA, and with testimony regarding the TMDL.

Budget Estimate

The estimated total budget for project management is \$338,700 over a three-year period. This budget should be considered preliminary and may be refined as the scope of work outlined above is defined more clearly. The TC and the SC will work with the GCCOG in finalization of the contract with the Project Manager, including refining the above tasks as necessary, specifying any additional work that is subject to time and expense basis and agreeing to the schedule of hourly billing rates for any additional work.

9.

EXHIBIT B**LOS ANGELES RIVER METALS TMDL SPECIAL STUDIES**
COST ALLOCATION FORMULA

(showing cost allocation for every \$100,000 in costs)

Name	Area in sq miles	Distribution	Base Rate (\$)	Allocation on Sq Miles (\$)	Total Rate (\$)
Alhambra	7.6	0.012401279	500	992.10	1,492.10
Arcadia	10.93	0.017834998	500	1,426.80	1,926.80
Bell	2.74	0.004470988	500	357.68	857.68
Bell Gardens	2.48	0.004046733	500	323.74	823.74
Bradbury	1.4	0.002284446	500	182.76	682.76
Burbank	17.35	0.028310815	500	2,264.87	2,764.87
Caltrans	11.24	0.018340839	500	1,467.27	1,967.27
Carson	0.88	0.001435938	500	114.88	614.88
Commerce	6.56	0.010704262	500	856.34	1,356.34
Compton	8.6	0.014033027	500	1,122.64	1,622.64
Cudahy	1.12	0.001827557	500	146.20	646.20
Downey	5.66	0.00923569	500	738.86	1,238.86
Duarte	2.3	0.003753019	500	300.24	800.24
El Monte	6.97	0.011373279	500	909.86	1,409.86
Glendale	30.62	0.049964102	500	3,997.13	4,497.13
Huntington Park	3.03	0.004944194	500	395.54	895.54
Irwindale	1.89	0.003084002	500	246.72	746.72
La Canada Flintridge	8.57	0.013984074	500	1,118.73	1,618.73
Long Beach	16.66	0.02718491	500	2,174.79	2,674.79
Los Angeles	281.44	0.459238953	500	36,739.12	37,239.12
Lynwood	4.85	0.007913974	500	633.12	1,133.12
Maywood	1.18	0.001925462	500	154.04	654.04
Monrovia	10.34	0.016872267	500	1,349.78	1,849.78
Montebello	8.36	0.013641407	500	1,091.31	1,591.31
Monterey Park	7.66	0.012499184	500	999.93	1,499.93
Paramount	4.34	0.007081783	500	566.54	1,066.54
Pasadena	22.7	0.037040663	500	2,963.25	3,463.25
Pico Rivera	3.12	0.005091051	500	407.28	907.28
Rosemead	5.14	0.008387181	500	670.97	1,170.97
San Fernando	2.41	0.003932511	500	314.60	814.60
San Gabriel	4.12	0.006722799	500	537.82	1,037.82
San Marino	3.76	0.00613537	500	490.83	990.83
Sierra Madre	2.99	0.004878924	500	390.31	890.31
Signal Hill	1.13	0.001843874	500	147.51	647.51
South El Monte	2.09	0.003410352	500	272.83	772.83
South Gate	7.48	0.01220547	500	976.44	1,476.44
South Pasadena	3.43	0.005596893	500	447.75	947.75
Temple City	4.01	0.006543307	500	523.46	1,023.46
Vernon	5.08	0.008289276	500	663.14	1,163.14
Unincorporated Areas	80.61	0.131535148	500	10,522.81	11,022.81
	612.84	1	20,000	80,000	100,000

Notes: The calculation of square miles in the watershed is based on GIS information supplied by the Regional Water Quality Control Board. The distribution column indicates the square miles located within the jurisdiction of each Regulated Entity as a fraction of the total watershed. The base rate is \$500 per Regulated Entity per \$100,000 in study costs. This base rate ensures a minimum contribution from each Regulated Entity, resulting in a total base of \$20,000. The allocation based on square miles is \$100,000 minus the base of \$20,000 (\$80,000) multiplied by the figure in the distribution column for each Regulated Entity. Each Regulated Entity's total cost for every \$100,000 in costs is the sum of the base (\$500/\$100,000), plus the Regulated Entity's allocation based on square miles.

RESOLUTION SIGN-OFF FORM

DEPARTMENT: Public Works-Engineering

RESOLUTION TITLE: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO AN IMPLEMENTATION AGREEMENT FOR OVERSIGHT OF SPECIAL STUDIES RELATED TO THE LOS ANGELES RIVER METAL TMDLS WITH GATEWAY CITIES COUNCIL OF GOVERNMENTS

<ManagersName>
DEPARTMENT MANAGER’S SIGNATURE

<ManagersDate>
DATE

REVIEW / APPROVAL

<LegalName>
CITY ATTORNEY

<LegalDate>
DATE

<ControllerName>
CITY CONTROLLER

<ControllerDate>
DATE

<BudgetName>
BUDGET OFFICER

<BudgetDate>
DATE

<CityManager>
CITY MANAGER

<CityManagerDate>
DATE

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

October 23, 2007

TO: MAYOR AND CITY COUNCIL MEMBERS

FROM: CITY MANAGER

**SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
COMPTON ADOPTING THE SEWER SYSTEM MANAGEMENT
PLAN (SSMP) AND ESTABLISHING A SCHEDULE FOR
ADDITIONAL SEWER MANAGEMENT PROGRAMS**

SUMMARY

This resolution requests City Council authorization to adopt the Sewer System Management Plan (SSMP), and establish a schedule for additional sewer management programs under the State Water Resources Control Board Statewide General Waste Discharge Requirements (WDR) under authority of the Porter-Cologne Act.

BACKGROUND

The WDR compels local agencies to develop a Sewer System Management Plan (SSMP). This SSMP must include programs for proper management, operation, and maintenance of the wastewater collection system in order to reduce and prevent Sanitary Sewer Overflows (SSOs). Sanitary sewer overflows (SSOs) are overflows from sanitary sewer systems that may be of domestic, industrial and/or commercial wastewater. SSOs contain high levels of suspended solids, toxic pollutants, pathogenic organisms, oils and grease and other pollutants. SSOs may cause a public nuisance, particularly when raw untreated wastewater is discharged to areas with high public exposure. The majority of these overflows occur due to many factors, including peak flows that exceed system capacity, blockages caused by excess grease, roots, vandalism, sewer system age, material failures and mechanical problems.

The City's SSMP is intended to prevent SSOs which discharge wastewater into the storm drain system or waters of the United States, and to prevent SSOs which create a nuisance, as defined by California Water Code Section 13050(m). This requires the City to develop procedures to ensure the following:

- i. The sanitary sewer system will be properly managed, operated and maintained to minimize SSOs and their impacts on receiving waters and public health.
- ii. When SSOs occur, the corresponding response will be prompt and all feasible steps will be taken to minimize impacts from the overflow, and
- iii. Reporting, recordkeeping and notification of other agencies (such as the Department of Health) are adequate.

10.

The WDR allows local agencies to develop and implement the SSMP sections in stages. The first part of the SSMP is required to be adopted by November 2, 2007.

The City of Compton's development and implementation schedule is attached.

The City of Compton's National Pollutant Discharge Elimination System (NPDES) permit also requires the development of a plan to respond to and prevent sewage spills. This permit was issued by the Los Angeles Regional Water Quality Control Board, under authority of the Federal Clean Water Act.

The present document fulfills the current requirements of both the Statewide General WDR and the City's NPDES permit.

FISCAL IMPACT

The City's annual budget for operating and maintaining the sewer system is approximately \$500,000 per year. Negligible expenses will be developed to improve sanitary sewer system operation and maintenance in order to reduce SSOs.

RECOMMENDATION

It is recommended that the City Council adopt the resolution approving the Sewer System Management Plan (SSMP) and schedule for additional sewer management programs. It is also recommended that authorization is granted to the Public Works Director to provide a copy of the SSMP available upon request to the State Water Board, the Los Angeles Regional Water Quality Control Board, and the general public.

CHARLES BERGSON, P.E.
DIRECTOR OF PUBLIC WORKS

CHARLES EVANS
CITY MANAGER

CE/CB/ap

Attachments

1. SSMP Development Plan and Implementation Schedule
2. Sewer System Management Plan (SSMP)

ATTACHMENT 1

**SEWER SYSTEM MANAGEMENT PLAN (SSMP) DEVELOPMENT PLAN
AND SCHEDULE**

The Statewide General WDR provides a schedule for development and implementation of the SSMP, based on the population served. The City of Compton's schedule requirements are provided below, along with target dates for internal use in meeting the WDR schedule.

<u>TASK</u>	<u>WDR DEADLINE</u>	<u>COUNCIL ADOPTION DATE</u>	<u>PROGRAM COMPLETED</u>
SSMP Development Plan and Schedule	Nov. 2, 2007	Oct. 23, 2007	Oct. 11, 2007
Program Goals	Nov. 2, 2007	Oct. 23, 2007	Oct. 11, 2007
Program Organization	Nov. 2, 2007	Oct. 23, 2007	Oct. 11, 2007
Legal Authority	May 2, 2009	April 14, 2009	March 24, 2009
Operation and Maintenance Program	May 2, 2009	April 14, 2009	March 24, 2009
Overflow Emergency Response Program	May 2, 2009	April 14, 2009	March 24, 2009
Fats, Oil and Grease (FOG) Control Program	May 2, 2009	April 14, 2009	March 24, 2009
Design and Performance Provisions	Aug. 2, 2009	July 14, 2009	June 23, 2009
System Evaluation and Capacity Assurance Plan	Aug. 2, 2009	July 14, 2009	June 23, 2009
Monitoring and Program Modifications	Aug. 2, 2009	July 14, 2009	June 23, 2009
Program Audits	Aug. 2, 2009	July 14, 2009	June 23, 2009
Communication Program	Aug. 2, 2009	July 14, 2009	June 23, 2009
Final SSMP Implementation	Aug. 2, 2009	July 14, 2009	June 23, 2009

RESOLUTION NO _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
COMPTON ADOPTING THE SEWER SYSTEM MANAGEMENT
PLAN (SSMP) AND ESTABLISHING A SCHEDULE FOR
ADDITIONAL SEWER MANAGEMENT PROGRAMS

WHEREAS, the WDR compels local agencies to develop a Sewer System Management Plan (SSMP); and

WHEREAS, the SSMP must include programs for proper management, operation, and maintenance of the wastewater collection system in order to reduce and prevent Sanitary Sewer Overflows (SSOs); and

WHEREAS, sanitary sewer overflows (SSOs) are overflows from sanitary sewer systems that may be of domestic, industrial and/or commercial wastewater, and SSOs contain high levels of suspended solids, toxic pollutants, pathogenic organisms, oils and grease and other pollutants; and

WHEREAS, SSOs may cause a public nuisance, particularly when raw untreated wastewater is discharged to areas with high public exposure, and the majority of these overflows occur due to many factors, including peak flows that exceed system capacity, blockages caused by excess grease, roots, vandalism, sewer system age, material failures and mechanical problems; and

WHEREAS, the City’s SSMP is intended to prevent SSOs which discharge wastewater into the storm drain system or waters of the United States, and to prevent SSOs which create a nuisance, as defined by California Water Code Section 13050(m); this requires the City to develop procedures to ensure the following:

- I. The sanitary sewer system will be properly managed, operated and maintained to minimize SSOs and their impacts on receiving waters and public health.
- II. When SSOs occur, the corresponding response will be prompt and all feasible steps will be taken to minimize impacts from the overflow, and
- III. Reporting, recordkeeping and notification of other agencies (such as the Department of Health) are adequate; and

WHEREAS, the WDR allows local agencies to develop and implement the SSMP sections in stages, and the first part of the SSMP is required to be adopted by November 2, 2007.

WHEREAS, the City of Compton’s development and implementation schedule is attached; and

WHEREAS, the City of Compton’s National Pollutant Discharge Elimination System (NPDES) permit also requires the development of a plan to respond to and prevent sewage spill, issued by the Los Angeles Regional Water Quality Control Board, under authority of the Federal Clean Water Act; and

WHEREAS, the City’s annual budget for operating and maintaining the sewer system is approximately \$500,000 per year, and negligible expenses will be developed to improve sanitary sewer system operation and maintenance in order to reduce SSOs.

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

1 **RESOLUTION NO.** _____

2 **Page 2**

3
4 **SECTION 1.** That the City Council hereby adopts the Sewer System Management Plan
5 (SSMP) and the Sewer System Management Plan schedule for additional sewer management
6 programs.

7 **SECTION 2.** That the City's annual budget for operating and maintaining the sewer system
8 is approximately \$500,000 per year, and negligible expenses will be developed to improve sanitary
9 sewer system operation and maintenance in order to reduce SSOs.

10 **SECTION 3.** That authorization is granted to the Public Works Director to provide a copy of
11 the SSMP available upon request to the State Water Board, the Los Angeles Regional Water Quality
12 Control Board, and the general public.

13 **SECTION 4.** That a copy of this Resolution shall be filed in the office of the City Manager,
14 City Controller, City Clerk and Public Works Street Maintenance Division.

15 **SECTION 5.** That the Mayor shall sign, and the City Clerk shall attest to the adoption of this
16 resolution.

17 **ADOPTED** this _____ day of _____ 2007.

18 _____
19 **MAYOR OF THE CITY OF COMPTON**

20 **ATTEST:**

21 _____
22 **CITY CLERK OF THE CITY OF COMPTON**

23
24 **STATE OF CALIFORNIA**
25 **COUNTY OF LOS ANGELES**
26 **CITY OF COMPTON**

27 I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing
28 Resolution was adopted by the City Council of the City of Compton, signed by the Mayor, and
29 attested by the City Clerk at a regular meeting thereof held on the _____ day of
30 _____, 2007.
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RESOLUTION NO. _____
Page 3

That the 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



CITY OF COMPTON, CALIFORNIA

SEWER SYSTEM MANAGEMENT PLAN (SSMP)

Eric Perrodin
Mayor

Barbara J. Calhoun
Council Member, District I

Lillie Dobson
Council Member, District 2

Yvonne Arceneaux
Council Member, District 3

Isadore Hall
Council Member, District 4

Charles Evans
City Manager

October, 2007

Charles Bergson, P.E., Public Works Director/City Engineer

Public Works Department
205 South Willowbrook Avenue
Compton, California 90220

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FUTURE USE

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FUTURE USE

I. OVERVIEW

Introduction

The City's sewage system is maintained by the Utilities Section of the Public Works Department. The system is designed to transport sanitary sewage to trunk sewers operated by the Sanitation Districts of Los Angeles County for further transportation, treatment and eventual discharge. Failure at any point within either the City's or the County's system can result in a spill of raw sewage which could threaten public health and contaminate the environment. The same threat-scenario is true of spills that may originate from private property (blocked or failed private property sewer laterals).

In order to protect public safety and the environment, the State Water Resources Control Board issued Statewide General Waste Discharge Requirements (WDR) under authority of the Porter-Cologne Act. The WDR requires local agencies to develop a Sewer System Management Plan (SSMP) and provides a schedule for developing certain elements of the SSMP, based on population served. The City of Compton's schedule is provided in Section II.

The City of Compton's National Pollutant Discharge Elimination System (NPDES) permit also requires it to develop a plan to respond to and prevent sewage spills. This permit was issued by the Los Angeles Regional Water Quality Control Board, under authority of the Federal Clean Water Act.

The present document fulfills the current requirements of both the Statewide General WDR and the City's NPDES permit.

Purpose

To reduce the potential impact of City sanitary sewage system operations on storm water quality, to the maximum extent practicable, by ensuring that: 1) sewage system overflows or leaks do not enter the storm drainage system, 2) potential and actual sanitary sewage blockages are remediated and suspected cross-connections are investigated, and 3) public health officials are notified when there is a threat to public health.

Scope

These operational procedures are applicable for all sanitary sewer pipes and pump stations owned by the City. In addition, the spill response provisions shall also pertain for all private facility or other agency discharges that threaten to enter the City's storm drainage system or other receiving waters.

II. SEWER SYSTEM MANAGEMENT PLAN (SSMP) DEVELOPMENT PLAN AND SCHEDULE

The Statewide General WDR provides a schedule for development and implementation of the SSMP, based on the population served. The City of Compton's schedule requirements are provided below, along with target dates for internal use in meeting the WDR schedule.

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III. GOALS

In order to provide excellent customer service and protect the public and environment from harm, the Public Works Department has established goals for the wastewater collection system.

To properly manage, operate, and maintain all parts of the wastewater collection system

- Goal #1: Protect the public's health and the environment from harm due to wastewater collection operations or accidental spills
- Goal #2: Build, maintain, and operate the wastewater collection system in a manner that is safe for workers
- Goal #3: Prevent sewage spills or overflows
- Goal #4: Efficiently convey wastewater to receiving sewer lines
- Goal #5: Minimize sumps and sewage leaking out of the wastewater collection system
- Goal #6: Minimize infiltration and inflow into the wastewater collection system

To provide adequate capacity to convey peak flows

- Goal #7: Identify and remedy existing under-capacity sewer lines
- Goal #8: Review proposed development projects for capacity issues and require improvements if demands exceed current capacity
- Goal #9: Identify existing sewer lines which limit future development due to lack of capacity
- Goal #10: Improve existing sewer lines which limit future development due to capacity issues

To minimize the frequency of SSOs

Goal #11: Identify and remedy locations where recurring blockages occur

Goal #12: Identify and remedy locations of potential collapse or other structural failure

To mitigate the impact of SSOs

Goal #13: Develop procedures to contain and clean SSOs

Goal #14: Develop, train and equip a team to respond to SSOs

IV. ORGANIZATION

PWD Staff Responsible For Implementing, Managing, And Updating The SSMP

The following staff members are involved in implementing the SSMP. They are listed by job title, followed by the current staff member's name, and a brief description of their duties in implementing the SSMP.

Charles Bergson, Public Works Director/City Engineer: establishes policy, plans strategies, allocates resources, delegates responsibility, and authorizes work by outside contractors. Phone: (310) 605-5696

Charles Nelson, Deputy Public Works Director: plans strategies, allocates resources, assigns work, authorizes work by outside contractors. Phone: (310) 605-5622

Alan Pyeatt, Assistant City Engineer: performs engineering analyses and studies related to public infrastructure and the environment, prepares reports, and administers programs. Phone: (310) 605-5625

Robert Montgomery, Construction & Maintenance Supervisor: plans strategies, allocates resources, assigns work, and maintains quality control. Phone: (310) 605-6236

Michael Pete, Utilities Supervisor: directs work, controls work sites, and supervises use of labor, materials and equipment. Phone: (310) 605-6231

The Public works Department Organizational Chart is shown below.

Chain Of Communication For Responding To SSOs

Public Works Department/Maintenance Division 24-hour Hotline ⇒ Construction & Maintenance Supervisor ⇒ Utilities Supervisor

Chain Of Communication For Reporting SSOs

For reporting SSOs to Los Angeles County and other Local Agencies:

Utilities Supervisor ⇒ Construction & Maintenance Supervisor ⇒ County and Local Agencies

For reporting SSOs to the Regional Water Quality Control Board:

Utilities Supervisor ⇒ Construction & Maintenance Supervisor ⇒ Public Works Director or his/her designee ⇒ LA Regional Water Quality Control Board/CIWQS website

<INSERT ORGANIZATION CHART>

V. SANITARY SEWER OVERFLOW (SSO) RESPONSE PROCEDURES

General Response Procedures

The three fundamental phases of all responses to a sanitary sewer spill are: **CONTAIN, CONTROL and CLEANUP.**

The first personnel on scene are to **contain** the spill or, in other words, to keep it from entering the storm drainage system or other receiving waters. This may be done in any number of ways including the use of sand or soil dikes, sand bags, or by plugging the outlet pipe of a catch basin.

Once the spill is contained, it needs to be brought under **control**. That is, the impacted line must be relieved (the blockage removed) or bypassed (pumped to the next flowing manhole) if the line has failed.

The third and final step of the response is the **cleanup**. All surfaces touched by the spill must be cleaned, disinfected and the run-off contained and removed for proper disposal. Any catch basins, storm drains or channels must be properly cleaned. Do not allow spilled material, cleaners or rinse water to enter uncontaminated catch basins, storm drains or channels.

Initial Spill Response Procedures

1. The Street/Sewer Superintendent or designee thereof shall be immediately dispatched to the site to take control of the scene as the Incident Commander. Field crews will be immediately prepared to respond with all necessary equipment including diking materials, sewer bypass pumps, vacuum truck and traffic control equipment. The dispatcher will also notify the Public Works Director of his/her designee of the spill immediately.
2. The Incident Commander shall assess the magnitude of the spill by estimating the gallons per minute of the flow or by the accumulation of spillage. If any sewage enters the storm drain system, immediately notify L.A. County Public Works, Flood Control Division. If the spill exceeds 1,000 gallons of sewage, immediately notify the Los Angeles County Department of Health Services. The State Office of Emergency Services must be notified if the spill, in the Incident Commander's discretion, presents a hazard to human health or environment. Additionally, if the spill exceeds 1,000 gallons, notify the Regional Water Quality Control Board.

Any spill exceeding 1,000 gallons must be reported to the Regional Water Quality Control Board (RWQCB) within 3 hours of the time the problem

was discovered and a written follow-up report must be filed within two weeks (see attached forms).

3. Based on his/her assessment of the situation, the Incident Commander shall declare the spill either a Category I or Category II spill in accordance with the following parameters:
 - a. **Category I** – Blockage or restriction causing an overflow of 1,000 gallons or more, OR entering an environmentally sensitive area, OR entering the storm drain system.
Depending on the size of the spill, the following agencies may need to be notified:

Los Angeles County Health Department
Los Angeles County Public Works (Flood Control)
State Water Resources Control Board (web-based)
Regional Water Quality Control Board
Office of Emergency Services

 See the section below titled “Outside Agency Notification” for notification requirements and phone numbers.
 - b. **Category II** – Blockage or restriction causing a flow which is contained prior to entering the storm drain system and has a cumulative overflow of less than 1,000 gallons.

There is a potential **Category III** scenario which would be the result of an overflow on private property, NOT caused by a blockage in the public sewer system. In this event, it is the property owner/operator’s responsibility to mitigate the spill, however, city crews should assist the property owner/operator within the bounds of resource availability and public service limitations. Notify the Health Department and the State Water Resources Control Board.

Category I Spill Response Procedures

1. Berm the sewage flow, block all drainage inlets and set up equipment and traffic control to pump waste to the closest clear manhole as soon as possible.
2. Request assistance of other agencies and/or contract firms for additional pumps to stabilize the situation, if necessary.
3. Make all notifications as specified in the “Outside Agency Notification” section and other sections below.

Los Angeles County Health Department
Los Angeles County Public Works (Flood Control)
Regional Water Quality Control Board

Office of Emergency Services

4. Determine the generation point of the spill (City line, County Sanitation Trunk line, or private property). If City generated, clear the restriction and proceed to Step 5. If County generated, contact County Sanitation Districts at (323) 685-5217 and proceed to Step 5. If generated from private property, contact the property's occupant of their responsibility to control the discharge and proceed to Step 6. If the occupant refuses to comply, contact Code Enforcement at (310) 605-6329 or the County Health Department at (323) 881-4147.
5. Sanitation District Spills – City staff should continue to maintain containment of the spill until County crews arrive. Once County crews are on scene, the County is responsible for clearing the blockage and for cleanup, but the Incident Commander maintains responsibility for ensuring that the area is returned to its normal state. At the discretion of the City's Incident Commander, City crews may be required to assist in these operations. Proceed to Step 7.
6. Private Property Spills – City staff should continue to monitor the spill, how the spill is contained, and how materials are disposed. Ensure proper containment and cleanup. At the discretion of the Incident Commander, City crews may be required to assist in containment and cleanup of a spill on private property, with all costs being back-charged to the responsible party (ies). If the spill should reach the public right-of-way, it is then the City's responsibility to ensure that the spill is contained and that proper cleanup measures are completed. Proceed to Step 7.
7. Take photographs of the spill showing as clearly as possible its cause, the extent of the spill, and the measures taken to contain and clean up the spill. If the spill did not generate from private property but has entered private property, forward a copy of the report and photos to Risk Management. Request permission of the occupant of the private property before taking any pictures on private property. Confine pictures to only the areas affected by the spill.
8. Determine the cause of the spill. On the sewer spill report form, describe what caused the problem and what actions were taken to correct the situation. This information is required for Department records. If the spill occurs in a business area, or if it is suspected to have been the result of a commercial or business activity, contact the City's Storm Water consultant at (562) 802-7880 to assist with the investigation.
9. Cleanup the spill area and remove containment. Leave the area as clean as practicable. Emphasis should be placed on removing all materials that are in or around the contaminated area. Wash the contaminated surfaces, disinfect and remove all run-offs from all surfaces that were in contact with the spill.

DO NOT WASH SEWAGE OR CLEANER/DESINFECTANTS INTO THE STORM DRAIN!

Under no circumstance is disinfectant-contaminated water allowed to enter a catch basin. All such water must be removed from the site (i.e. vacuumed up) and properly disposed of. It is acceptable procedure to rinse a spill as long as a vacuum truck is downstream to collect all rinsate. Be extremely cautious with the use of chlorine, as any residual chlorine on surfaces could be washed by landscape or other water sources into receiving waters long after the clean-up effort has concluded.

10. Check and clear downstream manholes. It is possible that debris may accumulate at the next downstream manhole following a backup. Always check the lower manhole to ensure that the line is flowing properly.
11. The Incident Commander must fill out a Sewer Spill Report form.
12. Contact Yard for additional personnel and equipment to assist with traffic control. Contact Police Dispatch by telephone and request assistance with traffic control.
13. Forward a copy of the sewer spill report form, photographs, time logs, and records of material and supplies used to Public Works Director.

Public Works Director or his/her designee must report all spills, regardless of size to the state's web site at .

Category II Spill Response Procedures

1. Contain the spillage immediately. If appropriate, sand bag catch basin inlets. If necessary, set up the bypass pump.
2. Complete Steps 4 through 13 of Category I Response.

Category III Spill Response

Assist the owner or property manager to complete the steps above, as appropriate. Take photos and fill out a Sewer Spill Report Form. Keep track of time and quantities of all labor, equipment, and materials used in the response.

Spill Response Follow-up

10.

1. File completed Spill Report Forms and photographs with the Public Works Director or his/her designee.
2. For spills involving 1,000 gallons or more, the Public Works Director or his/her designee will forward copies of the Spill Report Form and photographs to the City's environmental consultant for preparation of the required written report which must be filed with RWQCB within two weeks of the spill. The report must contain the following information:
 - a. estimated volume of spill and amount that was discharged to surface waters, i.e. into storm drains and/or channels.
 - b. a discussion of the circumstances that caused the spill.
 - c. a discussion on the impacts to public health or environment resulting from the spill and corrective actions taken to mitigate the effects.
3. Determine cause of blockage and ascertain whether line(s) need to be placed on a more rigorous maintenance schedule or if capital repairs are needed.

Outside Resources Contact List

1. **Environmental Consultant:**
John L. Hunter & Associates
13310 Firestone Boulevard, Suite A-2
Santa Fe Springs, CA 90670
Phone: (562) 802-7880
FAX: (562) 802-2297
2. **Sewage Spill Response Companies**

Clear Blue
Michael Conchig
(562) 431-4300

Advanced Cleanup Technologies, Inc
18414 S. Santa Fe Ave.
Rancho Dominguez, Ca.90221

National Plant Services
Long Beach, CA
Phone: (310) 436-7600

United Pumping Service, Inc.
14016 E. Valley Boulevard
City of Industry, CA

(818) 961-9326

Ocean Blue
(562) 624-4120

Outside Agency Notification

A. L.A. County Notification

- 1. When sewage enters storm drain system:**
L.A. County Department of Public Works
Flood Maintenance Division
Contact: Imperial Yard, South Gate
Phone: (562) 861-0316
- 2. If spill is originating from a Sanitation District Trunk Line**
Sanitation Districts of Los Angeles County
Phone: (323) 685-5217
After hours: (323) 685-5217
- 3. If spill exceeds 1,000 gallons:**
Los Angeles County Health Department
Phone: (323) 881-4147
After hours: (323) 881-4147

B. Adjacent City Notifications

- 1. City of Gardena**
Phone: (310) 217-9568
After hours: (310) 217-9500
- 2. City of Lynwood**
Phone: (310) 603-0267
After hours: (562) 861-9221
- 3. City of Carson**
Phone: (310) 847-3520
After hours: (310) 830-7600
- 4. City of Paramount**
Phone: (562) 220-2020
After hours: (562) 866-9061

C. Where sewage may discharge to beach areas, also contact:

10.

City of Long Beach
Phone: 562) 570-2876
After Hours: (562) 570-6383

D. State Office of Emergency Services

- 1. When sewage spill presents hazard to human health or environment**
State Office of Emergency Services
Hazardous Spills Notification
Phone: (800) 852-7550

E. Regional Water Quality Control Board

- 1. When spills exceed 1,000 gallons**
Phone: (213) 276-6600 regular working hours only



CITY OF COMPTON

SEWER SPILL REPORT FORM

Date: _____	Call Received: _____ AM/PM By: _____
Caller Name: _____	
Address: _____	
Phone No.: _____	
Location of Overflow	Cross Streets
_____	_____
Thomas Guide:	Page #:
_____	_____
Time arrived at spill:	Coordinates:
_____ AM/PM	_____
Overflow started:	Overflow stopped:
_____ AM/PM	_____ AM/PM
Time cleanup completed	
_____ AM/PM	
Overflow duration	Overflow amount (rate)
_____ Minutes	_____ gal/min
U/S MH #	D/S MH #
_____	_____
Size of Line:	Length of Line:
_____	_____
Findings: _____	
Est. Amount of spill: _____ gallons	
Est. Amount of spill returned to sewer system: _____ gallons	
Est. Amount of spill discharged to surface waters: _____ gallons	

10.



CITY OF COMPTON
SEWER SPILL REPORT FORM

Responding crew:

Detail description of cause:

Detail containment actions:

Description of spill area:

Description of property damage and affected areas:

Description of cleanup method:



CITY OF COMPTON

SEWER SPILL REPORT FORM

NOTIFICATION RECORD

Agency Notified: _____ Time Notified: _____

Agency Contact Name/Title: _____

Remarks: _____

Agency Notified: _____ Time Notified: _____

Agency Contact Name/Title: _____

Remarks: _____

Agency Notified: _____ Time Notified: _____

Agency Contact Name/Title: _____

Remarks: _____

Agency Notified: _____ Time Notified: _____

Agency Contact Name/Title: _____

Remarks: _____

Agency Notified: _____ Time Notified: _____

Agency Contact Name/Title: _____

Remarks: _____

VI. SEWAGE SPILL PREVENTIVE AND CORRECTIVE PROCEDURES

Routine Sewer Maintenance

1. All city sewer lines shall be maintained in accordance with the established maintenance schedule.
2. While conducting routine sewer maintenance activities, visually inspect the worksite to identify any of the following potential problems:
 - a. Cracked/deteriorating pipes
 - b. Leaking joints/seals at manholes
 - c. Chemical erosion of manhole channel, inlets or outlets
 - d. Evidence of sewage stacking in the manhole
 - e. Line generally flowing at or near capacity
3. Any potential problems noted are to be documented using a Service Request form and reported to the Street/Sewer Superintendent before the end of the work day.
4. The Street/Sewer Superintendent will be responsible for prioritizing and scheduling all repairs that may be practicable given budgetary constraints. Any repairs that may exceed budgetary constraints or other departmental authority shall be forwarded to the Director of Public Works for budgetary consideration. Repairs shall be prioritized in accordance with the following parameters:
 - a. Problems causing overflows or which may cause an imminent overflow are to be scheduled immediately. These repairs may be temporary until scheduled or capital improvements may be completed.
 - b. Problems that do not require immediate attention and are feasible to be performed within staff and budgetary constraints shall be scheduled as soon as practicable.
 - c. Problems requiring line rehabilitation, installing bypass lines, constructing new pump stations, etc., require capital improvements, which must be forwarded through management to the City Council for funding authorization.

VII. SANITARY SEWER AND STORM DRAIN CROSS-CONNECTION PREVENTION PROCEDURES

1. To ensure that cross-connections between the City's sanitary sewer and storm drain systems do not occur, the City maintains detailed records of the alignments of both systems and when they were constructed.
2. No connections to either system are allowed without a permit being first obtained from the City's Public Works Department. Each such permit issued is to contain the following information:
 - a. Line to which the connection was made
 - b. Location of connection on the line
 - c. Depth of the connection at property line
 - d. When the connection was made
3. All connections to either system are inspected by a City inspector to ensure that all of the above information is accurate and that the connection is made in accordance with established standards. Building Inspectors are responsible for inspecting all on-site connections, while Public Works inspectors are responsible for inspecting all connections within the public rights-of-way.
4. After approval of the connection inspection, the applicable inspector permanently files the inspection card and permit in the appropriate City file for perpetual maintenance.

RESOLUTION SIGN-OFF FORM

DEPARTMENT: Public Works-Engineering

RESOLUTION TITLE: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ADOPTING THE SEWER SYSTEM MANAGEMENT PLAN (SSMP) AND ESTABLISHING A SCHEDULE FOR ADDITIONAL SEWER MANAGEMENT PROGRAMS

<ManagersName>
DEPARTMENT MANAGER’S SIGNATURE

<ManagersDate>
DATE

REVIEW / APPROVAL

<LegalName>
CITY ATTORNEY

<LegalDate>
DATE

<ControllerName>
CITY CONTROLLER

<ControllerDate>
DATE

<BudgetName>
BUDGET OFFICER

<BudgetDate>
DATE

<CityManager>
CITY MANAGER

<CityManagerDate>
DATE

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

October 23, 2007

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 A CONTRACT AGREEMENT WITH RON'S MAINTENANCE FOR CATCH BASIN CLEANING AND TO ISSUE A PURCHASE ORDER FOR AN AMOUNT NOT TO EXCEED SEVENTY THOUSAND, ONE HUNDRED SEVENTY FIVE DOLLARS (\$70,175.00)

SUMMARY

This resolution requests authorization to enter into a contract agreement with Ron's Maintenance, Inc. for catch basin cleaning services for the City of Compton, and to issue a purchase order in an amount not to exceed Seventy Thousand, One Hundred Seventy Five Dollars (\$70,175.00).

BACKGROUND

The Public Works Department is required to comply with the National Pollutant Discharge Elimination System (NPDES) regulations of the Water Quality Control Board. To remain in compliance with the (NPDES), the City must conduct annual catch basin cleaning. Ron's Maintenance has performed this work for the City over the two years for approximately the same costs, and has performed this service for several public agencies

In August 2007, the Public Works Department staff solicited bids for catch basin cleaning with the following results:

Ron's Maintenance	\$ 70,175.00
Freeway Electric	\$190,475.00
United Storm Water, Inc.	\$294,125.00

Ron's Maintenance presented the lowest most responsible bid, and staff has determined based on past efficiency, knowledge and experience that is reflected in Ron's Maintenance bid proposal.

11.

It is recommended that the City Council:

- a. Authorize the City Manager to enter into a contract with Ron's Maintenance for catch basin cleaning for the commencement period of October 15, 2007 to June 30, 2008.
- b. Authorize the City Manager to execute a purchase order for an amount not to exceed Seventy Thousand, One Hundred Seventy Five Dollars (\$70,175.00) for catch basin cleaning.

FISCAL IMPACT

Funds for catch basin cleaning are included in the Public Works 2007-2008 fiscal budget in Account No. 5116-720-000-4262.

CHARLES BERGSON. P.E.
DIRECTOR OF PUBLIC WORKS/CITY ENGINEER

CHARLES EVANS
CITY MANAGER

CE/CB/SDZ/sdz

Attachments

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON
AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT
AGREEMENT WITH RON'S MAINTENANCE FOR CATCH BASIN
CLEANING AND TO ISSUE A PURCHASE ORDER FOR AN AMOUNT NOT
TO EXCEED SEVENTY THOUSAND, ONE HUNDRED SEVENTY FIVE
DOLLARS (\$70,175.00)**

WHEREAS, the Public Works Department is required to comply with the National Pollutant Discharge Elimination System (NPDES) regulations of the Water Quality Control Board; and

WHEREAS, to remain in compliance with the (NPDES), the City must conduct annual catch basin cleaning; and

WHEREAS, there is a need to clean the catch basins before a major storm; and

WHEREAS, properly cleaned catch basins are necessary for the preservation of life, health and property in the City; and

WHEREAS, Ron's Maintenance has performed catch basin cleaning for the City in the past; and

WHEREAS, Ron's Maintenance is capable of performing the general basin cleaning in a timely manner; and

WHEREAS, Ron's Maintenance submitted the lowest most responsive bid; and

WHEREAS, staff is recommending to contract the services of Ron's Maintenance for catch basin cleanout.

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

SECTION 1. That the City Council finds contracting catch basin cleanout necessary to meet NPDES requirements.

SECTION 2. That the City Council hereby authorizes the City Manager to enter into a contract with Ron's Maintenance, upon the advice of the City Attorney to perform catch basin cleaning at cost not to exceed **Seventy Thousand, One Hundred Seventy Five Dollars (\$70,175.00).**

SECTION 3. That the funds for general catch basin cleaning have been allocated in the Public Works Street Maintenance Division's 2007-2008 Fiscal Year budget in Account Number 5116-720-000-4262.

SECTION 4. That the City Manager is authorized to enter into a contract with Ron's Maintenance, Inc. to perform catch basin cleaning commencing October 15, 2007 through June 30, 2008.

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

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RESOLUTION NO. _____
Page 2

SECTION 6. That a copy of this resolution shall be filed in the offices of the City Manager, City Controller, City Clerk and the Public Works Department.

ADOPTED this _____ day of _____ 2007.

MAYOR OF THE CITY OF COMPTON

ATTEST:

CITY CLERK OF THE CITY OF COMPTON

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing resolution was adopted by the City Council of the City of Compton, signed by the Mayor, and attested by the City Clerk at a regular meeting thereof held on the _____ day of _____, 2007.

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

RESOLUTION SIGN-OFF FORM

DEPARTMENT: City Clerk

RESOLUTION TITLE: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT AGREEMENT WITH RON’S MAINTENANCE FOR CATCH BASIN CLEANING AND TO ISSUE A PURCHASE ORDER FOR AN AMOUNT NOT TO EXCEED SEVENTY THOUSAND, ONE HUNDRED SEVENTY FIVE DOLLARS (\$70,175.00)

<ManagersName>
DEPARTMENT MANAGER’S SIGNATURE

<ManagersDate>
DATE

REVIEW / APPROVAL

<LegalName>
CITY ATTORNEY

<LegalDate>
DATE

<ControllerName>
CITY CONTROLLER

<ControllerDate>
DATE

<BudgetName>
BUDGET OFFICER

<BudgetDate>
DATE

<CityManager>
CITY MANAGER

<CityManagerDate>
DATE

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

OCTOBER 23, 2007

TO: CITY MANAGER
FROM: MUNICIPAL LAW ENFORCEMENT SERVICES
SUBJECT: MONTHLY PERFORMANCE REPORT
MONTH OF SEPTEMBER 2007

STATUS OF SPECIAL PROJECTS

For this reporting month, the Municipal Law Enforcement Services Department issued parking citations for 4121 vehicle violations. The total gross amount for the citations issued was \$152,782.00. YTD total is \$479,732.00.

For this reporting month, the Business License Division of the Municipal Law Enforcement Services Department has provided the following information.

- New Business Applications 108 YTD 342
- Business License Fees received \$149,705.69 YTD \$616,596.01

For this reporting month, the Municipal Law Enforcement Services Department abated 96 unlawful vendors. YTD total is 243.

For this reporting month, the Los Angeles County Animal Care and Control Department reported that 100 dead animals were removed. YTD total is 286.

BUDGET STATUS

Approved Budget: \$5,219,296.00 Amended Budget: _____ Date(s) amended: _____

Year to date expense:

Personnel: 12 % O&M: 75 % Capital Outlay: 100 %

DEPT. STAFFING

92% staffed, 2 vacancies in the Security Division, currently in the interviewing process, 1 vacancy in the Code Enforcement Division, revisions to job description currently in progress.

Date for anticipated 100% staffing of Security: 12/01/2007
 Date for anticipated staffing of Code Enforcement Officer II 03/01/2008

SPECIAL ATTENTION/EMPLOYEE RECOGNITION

Officer A. Wright, received a written commendation from Citizen James Nouvelle, for outstanding representation of the City of Compton, in a Neighborhood Block Club Meeting.

CARL HOUSTON, DIRECTOR
MUNICIPAL LAW ENFORCEMENT SERVICES DEPARTMENT

October 18, 2007

TO: CITY MANAGER'S OFFICE

FROM: COMMUNITY REDEVELOPMENT AGENCY

SUBJECT: MONTHLY PERFORMANCE REPORT FOR SEPTEMBER 2007

STATUS OF SPECIAL PROJECTS

Gateway Towne Center Police Substation – Public Hearing scheduled for October 23, 2007.

STATUS OF GOAL/WORK PLAN ACHIEVEMENT

Gateway Towne Center - Construction Phase

- **Demolition** – Complete.
- **Pylon Signs** – Complete except for the gates and landscaping at the freeway pylon sign.
- **Off-Site Improvements** - Installation of new traffic signals are complete, except for SCE providing permanent power which has been delayed by their inspector's schedule. The sidewalks on Alameda Street are complete, except for the area between the old Auto Drive south and the Artesia Boulevard off ramp which will be completed when Phase II of the shopping center is constructed. Prism will begin the sidewalk on Greenleaf Boulevard, once SCE removes the old light poles and installs the new ones which were delayed by SCE's inspector's schedule. Lastly, after a nearly 3 month delay, SCE finally approved the sidewalks on Plaza Drive and on the west side of Alameda Street between Greenleaf Boulevard and the first driveway into the property which were located on the street easements with SCE. Construction of the items in the SCE easement is scheduled to begin shortly.
- **Grading** – Complete.
- **Paving** – Complete except for slurry coat and striping on the parking deck.
- **Target** – October 14, 2007 grand opening.
- **Home Depot** –October 11, 2007 grand opening.
- **Best Buy** – Best Buy began merchandising on October 5th and is still scheduled for its opening on October 26, 2007.
- **Shops 1 (Payless Shoes, AT&T, and Red Persimmon) and Shops 2 (Daniels Jewelers and Sally's Beauty)** – Roofs are complete, exteriors are substantially complete.
- **24 Hour Fitness** – 24 Hour fitness is about 2/3 done with its exterior walls.
- **Wells Fargo** – Wells Fargo is finishing up the exterior and is scheduled to open December 10, 2007.
- **Staples** – Roof is complete and the exterior is well under way.
- **Shoe Pavilion** – The building is substantially complete and is scheduled to be turned over to the tenant on October 15th.
- **Utilities** – Installation of final infrastructure for gas, phone and electricity both on and off-site continues.

- **Hiring** – please refer to the list of the minority owned subcontractors that have been contracted thus far from Prism’s general contractor provided to the Agency previously. Prism will provide updates to the list when it becomes available.
- Prism has executed leases or contracts with Target, Home Depot, Best Buy, 24 Hour Fitness Magic Johnson Sport, Staples, Shoe Pavilion, Wells Fargo, Bank of America, Red Persimmon, AT&T, Payless Shoe Source, and Daniel’s Jewelers. Prism has signed Letters of Intent and are working towards signing leases soon with Ross, Starbucks, McDonald’s, TGIF, Panda Express, Wing Stop, and Ono Hawaiian. In addition, there are a number of other pad and shop tenants that Prism is negotiating Letters of Intent with at this time. The project is on schedule.

The Olson Company (Willow Walk) - Construction Phase

Phase 1 is ready for MEPS inspections and the start of drywall hanging. MEPS will start on Monday, October 15th and be completed on October 22nd. Drywall hanging will start 2 days after the MEPS inspections. Drywall hanging will take approximately one week per building. Phase 2 foundations are underway again. Phase 2 first slab will be poured on October 8th. Second slab will be poured around October 22nd. Olson expects all slabs to be poured by mid October. The project is on schedule.

Alameda Court, LLC – Pre-Construction Phase

Grading permits were conditionally approved. The revised site plan will be submitted for ARB approval during the week of October 8th. Pursuant to the request of plan check, Alameda Court has engaged a sound engineer to conduct an acoustic report on the site. The report should be completed and submitted to the City during the week of October 15th. The Groundbreaking ceremony will be scheduled in November 2007. Project is slightly behind schedule. However, the project is progressing during this period. Project should be on schedule during the next reporting period.

North Downtown Specific Plan (PMC) – Plan Preparation Phase

PMC has been coordinating with the Olson Company regarding the effects of the Specific Plan on the Willow Walk project. PMC is creating a digital version of the Future Development Map. The final product will be an Illustrative Site Plan which will be hand rendered and include the Future Development Map and sketches of proposed developments. In Mid October, PMC will prepare for the second Community Workshop which will occur is late November. PMC estimate the final Illustrative Site Plan, Future Development Map, and vignette sketches will be ready for Agency review by October 25th. The Project is on schedule.

Golden Pacific Partners (GPP Public Private) – Negotiation of *Disposition and Development Agreement Stage*

Agency staff met with the Developer to work out the terms and conditions for the development of a Draft Disposition and Development Agreement (DDA). The Developer and the Agency are coordinating the preparation of the draft DDA. The DDA should be finalized within 30 days. The project is on schedule.

12.

Alondra Landfill Site – *DDA Negotiation Stage*

The deal points of the Disposition and Development Agreement will be resolved in October. The Agency anticipates requesting the joint public hearings in November. The project is one month behind schedule. Staff is working towards the execution of the DDA which would place the project back on schedule.

1117 South Long Beach Boulevard – *Execution of Exclusive Negotiation Agreement Phase*

The Agency is waiting for the Exclusive Negotiation Agreement to be executed by the Acevedo Group (Redeveloper). Project is on schedule in accordance with the Agency's Workplan.

Compton Seniors Activity Center

The cost breakdown/comparison submitted by BASE is currently being reviewed by the Agency. The review will be completed by the end of October.

Pocket Parks Program - *Development Phase*

The Pocket Park at 201 North Long Beach Boulevard is 95% completed. It will be 100% complete in October. Project will be completed on schedule.

Residential Rehabilitation Programs

Fix-It Grant: 3-files-awaiting documents

7-files- prepare and mail out bids

5-files- prepared bids

1-file - pending payment

1-file - completed

Emergency Assistance Grant:

1 file- awaiting documents

1 files- scheduled inspection; awaiting correction notice

4 files- ready to prepare and mail out bids

2 files- prepared bids

1 files- preparing agreements

1-file- received a new application; need to send follow-up notice for missing documents

Deferred Equity Loan (DEL):

1 file - ready to prepare and mail out bids

Property Acquisition Sites

2000 West Compton Boulevard – Staff sent response to owner rejecting the business owners offer. The project is on schedule.

413 West Compton Boulevard – Staff is negotiating acquisition of site with the new owner.

548 South Central Avenue (Mike's Carwash) - The results of the appraisal are still pending. Project is on schedule.

1716 East Rosecrans Avenue - The results of the appraisal are still pending. Project is on schedule.

City Yard Acquisition – The Agency has obtained the appraisal of the site. Project is on schedule.

1717 West El Segundo Boulevard/1725 West El Segundo Boulevard – The project is in the report analysis phase. The Appraisal reports is completed. The project is on schedule.

Emergency Shelter Grant (ESG)

The reports received from the emergency shelter providers represent the following activities for the month of August 2007:

Ms. Essie's House of Faith

Ms. Essie's House of Faith (MEHOF) provided shelter and services to 4 women and 2 children. According to Ms. Essie's monthly report, counseling was provided for all adult residents of MEHOF. Each resident met with the counselor for at least one hour to discuss work status, educational issues, physical, and mental issues. They also discussed problems regarding children custody and placement. The ethnic breakdown of those assisted included 5 Black/African American and 1 American Indian or Alaska Native & White.

Compton Welfare Rights Organization

Agency staff received proof of General Liability from Compton Welfare Rights. The MOU was then submitted to the various departments for execution. In addition, The Housing Quality Inspection that was scheduled for August 1, 2007 and approved on August 15, 2007. Agency staff can now process reimbursement payments to Compton Welfare Rights Organization.

Compton Welfare Rights Organization Homeless Shelter for Women and Children (CWRO) submitted monthly reports and invoices for the month of July 2007 and August 2007. For the month of July 2007, Compton Welfare Rights Organization provided shelter onsite supportive services to 35 unduplicated women and children. At one service unit per person, CWRO provided 570 service units (shelter nights), served 1,710 meals and approximately 630 snacks. Other services included extensive case and money management, job development workshops, information and referrals, homeless prevention workshops, housing assistance, free laundry services, clothing, bus tokens for transportation and distributed free food to low income families in the City of Compton.

Special events and accomplishments:

- 5 clients were employed
- 2 clients applied for Section 8
- 4 clients were seeking employment
- 5 clients were referred to Transitional Housing
- 4 clients was attending school
- 2,650 bus tokens were distributed to clients
- CWRO distributed 60 food baskets to the Compton Community

12.

For the month of August 2007, Compton Welfare Rights Organization provided shelter onsite supportive services to 22 unduplicated and 14 duplicated women and children. At one service unit per person, CWRO provided 544 service units (shelter nights), served 1,633 meals and approximately 620 snacks. Other services included extensive case and money management, job development workshops, information and referrals, homeless prevention workshops, housing assistance, free laundry services, clothing, bus tokens for transportation and distributed free food to low income families in the City of Compton.

Special events and accomplishments:

- 3 clients were employed
- 4 clients applied for Section 8
- 3 clients were seeking employment
- 3 clients was attending school
- 2,320 bus tokens were distributed to clients
- CWRO distributed 103 food baskets to the Compton Community

Another Chance Outreach

On September 11, 2007, Agency staff contacted shelter to find out if the repairs had been completed in order to schedule a follow up appointment with the Building and Safety Department. Agency staff was informed that the repairs have been completed. The Housing Quality Standard Inspection will be scheduled for September 12, 2007.

Peace and Joy Care Center

On September 5, 2007, Agency staff contacted Peace and Joy Care Center to find out if the repairs had been completed. According to the Director of shelter the repairs have not yet been completed. Once the repairs have been completed, Agency staff will reschedule an appointment with the Building and Safety Department.

Creative Learning Institute

On September 11, 2007, Agency staff contacted the shelter to find out if the repairs had been completed in order to schedule a follow up appointment with the Building and Safety Department. According to the director of the shelter, the repairs have not been completed. They are working on all the correction items requested by the inspector. Once the repairs have been completed, Agency staff will reschedule an appointment with the Building and Safety Department.

Emergency Shelter Payments

The following emergency shelter payments were processed as reimbursement for the month of July and August 2007:

Compton Welfare Rights Org.	\$ 934.46	(July)
	\$2,200.15	(August)
Ms. Essie's House of Faith	\$2,065.41	(August)

Fair Housing

On September 5, 2007, Agency staff received signed MOU from the Fair Housing Foundation. Agency staff forwarded the MOU to the various departments for execution. Upon execution of the MOU, Agency staff will reimburse the Fair Housing Foundation for activities during FY 2007-08.

First Time Homebuyers Program

Agency staff has approved four potential First Time Homebuyers, and is in the processing of approving eight new potential participants. Currently, Agency staff is in the process of closing four files, by submitting funds and loan agreements to each respective title company.

BUDGET STATUS

Agency staff continues to monitor and maintain records of expenditures as it relates to the Agency's FY 2007-08 Budget. The following figures provided herein are from the City's online Insight System ending September 30, 2007.

Resources	Allocation	Balance
Personnel	\$1,082,129.00	\$915,742.13
Operations & Maintenance	\$11,836,736.46	\$10,233,853.15
Capital	\$4,668,003.00	\$2,594,950.00

DEPARTMENT STAFFING

The Agency has budgeted for eleven (11) permanent positions for the 2007-08 Fiscal Year. Five positions are filled permanently (Director, Account Technician and (3) Project Managers), four positions are being filled on a temporary basis (Administrative Secretary, Office Assistant III, Redevelopment Technician I and Redevelopment Technician II), and two positions are vacant (Deputy Director and Rehabilitation Specialist). Recruitment efforts have begun on three positions (Deputy Director, Redevelopment Technician I, and Redevelopment Technician II). The remaining positions will begin the recruitment process by the end of year.

KOFI SEFA-BOAKYE
DIRECTOR OF REDEVELOPMENT

KSB:JS

October 23, 2007

TO: MAYOR AND COUNCIL MEMBERS

FROM: CITY MANAGER

**SUBJECT: GENERAL PLAN AMENDMENT CASE NO. 2007-02
(15610-15810 SOUTH FRAILEY AVENUE)**

SUMMARY

Council will consider a proposal to amend the General Plan land use designation of properties located in the City of Compton's Sphere of Influence (SOI) in a Los Angeles County island on the east side of South Frailey Avenue between Alondra Boulevard and Linsley Street. The request is to change the General Plan Land Use designation from Open Space/Parks to Mixed Use.

BACKGROUND

On September 12, 2007 the Planning Commission held a public hearing to consider the applicant's request for change of land use designation. After due consideration, the Commission found that the proposed change was compatible with the surrounding land uses in the area and the City's General Plan. The Planning Commission voted to recommend to the City Council that the designation be changed.

STATEMENT OF THE ISSUE

The applicant has requested a change of General Plan land use designation from Open Space/Parks to Mixed Use for purposes of consistency with the adjacent City General Plan Land Use designation and to facilitate the construction of a senior housing development.

The applicant proposes to construct a senior rental housing development of 54 units in the County of Los Angeles and 30 units in the City of Compton on a site currently zoned R-M (Medium Density Residential).

Notices of the public hearing, per State law, were sent to property occupants and owners of record located within a three hundred radius of the project site and published in the Compton Bulletin.

ALTERNATIVES

Council may approve or deny the General Plan Amendment request.

FINANCIAL IMPACT

None.

14. General Plan Amendment Case No. 2007-02
October 23, 2007
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RECOMMENDATION

Staff recommends that Council approve General Plan Amendment Case No. 2007-02 pursuant to the findings contained in the attached resolution.

**JOSEPH LIM, AICP
PLANNING DIRECTOR**

**CHARLES EVANS
ACTING CITY MANAGER**

Attachment: Planning Commission Staff Report

PLANNING DEPARTMENT STAFF REPORT

CASE NO. - Conditional Use Permit No. 2587/Variance Case No. 2588
General Plan Amendment Case No. 2007-02
Mitigated Negative Declaration No. 911

LOCATION - 15810 Frailey Avenue

PROPOSED USE - City of Compton/Los Angeles County Senior Housing
Development: 84-unit, rental residential with parking and building
height modifications.

HEARING DATE - September 12, 2007

GENERAL INFORMATION

Applicant / Owner

Hunter L. Johnson, President
LINC Housing Corporation, General Partner
110 Pine Avenue, Suite 500
Long Beach, CA 90802

Requested Action/Applicable Regulation

The applicant proposes to change the land use designation of the County portion of the site from Open Space to Mixed Use in order to construct a senior rental housing development of 54 units in the County of Los Angeles and 30 units in the City of Compton on a site currently zoned R-M (Medium Density Residential) with parking and building height modifications in accordance with Sections 30-26 and 30-27 of the Compton Municipal Code.

Notification

Notices of the public hearing, per State law, were sent to property occupants and owners of record located within a three hundred radius of the project site. Approximately 270 notices were sent.

Location

The proposed development site is located on the northeast corner of the intersection of Frailey Avenue and Alondra Boulevard, directly adjacent to the I-710 Freeway.

Zoning and Land Use

The total development site of 3.34 acres is currently vacant; 1.82 acres of the property is in the City of Compton and zoned R-M (Medium Density Residential). Properties to the north and east of the site are zoned and developed residentially. Zoning of properties to the south, across Alondra Boulevard and to the west of the site are zoned C-L (Limited Commercial) and developed with various commercial uses.

General Plan and Redevelopment Plan

The General Plan and Redevelopment Plan designation for the City of Compton portion of the site is Mixed-Use. Residential developments are permissible at a density of seventeen (17) units per acre. The applicant has requested that the Los Angeles County portion of the site be changed from a land use designation of Open Space to Mixed Use.

Environmental Review

A mitigated negative declaration has been prepared by the City's environmental consultant Blodgett Baylosis and Associates. The consultant recommends approval of the project having determined that, with the implementation of certain measures incorporated in the conditions of approval, it will not have a significant impact on the environment provided it is developed in accordance with specified mitigation measures.

DESCRIPTION OF THE PROJECT

The proposed development site is an irregular shaped lot approximately 3.34 acres in size; 1.52 acres in unincorporated Los Angeles County and 1.82 acres within the City of Compton boundaries. The property has a street frontage of approximately 300 feet along Frailey Avenue. The applicant proposes to construct and manage a total of 84 units of low-income apartments for seniors and/or persons with developmental disabilities. Persons with developmental disabilities (DD) have been described as those persons with:

- A) A severe chronic disability which is attributable to a mental or physical impairment or combination of mental and physical impairments manifested before the person attains age 22 and likely to continue indefinitely;
- B) Substantial functional limitations in three or more of the following areas of major life activity including: self care, receptive and expressive language, learning, mobility, self direction, capacity for independent living, or economic self sufficiency,
- C) A need for a combination and sequence of special care, treatment or other services which are individually planned and coordinated.

The LINC Seasons at Compton residential community's possible tenant pool will be: DD adults, DD adults with live-in caregivers, adult(s) with DD child or dependant, seniors, DD seniors, and seniors with DD child, grandchild or dependent. LINC'S goal is to "collectively serve the developmentally disabled adult, family members caring for the developmentally disabled and seniors

collectively. This LINC community will offer much needed service-enriched housing for the residents of the City of Compton and Los Angeles County.” A full-time Resident Services Coordinator will oversee the overall coordination of social events and services between residents and service providers, a full-time on-site property manager will handle the day-to-day property management of the site along with a part-time/on call maintenance person.

Of the 84 units proposed, thirty (30) units will be in the City of Compton in a three-story building, 35 feet high; the remaining 54 units in a building ranging from two to four stories with a maximum height of 46 feet. Sixty-eighty (68) units will be one-bedroom units; the remaining sixteen (16) units will be two-bedroom units. The 1-bedroom units are comprised of a bedroom, living/dining area, kitchen, bath and covered patio; the total square footage including patio area is 653 square feet. The two-bedroom units will also include a living/dining area, kitchen, bath and covered patio; the total square footage including patio area is 786 square feet.

SEASONS at Compton – LINC Senior Rental Housing Development		
	City of Compton	Los Angeles
Number of Units	30	54
a) 1-Bedroom units	18 units--653 sq. ft.	50 units-- 653 sq. ft.
b) 2-Bedroom units	12 units--786 sq. ft.	4 units--786 sq. ft.
No. of Parking Stalls	38	38
a) Guest Parking Stalls	8	7
b) Resident Parking Stalls	30	31
Open Space	1.34 acres	.81 acres
a) Central Courtyard	0 acres	.44 acres
b) Landscaped open space	.54 acres	.15 acres
c) Parking landscape/pedestrian pathways	.80 acres	.22 acres

A two-story, 3,930 square foot community center on the property will house multipurpose rooms, on-site property management and service coordinator offices, case management space, computer room, laundry room and full kitchen. The community center will be available for use by the residents daily from 9:00 a.m. to 9:00 p.m. for recreation and social events. In addition to the private patio areas provided each unit, an ample open/recreational space (.44 acres) is proposed adjacent to the community center for low-impact games and swimming pool area. Another expansive area, on the far, northeast portion of the site, is a 23,522 square foot (.54 acre) open space is proposed. Total open space including landscaped, recreational, courtyard or pedestrian pathways will total 93,754 sq. ft. or 2.15 acres (64% of the total site). The applicant’s proposal is also in compliance with building setbacks from property lines. The applicant has requested approval of a conditional use permit, in conformance with the C.M.C., to allow construction of the proposed project.

The main entrance to the development will be located on Frailey Avenue approximately 225 feet north of the intersection of Frailey Avenue and Alondra Boulevard for vehicular access to visitor parking. Residents’ parking will be accessed through electronic remote controlled gates just past the visitor parking area. A secondary driveway, for use by emergency vehicles only, will be on S. Williams Avenue. Parking for the total site is proposed at a total of seventy-six (76) parking stalls, 61

for residents and 15 reserved for guests; all uncovered and unenclosed. Parking stalls proposed in the City of Compton portion of the site are in compliance with Compton Municipal Code for size. Compton code also allows for open air guest parking, however requires that senior apartment parking stalls are covered. The applicant has therefore applied for a variance to allow all parking to be unenclosed and uncovered.

The applicant's project features buildings of various heights; the community center is proposed at two stories (26'-5"), the residential building in the County portion up to four stories tall (45'-11") and the residential building in the City at three stories (35'-0"). The applicant has requested a variance to exceed the maximum building height of 35 feet allowed in the R-M zone to allow for the possible installation of rooftop energy saving equipment, that once mounted on the roof, will exceed the maximum height allowed according in the C.M.C.

The applicant has also asked that the General Plan designation for the unincorporated Los Angeles County portion of the site is changed from Open Space to Mixed Use to allow development of the proposed residential community. The Compton City portion was changed in December 2002, however the project at the time was proposed solely in the city. The current project is proposed in both the City of Compton and unincorporated Los Angeles County. The current General Plan land use designation of Open Space would not allow residential development; therefore the applicant is requesting that the land use be changed from Open Space to Mixed Use. The county area, just outside of the City's boundaries, is part of Compton's sphere of influence and as such is permitted to be designated a land use --Mixed Use would allow residential construction and for the project to be accomplished.

ANALYSIS AND RECOMMENDATION

The applicant's project proposes the construction and management of 84 units for low-income seniors and developmentally disabled persons at the density allowed by the General Plan Mixed Use land use designation for the site. The applicant proposes a two-story community center to accommodate various activities including social, recreational, property maintenance and the services to enhance the lives of the residents. Initial concerns of staff with regard to the development included safety/security and noise.

The applicant has instituted a number of safety/security measures into the project for the safety of its residents including universal design features in compliance with American Disabilities Act requirements such as ramps, elevators, larger corridors, lower cabinets and counters, signs with Braille and pictures, and a lift for the pool will be available. Both seniors and developmentally disabled persons require special accommodations for those in wheelchairs as well as ambulatory. Site security features include: continuous perimeter fencing, gated parking, circulation barrier between units, and security gates at the entry to allow only residents (vehicles and pedestrians) beyond the community center and entry turn around, and pedestrian path lighting and parking down lighting. On-site supervision, full and part-time maintenance staff will assure that the property is maintained with security measures in force.

Noise levels were of concern based on the close proximity to the I-710 Freeway. The applicant, in addition to 6 ft. high solid fencing along the freeway adjacent property line has also planned a 12 ft.

high, translucent sound wall adjacent to the residential dwelling units. Other sound attenuation devices will be incorporated into construction of the unit to limit the noise level within the units.

The interdepartmental Development Review Committee has reviewed the project as well Compton Redevelopment Agency (see attached letter) and recommended approval of the project. Therefore, staff recommends in favor of the applicant's request subject to the findings and conditions contained herein:

FINDINGS FOR GENERAL PLAN AMENDMENT:

- a. That development of the site for residential use is substantially in conformance with the General Plan and compatible with the existing patterns of zoning, land use and development in the surrounding area.
- b. That the proposed project will enhance and expand the existing residential community and conforms to goals of the General Plan Housing Element for the development of special needs housing.
- c. That project development standards are in substantial conformance with the height, setbacks, parking and landscape/open space of other new residential projects in this area of the City and County.

FINDINGS FOR CONDITIONAL USE PERMIT AND VARIANCE:

- a. That construction and maintenance of the 84-unit, low-income rental housing development for seniors and/or developmentally disabled residents are compatible with adjacent land use and will not be detrimental to the public welfare or surrounding area.
- b. That construction and maintenance of an 84-unit, low-income rental housing development for seniors and/or on this site substantially complies with the standards for residential development contained in the Mixed Use land use designation of the General Plan.
- c. That construction and maintenance of an 84-unit, low-income rental housing development for seniors and/or developmentally disabled residents on this site substantially is in accordance with the property development and parking standards contained in the Zoning Ordinance.
- d. That the granting of the variance for unenclosed parking for senior and/or developmentally disabled resident units will not constitute a special privilege inconsistent with the limitations upon other properties in the vicinity and zone in which the property is located.
- e. That because of special circumstances applicable to the property, including its size, shape, topography, location or surroundings, the strict application of the provisions of the this Chapter deprives such property of privileges enjoyed by other property in the vicinity and in an identical zone.

- f. That granting the variance for building height will be substantially in conformance with the General Plan and compatible with the existing patterns of land use and development in the surrounding area.
- g. That granting the variance will not be detrimental to the public welfare or injurious to property or improvements in the area in which the property is located.
- h. That the proposed project will not have the potential to achieve short-term goals to the disadvantage of long-term environmental goals.
- i. That the proposed project will not have impacts that are individually limited and cumulatively considerable.
- j. That the proposed project will not have environmental effects that will adversely affect humans, either directly or indirectly, with adherence to the mitigation recommendations included herein.

CONDITIONS OF APPROVAL FOR CONDITIONAL USE AND VARIANCE:

1. That the proposed development must be reserved for those households as defined in the project description and the conditional use permit (low-income seniors and developmentally disabled persons).
2. That no conversion to market rate housing will be permitted under the current conditional use permit.
3. That the maintenance of the perimeter landscaping, common area improvements, walkways, fencing, and sidewalks shall be maintained at all times by the property management copy. The applicant must provide the city with all pertinent contact names and numbers and these contacts must remain current.
4. That design, improvement and construction shall conform to and be in full compliance with all requirements of all building, fire, and housing codes, the zoning provisions, and all other applicable State statutes and local ordinances.
5. That the entire project, including but not limited to the following, shall be approved by the Architectural Review Board:
 - Site plan and amenities;
 - Floor plan;
 - Exterior colors;
 - Façade design;
 - Building materials;
 - Perimeter fencing (including finish treatment and heights); and
 - Landscaping, lighting and security plan.

6. That the applicant shall pay a park fee of 7.4% of the fair market value of land to the City prior to Final Building Certificate of Occupancy approval.
7. That the project shall conform to all National Pollution Discharge Elimination System (NPDES) requirements.
8. That the maximum number of units shall not exceed the 84 units (54 units in the County & 30 units with the City of Compton) as indicated in the site plan. The Planning Division may reduce the number during subsequent phases of plan check and review.
9. That the northeastern portion of the site (.54 acres) indicated as landscape/planting area shall remain as open space, landscaped, and secured at all times.
10. That the construction contractor(s) must adhere to all of the recommendations outlines in the geotechnical analysis prepared for the proposed development as well as any amendment to that report (refer to Geotechnical Investigation and Liquefaction Evaluation prepared for the Proposed senior Housing Project, Southern California Geotechnical, January 21, 2005).
11. That the applicant and the facility managers must submit an emergency safety and evacuation plan that must be submitted to the City of Compton Fire Department for review. Evacuation procedures and plans must be clearly identified. Those units containing disabled tenants must be clearly identified to assist emergency personnel in their evacuation.
12. That the final site plan and circulation must be reviewed by the City of Compton Fire Department to ensure the development, fire lanes, and access conforms to their operational requirements.
13. That a hydrology study must be submitted to the City Public Work Department for review and approval prior to the issuance of a grading permit (for final/finished grading). The hydrology study must also include an erosion control plan for the construction phases.
14. That prior to the issuance of building permits, hydrant spacing and location, fire flow, and water supply must be confirmed to the satisfaction of the Fire Department.
15. That prior to issuance of an occupancy permit, a storm water management plan, utilizing best management practices to control or reduce the discharge of pollutants to the maximum extent practicable, shall be prepared and approved by the Public Works Director.
16. That the contractor(s) must design and install a landscape irrigation system that will sufficiently irrigate the landscaping while avoiding the creation of ponding problems. Special attention is required along that portion of the site located along the freeway right-of-way (the Alondra Boulevard westbound off-ramp) and in the northeastern portion of the site that is to remain in open space.
17. That the building contractor will be required to obtain all pertinent operating permits from the SCAQMD for any equipment requiring such permits. The grading and building

- contractor(s) must adhere to all pertinent SCAQMD protocols designed to reduce construction-related emissions. These will include but not be limited to the periodic cleaning of surface streets (Frailey Avenue) to reduce fugitive dust, the use of soil binders or water during grading, the covering of trucks carrying debris and earth, the use of low emission fuels in construction equipment, and the use low emission architectural coatings and paint.
18. That the facility's staff must be well-informed so that they adhere to the SCAQMD's outdoor activity alerts during episodes of high pollution levels. Many of the facility tenants will be sensitive to poor air quality and outdoor activities should be limited during these episodes of unusually poor air quality.
 19. That the grading and/or building contractors must adhere to all pertinent regulations should seeping pits, septic systems, underground tanks, or other such potential sources of contamination be encountered during excavation.
 20. That the construction contractor(s) must adhere to all of the recommendations outlined in the phase 1 environmental assessment prepared for the project site (refer to Phase 1 Environmental Site Assessment prepared for the Northeast Corner of Frailey Avenue and Alondra Boulevard, Compton, CA, Environmental Assessors, Inc. January 29, 2007). That the developer shall be responsible for the upgrading of water mains as required by the Water Department.
 21. That the developer shall be responsible for the upgrading of sewer laterals as required by the Public Works Department.
 22. That the project shall comply with all programs adopted by the City related to the reduction of solid waste generation.
 23. That all construction activities must adhere to the requirements of the City of Compton Noise Control Ordinance.
 24. That all building interiors of the residential units must be designed and constructed so that the exterior (outdoor) ambient noise levels do not adversely impact the interior living area. The living areas must be sufficient insulated so that interior noise levels do not exceed 45 CNEL (dBA) associated with outdoor ambient noise.
 25. That recommendation as they related to interior noise outlined in the noise study prepared for the project must be adhered to (refer to Acoustical Analysis prepared for the Seasons Project, Compton, CA, Gorden Bricken and Associates, November 30, 2006).
 26. That gate controls and speakers must be designed and constructed so that they do not adversely impact nearby sensitive receptors.
 27. That all construction waste must be recycled to the extent practicable.

28. That the contractors(s) will be required to install water conserving plumbing fixtures (such as low-flush toilets) in all of the units.
29. That the applicant has indicated that solar panels and other “green” features will be incorporated into the project design as a means to save energy. Those measures identified in the applicant’s submittal to the City must be implemented as planned.
30. That the contractor shall use landscape screening as approved by the Architectural Review Board to reduce the generation of off-site light and glare.
31. That the contractor shall use shields where appropriate to reduce the generation of light and glare.
32. That the applicant, property managers, or other responsible parties shall be required to implement graffiti removal procedures approved by the City.
33. That no on-street parking on internal roadways and/or circulation areas will be permitted.
34. That parking shall be permitted in marked stalls only.
35. That the applicant will be required to coordinate with the MTA to determine the nature and extent of any bus benches and/or shelter that should be installed along the site’s Alondra Boulevard frontage.
36. That no on-street parking along the site’s frontages on Alondra Boulevard and Frailey Avenue shall be permitted.
37. That the contractors shall be required to comply with all pertinent environmental rules and regulations governing the handling and disposal of materials that may be encountered during grading and/or construction.
38. That all construction activities must adhere to the requirements of the City of Compton Noise Control Ordinance.
39. That emergency vehicle only access gates on South Williams Avenue shall be constructed and operated in such a manner so as not to create noise impacts on adjacent residential areas. Chains, motor, and other mechanical equipment shall be constructed of materials and designed so that noise from the opening closing of gates is attenuated.
40. That the final site plan, security plans, and site circulation must be reviewed by the Los Angeles County Sheriff’s Department to ensure it conforms to their operational requirements.
41. That construction activity shall be limited to 7:00 a.m. to 7:00 p.m. on Mondays through Fridays and 8:00 a.m. to 6:00 p.m. on Saturdays.

14.

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42. That the site shall be appropriately watered during demolition, grading and foundation trenching to keep dust from becoming wind borne.
43. That all required fire hydrants shall be installed and shall be in working condition prior to framing of dwelling units as required by the Fire Department.
44. That the entire housing development shall be installed with sprinklers as required by the Compton Fire Department.
45. That masonry walls shall be treated with anti-graffiti paint and/or shall be planted with decorative vines or some other anti-graffiti mechanism.
46. That mailboxes shall be provided by the applicant, design and location to be approved by ARB.
47. That contractor will be required to adhere to all protocols pertaining to demolition and construction activities and maintain a suitable receptacle for construction waste onsite throughout the construction period.
48. That all one-bedroom units shall be a minimum size of 600 square feet of enclosed living space and 2-bedroom units no less than 800 square feet of enclosed living space.
49. That all windows shall contain dual glazed windowpanes designed to provide noise attenuation, insulating the interior of the structure from excessive noise, and that the Building and Safety Department shall approve all window materials.
50. That the property shall be maintained in accordance with all applicable local ordinances.
51. That all sidewalks, curbs, and gutters shall be repaired or replaced as well as street trees installed as required by the Public Works Department.
52. That all traffic and street improvements shall be approved by the Public Works Director.
53. That all applicable Planning Commission and Architectural Review Board conditions of approval shall be incorporated in the building plans approved for permit issuance.
54. That a development schedule shall be submitted to the Planning Department within 180 days of approval of Conditional Use Permit Case No. 2587/Variance Case No. 2588 and shall be updated every six months until project completion.
55. That the property shall be maintained in accordance with all local ordinances and that provision for the maintenance, repair and/or replacement of onsite improvements including, but not limited to, exterior painting, landscaping, paving, trash enclosures, mailboxes, and exterior lighting shall be the responsibility of the property manager and/or applicant.

56. That no expansion of the building footprint shall be permitted, nor enclosure of approved patios, porches and/or decks.
57. That the sidewalk and parkway (public right-of-way) in front of the development site shall be maintained by the applicant and/or property management.
58. That approval of Conditional Use Permit Case No. 2587/Variance Case No. 2588 shall be contingent upon approval General Plan Amendment No. 2007-02.
59. That all construction, use and property development shall conform to the site plans, floor plans, elevations, improvement plans and other documents, including the project description contained herein, as modified by the Architectural Review Board, on file for Conditional Use Permit Case No. 2587/Variance Case No. 2588.
60. That construction, use and property development shall comply with the requirements of the Building and Safety, Public Works, Fire and Planning Departments and all other applicable local, County, State and Federal agencies.
61. That construction, use and property development shall be initiated within 180 days in accordance with Subsection 30-26.4 of the Compton Municipal Code.
62. That failure, at any time, to exercise this use for 24 consecutive months subsequent to the date of approval shall render this Resolution automatically null and void without benefit of public hearing or notice of action, unless extended by the Planning Commission prior to the date of expiration.

Attachments:

Plot Plan, Floor Plan and Building Elevations
Site Photographs
Redevelopment Agency Letter

RESOLUTION NO. _____
(GENERAL PLAN AMENDMENT 2007-02)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
COMPTON AMENDING THE LAND USE ELEMENT AND LAND USE
POLICY MAP OF THE GENERAL PLAN TO CHANGE THE
DESIGNATION OF PROPERTY LOCATED AT 15610-15810 SOUTH
FRAILEY AVENUE, COMPTON

WHEREAS, the Land Use Element and Land Use Policy Map of the General Plan of the City of Compton were adopted by the City Council on December 3, 1991, by Resolution No. 16,742; and

WHEREAS, LINC Housing Corporation has made an application in accordance with Section 65352 of the Government Code for an amendment to the Land Use Element and Land Use Policy Map of the General Plan from Open Space/Parks to Mixed Use for certain real property situated in the City of Compton, legally described as follows:

PARCEL 1:

Those portions of Lots 4 to 26, inclusive, and 29 to 35, inclusive, Tract No. 7445, partly in the City of Compton and partly in the unincorporated territory of the County of Los Angeles, as shown on map filed in Book 108, pages 8 and 9, of Maps, in the office of the Recorder, of said county, together with those portions of Williams Avenue, 50 feet wide, the 15 foot wide alley adjacent to the easterly lines of said Lots 30 and 31, the 15 foot alley adjacent to the easterly line of said Lots 4 to 8 and the 20 foot alley adjacent to the northerly lines of said Lots 9 to 19, all as shown on said map and also together with that portion of Lot 5 in Range 8, Temple and Gibson Tract, in said city, as shown on map recorded in Book 2, page 540, of Miscellaneous Records, in the office of said recorder, within the following described boundaries:

Commencing at the northeasterly corner of that certain parcel of land described in deed to State of California, recorded on December 7, 1967, as Instrument No. 416, in Book D3831, page 450, of official Records, in the office of said Recorder; thence South 89° 14' 57" West along the northerly line of said certain parcel of land and along the northerly line of said Lot 28 a distance of 196.70 feet to the easterly terminus of that certain 15 foot radius curve in the northwesterly boundary of said last mentioned lot; thence southwesterly along said curve a distance of 24.23 feet to the southerly terminus thereof, said southerly terminus being the true point of beginning and also being the beginning of a compound curve concave to the northeast having a radius of 88 feet; thence southeasterly along said last mentioned curve a distance of 65.12 feet to the beginning of a reverse curve concave to the north having a radius of 42 feet, said reverse curve being tangent at its northerly terminus to the easterly line of Lot 26, said Tract No. 7445; thence southerly along said reverse curve through a central angle of 78° 23' 41" a distance of 57.47 feet; thence South 48° 57' 08" East 83.63 feet; thence North 87° 02' 31" East 68.77 feet to the easterly line of said certain parcel of land; thence South 14° 39' 59" West along said last mentioned easterly line to a point distant along said last mentioned easterly line and its southerly prolongation 237.10 feet to the northerly prolongation of the course described as South 16° 24' 45" West, 134.19 feet in deed (State Parcel 46344-1) recorded July 8, 1969 in Book D4427, page 370 of said Official Records; thence along last said prolongation and last said course on a different basis of bearing South 16° 24' 44" West 183.65 feet to the northeasterly terminus of the course described as South 29° 09' 33" West, 49.98 feet in last said deed; thence along last said course South 29° 09' 32" West, 49.98 feet to the northeasterly terminus of that course described as South 43° 09' 22" West, 2.92 feet in

Resolution No. _____

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last said deed; thence along last said course and the southwesterly prolongation of last said courses South 43° 09' 21" West, 68.07 feet; thence South 55° 28' 08" West, 48.72 feet; thence South 85° 45' 11" West 36.80 feet to the easterly terminus of that course described as North 72° 55' 02" East, 249.98 feet in deed (State Parcel 46335-1) recorded September 3, 1968 in Book D4119, page 139 of Official Records in said office; thence along last said course on a different basis of bearings South 72° 17' 51" West, 205.99 feet to a point in the course described as North 39° 05' 12" East, 48.77 feet in Director's deed DD011830-01-01 recorded October 14, 1975 in Book D6832, page 249 of Official Records in said office, distant along last said course South 39° 05' 12" West, 28.16 feet from the northeasterly terminus of last said course; thence South 39° 05' 21" West 20.61 feet to a 1450 foot radius curve in the boundary of said last mentioned deed; thence westerly along said last mentioned curve 13.20 feet to a 25 foot radius in said last mentioned boundary; thence northwesterly along said last mentioned curve 39.78 feet to the easterly line of the westerly 5 feet of said Lot 9; thence northerly along said last mentioned easterly line and its northerly prolongation to the southerly line of said Lot 8; thence westerly along said southerly line to the southwesterly corner of said last mentioned lot; thence northerly along the westerly line of said last mentioned lot and its northerly prolongation to the northerly line of the southerly 48 feet of Lot 5, said Tract No. 7445; thence along said last mentioned northerly line North 89° 15' 14" East, 83.68 feet to the southwesterly corner of the land acquired by the State of California by Parcel 61595 of final order of condemnation, filed in Superior Court Case No. C95916, a Certified Copy of said final order being recorded August 29, 1975 in Book D6781, page 132 of said Official Records; thence northeasterly along the curved northwesterly line of last mentioned acquired land, being a curve, concave southeasterly and having a radius of 320.00 feet, from a tangent which bears North 25° 30' 05" East, through an angle of 15° 08' 36", and arc distance of 84.58 feet to the easterly line of said Lot 4; thence at right angles to said easterly line North 86° 43' 01" East, 7.50 feet to the center line of that alley, 15 feet wide, lying between said Lots 4 and 24; thence along said center line South 03° 16' 59" East 13.26 feet to a line drawn at right angles to said center line and passes through the most southerly corner of the land conveyed by the State of California by director's Deed DD056342-01-01, recorded August 12, 1975 in Book D6769, page 849 of said Official Records; thence along last mentioned line North 86° 43' 01" East, 7.50 feet to said most southerly corner; thence along the general southeasterly line of last mentioned conveyed land the following described courses: northeasterly along a curve, concave southeasterly and having a radius of 300.00 feet, from a tangent which bears North 40° 48' 31" East through an angle 16° 38' 59" an arc distance of 87.18 feet; and North 57° 27' 30" East, 56.53 feet to the easterly line of said Lot 26; thence easterly at right angles to said last mentioned easterly line 50.00 feet to the westerly line of said Lot 29; thence northerly along the westerly lines of said Lots 29 and 28 to said true point of beginning.

PARCEL 2:

Those portions of Lots 28, 29 and 30, Tract No. 7445, partly in the City of Compton and partly in the unincorporated territory of the County of Los Angeles, as shown on map filed in Book 108, pages 8 and 9, of Maps, in the office of the Recorder, of said county, together with that portion of the 15 foot alley shown on said map lying adjacent to the easterly lines of said lots and also together with that portion of Lot 5 in Range 8 of Temple and Gibson Tract, in said city, as shown on map recorded in Book 2, page 540, of Miscellaneous Records, in the office of said recorder, within the following described boundaries:

Beginning at the northeasterly corner of that certain parcel of land described in deed to State of California, recorded on December 7, 1967, as Instrument No. 416, in Book D3851, page 450, of official Records, in the office of said recorder; thence South 89° 14' 57" West along the northerly line of said certain parcel of land and along the northerly line of said Lot 28 a

distance of 196.70 feet to the easterly terminus of that certain 15 foot radius curve in the northwesterly boundary of said last mentioned lot; thence southwesterly along said curve a distance of 24.23 feet to the southerly terminus thereof, said southerly terminus being the beginning of a compound curve concave to the northeast having a radius of 88 feet; thence southeasterly along said last mentioned curve a distance of 65.12 feet to the beginning of a reverse curve concave to the north having a radius of 42 feet, said reverse curve being tangent at its northerly terminus to the easterly line of Lot 26, said Tract No. 7445; thence southerly along said reverse curve through a central angle of 78° 23' 41" a distance of 57.47 feet; thence South 48° 57' 08" East 83.63 feet; thence North 87° 02' 31" East 68.77 feet to easterly line of said certain parcel of land; thence North 14° 39' 59" East along said last mentioned easterly line 186.63 feet to the point of beginning.

located at **15610-15810 South Frailey Avenue**, Compton, California, and

WHEREAS, referral, publication and written notice of the proposed amendment was provided in accordance with Section 65090, 65352 and 65353 of the California Government Code prior to consideration of the request by the Planning Commission and the City Council; and

WHEREAS, a public hearing on said request to amend the Land Use Element and land Use Policy Map was held before the Planning Commission on September 12, 2007; and

WHEREAS, the Planning Commission considered all evidence and information presented and found that the proposed modification conformed to the goals of the Land Use Element and Housing Element of the General Plan and complied with the City of Compton 2005-2010 HUD Consolidated Plan and that the property was suitable for the proposed Mixed Use designation; and

WHEREAS, based on the Initial Study and Negative Declaration prepared for the project and the recommendation of the Environmental Review Committee, the Planning Commission found that the project would not have a significant effect on the environment; and

WHEREAS, the Planning Commission being fully informed recommended approval of the General Plan Amendment No. 2007-02 to the City Council; and

WHEREAS, a public hearing on said request to amend the Land Use Element and Land Use Policy Map was held before the City Council on October 23, 2007; and

WHEREAS, the City Council considered all the information presented pertaining to the General Plan Amendment No. 2007-02; and

WHEREAS, the City Council being fully informed,

FINDS

1. That the proposed modification to the land use designation of the project site conforms to the goals of the Land Use Element of the General Plan in that it will promote revitalization of the area and eliminate Land Use inconsistencies.
2. That the proposed land use classification is substantially in conformance with the General Plan and compatible with the existing patterns of zoning, land use and development in the surrounding area.

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3. That the property is more suitable for the uses permitted in the proposed land use classification than those permitted in the existing land use classification.
4. That the uses permitted in the proposed land use classification will not be detrimental to the surrounding area subject to the conditions of approval.
5. That the granting of this General Plan Amendment will not constitute a special privilege inconsistent with the limitations upon other properties in the vicinity and zone in which the property is located.
6. That the granting the General Plan Amendment will not be detrimental to the public welfare or injurious to property or improvements in the area in which the property is located subject to the conditions of approval.

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

Section 1. That the Land Use Element and Land Use Policy Map of the General Plan shall be amended to reflect a change in the land use designation of the above-described property be changed from Open Space/Parks to Mixed Use.

Section 2. That copies of this Resolution shall be filed in the Offices of the City Clerk, City Manager, City Attorney, the Community Redevelopment Agency and the Planning and Economic Development Department.

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

ADOPTED this _____ day of _____, 2007.

MAYOR OF THE CITY OF COMPTON

ATTEST:

CITY CLERK OF THE CITY OF COMPTON

Resolution No. _____
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STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing Resolution was adopted by the City Council of the City of Compton, signed by the Mayor and attested by the City Clerk at a regular meeting thereof held on this _____ day of _____, 2007.

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

RESOLUTION SIGN-OFF FORM

DEPARTMENT: Planning

RESOLUTION TITLE: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE LAND USE ELEMENT AND LAND USE POLICY MAP OF THE GENERAL PLAN TO CHANGE THE DESIGNATION OF PROPERTY LOCATED AT 15610-15810 SOUTH FRAILEY AVENUE, COMPTON

<ManagersName>
DEPARTMENT MANAGER’S SIGNATURE

<ManagersDate>
DATE

REVIEW / APPROVAL

<LegalName>
CITY ATTORNEY

<LegalDate>
DATE

<ControllerName>
CITY CONTROLLER

<ControllerDate>
DATE

<BudgetName>
BUDGET OFFICER

<BudgetDate>
DATE

<CityManager>
CITY MANAGER

<CityManagerDate>
DATE

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

October 23, 2007

TO: CHAIRMAN AND COMMISSIONERS

FROM: EXECUTIVE SECRETARY

SUBJECT: AUTHORIZING A SHOPPING CENTER LEASE AGREEMENT BETWEEN THE COMMUNITY REDEVELOPMENT AGENCY AND PRISM-IQ PARTNERS, LLC., AND ASSIGNMENT OF THE LEASE TO THE CITY OF COMPTON PURSUANT TO A REIMBURSEMENT AGREEMENT BETWEEN THE CITY AND PRISM-IQ PARTNERS LLC., IN CONNECTION WITH THE ESTABLISHMENT OF A SHERIFF SUBSTATION AT THE GATEWAY TOWNE CENTER SITE IN THE REDEVELOPMENT PROJECT AREA

SUMMARY

Requesting Commission authorization to consider a Shopping Center Lease (the "Lease") between the Community Redevelopment Agency ("Tenant") and Prism-IQ Partners, LLC., ("Landlord") and an assignment of the Lease by the Agency to the City of Compton pursuant to a Reimbursement Agreement to enhance public safety at the Gateway Towne Center development site located in the Compton Redevelopment Project Area.

BACKGROUND

Pursuant to the terms of a certain Disposition and Development Agreement (DDA) with the Community Redevelopment Agency, Prism-IQ Partners, LLC., is developing a shopping center commonly known as the Gateway Towne Center at the former Compton Auto Plaza. Prism-IQ Partners, in conjunction with the Agency and the City of Compton, has determined that there is a vital need for a sheriff's substation in the shopping center to enhance public safety and welfare in the area. The Agency, Prism-IQ Partners, and the City have decided that a sheriff's substation would, among other things, alleviate blight and benefit the immediate area in which the shopping center's retail tenants are located, and that no other reasonable means of financing the acquisition of the leaseholder's interest or the tenant improvements by the City are available to the Agency or the City.

The Agency intends to lease certain premises in the Gateway Towne Center from Prism-IQ Partners pursuant to a Shopping Center Lease (see attached). The Agency would then assign its interest under the Lease to the City of Compton, and the City of Compton would permit the County Sheriff's Department to occupy and utilize the leased premises as a sheriff's substation. Notwithstanding the lease assignment, the Agency would continue to make rental payments under the Lease and pay for the costs of tenant improvements for the leased premises, but would not pay for normal maintenance or operational costs.

Prism-IQ, LLC – Lease Agreement

October 23, 2007

Page Two

The tenant improvements would be initially owned by the Agency, but title and interest including any additional tenant improvements undertaken by the Agency would be transferred to the City for the benefit of law enforcement purposes under the lease assignment and a Reimbursement Agreement.

STATEMENT OF THE ISSUE

In accordance with Section 33445 and 33679 of the Health and Safety Code, any Agency assistance towards payment for all or part of the value of land, and the cost of construction of any improvements that are publicly owned requires a joint public hearing of both the Agency and legislative body for public input. California Health and Safety Code Section 33679 requires that the public hearing be noticed in a newspaper of general circulation for at least two weeks prior to the public hearing and that a summary report describing certain information described in Section 33679 be made available for public inspection and copying (at a cost not to exceed the cost of duplication) as of the first publication of the notice of public hearing. Subsequent to the hearing, the Commission and City Council must consider and approve a resolution authorizing the transaction.

In compliance with the Redevelopment Law, the Commission on October 9, 2007 scheduled a joint public hearing (by minute motion) for October 23, 2007 to consider a resolution authorizing the Shopping Center Lease between the Agency and Prism-IQ Partners, and Assignment of the Lease between the Agency and the City of Compton pursuant to a Reimbursement Agreement. Accordingly, the notice of the joint public hearing was published in the *Compton Bulletin* on October 10, 2007 and October 17, 2007. A copy of the transaction and Summary Report was also placed in the City Clerk's Office on October 10, 2007 for public review in accordance with the Redevelopment Law.

ECONOMIC BENEFITS

The Gateway Towne Center represents a major revenue generating retail/commercial facility in the Project Area. The proposed substation would further enhance the economic revitalization of the area by improving public safety and preventing blight in a formerly underutilized area, as well as stimulate the economic resurgence of the Project Area.

FISCAL IMPACT

That funds not to exceed \$1,128,013.49 are available in account no. 1300-80-0000-4269.

RECOMMENDATION

That the attached resolution authorizing the Executive Secretary to approve the Shopping Center Lease agreement between the Agency and Prism-IQ Partners, LLC., and assignment of lease between the Agency and the City of Compton.

KOFI SEFA-BOAKYE

DIRECTOR OF REDEVELOPMENT

CHARLES EVANS

EXECUTIVE SECRETARY

RESOLUTION NO. _____

A RESOLUTION OF THE URBAN COMMUNITY DEVELOPMENT COMMISSION, ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON, AUTHORIZING A SHOPPING CENTER LEASE AGREEMENT BETWEEN THE COMMUNITY REDEVELOPMENT AGENCY AND PRISM-IQ PARTNERS, LLC., AND ASSIGNMENT OF THE LEASE TO THE CITY OF COMPTON PURSUANT TO A REIMBURSEMENT AGREEMENT BETWEEN THE CITY AND PRISM-IQ PARTNERS, LLC., IN CONNECTION WITH THE ESTABLISHMENT OF A SHERIFF SUBSTATION AT THE GATEWAY TOWNE CENTER SITE IN THE REDEVELOPMENT PROJECT AREA

WHEREAS, the Community Redevelopment Agency of the City of Compton (the "Agency") is carrying out the Redevelopment Plan for the Compton Redevelopment Project Area, as merged and amended by Ordinance No. 2,114 adopted by the City Council on November 16, 2004; and

WHEREAS, pursuant to the terms of a certain Disposition and Development Agreement (DDA) between the Agency and Prism-IQ Partners, LLC., (Redeveloper), the Redeveloper is developing a shopping center commonly known as the Gateway Towne Center at the former Compton Auto Plaza site; and

WHEREAS, Prism-IQ Partners LLC., in conjunction with the Agency and the City, has determined that there is a vital need for a sheriff's substation in the shopping center to enhance public safety; and

WHEREAS, the Agency and the City have determined that a sheriff's substation would alleviate blight in the Project Area and benefit the immediate area in which the shopping center is located; and

WHEREAS, the Agency and the City have further determined that there is no other reasonable means of financing the substation; and

WHEREAS, the Agency intends to lease certain premises in the Gateway Towne Center from Prism-IQ Partners LLC., pursuant to a Shopping Center Lease Agreement and would then assign its interest under the Lease to the City of Compton which would permit the County Sheriff's Department to occupy and utilize the leased premises as a sheriff's substation; and

WHEREAS, the Agency has negotiated a fifteen year (15) lease agreement with the Redeveloper which calls for the Agency to assign its right and title, plus any additional tenant improvements to the City of Compton in connection with the use of the premises as a sheriff's substation to protect the shopping center; and

WHEREAS, the Agency shall prepay the net present value of the Minimum Rent due to Landlord for the Term of the Lease discounted monthly in equal monthly increments of \$47,000.56 over the first twenty-four (24) months of the Lease Term (the "Monthly Prepayment Amount") which equals \$1,128,013.49; and

WHEREAS, funds not to exceed \$1,128,013.49 are available in account no. 1300-80-0000-4269.

WHEREAS, pursuant to an assignment of lease, the Agency would remain obligated to both the Landlord and the City to: (i) pay the rent under the Lease; and (ii) reimburse the Landlord for costs it incurs for tenant improvements to the leased premises; and

WHEREAS, in accordance with the Community Redevelopment Law, Health and Safety Code Section 33445 and 33679, notice of a joint public hearing by the Commission and City Council was published in the *Compton Bulletin* on October 10, 2007 and October 17, 2007 and a copy of the Lease and Summary Report was placed in the City Clerk's Office on October 10, 2007 for public review; and

WHEREAS, the Commission and City Council held a joint public hearing on Tuesday, October 23, 2007, in the City Council Chambers to consider and act upon the Lease Agreement.

NOW, THEREFORE, THE URBAN COMMUNITY DEVELOPMENT COMMISSION, ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON, DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. That funds in an amount not to exceed \$1,128,013.49 are available in account no. 1300-80-0000-4269.

Section 2. That the Urban Community Development Commission hereby approves the terms and conditions of the Shopping Center Lease (the "Lease") between the Community Redevelopment Agency ("Tenant") and Prism-IQ Partners, LLC., ("Landlord"), an assignment of the Lease by the Agency to the City of Compton pursuant to a Reimbursement Agreement (Reimbursement) and Premises Improvement Agreement (Premises) to enhance public safety at the Gateway Towne Center development located in the Compton Redevelopment Project Area.

Section 3. That the Commission hereby finds that the transaction will alleviate blight in the project area and benefit the immediate area in which the leased premises are located, and that no other reasonable means of financing the acquisition of the leasehold interest or the tenant improvements by the City are available to the Agency or the City.

Section 4. That the Urban Community Development Commission hereby approves a reservation of funds for the transaction in connection with the development of a Sheriff substation to protect the Gateway Towne Center.

Section 5. That the Executive Secretary is hereby authorized and directed to execute any necessary documents upon the advice of the City Attorney.

Section 6. That a certified copy of this resolution shall be filed in the offices of the Executive Secretary, City Attorney, City Controller, Community Redevelopment Agency, and Clerk.

Resolution No. _____
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Section 7. That the Chairman shall sign and the Clerk shall attest to the adoption of this resolution.

ADOPTED this _____ day of _____, 2007.

**CHAIRMAN OF THE URBAN COMMUNITY
DEVELOPMENT COMMISSION**

ATTEST:

**CLERK OF THE URBAN COMMUNITY
DEVELOPMENT COMMISSION**

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

I, Alita Godwin, Clerk of the Urban Community Development Commission of the City of Compton, hereby certify that the foregoing resolution was adopted by the Commission, signed by the Chairman, and attested by the Clerk at the regular meeting thereof held on the _____ day of _____, 2007.

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

AYES: **COMMISSIONERS -**
NOES: **COMMISSIONERS -**
ABSENT: **COMMISSIONERS -**
ABSTAIN:

**CLERK OF THE URBAN COMMUNITY
DEVELOPMENT COMMISSION**

ASSIGNMENT OF LEASE

THIS ASSIGNMENT OF LEASE (this "Assignment") is dated as of October 23, 2007 and is entered into by and between the COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON, a public body, corporate and politic ("Assignor"), and the CITY OF COMPTON, a California municipal corporation ("Assignee").

WITNESSETH:

WHEREAS, Assignor is the tenant under that certain Shopping Center Lease dated October 23, 2007 (the "Lease") with Prism-IQ Partners, LLC, a California limited liability company ("Landlord") regarding certain premises located in a redevelopment area of the City of Compton, County of Los Angeles, State of California described therein (the "Premises").

WHEREAS, Assignor desires to assign its interest in, under and to the Lease to Assignee and Assignee desires to accept the assignment thereof.

WHEREAS, the Lease and this Assignment have been duly authorized by both Assignor and Assignee under and pursuant to California Health and Safety Code Sections 33445 and 33679 pursuant to resolutions adopted by Assignor and Assignee on October 23, 2007;

NOW, THEREFORE, in consideration of the foregoing recitals, the covenants and agreements contained herein, and other considerations, the sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. As of the date hereof, Assignor assigns to Assignee all of its right, title and interest in and to the Lease and the tenant improvements described in the Lease (which are to be constructed by Landlord) and any additional tenant improvements, fixtures and other property installed by Assignor for the benefit of Assignee and its law enforcement subtenant.

2. Assignor and Assignee hereby acknowledge and agree that, notwithstanding this assignment: (i) Assignor shall make all rental payments under the Lease and shall remain liable to Landlord for all tenant obligations under the Lease (subject to clause iii) below and subject to Section 3 below); (ii) Assignor shall fulfill all obligations of the tenant under the Lease to reimburse Landlord for tenant improvement costs and pay for costs of reconstructing any such improvements that are damaged; (iii) Assignor shall not be obligated to pay for the normal maintenance or operation of the Premises; and (iv) Assignee shall not have any right to modify the Lease or to exercise any Lease extension option.

3. Assignee hereby accepts the assignment described herein. Assignee shall indemnify, defend and hold harmless Assignor from and against any and all claims, damages, losses, costs, expenses and liabilities arising out of the negligence or willful misconduct of Assignee (or its assignees, sublessees or other occupants of the Premises) in connection with the Premises or any breach of the Lease by Assignee, or its assignees, sublessees or other occupants of the Premises.

4. In the event of any litigation between Assignor and Assignee arising out of the obligations of the parties under this Assignment or concerning the meaning or interpretation of

any provision contained herein, the losing party shall pay the prevailing party's costs and expenses in such litigation, including, without limitation, reasonable attorneys' fees and expenses. In addition to the foregoing award of attorneys' fees to the prevailing party, the prevailing party in any lawsuit on this Agreement shall be entitled to its reasonable attorneys' fees incurred in any post judgment proceedings to collect or enforce the judgment. This provision is separate and several and shall survive the merger of this Assignment into any judgment on this Assignment.

5. This Assignment shall be binding on and inure to the benefit of the parties herein, their successors-in-interest and assigns.

IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment as of the date and year first above written.

ASSIGNOR:

COMMUNITY REDEVELOPMENT AGENCY
OF THE CITY OF COMPTON, a public body,
corporate and politic

By: _____
Charles Evans, Executive Secretary

ATTEST:

APPROVED AS TO FORM:

Richards Watson & Gershon,
Special Counsel to the Assignor

By: _____
Bruce Galloway

15.

ASSIGNEE:

CITY OF COMPTON,
a California municipal corporation

By: _____
Print Name: _____
Mayor

APPROVED AS TO FORM:

City Attorney

EXHIBIT "D"
TO SHOPPING CENTER LEASE
CONSTRUCTION PROVISIONS

I. LANDLORD'S WORK.

The following outline of specifications sets forth the division of responsibility regarding the construction work between Landlord and Tenant under the terms and conditions of this Lease. In every instance where responsibility is not specifically allocated to Landlord under the provisions of these Construction Provisions, the responsibility shall be Tenant's.

Landlord's Work shall mean the work to be done by Landlord in satisfying its obligation for constructing the Premises under this Lease shall be limited to that set forth in the Approved Plans (defined below). All items listed below as Non-Reimbursable Costs, shall be at the sole cost and expense of the Landlord and Tenant shall not reimburse Landlord for any of these costs ("**Non-Reimbursable Costs**"). All work performed by Landlord in accordance with the Approved Plans excluding the items specifically listed as Non-Reimbursable Costs shall be at Tenant's sole cost and expense ("**Reimbursable Costs**") and shall become due and payable in accordance with Section 4.4 of the Lease.

A list of the final plans and specifications and working drawings covering the construction of the Premises are attached to this Lease as **Exhibit "D-1"** (the "**Approved Plans**"). Landlord and Tenant have approved the Approved Plans.

Non-Reimbursable Costs are the following:

1. Walls: Standard demising walls consisting of unpainted masonry or drywall on both sides over stud in a ready for paint condition.
2. Floor: Smooth concrete slab.
3. Heating/Air Conditioning: Roof mounted HVAC system consistent with Title 24 requirements sized at approximately 1 ton per 300 square feet. Any HVAC requirements including distribution resulting from Tenant's use or interior design will be at Tenant's expense.
4. Telephone Outlet: One (1) outlet and conduit for use by Tenant located at rear of the Premises per the permitted shell plans for the Premises. Telephone wiring and cover plates by Tenant.
5. Lighting: One (1) standard recessed 2' x 4' fluorescent tube fixture for every 100 square feet gross leasable ground floor area, panel switched, and located per the permitted shell plans for the Premises.
6. Restroom: One (1) unisex restroom built to handicap specifications consisting of finished ceiling, vinyl flooring, one (1) flush valve type water closet, one (1) wall mounted lavatory (cold water only), one (1) incandescent light fixture, one (1) wall duplex outlet, one (1) light switch, one (1) exhaust fan, all per the permitted shell plans for the Premises.
7. Electrical Service: 200 amps, 42 circuit service panel with 120/208 volt power, 3 phase, 4 wire system, all per the permitted shell plans for the Premises.

8. Sign Outlet: One (1) sign circuit with J-Box (20 amp) located on the front facia with connection to Building House Meter with photometric cell and timer, all per the permitted shell plans for the Premises.
9. Sewer: All sewer laterals to be installed by Landlord. Hookup charges and capacity fees shall be paid by Landlord based on general merchandise use only. Any additional charges or fees shall be paid by Tenant (or reimbursed to Landlord if previously paid by Landlord).
10. Water: Water service for restroom and fire sprinklers for structure will be supplied in accordance with the permitted shell plans for the Premises and requirements of utility company.
11. Storefront: Aluminum glass (1/4" clear) storefront per Landlord's design with one (1) 3'0" x 7'0" double action door with cylinder lock, keyed both sides per the permitted shell plans for the Premises.
12. Rear door: Typical 3' x 7' hollow metal door per the permitted shell plans for the Premises. Alarms, special hardware, peepholes or other modifications shall be at Tenant's expense.

II. TENANT'S WORK.

The work to be done by Landlord in satisfying its obligation for constructing the Premises under this Lease shall be limited to that set forth in Section I of these Construction Provisions. Tenant shall, at Tenant's sole cost and expense, perform all work, other than Landlord's Work set forth in Section I of these Construction Provisions, to put the Premises in condition to permit Tenant to conduct its business therein ("**Tenant's Work**"). The cost of any work performed by Landlord's contractor at Tenant's direction shall be performed at the expense of the Tenant and shall become due and payable upon completion of such work. Tenant's Work shall be performed in strict accordance with the provisions of this Lease and the Exhibits.

A. Compliance with Criteria, Jurisdiction and Codes.

1. The criteria and outline specifications set forth herein represent minimum standards for design, construction, finish and operation of the Premises by Tenant. Landlord reserves the right from time to time, to revise these criteria and outline specifications as Landlord, in its sole discretion, determines.

2. The Shopping Center is being developed in and under the jurisdiction of the City of Compton and the State of California. All design and construction work shall comply with all applicable statutes, ordinances, rules, regulations and codes of the aforementioned jurisdictions, all other applicable regulations, all requirements of Landlord's fire insurance carriers, all requirements of any company or governmental body supplying utilities or services, all applicable federal building and safety orders, statutes, ordinances, rules, regulations and codes, all requirements and regulations of any environmental-protection agency, fire-protection district and quasi-governmental authority having jurisdiction over the Shopping Center.

B. Approval of Tenant's Plans and Specifications.

1. Within ten (10) days following written request from Tenant, Landlord shall provide to Tenant a complete set of Approved Plans to assist Tenant in the preparation of the any Tenant improvement drawings and specifications for Tenant's Work, that is: architectural floor plan and building elevations, structural, mechanical, plumbing, electrical and fire protection.

15.

2. Tenant shall, within sixty (60) days from the date Tenant receives the drawings referenced in Section B 1 above, at Tenant's sole cost and expense, prepare and deliver to Landlord and to Landlord's architect, for approval, two sets of complete plans and specifications (including all architectural, mechanical, plumbing, exterior sign, fire protection and electrical design, as well as structural design, if applicable) covering all of Tenant's Work, in such detail as Landlord may reasonably require, in full compliance with this Lease and the Exhibits, certified by a licensed architect and, if applicable, a licensed professional engineer.

3. If Landlord shall notify Tenant that Tenant's plans and specifications are not approved, Tenant shall have ten (10) days from the date of Landlord's disapproval to revise the plans and specifications and resubmit them to Landlord for Landlord's approval. Landlord's written approval shall be obtained by Tenant before undertaking any construction work which deviates from, or modifies in any way, the Landlord-approved plans and specifications, or any other work not explicitly shown on said plans and specifications.

4. If, as a result of the design and layout of the Premises by Tenant, Landlord shall elect, in its sole and absolute discretion, to make any changes, additions, or increases in capacity in the standard Landlord's Work, or to make additional roof openings or roof modifications, changes, or increases in the capacity of the plumbing, electrical, or mechanical services, lines, conduits, or equipment, special foundation preparation, special reinforcements, depression of the floor slab or other structural changes necessary to accommodate Tenant's equipment, then such modifications, changes, additions, and/or increases in capacity shall be performed at Tenant's expense by Landlord's contractor, if Landlord so directs. Landlord shall advise Tenant as to the cost of any such additional work. If Tenant fails to approve the cost for any such additional work within five (5) days after notice from Landlord stating such cost, or fails to pay such cost before Landlord's commencement of such additional work, Landlord shall have no obligation to perform the same, and may proceed to complete Landlord's Work, which shall be limited to the items set forth herein.

5. Landlord shall be responsible for all costs incurred by Landlord's architects and engineers in reviewing and coordinating the Tenant's plans with the Approved Plans.

C. Permits

1. Before commencement of construction by Tenant, Tenant shall obtain, at Tenant's expense, all necessary permits and approvals for Tenant's Work (including but not limited to grading, structural, building, mechanical, plumbing, electrical, fire and signage for Tenant's signage) and post same upon the Premises, with a copy of the permits delivered to Landlord. Tenant is responsible for obtaining the permits for Tenant's Signage.

2. Tenant shall be required to obtain a Certificate of Occupancy and provide Landlord with a copy of the original before opening for business in the Premises.

3. Tenant shall cause to be posted on the Premises, for Landlord's benefit, notices of Landlord's non-responsibility.

D. Design of Tenant's Premises

1. Design Loads: The building shell structure has been designed to carry specific calculated live and dead loads. Loading imposed by any Tenant's Work on a temporary or permanent basis shall not exceed these design parameters.

2. Roof: Tenant shall not make any installation whatsoever on the roof above the Premises or any other portion of the roof of the Shopping Center, without Landlord's

prior written authorization. If work is approved, Tenant must use Landlord's roofing contractor to repair any penetrations so as not to void or impair any warranties or guarantees.

3. Standard Project Details: Standard project details, as issued from time to time by Landlord's architect and as they pertain to Tenant's Work, shall govern with respect to such work. Such details shall be incorporated into the working drawings and specifications for the Premises, for example, roof curbs for mechanical equipment.

4. Materials: Only new, first-class materials shall be used in the performance of Tenant's Work.

5. Exterior Building Signage: Two sets of sign shop drawings in 1/4" scale in conformance with Landlord's Sign Criteria must be submitted to both Landlord and the City of Compton for approval. Tenant shall provide wiring from the J-box to Landlord's Common Area electrical panel as required to provide power to its signage.

6. Landlord's Prior Approval: In performing Tenant's Work, any alterations, additions, or reinforcements to Landlord's structure to accommodate Tenant's Work shall not be performed without, in each instance, the prior written approval of the Landlord's architect, which may be given or withheld in its sole and absolute discretion. Tenant shall leave Landlord's structure as strong as or stronger than the original design and with finishes in like condition in which they were received.

7. Architectural Work:

a. Tenant shall maintain floor elevations at all entrances to the Premises at the same elevation as adjacent areas.

b. All interior walls shall be 25 gauge, 3-5/8" metal studs with 5/8" gypsum board on each side, with joints taped and sanded. Any combustible materials applied to the walls shall be covered with a fire retardant coating.

c. Tenant shall perform all interior painting, decorating, paneling, wall covering, pegboard and slat wall installation, floor covering and finished ceiling work on the Premises.

d. Commercial-grade finish hardware, labeled where required, shall be used throughout. All doors shall have one and one-half pair of butts, wall or floor stops, kick plates and/or locksets, push-pull plates and other hardware as required by applicable code.

8. Mechanical:

a. Tenant shall provide all mechanical work, other than that included in Landlord's Work, including any additional HVAC units or modifications, at Tenant's sole cost and expense. All piping and duct work for the HVAC system is to be run on the underside of the roof.

b. Landlord, upon notification from Tenant that the electric meter has been set, shall dispatch Landlord's HVAC contractor to start up the HVAC units. Warranties may be voided if others start the units.

c. Tenant shall, if odors, excessive heat, moisture, smoke or other air contaminants, including, but not limited to, those produced by food services facilities, beauty salons, etc., emanate or are anticipated to emanate from the Premises, provide separate exhaust

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systems in accordance with NFPA standards, applicable codes and laws, and Landlord's design criteria.

9. Plumbing:

a. Tenant shall provide all plumbing work, other than that included in Landlord' Work.

b. If required by Tenant, Tenant shall provide all gas connections, lines, devices and meters from the stub-out provided by Landlord at the exterior of the building. Tenant shall extend the gas piping into the Premises at grade level and run the gas piping along the interior of the Premises.

c. Tenant, at its sole cost and expense, shall provide its own individual water meter, connections, lines and devices, and shall be responsible for all permits, installation and expenses attributed to the maintenance and operation thereof.

d. Taps into the sewer beyond those defined in the Approved Plans shall be the responsibility of the Tenant, including, without limitation, removal and replacement of the concrete slab-on-grade by Landlord's contractor. Sewer connection fees attributable to the Premises shall be the sole cost of Tenant.

10. Fire Protection

a. Tenant shall provide all fire protection work to modify the Landlord's system other than that included in Approved Plans for Tenant's particular design at Tenant's expense. This work shall include installation of audio/visual strobes and proper tie-in to the fire alarm system. Tenant shall notify and coordinate with other tenants any shut-down to the building system. The fire protection system shall be monitored by independent companies and the fire department.

b. Landlord's sprinkler main shall become active on a schedule established by Landlord. Should Tenant require that Landlord's sprinkler mains be modified or changed, such work shall be performed by Landlord's contractor at Tenant's expense.

c. Landlord's fire insurance carrier shall, from time to time during the term of this Lease, have the right to inspect the fire protection system and its component parts installed by Tenant. Said system shall, at all times, comply with requirements of said fire insurance carrier and shall meet the conditions of its approval. Any alterations, improvements, repairs or maintenance required by any such fire insurance carrier shall be Tenant's sole responsibility and shall be performed promptly at Tenant's sole cost and expense upon notice from Landlord.

11. Electrical:

a. Tenant shall provide all electrical work other than that included in the Approved Plans.

b. If power is required beyond amounts shown on the Approved Plans, Landlord may elect to require Tenant to make direct arrangements with the utility company and contract directly for such portion of Tenant's total requirements. All such electrical work to be approved by Landlord.

c. Tenant shall provide additional power, lighting and telephone including the conduit, wiring, and telephone service, lines in accordance with applicable codes.

d. Tenant shall provide special systems in the Premises that may be required by Tenant, such as a security system, sound system, intercom system, special wiring or lighting systems, etc.

e. Tenant shall make application for, and secure the electric meter to be installed in the meter socket at the service entrance section. Tenant shall notify Landlord once the meter has been set so Landlord's contractor can start up the HVAC units and verify that all electrical systems are operable.

E. Construction of the Premises.

1. Protection: At all times during the construction of Tenant's Work, Tenant shall cause each of Tenant's contractors and subcontractors to maintain continuous protection of the Premises in such a manner as to prevent any damage to Landlord's Work or Tenant's Work, or to adjacent property or improvements by reason of the performance of Tenant's Work. Tenant's contractor and subcontractors shall properly secure the Premises, including the furnishing of temporary guardrails and barricades.

2. Coordination of Tenant's Work: Tenant shall coordinate its work with all work being performed or to be performed by Landlord, its architects, engineers or contractors, and that of other tenants of the Shopping Center, so that Tenant's Work shall not interfere with or delay the completion of any such work in the Shopping Center, or interfere with the conducting of business by other tenants. Tenant's contractors and subcontractors shall not at any time damage, injure, interfere with, or delay the completion of the building in which the Premises shall be located or any other construction within the Shopping Center. Each of them shall comply with all procedures and regulations prescribed by Landlord for integration of Tenant's Work with the work to be performed in the Shopping Center by Landlord, other tenants or their agents. Landlord may require construction requiring the use of hammer drills, saw cutting machines, or other equipment producing excessive noise, be used during off hours to minimize disruption to adjacent tenants.

3. General Provisions:

a. Tenant shall hold Landlord harmless from payment of any claim by way of liens on account of bills for labor or materials in connection with Tenant's Work performed by Tenant or Tenant's contractors .

b. Tenant shall submit to Landlord, at least seven (7) days before commencement of Tenant's Work, the following:

(i) The name and address of Tenant's general contractor and subcontractors.

(ii) The proposed commencement date of Tenant's Work, the estimated completion date of Tenant's Work, and Tenant's estimated opening date in the Premises.

(iii) The certificates of insurance as set forth in Section F below. Tenant shall not permit its contractor(s) to commence any work until all required insurance has been obtained, certificates thereof have been delivered to Landlord, and Landlord has approved same.

c. Any disagreement or dispute which may arise between Landlord and Tenant with respect to Tenant's Work shall be resolved by the decision of the Landlord's architect.

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d. All of Tenant's contractors and subcontractors shall be licensed contractors in the State of California, be bonded, have good labor relations, be of good reputation, and be capable of performing quality workmanship and working in harmony with Landlord's general contractor and other contractors on the job. Tenant shall coordinate Tenant's Work with Landlord's Work. Tenant's general contractor must have specific experience in the scheduling, coordination, and construction practices of retail tenants and shopping center development. Tenant shall provide Landlord with reasonable evidence of the fulfillment of the standards herein specified upon demand.

e. Tenant's Work shall be subject to the inspection of Landlord, Landlord's architect, and Landlord's general contractor from time to time, during the period in which Tenant's Work is being performed.

f. Tenant shall apply and pay for all utility meters and connection fees as required.

g. Upon the completion of Tenant's Work, all of Tenant's facilities shall be fully operable, without defects.

h. Construction equipment and materials shall be located in confined areas, and truck traffic shall be routed to and from the site, such as directed by Landlord, so as not to burden the construction or operation of the Shopping Center. Landlord may order Tenant, Tenant's general contractor, and any subcontractor who willfully violates the above requirements to cease work and to remove all of its equipment and employees from the Shopping Center.

i. No approval by Landlord shall be valid unless in writing and signed by either Landlord or Landlord's architect.

j. Tenant shall provide, at its sole cost and expense, temporary power, water, heating, and cooling during the construction of Tenant's Work.

k. Tenant shall provide, at its sole cost and expense, trash removal caused by its construction on a weekly basis. Landlord, at its option and Tenant's expense, may request more frequent trash removal.

4. Deliveries Upon Completion: Tenant shall conduct a walk-through of the Premises with Landlord at the completion of Tenant's Work to establish conformity with Section II- Tenant's Work. Items to be corrected, if any, shall be noted and repairs made within thirty (30) days. Tenant shall perform and provide Landlord with each of the following within thirty (30) days of completion of Tenant's Work:

a. Tenant shall cause a Notice of Completion to be recorded in the office of the Recorder of the county in which the Premises are located in accordance with the Civil Code of the State of California, and shall deliver a copy thereof to Landlord upon such recordation. If Tenant fails to do so, Landlord may execute and file the same on behalf of Tenant as Tenant's agent for such purpose, at Tenant's sole cost and expense;

b. A copy of all warranties, guaranties, operating manuals and information relating to the improvements, equipment and systems in the Premises;

c. A copy of the Certificate of Occupancy or equivalent, issued by the City of Compton;

d. A copy of the building permits with all sign-offs executed by the appropriate governmental agencies;

e. A copy of Tenant's Architect's Substantial Completion form, fully executed. This shall serve as verification that the Premises were constructed in conformance with Landlord-approved plans and specifications and are 100% complete with respect thereto;

f. A copy of all unconditional lien releases on account of such construction work from all parties having the right to file the same on account thereof, if any. If no such party shall have such right, Tenant shall, in writing, represent and warrant the same to Landlord;

g. A copy of all "as-built" plans for the Premises (and other areas in which Tenant performed construction) stamped and signed by the general contractor which show all filed conditions and deviations from the final plans; and

h. An original executed Estoppel Certificate in such form of as is reasonably required by Landlord or Landlord's lender.

F. Insurance.

Tenant's contractors must fulfill the following insurance requirements and shall maintain, at no expense to Landlord:

1. Comprehensive general liability insurance, including property damage and motor vehicle liability insurance, with limits, in form, and with companies as provided in this Lease;

2. Worker's Compensation Insurance coverage, with limits, in form, and with companies as provided in this Lease; and

3. "Builder's All-Risk" insurance, in an amount acceptable to Landlord, must be provided by Tenant and/or required from its contractors.

All insurance policies must remain in effect throughout construction of Tenant's Work. Each of Tenant's contractors shall name Landlord, Landlord's agents, Landlord's lender, and if Landlord elects, any owner and/or occupant of a tract in the Shopping Center which adjoins Landlord's tract or tracts designated by Landlord, as additional insured(s). All insurance required herein (except Worker's Compensation) shall preclude subrogation claims by the insurer against anyone insured thereunder, shall provide that it is primary insurance as respects Landlord and shall provide that any other insurance maintained by Landlord is excess and noncontributing with the insurance required hereunder.

Certificates of insurance evidencing the above-referenced insurance policies must be delivered to Landlord by each contractor before commencing any work on the Premises.

Such insurance shall comply in all respects with and be subject to the policy-form requirements set forth in this lease.

G. Disclaimer.

Each of Landlord's or Landlord's architect's approval of Tenant's plans and specifications, or of any changes, modifications or additions thereto, and inspections made by Landlord or Landlord's architect, and the issuance of a certificate of acceptance by Landlord or Landlord's architect shall be primarily for the purpose of protecting the Shopping Center and

15.

Landlord's interest, however, Tenant may rely upon Landlord's or its agents' approvals or inspections. Landlord shall not be the guarantor of, nor be responsible for, the correctness or accuracy of any plans or specifications, any construction undertaken by Tenant, the compliance thereof with applicable laws, or its fitness for any purpose. Landlord shall incur no liability of any kind by reason of granting or denying any approvals or undertaking any inspections. Tenant's Work shall conform to all applicable governing codes, ordinances, regulations and other laws, and the regulations and requirements of fire insurance rating bureaus. Landlord's approval of plans and specifications does not release Tenant from this obligation. The requirements of this paragraph are in addition to, and do not limit any of the provisions of this Lease to the same or similar subject matter.

H. Hold Harmless Agreement.

Tenant shall save and hold Landlord, Landlord's lender, Landlord's affiliates, Landlord's agents and Landlord's architect harmless from and against all claims, damages, losses, expenses (including, without limitation, court costs and attorneys' fees) and liabilities whatsoever arising out of or connected with, the performance of work by Tenant, Tenant's contractor and subcontractors. Tenant shall defend, with attorneys acceptable to Landlord, and at Tenant's sole cost and expense, any action based thereon and shall pay all charges of attorneys, all costs and all other expenses arising therefrom. Tenant shall cause each of its contractors and subcontractors, to the fullest extent permitted by law, to protect, defend, save harmless and indemnify Landlord, Landlord's lender, Landlord's affiliates, and Landlord's architect against any liability, claim, demand, or expense incurred on account of any injury or damage, alleged or real, arising out of, or in any way connected with, the performance of work by Tenant, its contractor and subcontractors, and any act or omission to act on their part as required pursuant to this Lease.

I. Americans with Disabilities Act of 1990.

Notwithstanding anything to the contrary contained in this Lease, Tenant shall comply with the Americans with Disabilities Act of 1990 and all amendments thereto ("**ADA**"), as well as all other applicable laws regarding access to, employment of, and service to individuals covered by the ADA. Tenant's compliance obligation shall include, but not be limited to, the design, construction and alteration of the Premises and such other areas (for example, path of travel) as Tenant may need to alter to be in compliance with the ADA.

SHOPPING CENTER LEASE

by and between

PRISM-IQ PARTNERS, LLC,

AS LANDLORD

AND

COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON

AS TENANT

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SHOPPING CENTER LEASE

THIS LEASE is made and entered as of October 23, 2007, by and between **PRISM-IQ PARTNERS, LLC**, a California limited liability company ("**Landlord**"), and **COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON**, a public body, corporate and politic ("**Tenant**").

ARTICLE I
BASIC LEASE PROVISIONS

- 1.1. **Date of Lease:** October 23, 2007.
- 1.2. **Tenant's Trade Name:** "Los Angeles County Sheriff Substation" or such other trade name that the Los Angeles County Sheriff's Department uses in a majority of their substations.
- 1.3. **Shopping Center:** Commercial center located at the 91 Freeway and Alameda Street in the City of Compton in Los Angeles County, California.
- 1.4. **Premises:** Address: 200 Towne Center Drive, Suite 102, Compton, California 90220.
- 1.5. **Floor Area:** Approximately 1,202 rentable square feet.
- 1.6. **Term:** Fifteen (15) years.
- 1.7. **Estimated Date For Completion Landlord's Work:** December 15, 2007.
- 1.8. **Minimum Rent:** \$5.10 per rentable square foot per month; subject to adjustment pursuant to Section 4.2.
- 1.9. **Percentage Rent Rate:** None.
- 1.10. **Public Use of Premises:** A sheriff's or law enforcement substation (the "**Permitted Use**").
- 1.11. **Security Deposit:** \$47,000.56.
- 1.12. **Guarantor:** None.
- 1.13. **Address For Notices to Tenant:** 205 South Willowbrook Avenue, Compton, CA 90220 Attn: Executive Secretary.
Telephone Number. (310) 605-5511.
- 1.14. **Address For Notices to Landlord:** 4667 MacArthur Blvd., Suite #200, Newport Beach, California 92660, Attention: Lease Administration.
Telephone Number: (949) 250-1902
- 1.15. **Interest Rate:** means the greater of ten percent (10%) per annum or two percent (2%) in excess of the prime lending or reference rate of Wells Fargo Bank N.A. or any successor bank in effect on the twenty-fifth (25th) day of the calendar month immediately prior to the event giving rise to the Interest Rate imposition; provided, however, the Interest Rate will in no event exceed the maximum interest rate permitted to be charged by applicable law.
- 1.16. **OEA:** means the Operation and Easement Agreement dated November 28, 2006, between Landlord, Target Corporation and Home Depot U.S.A., Inc., recorded in the Official Records of Los Angeles County, California, on November 28, 2006, as Instrument No. 20062620928, as such Operation and Easement Agreement may be modified from time to time.
- 1.17. **Master CUP:** means the Conditional Use Permit Case No. 2482 recorded in the Official Records of Los Angeles County, California, on January 24, 2005, as Document No. 0165433.
- 1.18. **DDA:** means the Disposition and Development Agreement, by and between Landlord and The Community Redevelopment Agency of the City of Compton dated as of January 12, 2005, as may be amended from time to time.

Landlord's Initials: _____ Tenant's Initials: _____

ARTICLE II
LEASED PREMISES

2.1. Premises; Floor Area; Shopping Center.

Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, those certain Premises described in Section 1.4 which are located in the Shopping Center described in Section 1.3. The Premises consist of a space having "Floor Area" (defined in the OEA) of approximately that square footage stated in Section 1.5. **"Floor Area,"** as defined in the OEA, means the aggregate of the actual number of square feet of space (i) contained on each floor within a building, including any mezzanine, balcony, subterranean or basement space, as measured from the exterior faces of the exterior walls or store front and/or the center line of any common walls; provided, however, that the following areas shall not be included in such calculation: (i) space attributable to any multi-deck, platform, storage mezzanine, rack or other multi-level system used solely for the storage of merchandise which is located above ground floor; (ii) any space used solely for building utilities or mechanical equipment; (iii) space within an "Outside Sales Area" (defined in the OEA); (iv) the Garden Center located on the Home Depot Tract; and (v) space used for outdoor seating for customers or restaurants and/or other food service businesses allocated exclusively to one occupant. A depiction of the floor plan of the Premises is attached to this Lease as **Exhibit "A-1."** A legal description of the real property on which the Premises is located (the **"Property"**) is attached to this Lease as **Exhibit "A-2."** The boundaries and location of the Shopping Center of which the Premises is a part are generally depicted on the site plan attached to this Lease as **Exhibit "B"** (the **"Site Plan"**). Tenant acknowledges that **Exhibit "B"** sets forth a proposed general layout of the Shopping Center and shall not be deemed a representation by Landlord that the Shopping Center will be constructed as indicated thereon, or, except as otherwise specifically set forth in this Lease, that any tenants or occupants designated by name or type of business will conduct business in the Shopping Center, or that the Shopping Center will not be expanded, reduced or otherwise modified.

As used in this Lease, the **"Shopping Center"** means the real property described in **Exhibit "C-1"** (the **"Developer Tract"**), the real property described in **Exhibit "C-2"** (the **"Target Tract"**) and the real property described in **Exhibit "C-3"** (the **"Home Depot Tract"**). As of the date of this Lease, Landlord will own the Developer Tract and, subject to a lease with Home Depot U.S.A., Inc. (**"Home Depot"**), the Home Depot Tract, and Target Corporation (**"Target"**) will own the Target Tract. The Developer Tract, the Home Depot Tract and the Target Tract together will constitute an integrated retail shopping center, as the same may be modified from time to time throughout the Term of this Lease (the **"Shopping Center"**). As used in this Lease, **"Landlord's Parcel"** means the portion of the Developer Tract owned by Landlord from time to time. Landlord may at any time and from time to time change the shape, size, location, number, height and extent of the improvements in Landlord's Parcel and eliminate or add any improvements to any portion of Landlord's Parcel and add land to it or eliminate land from it, provided, however, that Landlord shall endeavor to perform such changes in such a manner so as to minimize any material interference to Tenant's business conducted from the Premises, access to and from the Premises or parking serving the Premises.

2.2. Reservations.

Provided Landlord does not unreasonably interfere with Tenant's use of and access to the Premises, Landlord reserves the right at any time to (i) make alterations or additions to the building in which the Premises are contained (the **"Building"**); (ii) construct other buildings or improvements in the Shopping Center and to make alterations or additions thereto; and (iii) go on the roof of the Premises for the purpose of effecting certain items of repair and maintenance as provided in this Lease. Easements for light and air are not included with the Premises.

2.3. Conditions of Record.

Landlord's title is subject to: (a) the effect of any covenants, conditions, restrictions, easements, reciprocal easement and operating agreements, development agreements, mortgages or deeds of trust, ground leases, rights of way, and other matters or documents of record now or hereafter recorded against Landlord's title, including without limitation the OEA, (b) the effects of all zoning laws of the city, county and state where the Shopping Center is situated, and (c) general and special taxes and assessments. As to Tenant's leasehold estate Tenant, and all persons in possession or holding under Tenant, will conform to and will not violate said matters of record. This Lease is and shall be subject and subordinate to said matters of record and any amendments or modifications thereto.

2.4. DDA.

Notwithstanding anything to the contrary in this Lease, in no event shall the Tenant's execution of this Lease or any of the terms or agreements in this Lease or any approval, consent, request made by Tenant under or in connection with this Lease constitute an act by Tenant under the DDA or amend, waive or alter in any way any term or provision of the DDA.

ARTICLE III
TERM

3.1. Term; Commencement Date.

The term of this lease (the **"Term"**) shall commence on the date Landlord completes Landlord's Work (the **"Commencement Date"**). The Term shall continue from the Commencement Date for the period specified in Section 1.6 computed from the date (the **"Term Date"**) which is the first day of the month following the Commencement Date. The Term shall include any extension period pursuant to this Lease unless sooner terminated in accordance with the provisions of this Lease. As used in this Lease, **"Lease Year"** means the twelve (12) month period commencing on the Term Date, and each subsequent twelve (12) month period during the Term.

3.2. Memorandum of Commencement Date.

Within five (5) business days following the Commencement Date, Tenant and Landlord shall execute a written memorandum ("**Commencement Memorandum**") on Landlord's standard form stating the actual Commencement Date and the expiration date of the Term as determined pursuant to Section 3.1.

3.3. Early Occupancy.

If Tenant occupies the Premises prior to the Commencement Date for any reason, such early occupancy shall be subject to all of the terms and conditions of this Lease, including, without limitation, the provisions of Article XVI regarding insurance and indemnification, except that, if Tenant does not commence the operation of the permitted use (described in Section 1.10) from the Premises, Tenant will not be obligated to pay rent during the period of such early occupancy. Tenant shall provide Landlord with prior notice of any such intended early occupancy and to cooperate with Landlord during the period of any such early occupancy so as not to interfere with Landlord in the completion of Landlord's Work.

ARTICLE IV RENT

4.1. Minimum Rent.

Tenant shall pay to Landlord during the Term, without prior demand, deduction, counterclaim or offset, minimum monthly rent ("**Minimum Rent**") in the amount stated in Section 1.8, subject to increase from time to time during the Term as provided in Section 4.2 below. All Minimum Rent shall be paid in advance in monthly payments on or before the first day of each calendar month during the Term. Minimum Rent for any partial calendar month at the beginning or end of the Term shall be prorated on a per diem basis assuming a thirty (30) day month.

4.2. Increases to Minimum Rent.

As used in this Lease, "**Adjustment Date**" means each anniversary of the Term Date during the Term. Minimum Rent payable under Section 4.1 of the Lease shall be increased by five percent (5%) of the previous year's Minimum Rent as of each Adjustment Date.

4.3. Prepayment of Minimum Rent. Tenant shall prepay the net present value of the Minimum Rent due to Landlord for the Term of this Lease discounted monthly using an annual rate of four and one-quarter percent (4.25%) (the "Total Prepayment Amount") in equal monthly increments over the first twenty-four (24) months of the Lease Term (the "Monthly Prepayment Amount"). The Total Prepayment Amount is equal to \$1,128,013.49 and the Monthly Prepayment Amount is equal to \$47,000.56. The Monthly Prepayment Amount for the first month of the Term shall be paid upon execution of this Lease.

4.4. Tenant Reimbursement of Initial Construction Costs.

Within thirty (30) days after the Commencement Date and Tenant's receipt of reasonable evidence of the direct out-of-pocket costs incurred by Landlord in completing the Landlord's Work described in Exhibit "D" which is described as Reimbursable Costs, Tenant shall reimburse Landlord for such costs.

4.5. Additional Rent.

All other sums required to be paid by Tenant to Landlord pursuant to this Lease including, without limitation, Minimum Rent and Common Area Expenses and any other sums, whether or not designated as rent, shall be deemed to be rent for purposes of this Lease.

4.6. Late Payment.

If Tenant fails to pay the Minimum Rent or any installment thereof or any other additional rent under this Lease within five (5) days after the same has become due, both Tenant and Landlord agree that Landlord will incur additional expenses including, but not limited to, extra collection efforts and handling costs. Both parties agree that should Tenant so fail to pay its rent, Landlord is entitled to compensation for the detriment caused by the failure, but that it is extremely difficult and impractical to ascertain the extent of the detriment. The parties therefore agree that should Tenant fail to pay any rent due hereunder within five (5) days after the same becomes due, Landlord shall be entitled to recover from Tenant as a late charge the greater of (i) five percent (5%) of the amount past due or (ii) two hundred fifty dollars (\$250.00). Such past due amounts shall also bear interest at the Interest Rate set forth in Section 1.15 from the date due until paid. Tenant further shall pay Landlord any costs incurred by Landlord in the collection of such past due rent including, but not limited to, fees of an attorney and/or collection agency. Nothing herein contained shall limit any other remedy of Landlord under this Lease. Landlord shall also have the right to require Tenant to pay any past due sums by cashier's check or money order.

ARTICLE V CONSTRUCTION OF LEASED PREMISES

5.1. Landlord's And Tenant's Obligations.

Subject to delay as provided herein, Landlord shall improve the Premises in accordance with plans and specifications prepared by Landlord or Landlord's architect, incorporating in such construction all items of work to be performed by

Landlord ("**Landlord's Work**"),as described in the Construction Provisions attached as **Exhibit "D"** (the "**Construction Provisions**") to this Lease as soon as practical after all final drawings and specifications for the improvements to the Premises have been adopted and approved as provided in the Construction Provisions. Any furnishings, equipment and trade fixtures other than those items listed in the Construction Provisions requested by Tenant to be installed in or constructed on the Premises by Landlord shall be installed and paid for by the Tenant.

5.2. Possession.

At least ten (10) business days prior to the date on which Landlord intends to substantially complete the Premises, Landlord shall deliver to Tenant written notice ("**Landlord's Delivery Notice**") of the estimated delivery date. If Tenant causes a delay in possession (including any delay caused by Tenant's failure to supply the information referred to in the following sentence), then, for purposes of determining the Commencement Date pursuant to clause (b) of Section 3.1, the date of Landlord's delivery of the Premises to Tenant shall be deemed to be the date such delivery would have occurred by for Tenant's delay. Notwithstanding the foregoing, Landlord will not be obligated to deliver possession of the Premises to Tenant until Landlord has received from Tenant all of the following: (i) a copy of this Lease, fully executed by Tenant; (ii) the Initial Prepayment Amount; and I(iii) copies of policies of insurance or certificates thereof as required under Article 16 of this Lease.

Upon Landlord's "substantial completion" (defined below) of Landlord's Work in the Premises, Landlord shall notify Tenant in writing ("**Substantial Completion Notice**"). As used in this Lease, "substantial completion" means completion of Landlord's Work to such extent that Tenant may commence its fixturation of the Premises without undue interference with the balance of the Landlord's Work to be performed by Landlord in the Premises, or undue interference by Landlord with the Tenant's construction activities and may move the personal property necessary or convenient for the permitted use into the Premises and commence its permitted use. Landlord's delivery of the Substantial Completion Notice shall constitute delivery of possession of the Premises, although Landlord reserves the right to thereafter enter upon the Premises to the extent reasonably necessary to fully complete Landlord's Work. Landlord warrants the Building against latent defects for a period of one (1) year from completion of the original construction. Except as set forth in the previous sentence, Landlord shall not be liable for any latent or patent defects in the Building or the Premises.

5.3. Tenant Construction Activities.

Prior to commencement of any work by Tenant ("Tenant Work"), Tenant shall notify Landlord in writing of the date Tenant will commence construction and shall deliver to Landlord certificates of insurance evidencing the existence of insurance as required by Section 16.1. Tenant's contractor shall commence the construction of Tenant Work promptly, shall diligently pursue completion of Tenant's Work. Unless otherwise agreed to in writing by Landlord, any work performed on the Premises in connection with the heating, ventilation, air conditioning equipment (collectively, "**HVAC**"), any roof penetrations, or automatic sprinklers shall be performed by Landlord and/or Landlord's contractor at Tenant's expense. If Tenant does not use Landlord's roofer and/or HVAC contractor or sprinkler contractor, Landlord reserves the right to have Landlord's contractor inspect Tenant's improvements at Tenant's expense and correct any defects at Tenant's expense. Until such time as any substandard work has been repaired by Landlord's contractor, Tenant will be responsible for any necessary repairs and/or service calls.

5.4. Delay in Possession.

Except as set forth in this Lease, Landlord shall not be liable to Tenant for failure to deliver possession of the Premises to Tenant on any date or time specified herein; however, if Landlord's Work has not been substantially completed by March 1, 2008, Tenant may terminate this Lease by delivering written notice to Landlord no later than April 1, 2008; provided, however, the March 1, 2008 shall be extended one (1) day for each day Landlord delays in completing Landlord's Work beyond March 1, 2008 resulting from "Tenant Delays" as described in Section 24.5 that delay completion of Landlord's Work beyond March 1, 2008. Thereafter, neither party shall have any further liability to the other in connection with this Lease.

ARTICLE VI
RECORDS AND BOOKS OF ACCOUNT

Intentionally Deleted.

ARTICLE VII
AUDIT

Intentionally Deleted.

ARTICLE VIII
TAXES

8.1. Real Property Taxes.

If at any time during the Term under the laws of the United States, or the state, county, municipality, or any political subdivision thereof in which the Shopping Center is located, a tax or excise on rent or any other tax however described is levied or assessed by any such political body against Landlord on account of rent payable to Landlord hereunder, or any tax is levied or assessed upon Landlord based upon Tenant's use or occupancy or operation of its business within the Premises, such tax or excise shall be payable in full by Tenant within ten (10) days after Tenant's receipt of the tax bill therefor from Landlord.

8.2. Personal Property Taxes.

Tenant shall pay prior to delinquency all federal, municipal, county or state taxes, charges, assessments and fees assessed during the Term against any leasehold interest or personal property of any kind, owned by or placed in, upon or about the Premises by Tenant, whether or not title thereto is vested in Tenant.

ARTICLE IX
SECURITY DEPOSIT

9.1. Amount of Deposit.

Upon signing this Lease, Tenant shall deposit with Landlord the sum, if any, set forth in Section 1.11 herein ("Security Deposit"). This Security Deposit shall be held by Landlord, without liability for interest, as partial security for the full and faithful performance by Tenant of all the terms, covenants, and conditions of this Lease to be performed by Tenant, including, without limitation, those relating to the payment of rent, repairing the Premises (other than normal wear and tear) and cleaning the Premises upon termination of the Term. Landlord may commingle the Security Deposit and shall not be required to keep it separate from its general funds.

9.2. Use and Return of Deposit.

In the event of the failure of Tenant to abide by any of the terms, covenants and conditions of this Lease, including without limitation those relating to rent, repairs (other than normal wear and tear) and cleaning, Landlord may, at its option, use any amount of the Security Deposit to pay any overdue rent (including prepayments of rent to the extent the prepayments are overdue) or to compensate Landlord for any loss or damage sustained or suffered due to such failure by Tenant. Tenant shall, upon the written demand of Landlord, immediately remit to Landlord a sufficient amount in the form of a cashier's check to restore the Security Deposit to the original sum deposited. Failure to do so within five (5) days after such demand shall constitute a material breach of this Lease. If Tenant complies with all of the terms, covenants and conditions of this Lease and promptly pays when due all of the rent herein provided and all other sums payable by Tenant to Landlord, upon the expiration or earlier termination of the Term, Landlord shall return the Security Deposit to Tenant (or amount remaining after appropriate deductions including payments made by Landlord to the City of Compton under the Substation Reimbursement Agreement).

9.3. Transfer of Security Deposit.

Following a termination of Landlord's interest in the Lease, whether by sale or other transfer, and upon Landlord's compliance with Section 1950.7(d) of the California Civil Code or any successor statute thereto, Landlord shall be relieved of any further liability with respect to the Security Deposit.

ARTICLE X
CONDUCT OF BUSINESS BY TENANT

10.1. Use of Premises.

Tenant shall use the Premises solely for the uses specified in Section 1.10. Tenant shall not use, or permit the Premises or any part thereof to be used, for any other use without Landlord's prior written consent which may be withheld in Landlord's sole absolute discretion. Tenant shall operate its business in the Premises only under the trade name specified in Section 1.2 unless a different name is approved by Landlord, which approval shall not be unreasonably withheld.

Without limiting the generality of the preceding paragraph, Tenant agrees as follows:

- (a) Tenant acknowledges that it is aware that the OEA and the Master CUP prohibit certain uses at the Shopping Center. Tenant also acknowledges that leases with certain tenants allow tenant's "primary use" of its premises. Accordingly, Tenant covenants that it shall not use or allow the Premises to be used for any such prohibited or primary use (whether designated previously or in the future); provided that the foregoing shall not affect Tenant's right to use the Premises for the uses described in Section 1.10. Without limiting Landlord's other remedies under this Lease, Tenant shall indemnify, defend and hold Landlord harmless from and against any and all claims, demands, suits, judgments, injunctions, losses, liabilities, costs and expenses (including actual attorneys' fees and costs of suit) arising out of or in connection with a breach of the covenant in the preceding sentence by Tenant, or any assignee, sub-tenant, licensee or concessionaire of Tenant.
- (b) Tenant shall at no time allow gaming machines (slots or otherwise) and/or arcade amusement machines (pinball, video, etc.) to be used, operated or kept within the Premises. Tenant shall not commit or suffer to be committed any waste upon the Premises or any nuisance or other act or thing which may disturb the quiet enjoyment of any other tenants or their customers in the Shopping Center.
- (c) No use shall be made or permitted to be made of the Premises, nor acts done, which will increase the existing rate of insurance upon the Building, or cause a cancellation of any insurance policy covering the Premises or any part thereof, provided that the foregoing shall not affect Tenant's right to use the Premises for the uses described in Section 1.10. Tenant shall not sell or permit to be kept, used, stored or sold in or about Premises any article which may be prohibited by standard form fire insurance policies provided that the foregoing shall not affect Tenant's right to use the Premises for the uses described in Section 1.10. Tenant shall, at its sole cost, comply with any and all reasonable

requirements pertaining to the use of the Premises of any insurance organization or company necessary for the maintenance of the fire and public liability insurance described in this Lease covering the Building and its appurtenances. If Tenant's use of the Premises results in a rate increase for the Building, Tenant shall pay within ten (10) days of billing from Landlord, as additional rent, a sum equal to the additional premium caused by such rate increase.

(d) Tenant shall use its best efforts to complete, or cause to be completed, all deliveries, loading, unloading and services to the Premises prior to 10:00 a.m. each day. Tenant shall ensure that no delivery trucks or other vehicles servicing the Premises park in front of the Premises between the hours of 10:00 a.m. and 9:00 p.m. Landlord reserves the right to further regulate the activities of Tenant with regards to deliveries and servicing of the Premises.

10.2. Intentionally Deleted

10.3. Intentionally Deleted.

10.4. Auctions.

No auction, "fire," sidewalk, close-out or bankruptcy sales may be conducted in or upon the Premises without Landlord's prior written consent.

10.5. Compliance With Laws.

Tenant shall not use the Premises, or permit anything to be done in or about the Premises, which will in any way conflict with any law, statute, ordinance or governmental rule or regulation now in force or which may hereafter be enacted or promulgated. Tenant shall, at its sole cost and expense, promptly comply with all covenants, conditions and restrictions applicable to the Shopping Center (including without limitation the OEA), all laws, statutes, ordinances and governmental rules, regulations or requirements now in force or which may hereafter be in force and with the requirements of any board of fire underwriters or other similar bodies now or hereafter constituted relating to or affecting the condition, use, occupancy, alteration or improvement of the Premises, including, without limitation, the provisions of the Americans with Disabilities Act of 1990 as it pertains to Tenant's use, occupancy, improvement and alteration of the Premises. The judgment of any court of competent jurisdiction or the admission of Tenant in any action against Tenant, whether Landlord be a party thereto or not, that Tenant has violated any law, statute, ordinance or governmental rule, regulation or requirement, shall be conclusive of that fact as between the Landlord and Tenant.

10.6. Hazardous Materials.

Tenant hereby makes the following covenants regarding hazardous materials:

(a) Tenant shall at all times and in all respects comply with all federal, state and local laws, ordinances and regulations, including, but not limited to, the Federal Water Pollution Control Act (33 U.S.C. § 1251, et seq.), Resource Conservation & Recovery Act (42 U.S.C. § 6901 et seq.), Safe Drinking Water Act (42 U.S.C. § 300f et seq.), Toxic Substances Control Act (15 U.S.C. § 2601 et seq.), the Clean Air Act (42 U.S.C. § 7401 et seq.), Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. § 9601. et seq.), California Health & Safety Code (§ 25100 et seq., § 39000 et seq.), California Safe Drinking Water & Toxic Enforcement Act of 1986 (California Health & Safety Code § 25249.5, et seq.), California Water Code (§ 13000 et seq.), and other comparable state laws ("Hazardous Materials Laws"), relating to industrial hygiene, environmental protection or the use, analysis, generation, manufacture, storage, disposal or transportation of any oil, flammable explosives, asbestos, urea formaldehyde, radioactive materials or waste, or other hazardous, toxic, contaminated or polluting materials, substances or waste, including, without limitation, any "hazardous substances", "hazardous wastes", "hazardous materials" or "toxic substances" under any such laws, ordinances or regulations (collectively, "**Hazardous Materials**").

(b) Tenant shall, at its own expense, procure, maintain in effect and comply with all conditions of any and all permits, licenses, and other governmental and regulatory approvals required for Tenant's use of the Premises, including, without limitation, discharge of (appropriately treated) materials or wastes into or through any sanitary sewer serving the Premises. Except as discharged into the sanitary sewer in strict accordance and conformity with all applicable Hazardous Materials Laws, Tenant shall cause any and all Hazardous Materials removed from the Premises to be removed and transported solely by duly licensed haulers to duly licensed facilities for final disposal of such materials and wastes. Tenant shall in all respects handle, treat, deal with and manage any and all Hazardous Materials in, on, under or about the Premises in total conformity with all applicable Hazardous Material Laws and prudent industry practice regarding management of such Hazardous Materials. Upon expiration or earlier termination of the Lease Term, Tenant shall cause all Hazardous Materials to be removed from the Premises and transported for use, storage or disposal in accordance with and compliance with all applicable Hazardous Materials Laws. Tenant shall not take any remedial action in response to the presence of any Hazardous Materials in or about the Premises or any building, nor enter into any settlement agreement, consent decree or other compromise in respect to any claims relating to any Hazardous Materials in any way connected with the Premises or any building, without first notifying Landlord of Tenant's intention to do so and affording Landlord ample opportunity to appear, intervene or otherwise appropriately assert and protect Landlord's interest with respect thereto.

(c) Tenant shall immediately notify Landlord in writing of: (i) any enforcement, cleanup, removal or other governmental or regulatory action instituted, completed or threatened pursuant to any Hazardous Materials Laws; (ii) any claim made or threatened by any person against Tenant, the Premises or any building relating to damage, contribution, cost recovery compensation, loss or injury resulting from or claimed to result from any Hazardous

Materials; and (iii) any reports made to any environmental agency arising out of or in connection with any Hazardous Materials in or removed from the Premises or any building, including any complaints, notices, warnings or asserted violations in connection therewith. Tenant shall also supply to Landlord as promptly as possible, and in any event within five (5) business days after Tenant first receives or sends the same, with copies of all claims, reports, complaints, notices, warnings or asserted violations, relating in any way to the Premises, any building or Tenant's use thereof. Tenant shall promptly deliver to Landlord copies of hazardous waste manifests reflecting the legal and proper disposal of all Hazardous Materials removed from the Premises.

(d) Tenant shall indemnify, defend (by counsel reasonably acceptable to Landlord), protect, and hold Landlord and each of Landlord's partners, employees, agents, attorneys, successors and assigns, free and harmless from and against any and all claims, liabilities, penalties, forfeitures, losses or expenses (including attorneys' fees), or death of or injury to any person or damage to any property whatsoever, arising from or caused in whole or in part, directly or indirectly, by (i) the presence in, on, under or about the Premises or any building, of any Hazardous Materials caused by or knowingly permitted by Tenant or for which Tenant may be legally liable; (ii) Tenant's use, analysis, storage, transportation, generation of Hazardous Materials to, in, on, under, about or from the Premises or any building; or (iii) Tenant's failure to comply with any Hazardous Materials Laws. Tenant's obligations hereunder shall include, without limitation, and whether foreseeable or unforeseeable, all costs of any required or necessary repair, cleanup or detoxification or decontamination of the Premises or any building, or the preparation and implementation of any closure, remedial action or other required plans in connection therewith, and shall survive the expiration or earlier termination of the Lease term. For purposes of the release and indemnity provisions hereof, any acts or omissions of Tenant, or by employees, agents, assignees, contractors or subcontractors of Tenant or others acting for or on behalf of Tenant (whether or not they are negligent, intentional, willful or unlawful) shall be strictly attributable to Tenant.

10.7. Sewer Damages.

Tenant agrees not to discharge any acid or other harmful or dangerous chemicals into the sewer system, the sinks, drains and toilets, if any, of the Premises or inside the main system leading from the Premises to the main sewer line. If Tenant discharges any acid or harmful chemicals into any such systems, Tenant shall be fully responsible for the cost and repair of such damage. Landlord reserves the right to select an expert of its choosing to inspect any damage at Tenant's cost.

10.8. Non-Discrimination And Hiring Requirements.

Tenant shall comply with the Non-Discrimination and Hiring Requirements attached as ***Exhibit "E."***

ARTICLE XI MAINTENANCE AND REPAIRS

11.1. Landlord's Maintenance Obligations.

Landlord shall maintain, at its sole cost and expense (and not as part of Common Area Expenses), the structural elements of the Building, including the roof structure, the foundation and slab and the structural elements of exterior walls. Landlord on behalf of Tenant and the other occupants of the Building shall maintain in good condition and repair the roof covering/membrane and other exterior surfaces of the exterior walls of the Building (exclusive of doors, door frames, door checks, windows, window frames, and store fronts) and all heating, ventilating and air conditioning equipment which does not serve the Premises exclusively; provided, however, if any repairs or replacements are necessitated by the negligence or willful acts of Tenant or anyone acting under Tenant or by reason of Tenant's failure to observe or perform any provisions contained in this Lease or caused by alterations, additions or improvements made by Tenant or anyone acting under Tenant, the cost of such repairs and replacements shall be solely borne by Tenant. Notwithstanding anything to the contrary contained in this Lease, Landlord shall not be liable for failure to make repairs required to be made by Landlord under the provisions of this Lease unless Tenant has previously notified Landlord in writing of the need for such repairs and Landlord has failed to commence and complete the repairs within a reasonable period of time following receipt of Tenant's written notification. Tenant waives any right of offset against any rent due hereunder and agrees not to assert as an affirmative defense in any judicial proceeding or arbitration brought by Landlord against Tenant on claims made under this Lease including, without limitation, the provisions of Sections 1941 and 1942 of the California Civil Code, or any superseding statute, and of any other law permitting Tenant to make repairs at Landlord's expense.

11.2. Landlord's Right of Entry.

Landlord, its agents, contractors, employees and assigns may enter the Premises at all reasonable times upon reasonable prior notice under the circumstances (a) to examine the Premises; (b) to perform any obligation of, or exercise any right or remedy of, Landlord under this Lease; (c) to make repairs, alterations, improvements or additions to the Premises, the Building or to other portions of the Shopping Center as Landlord reasonably deems necessary; (d) to perform work necessary to comply with laws, ordinances, rules or regulations of any public authority or of any insurance underwriter; (e) to show prospective tenants the Premises during the last six (6) months of the Term; and (f) to perform work that Landlord reasonably deems necessary to prevent waste or deterioration in connection with the Premises should Tenant fail to commence to make, and diligently pursue to completion, its required repairs as provided herein. In exercising such entry rights, Landlord shall use commercially reasonable efforts under the circumstances to minimize interference with Tenant's use of the Premises.

11.3. Tenant's Maintenance Obligations.

Tenant, at its sole cost and expense, shall keep the Premises and all parts thereof including, without limitation, utility meters, pipes and conduits, all fixtures, furniture and equipment including heating, ventilation and air conditioning equipment serving only the Premises, the storefront or storefronts, Tenant's signs, locks and closing devices, security devices, windows, window sashes, casements or frames, all doors and door frames, floor coverings, including carpeting, tile and other flooring, ceilings, light fixtures, sprinklers, interior walls, all wall coverings, shelving, restrooms and other lavatory facilities, in first class order, condition and repair and shall make all replacements necessary to keep the Premises in such condition. All replacements shall be of a quality equal to or exceeding that of the original. Should Tenant fail to make these repairs and replacements or otherwise so maintain the Premises for a period of ten (10) days after written demand by Landlord, or should Tenant commence, but fail to complete, any repairs or replacements within a reasonable time after written demand by Landlord, Landlord may make such repairs or replacements without liability to Tenant for any loss or damage that may occur to Tenant's stock or business other than those resulting from Landlord's gross negligence or willful misconduct, and Tenant shall pay to Landlord the reasonable costs incurred by Landlord in making such repairs or replacements together with interest thereon at the Interest Rate from the date of commencement of the work until repaid. Tenant shall, at its expense, repair promptly any damage to the Building or the Shopping Center caused by Tenant or its agents or employees or caused by the installation or removal of Tenant's personal property. Tenant shall contract with a service company licensed and experienced in servicing HVAC equipment and approved by Landlord for the quarterly maintenance of the HVAC equipment serving the Premises and shall provide Landlord with a copy of the service contract within thirty (30) days following its execution, or Landlord, at its option, may contract with a service company of its own choosing, or provide such service itself, for the maintenance of the HVAC equipment, and either bill Tenant for the cost of service contract or include the estimated monthly charges in the Monthly Impound described in Section 12.5. The sum so billed to Tenant shall become immediately due to Landlord as additional rent. Tenant shall, at its own expense, comply with all requirements, including the installation and periodic maintenance of fire extinguishers or automatic dry chemical extinguishing system, of the insurance underwriters and other governmental authority having jurisdiction as necessary for maintenance of reasonable fire and extended coverage insurance for the Premises.

11.4. Plate Glass.

Tenant shall replace, at its expense, any and all plate and other glass in and about the Premises which is damaged or broken from any cause whatsoever except due to the negligence or willful misconduct of Landlord, its agents or employees.

**ARTICLE XII
COMMON AREA**

12.1. Definition of Common Area.

The term "**Common Area**," as used in this Lease, means all areas within the exterior boundaries of the Shopping Center now or later made available for the general use of Landlord and other persons entitled to occupy Floor Area in the Shopping Center and their customers, guests and invitees, including all exterior surfaces and the roofs of all Buildings in the Shopping Center except as indicated in this Lease, parking areas, access and perimeter roads, sidewalks, landscaped areas, enclosed courts and malls, service areas and similar areas and facilities, as more specifically set forth in the OEA. Without limiting this definition, Landlord may include in the Common Area those portions of the Shopping Center presently or later sold or leased to purchasers or tenants, as the case may be, until the commencement of construction of the building(s) thereon, at which time there shall be withdrawn from the Common Area those areas not provided by such Landlord or lessee for common use. Common Area shall not include (a) the entryway to a tenant's premises, (b) any improvements installed by a tenant outside of its premises, whether with or without Landlord's knowledge or consent, or (c) any areas or facilities that could be considered as Common Area except that the areas or facilities are included in the description of premises leased to a tenant or are exclusively for the use of and are the responsibility of a tenant.

12.2. Maintenance and Use of Common Area.

The Common Area shall be maintained in the manner provided in the OEA. Tenant shall have the right to the nonexclusive use and occupancy of the Common Area (except those portions on which have been constructed or placed permanent or temporary kiosks, displays, carts and stands and except areas used in the maintenance or operation of the Shopping Center) in common with Landlord and other tenants of the Shopping Center and their customers and invitees, subject to such reasonable, non-discriminatory rules and regulations concerning the use of the Common Area as may be established by Landlord from time to time including, without limitation, the Rules and Regulations attached hereto as **Exhibit "F"** as the same may be amended from time to time. Landlord shall have the right to assign parking spaces for the exclusive use of individual tenants without the consent of Tenant. Written notice of such rules and regulations and amendments and supplements thereto, if any, shall be given to Tenant thirty (30) days prior to their effective date. Tenant shall promptly comply with all such rules and regulations upon receipt of written notice from Landlord. Tenant and Tenant's employees and agents shall not solicit business in the Common Areas, nor shall Tenant distribute any handbills or other advertising matter on automobiles parked in the Common Areas.

12.3. Control of and Changes to Common Area.

Landlord shall have the right to make reasonable changes to the Common Area. Provided Tenant's use of and access to the Premises is not unreasonably interfered with, such rights of Landlord shall include, without limitation, the right to (a) restrain the use of the Common Area by unauthorized persons, (b) cause Tenant to remove or restrain persons

from any unauthorized use of the Common Area if they are using the Common Area by reason of Tenant's presence in the Shopping Center, (c) utilize from time to time any portion of the Common Area for promotional, entertainment and related matters, (d) place permanent or temporary kiosks, displays, carts and stands in the Common Area and to lease same to tenants, (e) temporarily close any portion of the Common Area for repairs, improvements or alterations, to discourage non-customer use, to prevent dedication or an easement by prescription, or for any other reasons deemed sufficient in Landlord's reasonable judgment, (f) subdivide all or portions of the Landlord Parcel (including the Common Area), sell or lease the lots or parcels so created and subject the Landlord Parcel to reciprocal easements and operating agreements with such Landlords or tenants, (g) determine the nature, size and extent of the Common Area and whether portions of the same shall be surface, underground or multiple-deck; and (h) reasonably change the shape and size of the Common Area, add, eliminate or change the location of improvements to the Common Area, including, without limitation, buildings, lighting, parking areas, roadways and curb cuts, and construct buildings on the Common Area.

12.4. After-Hours Common Area Lighting.

If Tenant requires lighting of the Common Area adjacent to the Building after 11:00 p.m. ("**Excess Lighting**"), Tenant shall deliver written notice to Landlord setting forth the hours after 11:00 p.m. for which Tenant is requesting lighting. If Tenant requests Excess Lighting, Landlord shall use commercially reasonable efforts to provide the requested Excess Lighting, provided that Tenant shall pay all costs and expenses associated with the Excess Lighting. If other tenants or occupants of the Landlord's Parcel request Excess Lighting, each tenant and occupant requesting Excess Lighting shall pay a pro rata share of the costs and expenses of the Excess Lighting.

12.5. Parking.

Tenant and its employees shall park their vehicles only in those portions of the Common Area from time to time designated for such purpose by Landlord. Further, Landlord shall have the right to adopt and implement such parking programs as may be necessary to alleviate parking problems during peak traffic periods, including requiring the use of offsite parking by Tenant and its employees, vendors, agents and contractors. Tenant shall furnish Landlord with a list of its employees and the license numbers of their vehicles within fifteen (15) days after Tenant opens for business in the Premises. Tenant shall be responsible for ensuring that its employees comply with all the provisions of this section and such other parking rules and regulations as may be adopted and implemented by Landlord from time to time including, but not limited to, systems of validation, shuttle transportation or any other programs which may be deemed reasonably necessary or appropriate by Landlord to control, regulate or assist parking by customers of the Shopping Center.

ARTICLE XIII UTILITIES

Tenant shall be solely responsible for and shall promptly pay all charges for heat, water, gas, electricity, telephone and any other utility used, consumed or provided in, or furnished, or attributable to the Premises at the rates charged by the supplying utility companies. Should Landlord elect to supply any or all of such utilities, Tenant shall purchase and pay for the same as additional rent as apportioned by Landlord. The rate to be charged by Landlord to Tenant shall not exceed the rate charged Landlord by any supplying utility plus any expenses incurred by Landlord in connection with billing and supplying such utility service to Tenant. In no event shall Landlord be liable for any interruption or failure in the supply of any such utilities to the Premises, nor shall rent be abated as a result of any such interruption. Tenant shall reimburse Landlord within ten (10) days of billing for fixture charges and/or water tariffs, if applicable, which are charged by local utility companies. Landlord will notify Tenant of any such charges as soon as they become known. Any such charges will increase or decrease with current charges being charged Landlord by the local utility company, and will be due as additional rent.

ARTICLE XIV ALTERATIONS, SIGNS AND FIXTURES

14.1. Installation.

Without Landlord's prior written consent, Tenant shall not make or cause to be made any alterations, additions or improvements to the Premises (except Tenant's Work pursuant to the Construction Provisions), or install or cause to be installed any trade fixtures, floor covering, interior lighting, plumbing fixtures, exterior signs, shades or awnings, or make any changes to the store front of the Premises (collectively, "**Tenant Alterations**," and individually, a "**Tenant Alteration**"). Landlord may condition its consent upon Tenant's agreement to either leave or to remove the alteration, additions and improvements upon the expiration or earlier termination of this Lease. Tenant shall present Landlord with plans and specifications for any Tenant Alteration concurrently with the request for approval. In any event, Tenant shall remove its signs and repair any damage to the Premises caused thereby upon the expiration or earlier termination of this Lease.

14.2. Removal by Tenant.

All alterations, decorations, fixtures, additions and improvements made by the Tenant, or made by Landlord on Tenant's behalf by agreement under this Lease, whether temporary or permanent in character, and whether or not affixed to the Premises shall be the property of Tenant (or the City of Compton) until the expiration or earlier termination of this Lease.

14.3. Liens.

Tenant and Landlord shall keep the Premises free of any kinds of liens arising out of work performed for or materials furnished to it, and shall promptly pay all contractors and materialmen used by it to improve the Premises so as to minimize the possibility of a lien attaching thereto. If required by Landlord, Tenant shall also provide security for the lien free completion of such work in the form of a bond or other security reasonably satisfactory to Landlord. Should any lien be made or filed, the applicable party shall bond against or discharge the same within twenty (20) days. Tenant shall indemnify, defend, protect and hold Landlord, the Premises and the Shopping Center and every part thereof free and harmless from and against any and all liability, damage, claims, demands, suits, actions or expense (including attorneys' fees) arising out of any work done or materials furnished with respect to the Premises by Tenant, its employees, representatives, successors, contractors, subcontractors, materialmen and assigns.

14.4. Signs, Awnings and Canopies.

Without Landlord's prior written consent, Tenant will not place or suffer to be placed or maintained on the roof or on any exterior door, wall or window of the Premises any sign, awning or canopy, nor any advertising matter on the glass of any window or door of the Premises or within 48" of any window. Tenant further shall maintain any permitted signs, awnings, canopies, decorations, lettering or advertising matter as may be approved in good condition and repair at all times. Subject to Landlord's prior written approval and compliance with (i) the sign criteria set forth on **Exhibit "G-1"** attached to this Lease ("**Sign Criteria**"), (ii) the requirements of applicable governmental authorities and (iii) the OEA, (collectively, the "**Sign Requirements**"), Tenant, at its sole cost and expense, may install on the Premises its standard corporate signage for its stores on the fascia of the Building- Tenant's signs shall be installed prior to Tenant's opening for business and shall thereafter be maintained by Tenant at its own expense.- If Tenant fails to maintain such sign, Landlord may do so and Tenant shall reimburse Landlord for such cost plus a twenty (20%) percent overhead fee. If, without Landlord's prior written consent, Tenant installs a sign that does not conform to Landlord's Sign Criteria, Landlord may have the Tenant's sign removed and stored at Tenant's expense. The removal and storage costs shall bear interest until paid at the Interest Rate. Landlord reserves the right to revise the Sign Criteria at any time as a result of any governmental requirement or Landlord's renovation of the Premises, the Building or Shopping Center. Within ninety (90) days of Landlord's request and provided that Tenant has been in occupancy of the Premises for at least five (5) years, Tenant shall remove Tenant's existing sign, patch the fascia, and install a new sign, at Tenant's sole cost and expense, in accordance with the Sign Requirements then in effect.

**ARTICLE XV
SURRENDER OF PREMISES**

At the expiration or earlier termination of this Lease, Tenant shall surrender the Premises in a first class, clean condition in accordance with the requirements of Section [14.1 and](#) 14.2 herein, reasonable wear and tear and damage by unavoidable casualty excepted, and shall surrender all keys for the Premises to Landlord at the place then fixed for the payment of rent and shall inform Landlord of all combinations on locks, safes and vaults, if any, in the Premises. Tenant shall remove all of its furnishings, equipment and trade fixtures, before surrendering the Premises to Landlord and shall repair any damage to the Premises caused thereby. Tenant shall provide Landlord with a written statement, obtained at Tenant's sole expense from a reputable company licensed and experienced in HVAC repair and maintenance and approved by Landlord, certifying that the HVAC equipment serving the Premises was inspected and serviced, if necessary, within the last thirty (30) days of the Term and is in good working order, subject to reasonable wear and tear.

**ARTICLE XVI
INSURANCE AND INDEMNITY**

16.1. Tenant Insurance-

During the Term, Tenant shall maintain at its own expense in full force and effect the following insurance policies:

(a) A policy of Commercial General Liability Insurance covering the insured against claims of bodily injury, personal injury and property damage (including loss of use thereof) on or about the Premises, and insuring contractual liabilities (including performance by Tenant of its indemnity agreements under this Lease), with a Broad Form endorsement naming Landlord, Landlord's managing agent and any mortgagee of the Premises and any other party in interest designated by Landlord as additional insureds, with a minimum combined single limit of at least Five Million Dollars (\$5,000,000.00) per occurrence. Such liability limit will be increased from time to time if Landlord's insurance advisor reasonably determines that a higher limit is customary for similar uses. Such policy shall be on an occurrence (and not on a claims-made) basis, and shall not have an aggregate liability limit unless approved in writing by Landlord;

(b) "All risk" extended coverage property insurance protecting against fire, theft, vandalism, malicious mischief, plate glass, sprinkler leakage and water damage of any type, and such additional perils as now are or hereafter may be included in a standard extended coverage endorsement together with Special Form property damage insurance, insuring Tenant's merchandise, trade fixtures, furnishings, equipment and all items of Tenant's personal property or trade fixtures located in, on or about the Premises. The amount of such insurance will be set forth in an "agreed value endorsement" to the policy of such insurance but shall be not less than one hundred percent (100%) of the full replacement value thereof as the same may exist from time to time, without deduction for depreciation, and with a commercially reasonable deductible amount;

- (c) Employer liability insurance in the amount of One Million Dollars (\$1,000,000) for each accident for bodily injury, One Million Dollars (\$1,000,000) policy limit for bodily injury by disease and One Million Dollars (\$1,000,000) per employee for bodily injury by disease-;
- (d) Automobile liability insurance for owned, hired and non-owned automobiles, the limits of liability of which shall not be less than One Million Dollars (\$1,000,000) combined single limit per accident for bodily injury and property damage-;
- (e) Workers' compensation coverage as required by law;
- (f) With respect to alterations, improvements and the like required or permitted to be made by Tenant under this Lease and builder's risk insurance or course of construction insurance in amounts reasonably satisfactory to Landlord;
- (g) Any other form or forms of insurance as Tenant or Landlord or the mortgagees of Landlord may reasonably require from time to time, in form, amounts and for insurance risks against which a prudent tenant would protect itself.

Each of Tenant's insurance policies required hereinabove shall name Landlord, and any person, firms, or corporations designated by Landlord, as additional insureds. Such persons or entities shall not, by reason of their inclusion under any such policy, incur liability for payment of any premium. All such public liability and property damage policies shall contain a provision that Landlord, although named as an insured, shall nevertheless be entitled to recover under said policies for any loss occasioned to Landlord and the Landlord Parties by reason of Tenant's acts or omissions. Tenant's insurance policies shall contain a clause that insurer will not cancel or change coverage without first giving Landlord at least thirty (30) days prior written notice. All insurance required hereunder shall be issued in form acceptable to Landlord by an insurance company or companies approved by Landlord, licensed to do business in California and having a general policyholder's rating of not less than A- and a financial rating of class VIII or better as rated in the most current available "Best's Key Rating Guide." A copy of the policy or certificate of insurance (and of all endorsements to it) shall be delivered to Landlord on the date of Landlord's delivery of possession of the Premises to Tenant and thereafter within thirty (30) days prior to the expiration of each such policy. Tenant agrees to permit Landlord at all reasonable times to inspect the policies of insurance of Tenant covering risks upon the Premises for which policies or copies thereof are not delivered to Landlord. All public liability, property damage and other casualty policies shall be written as primary policies, not contributing with and not in excess of coverage which Landlord may carry. No policy required to be maintained by Tenant under this Section shall have a deductible in excess of \$1,000 without Landlord's prior written consent. If Tenant fails to maintain any insurance required under this Section, Landlord may itself maintain such insurance and charge the cost of it to Tenant as additional rent. Such amount shall be due and owing within ten (10) days following written request for the amount and shall bear interest at the Interest Rate until paid. Landlord makes no representation or warranty to Tenant that the amount of insurance to be carried by Tenant under the terms of this Lease is adequate to fully protect Tenant's interests and Tenant assumes full responsibility to confirm the adequacy of its insurance coverage.

16.2. Landlord Insurance.

Landlord shall maintain fire with extended coverage insurance with a vandalism and malicious mischief endorsement, and rental loss insurance. Landlord may also carry other insurance coverages deemed necessary by Landlord or Landlord's lender (collectively "**Landlord Carried Insurance**") throughout the Term, which insurance coverages shall be in amounts from time to time deemed reasonably necessary by Landlord or Landlord's lender. The Landlord Carried Insurance may be obtained through a blanket policy or other form of pooled insurance coverage covering not only the Developer Tract, but other property owned by Landlord or its affiliates. The fire and extended coverage insurance shall be in an amount equal to at least ninety (90%) percent of the replacement value (exclusive of foundation and excavation costs) of the Premises, the Building and other improvements within the Developer Tract and shall include loss of rents coverage for up to twelve (12) months.

16.3. Indemnification of Landlord.

Tenant will indemnify, protect, defend and save Landlord harmless from and against any and all claims, demands, actions, damages, losses, liabilities, costs and expenses (including reasonable attorneys' fees and costs of investigation with respect to any claim, demand or action) in connection with loss of life, bodily injury, personal injury and/or damage to property arising from or connected with the conduct or management of the business conducted by Tenant on the Premises, or the occupancy or use by Tenant of the Premises or any part of it, or from any breach or default on the part of Tenant in the performance of any covenant or agreement on the part of Tenant to be performed pursuant to this Lease, or from violations of or noncompliance with any governmental requirements or insurance requirements, or from any acts or omissions of Tenant or any person on the Premises by license or invitation of Tenant or occupying the Premises or any part thereof under Tenant, whether such injury occurs in, on or about the Premises or the Common Area. In case Landlord shall be made a party to any litigation commenced by or against Tenant, Tenant shall accept any tender of defense by Landlord and shall, notwithstanding any allegations of negligence or willful misconduct on the part of Landlord, its agents or employees, defend Landlord and protect and hold Landlord harmless and pay all costs, expenses and reasonable attorneys' fees incurred or paid by Landlord in connection with such litigation; provided, however, Tenant shall not be liable for any such injury or damage to the extent and in the proportion such injury or damage is ultimately determined to be attributable to the sole, active negligence or misconduct of Landlord, its agents or employees, unless covered by insurance required to be carried by Tenant. Landlord may, at its option, require Tenant to assume Landlord's defense in any action covered by this section through counsel satisfactory to Landlord.

16.4. Waiver of Subrogation.

Provided that their respective policies of insurance are not invalidated thereby, each party hereby waives (a) its rights of recovery against the other party, its successors, assigns, directors, agents and representatives in connection with any loss or damage caused to the insured's property and covered by any property insurance policies of the insured, and (b) on behalf of its carriers, any right of subrogation it may have against the other. Each party shall notify its carrier of the waiver contained herein and shall obtain, if required by their respective insurers, any special endorsements required by such insurers to evidence compliance with the foregoing waiver.

16.5. Waiver of Loss and Damage.

Except to the extent such matter is not covered by the insurance required to be maintained by Tenant under this Lease and notwithstanding Landlord's active or passive negligence or breach of this Lease, neither Landlord nor Landlord's property manager shall be liable to Tenant, Tenant's employees, agents or invitees for: (i) any damage to property of Tenant, or of others, located in, on or about the Premises, nor for (ii) the loss of or damage to any property of Tenant or of others by theft or otherwise, (iii) any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain or leaks from any part of the Premises or from the pipes, appliance of plumbing works or from the roof, street or subsurface or from any other places or by dampness or by any other cause of whatsoever nature, or (iv) any such damage caused by other tenants or persons in the Premises, occupants of adjacent property of the Shopping Center, or the public, or caused by operations in construction of any private, public or quasi-public work. The foregoing shall not be construed to relieve Landlord of liability for Landlord's gross negligence or willful misconduct. Landlord shall not in any event be liable for any consequential damages or loss of business or profits and Tenant hereby waives any and all claims for any such damages. All property of Tenant kept or stored on the Premises shall be so kept or stored at the sole risk of Tenant and Tenant shall hold Landlord harmless from any claims arising out of damage to the same, including subrogation claims by Tenant's insurance carriers, unless such damage shall be caused by the negligence or willful misconduct of Landlord.

16.6. Notice by Tenant.

Tenant shall use good faith efforts to give immediate notice to Landlord of any material damage to or material defects in the Premises, the Building or any fixtures or equipment therein of which Tenant becomes aware.

16.7. Survival; No Release of Insurers.

Tenant's indemnification obligations under this Lease shall survive the expiration or earlier termination of this Lease. Tenant's covenants, agreements and indemnification in Sections 16.1 and 16.5 are not intended to and shall not relieve any insurance carrier of its obligations under policies required to be carried by Tenant pursuant to the provisions of this Lease.

ARTICLE XVII
ESTOPPEL CERTIFICATE, ATTORNMEN, SUBORDINATION,
MORTGAGEE PROTECTION

17.1. Estoppel Certificate.

Within ten (10) business days after Landlord's written request, in connection with any sale, assignment, hypothecation or other transfer of Landlord's interest in this Lease, the Premises, the Building or the Developer Tract, Tenant shall deliver in recordable form a certificate or tenant estoppel letter to any proposed mortgagee, purchaser, or other transferee, or to Landlord, certifying to the extent true that this Lease is in full force and effect, that to Tenant's knowledge there does not exist nor has there existed during the period of Tenant's tenancy any toxic materials or hazardous waste in, on or about the Premises, the amount of rent paid in advance, that a true and correct copy of the Lease and all amendments thereto are attached to the certificate or tenant estoppel letter, and that there are no defenses or offsets thereto, or stating those claimed by Tenant, and such other items as may be reasonably requested. If Tenant fails to deliver such certificate or tenant estoppel letter within such ten (10) business day period, Tenant hereby irrevocably appoints Landlord as Tenant's attorney-in-fact for the purpose of completing, executing and delivering the same on behalf of Tenant.

17.2. Attornment and Nondisturbance.

If any proceedings are brought for the foreclosure of, or in the event of exercise of the power of sale under, any mortgage, deed of trust or other encumbrance made by Landlord covering the Premises, Tenant shall attorn to the purchaser or mortgagee upon any such foreclosure sale or transfer in lieu of foreclosure sale and recognize such purchaser or mortgagee as the Landlord under this Lease, provided that any such purchaser or mortgagee shall recognize this Lease as remaining in full force and effect so long as Tenant is not in default hereunder.

17.3. Subordination.

This Lease, at Landlord's option, shall be subject and subordinate to the lien of any mortgages or trust deeds or the lien resulting from any other method of financing or refinancing, now or hereafter in force against the land and buildings of which the Premises are a part or upon any buildings hereafter placed upon the land of which the Premises are a part, and to all advances made or hereafter to be made upon the security thereof, provided that the holder thereof agrees in a recorded agreement that is binding on the holder and its successors and any person or entity

acquiring title by foreclosure or deed in lieu thereof not to disturb Tenant and to perform Landlord's obligations under this Lease arising after the date it acquires title to the Premises provided Tenant is not in default after any applicable cure period and provided further, that Tenant attorns to the entity acquiring title after receipt of a copy of the deed transferring title. This section shall be self-operative and no further instrument of subordination shall be required unless requested by Landlord. Tenant will execute such additional reasonable subordination agreements from time to time within twenty (20) days following written request therefor by Landlord. However, if Landlord so elects, this Lease shall be deemed senior in priority to any mortgage, deed of trust or other encumbrance upon or including the Premises, regardless of date of recording and Tenant will execute a statement in writing to such effect at Landlord's request. If Tenant fails to deliver any required agreement under this Section within such twenty (20) day period, Tenant irrevocably appoints Landlord as Tenant's attorney-in-fact for the purpose of executing and delivering the same on behalf of Tenant.

17.4. Mortgagee Protection Clause.

Tenant shall give any mortgagees and/or trust deed holders, by registered mail, a copy of any notice of default served by Tenant upon Landlord, provided that prior to such notice Tenant has been notified in writing (by way of notice of assignment of lease, or otherwise) of the addresses of such mortgagees and/or trust deed holders. Tenant further agrees that if Landlord shall have failed to cure such default within the time provided for in this Lease, then the mortgagees and/or trust deed holders shall have an additional thirty (30) days within which to cure such default, or if such default cannot be cured within that time, then such additional time as may be necessary, provided such mortgagees and/or trust deed holders commence such cure within thirty (30) days and diligently pursue the remedies necessary to cure such default (including, but not limited to, commencement of foreclosure proceedings, if necessary to effect such cure), in which event this Lease shall not be terminated while such remedies are being so diligently pursued. Tenant shall not unreasonably withhold its consent to changes or amendments to this Lease requested by the holder of any mortgage or deed of trust covering Landlord's interest in the Premises so long as such changes do not materially alter the economic terms of this Lease or otherwise materially diminish the rights or materially increase the obligations of Tenant under this Lease.

ARTICLE XVIII ASSIGNMENT AND SUBLETTING

18.1. Assignment and Subletting.

Except as expressly permitted under Section 18.2, Tenant will not assign this Lease in whole or in part, nor sublet all or any part of the Premises, without the prior written consent of Landlord, which consent Landlord shall not unreasonably withhold. Without in any way limiting Landlord's right to reasonably refuse to give consent, it shall not be unreasonable for Landlord to withhold its consent to any requested assignment or subletting if in Landlord's reasonable business judgment:

- (a) The quality of the operation of the proposed assignee or subtenant is not equal to that of the Tenant;
- (b) The financial strength of the proposed assignee or subtenant, both in terms of net worth and in terms of reasonably anticipated cash flow over the Lease Term, is materially less than Tenant's financial strength at the time this Lease was signed or at the time of such assignment or sublease, whichever is greater, or is insufficient, based on generally accepted industry standards, to capitalize the business to be conducted in the Premises;
- (c) The proposed assignee or subtenant does not, in Landlord's reasonable judgment, have sufficient business experience (including substantial experience in comparable retail centers) to successfully operate a retail establishment in the Premises in the manner contemplated in this Lease;
- (d) The business of the proposed assignee or subtenant is substantially similar to the business of another tenant currently leasing a portion of the Shopping Center, conflicts with the permitted uses set forth in this Lease, would violate the rights of another tenant of the Shopping Center (or a prospective tenant of the Developer Tract with which Landlord is then negotiating), or would violate applicable law, the OEA or other matters of record;
- (e) The business of the proposed assignee or subtenant is not, in Landlord's reasonable judgment, a business that is likely to attract patrons to the Shopping Center, based on the demographics and clientele of the Shopping Center, or the business or reputation of the proposed assignee or subtenant is inconsistent with the image of the Shopping Center;
- (f) The proposed assignee or subtenant intends to make substantial alterations to the Premises which would result in a period of non-operation in excess of six (6) months; or
- (g) The proposed assignee or subtenant is currently a tenant of the Shopping Center.

Any proposed assignee or subtenant approved by Landlord shall be deemed a **"Permitted Business."**

The consent by Landlord to any assignment or subletting shall not constitute a waiver of the necessity for obtaining Landlord's consent to any subsequent assignment or subletting. This prohibition against assigning or subletting shall be construed to include a prohibition against any assignment or subletting by operation of law. If this Lease is assigned by Tenant, or if the Premises or any part thereof is sublet or occupied by any person or entity other than Tenant, Landlord may collect rent from the assignee, subtenant or occupant, and apply the net amount collected to the rent herein reserved, but no such assignment, subletting, occupancy or collection shall be deemed a waiver on the part of Landlord, or the acceptance of the assignee, subtenant or occupant as tenant, or a release of Tenant from the

further performance by Tenant of covenants on the part of Tenant herein contained unless expressly made in writing by Landlord. Irrespective of any assignment or sublease, Tenant shall remain fully liable under this Lease and shall not be released from performing any of the terms, covenants and conditions of this Lease. Any assignment or sublease made by Tenant without Landlord's written consent shall be voidable at Landlord's election. If Tenant assigns this Lease or sublets the Premises or any portion thereof as permitted herein or as consented to by Landlord, any rent or additional rent paid to Tenant by such assignee or subtenant which exceeds the rent payable by Tenant to Landlord as set forth in this Lease (which total rent shall be reasonably allocated by Landlord if less than all of the Premises is assigned or sublet) shall be retained by Tenant.

If Tenant is a corporation, limited liability company, unincorporated association or partnership, the transfer, assignment or hypothecation of any stock or interest in such entity in the aggregate of fifty percent (50%) or more shall be deemed an assignment within the meaning and provisions of this Section 18.1.

Tenant shall pay Landlord a non-refundable processing fee of \$1,500.00 for each requested assignment or sublease for which Landlord's consent is required to cover Landlord's costs. This fee shall accompany any request for assignment or sublease. In addition, Tenant shall pay all costs reasonably incurred by Landlord in connection with reviewing a request to consent to an assignment or sublease, including Landlord's reasonable attorneys' and accountants' fees.

Tenant shall remain fully liable under this Lease and shall not be released from performing any of the terms, covenants and conditions of this Lease.

18.2. Permitted Assignments and Sublettings.

Tenant may, upon written notice to Landlord, assign this Lease to the City of Compton ("City"), and the City may thereafter assign this Lease or sublet the Premises [to the Los Angeles County Sheriff's Department](#); however, the Community Redevelopment Agency of the City of Compton ("Agency") shall continue to make all rental payments under this Lease and shall make the payments required under Section 4.4, and shall otherwise remain liable under this Lease (except that the Agency shall not be obligated to pay for normal maintenance or operation of the Premises).

18.3. Tenant's Request.

If Tenant desires to make an assignment or sublease not expressly permitted under Section 18.2, Tenant shall submit a written request therefor to Landlord which shall state (a) the name of the proposed assignee or subtenant, (b) the nature of the assignee's or subtenant's business to be carried on in the Premises, and (c) the terms and conditions of the proposed assignment or sublease. Tenant shall provide such financial information regarding the proposed assignee or sublessee as Landlord may request. Any assignment or sublease, if approved by Landlord, shall be pursuant to a written document approved by Landlord, and Landlord shall receive an original or copy of such fully executed document.

18.4. Other Prohibited Transfers.

Tenant shall not grant any concession or right of use or occupancy to all or any part of the Premises (other than an assignment or sublease under Section 18.1 or 18.2), nor shall Tenant encumber, hypothecate, or assign this Lease as security for an obligation or indebtedness, or grant any other form of security interest in this Lease, without Landlord's prior written consent which may be withheld in Landlord's sole, absolute and arbitrary discretion. Any such concession, right or security interest made by Tenant without Landlord's written consent shall be null and void. [If Tenant selects or appoints some person or entity other than Tenant to manage and control the business conducted in the Premises and the result thereof is substantially similar to the result of a sublease or assignment, then such selection or appointment shall be deemed an assignment within the meaning and provisions of this Article.](#)

18.5. Sale of Premises.

If Landlord sells, conveys, transfers or exchanges the Premises, the Developer Tract or the Building, Landlord shall disclose this Lease to the transferee or buyer and Tenant shall recognize and attorn to the purchaser, or transferee, as the Landlord under this Lease and Landlord shall be and is hereby relieved and released from any liability under any and all of its covenants and obligations under the Lease arising out of any act, occurrence or event which occurs after such sale, conveyance, transfer or exchange.

**ARTICLE XIX
DESTRUCTION**

19.1. Total or Partial Destruction of Premises.

If the Premises are damaged by fire, the elements or other casualty insured against under the provisions of Section 16.2 but are not thereby rendered untenable in whole or in part, Landlord shall cause such damage to be repaired as soon as reasonably practical (subject to Landlord's being able to obtain all necessary permits and approvals for such repair), and any rent or other charges payable under this Lease shall not be abated. Tenant shall be responsible for the prompt and reasonable repair and restoration of its furniture, fixtures and equipment in the Premises damaged by such event. If the Premises are damaged by fire, the elements or other casualty insured against under the provisions of Section 16.2 but are rendered untenable only in part, Landlord shall repair the damage as soon as reasonably practical (subject to Landlord's being able to obtain all necessary permits and approvals for such repair), and the Minimum Rent shall be abated [to the extent of proceeds Landlord receives from rental loss insurance carried by Landlord](#). If the Premises are damaged by fire, the elements or other casualty insured

against under the provisions of Section 16.2 rendered but are rendered wholly untenable, Landlord shall repair the damage as soon as reasonably practical (subject to Landlord's being able to obtain all necessary permits and approvals for such repair), and Minimum Rent shall be abated. If Landlord elects not to reconstruct the Premises, this Lease shall terminate as of the date of said damage and the rent shall be adjusted as of such date. If the Premises are damaged as a result of casualty not covered by insurance required to be maintained under this Lease, or are damaged during the last twelve (12) months of the Term, Landlord, within sixty (60) days following the date of such damage, may commence such repair or reconstruction work or may elect to terminate this Lease on the expiration of sixty (60) days following delivery of written notice to Tenant of Landlord's election not to repair or restore such damage.

19.2. Proceeds.

All proceeds from the insurance required under Section 16.2 shall be delivered to and constitute the property of Landlord and the proceeds of all property insurance covering Tenant's leasehold improvements which would constitute the property of Landlord upon termination of the Lease shall also be paid to Landlord. Unless Landlord elects to terminate this Lease in accordance with Section 19.1 or 19.2 above, Landlord shall apply its insurance proceeds toward reconstruction of the Premises. Tenant shall be entitled to retain the proceeds of its insurance carried pursuant to Section 16.1 covering its trade fixtures, merchandise, signs and other personal property which it would be entitled to remove upon the expiration of the Lease.

19.3. Partial Destruction of Developer Tract.

If fifty (50%) percent or more of the rentable area of the Developer Tract is damaged or destroyed by fire or other casualty, notwithstanding that the Premises may be unaffected by such fire or other casualty, and Landlord desires to terminate this Lease in order to re-develop the Developer Tract with a new retail facility, then Landlord shall have the right, by written notice delivered to Tenant within sixty (60) days from and after said occurrence, to terminate this Lease if Landlord agrees not to unreasonably withhold its consent to Tenant's leasing comparable premises in the new retail facility.. Upon the giving of such notice and agreement to Tenant, the Term shall expire upon the tenth (10th) day after such notice and agreement is given, and Tenant shall vacate the Premises and surrender the same to Landlord in the condition required pursuant to Article XV.

19.4. Waiver of Termination.

Tenant hereby waives any statutory rights which it may have to terminate the Lease in the event of the partial or total destruction of the Premises, Building or Shopping Center, including, without limitation, Sections 1932(2) and 1933(4) of the California Civil Code, it being agreed that the provisions of this Article XX shall control in the event of any damage or destruction.

ARTICLE XX EMINENT DOMAIN

20.1. Total Condemnation of Premises.

If the whole of the Premises shall be taken by eminent domain, then the Term shall cease and terminate as of the date possession of title is given to such condemning authority in such proceeding and all rent shall be paid up to that date.

20.2. Total Condemnation of Parking Area.

If the entire portion of the Common Area used for parking in the Shopping Center ("**Parking Area**") shall be acquired for any public or quasi-public use or purpose or taken by eminent domain, the Term shall cease and terminate as of the date possession or title is given to such condemning authority in such proceeding unless Landlord provides other parking facilities substantially equal to the previously existing ratio between the Parking Area and the Premises within ninety (90) days from the date of such taking. If Landlord provides such other parking facilities, this Lease shall continue in full force and effect without abatement of rent or other charges.

20.3. Partial Condemnation of Premises.

If any part of the Premises are acquired or taken by eminent domain for any public or quasi-public use or purpose, and if such partial taking or condemnation renders the Premises unsuitable for the operation of Tenant's business, this Lease shall cease and terminate as of the date possession or title is given to such condemning authority in such proceeding. In the event of a partial taking or condemnation which is not extensive enough to render the Premises unsuitable for the operation of Tenant's business, Landlord shall promptly restore the Premises to a condition comparable to its condition at the time of such condemnation less the portion lost in the taking, this Lease shall continue in full force and effect and the Minimum Rent shall be equitably reduced based on the percentage of Floor Area of the Premises lost in the taking.

20.4. Partial Condemnation of Parking Area.

If any part of the Parking Area shall be acquired or condemned by eminent domain for any public or quasi-public use or purpose and if, as the result of such partial taking, the ratio of square feet of Parking Area to square feet of the sales Floor Area of the entire Shopping Center is reduced to a ratio below 2 to 1, Tenant may terminate this Lease, unless Landlord provides reasonable evidence of its ability to increase the parking ratio to a ratio equal to or in excess of 2 to 1 or Landlord can provide substitute parking either in or outside the Shopping Center, in which event this Lease shall be unaffected and remain in full force and effect as between the parties.

20.5. Allocation of Award.

Except as provided below, in the event of any condemnation or taking, whether whole or partial, Tenant shall not be entitled to any part of the award, as damages or otherwise, for such condemnation and Landlord shall receive the full amount of such award. Tenant expressly waives any right or claim to any part of the award, including the right or claim for the value of the unexpired portion of the Term or diminution in value of Tenant's leasehold interest, or for the value of any option to extend the Term or renew this Lease. Notwithstanding the foregoing, Tenant shall have the right, provided such award shall not diminish Landlord's award, to claim and recover from the condemning authority, but not from Landlord, such compensation as may be separately awarded or recoverable by Tenant in Tenant's own right on account of any and all damage to Tenant's business by reason of the condemnation and for or on account of any costs or loss to which Tenant might incur in removing Tenant's merchandise, furniture, fixtures and equipment from the Premises. Tenant hereby waives any rights it might otherwise have pursuant to Section 1265.130 of the California Code of Civil Procedure to terminate this Lease as a result of any condemnation action or proceeding in lieu thereof.

ARTICLE XXI
DEFAULT

21.1. Notice and Remedies.

If Tenant fails to pay rent or to perform any of Tenant's other obligations under this Lease, or any part thereof, when due or called for hereunder, Tenant shall have a period of fifteen (15) days after service of written notice by Landlord specifying the nature of Tenant's default within which to cure such defaults, provided that if the nature of a non-monetary default is such that it cannot be fully cured within said fifteen (15) day period, Tenant shall have such additional time as may be reasonably necessary to cure such default so long as Tenant commences such cure promptly after service of Landlord's notice and proceeds diligently at all times to complete such cure. Tenant agrees that a notice served in accordance with the provisions of this Section 21.1 shall be in lieu of, and not in addition to any notice required under applicable law including, without limitation, the provisions of California Code of Civil Procedure Section 1161 (or its successor). If Tenant fails to comply with the foregoing provisions (an "Event of Default"), Tenant shall be deemed to be in material breach of this Lease, and Landlord with or without further notice or demand may:

(a) Terminate Tenant's right to possession of the Premises because of such breach, and upon termination, recover from Tenant as damages (i) the worth at the time of award of any unpaid rent which had been earned at the time of termination, plus (ii) the worth at the time of award of the amount by which the unpaid rent which would have been due and payable after termination until the time of award exceeds the amount of such rent loss that Tenant proves could have been reasonably avoided, plus (iii) the worth at the time of award of the amount by which the unpaid rent for the balance of the Term after the time of award exceeds the amount of such rent loss that Tenant proves could be reasonably avoided, plus (iv) any other amounts necessary to compensate Landlord for all of the detriment proximately caused by Tenant's failure to perform Tenant's obligations under this Lease, or which in the ordinary course of things would be likely to result therefrom, including, without limitation, any costs or expenses incurred by Landlord (A) in retaking possession of the Premises, (B) in maintaining, repairing, preserving, restoring, replacing, cleaning, altering or rehabilitating the Premises or any portion thereof, including such acts for reletting to a new tenant or tenants, (C) for leasing commissions, or (D) for any other costs necessary or appropriate to relet the Premises, plus (v) at Landlord's election, such other amounts and remedies in addition to or in lieu of the foregoing as may be permitted from time to time by the laws of the State of California including, without limitation, the remedies provided by California Civil Code Section 1951.2, as amended or as superseded by any successor statute.

The "worth at the time of award" of the amounts referred to in subsections 21.1(a) (i) and (ii) above shall be computed by allowing interest at the maximum nonusurious rate permitted by law. The "worth at the time of award" of the amount referred to in subsection 21.1(a) (iii) shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus 1%. Tenant hereby waives redemption or relief from forfeiture under California Code of Civil Procedure Sections 1174 and 1179 or under any other present or future law, if Tenant is evicted or Landlord takes possession of the Premises by reason of any default of Tenant hereunder. No act by Landlord other than giving written notice thereof to Tenant shall terminate this Lease. Any act of maintenance or efforts to relet the Premises or the appointment of a receiver on Landlord's initiative to protect Landlord's interest under this Lease shall not constitute a termination of Tenant's right to possession; or

(b) Without waiving Landlord's right to terminate the Lease later, continue this Lease in full force and effect; and in that event (1) Landlord may enforce all rights and remedies under this Lease and under the provisions of Section 1951.4 of the California Civil Code, as amended or as superseded by any successor statute, including the right to recover the rent and all other charges due hereunder as such rent and other charges become due hereunder, and (2) Tenant may assign its interest in this Lease with Landlord's prior written consent, which shall not be unreasonably withheld, as provided in Section 18.1 herein; or

(c) With or without terminating this Lease, re-enter the Premises and remove all persons and property from the Premises. Such property may be removed and stored in a public warehouse or elsewhere at the cost of and for the account of Tenant. No re-entry or taking possession of the Premises by Landlord pursuant to this paragraph shall be construed as an election to terminate this Lease unless a written notice of such intention is given to Tenant.

21.2. Special Tenant Termination Rights; Default by Landlord.

Tenant may terminate this Lease upon written notice to Landlord in the event that certain [Substation Reimbursement Agreement](#) is terminated by the City of Compton or expires. Landlord may terminate this Lease in the event the [Substation Reimbursement Agreement](#) is terminated or expires. If this Lease is so terminated, Landlord shall promptly

refund to Tenant any prepaid rent theretofore paid by Tenant for the period after the date of termination and not yet paid to the City [under the Substation Reimbursement Agreement](#).

Landlord shall be deemed to be in default under this Lease only if Landlord fails to perform any of the covenants or conditions required on its part to be performed pursuant to this Lease, and such failure continues for a period of thirty (30) days after receipt of written notice specifying the nature and extent of such default in detail; provided, however, that if such default is of a nature that it cannot reasonably be cured within such thirty (30) day period, Landlord shall have such additional time as may be required to effect such cure provided Landlord commences the cure within such thirty (30) day period, in no event shall Tenant have the right to terminate this Lease as a result of Landlord's default and Tenant's remedies shall be limited to damages and/or an injunction.

21.3. Limitation on Tenant's Recourse.

Tenant's sole recourse under this Lease against Landlord is to the interest of Landlord in and to the Premises and any portion of the Shopping Center owned by Landlord. Tenant shall have no right to satisfy any judgment which it may have against Landlord from any other assets of Landlord or from any other assets of any partner, venturer or shareholder of Landlord. The provisions of this Section are not intended to limit the Tenant's right to seek injunctive relief or specific performance, or Tenant's right to claim the proceeds of insurance (if any) specifically maintained by Landlord for Tenant's benefit. The foregoing limitations shall also apply to any successor to Landlord's interest in the Premises.

21.4. Insolvency.

The occurrence of any of the following shall constitute a material, incurable breach which shall entitle Landlord to the remedies provided in Section 21.1 (and the cure periods provided below shall be in lieu of, and not in addition to, any cure periods provided in Section 21.1):

- (a) This Lease or the Premises or any part of the Premises are taken upon execution or by other process of law directed against Tenant, or are taken upon or subjected to any attachment by any creditor of Tenant or claimant against Tenant, and such attachment is not discharged within thirty (30) days after its levy;
- (b) Tenant or any guarantor of this Lease files a petition in bankruptcy or insolvency or for reorganization or arrangement under the bankruptcy laws of the United States or under any insolvency act of any state, or is dissolved, or makes an assignment for the benefit of creditors; or
- (c) Involuntary proceedings under any such bankruptcy laws or insolvency act or for the dissolution of Tenant or any guarantor of this Lease are instituted against Tenant or any guarantor of this Lease, or a receiver or trustee is appointed for all or substantially all of Tenant's property or the property of any guarantor of this Lease, and such proceedings are not dismissed or such receivership or trusteeship is not vacated within sixty (60) days after such institution or appointment.

21.5. Security Interest.

Tenant hereby grants to Landlord a lien and security interest on all property of Tenant now or hereafter placed in or upon the Premises including, but not limited to, all fixtures, machinery, equipment, furnishings and other articles of personal property, and all proceeds of the sale or other disposition of such property (collectively, the "**Collateral**") to secure the payment of all rent to be paid by Tenant pursuant to this Lease. Such lien and security interest shall be in addition to any landlord's lien provided by law. This Lease shall constitute a security agreement under the Commercial Code of the state so that Landlord shall have and may enforce a security interest in the Collateral. Tenant authorizes Landlord to execute and file such financing statements as may be necessary to perfect this security interest. Tenant shall execute as debtor and deliver such financing statement or statements and any further documents as Landlord may now or hereafter reasonably request to protect such security interest pursuant to such code. Landlord, as secured party, shall be entitled to all rights and remedies afforded as secured party under such code, which rights and remedies shall be in addition to Landlord's liens and rights provided by law or by the other terms and provisions of this Lease. At Landlord's sole discretion, Landlord may agree to subordinate its lien and security interest to the rights of any bona fide third party lender to which Tenant desires to grant a security interest in the Collateral, in which event Landlord will execute such instruments as are acceptable to Landlord to evidence such subordination.

ARTICLE XXII HOLDING OVER, SUCCESSORS

22.1. Holding Over.

Any holding over after the expiration of the Term, with the consent of the Landlord, express or implied, shall, in the absence of a written agreement providing otherwise, be construed to be a tenancy from month to month at a Minimum Rent equal to one hundred fifty percent (150%) of the Minimum Rent in effect upon the expiration of the Term and shall otherwise be on the terms and conditions of this Lease.

22.2. Successors.

All rights and liabilities herein given to, or imposed upon, the respective parties hereto shall extend to and bind the several respective heirs, executors, administrators, successors, and assigns of said parties; and if there shall be more than one party comprising Tenant, they shall all be bound jointly and severally by the terms, covenants and agreements herein. No rights, however, shall inure to the benefit of any assignee of Tenant unless the assignment of

such assignee has been approved by Landlord in writing as provided in Section 18.1 hereof or permitted by Section 18.2 hereof.

ARTICLE XXIII
QUIET ENJOYMENT

Provided an Event of Default by Tenant does not occur, Tenant shall peaceably and quietly hold and enjoy the Premises for the Term without unreasonable hindrance or interruption by Landlord or any other person or persons lawfully or equitably claiming by, through or under the Landlord, subject, nevertheless, to the terms and conditions of this Lease.

ARTICLE XXIV
MISCELLANEOUS

24.1. Waiver.

The waiver by either party of any breach of any term, covenant or condition of this Lease shall not be deemed to be a waiver of any other term, covenant or condition of this Lease or of any subsequent breach of the same term, covenant or condition. The subsequent acceptance of rent hereunder by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant or condition of this Lease, other than the failure of Tenant to pay the particular rental so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such rent. No covenant, term or condition of this Lease shall be deemed to have been waived by either party, unless such waiver is in writing by the waiving party.

24.2. Accord and Satisfaction.

No payment by Tenant or acceptance by Landlord of a lesser amount than the rent herein stipulated shall be deemed to be other than a partial payment of the rent herein stipulated, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as rent be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such rent or pursue any other remedy provided in this Lease.

24.3. Entire Agreement; Delegation of Authority to Executive Secretary.

This Lease, the Exhibits and Addenda, if any, attached to this Lease and forming a part of it, set forth all the representations, covenants, promises, agreements, conditions and understandings between Landlord and Tenant concerning the Premises, and there are no representations, covenants, promises, agreements, conditions or understandings, either oral or written, between them other than are set forth in this Lease. Except as otherwise provided in this Lease, no subsequent alteration, amendment, change or addition to this Lease shall be binding upon Landlord or Tenant unless reduced to writing and signed by both parties; provided, however, that Tenant hereby authorizes the Executive Secretary of Tenant to (i) give consents and approvals under this Lease on behalf of the City [CRA?]; (ii) execute amendments that do not materially increase the obligations or materially decrease the rights of Tenant hereunder; and (iii) execute estoppel certificates required hereunder.

24.4. No Partnership.

Landlord does not in any way or for any purpose become a partner of Tenant in the conduct of its business, or otherwise, or joint venturer or a member of a joint enterprise with Tenant by reason of this Lease.

24.5. Force Majeure Delays and Tenant Delays.

If either party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of acts of God, strikes, lock-outs, labor troubles, unavailability of materials, failure of power, governmental moratorium, riots, insurrection, war or other reason of a like nature not the fault of the party delaying in performing work or doing acts required under the terms of this Lease (but excluding delays due to financial inability) (herein collectively, "**Force Majeure Delays**"), then performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay so long as the delayed party delivers written notice describing the Force Majeure delay within five (5) days after the occurrence of the event, along with a description of the delay and the reasons for it. The provisions of this Section 24.5 shall not apply to nor operate to excuse Tenant from the payment of Minimum Rent, additional rent or any other payments strictly in accordance with the terms of this Lease.

As used in this Lease, "**Tenant Delays**" shall mean any delay in the completion of Landlord's Work resulting from any or all of the following: (a) Tenant's failure to timely perform any of its obligations pursuant to this Lease Agreement or the Construction Provisions attached to this Lease Agreement as **Exhibit "D,"** including any failure to complete, on or before the due date, any action item which is Tenant's responsibility pursuant to any schedule delivered by Landlord to Tenant pursuant to this Lease or the Construction Provisions; (b) Tenant's changes to the plans for Landlord's Work; (c) Tenant's request for materials, finishes, or installations which are not readily available or which are incompatible with the standards for the Building; (d) any delay of Tenant in making payment to Landlord for Tenant's share of any costs of the tenant improvements as described in the plans; or (e) any other act or failure to act by Tenant, Tenant's employees, agents, architects, independent contractors, consultants and/or any other person performing or required to perform services on behalf of Tenant.

24.6. Notices.

All notices given in connection with this Lease must be served (i) by personal delivery or overnight courier (such as Federal Express or Overnight Express); or (ii) by certified or registered mail as aforesaid, postage prepaid, and must be addressed to Tenant at the address specified in Section 1.13 and to Landlord at the address specified in Section 1.14, or at such other address as Landlord or Tenant may designate by written notice pursuant to this Section. Notices shall be deemed duly given (a) when personally delivered or on the date of first attempted delivery as shown on the return receipt if delivered personally or if delivered by overnight courier; or (b) forty-eight (48) hours after deposited in the United States registered or certified mail, return receipt request, postage prepaid.

24.7. Captions and Section Numbers.

The captions, section numbers and article numbers in this Lease are inserted only as a matter of convenience and in no way define, limit, construe, or describe the scope or intent of such sections or articles of this Lease nor in any way affect this Lease.

24.8. Partial Invalidity.

If any term, covenant or condition of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant or condition of this Lease shall be valid and enforceable to the fullest extent permitted by law.

24.9. No Option.

The submission of this Lease for examination does not constitute a reservation of or option for the Premises or any other space within the Shopping Center and shall vest no right in either party. This Lease shall become effective as a Lease only upon execution and legal delivery thereof by the parties, and the delivery by Tenant to Landlord of any documents and monies (if any) required to be delivered by Tenant to Landlord upon Tenant's execution and delivery of this Lease to Landlord. This Lease may be executed in more than one counterpart, and each such counterpart shall be deemed to be an original document.

24.10. Brokers.

Each Party represents and warrants to the other, that, to its knowledge, no broker, agent or finder (a) negotiated or was instrumental in negotiating or consummating this Lease on its behalf, and (b) is or might be entitled to a commission or compensation in connection with this Lease. Tenant shall indemnify, protect, defend (by counsel reasonably approved in writing by Landlord) and hold Landlord harmless from and against any and all claims, judgments, suits, causes of action, damages, losses, liabilities and expenses, including attorneys' fees and court costs, resulting from any breach by Tenant of the foregoing representation, including, without limitation, any claims that may be asserted against Landlord by any broker, agent or finder undisclosed by Tenant. Landlord shall indemnify, protect, defend (by counsel reasonably approved in writing by Tenant) and hold Tenant harmless from and against any and all claims, judgments, suits, causes of action, damages, losses, liabilities and expenses, including attorneys' fees and court costs, resulting from any breach by Landlord of the foregoing representation, including, without limitation, any claims that may be asserted against Tenant by any broker, agent or finder undisclosed by Landlord. The foregoing indemnities shall survive the expiration or earlier termination of this Lease.

24.11. Recording.

Tenant shall not record this Lease or a memorandum of it without the written consent of Landlord.

24.12. Legal Expenses.

If either Landlord or Tenant should institute any action or proceeding against the other with respect to this Lease, then all costs and expenses, including without limitation, actual professional fees and costs such as appraisers', accountants' and reasonable attorneys' fees and costs, incurred by the party which prevails in such action, whether by final judgment or out of court settlement, shall be paid by the other party, which obligation on the part of the other party shall be deemed to have accrued on the date of the commencement of such action and shall be enforceable whether or not the action is prosecuted to judgment. As used herein, reasonable attorneys' fees and costs shall include, without limitation, reasonable attorneys' fees, costs and expenses incurred in connection with any (i) post-judgment motions; (ii) contempt proceedings; (iii) garnishment, levy, and debtor and third party examination; (iv) discovery, including without limitation expert witnesses' fees and costs; and (v) bankruptcy litigation.

24.13. Rights Cumulative.

Except as provided otherwise in this Lease, the rights and remedies of Landlord specified in this Lease shall be cumulative and in addition to any other rights and remedies provided by law.

24.14. Authority.

If Tenant is a corporation, limited liability company or partnership, each individual executing this Lease on behalf of such entity represents or warrants that he or she is duly authorized to execute and deliver this Lease on behalf of such entity and that such entity shall be bound by all the terms and provisions hereof.

24.15. Time of the Essence.

Time is of the essence of each and every provision of this Lease except for delivery of possession of the Premises as set forth herein.

24.16. Lease Addenda and Exhibits.

This Lease contains the following Addenda and Exhibits which are attached hereto and incorporated herein by this reference:

- (a) Exhibits: Exhibit A -1 - Depiction of the Floor Plan of the Premises
- Exhibit "A-2" - Legal Description of the Property
- Exhibit "B" - Site Plan of the Shopping Center
- Exhibit "C-1" - Legal Description of the Developer Tract
- Exhibit "C-2" - Legal Description of the Target Tract
- Exhibit "C-3" - Legal Description of the Home Depot Tract
- Exhibit "D" - Construction Provisions
- Exhibit "E" - Non-Discrimination Requirements
- Exhibit "F" - Rules and Regulations
- Exhibit "G-1" - Sign Criteria

24.17. Tenant Defined, Use of Pronoun.

The word “Tenant” means the Community Redevelopment Agency of the City of Compton and any notice required or permitted by the terms of this Lease shall be given to the Community Redevelopment Agency of the City of Compton. The City of Compton, as assignee of the Community Redevelopment Agency of the City of Compton, shall be liable to the Landlord for the obligations of the Tenant under this Lease, as provided by applicable law.

IN WITNESS WHEREOF, Landlord and Tenant have executed this lease as of the day and year first above written.

LANDLORD: **PRISM-IQ PARTNERS, LLC,**
a California limited liability company

By: Prism Realty Corporation,
a California corporation
Its Managing Member

By: _____
Brook Morris, its President

TENANT: **COMMUNITY REDEVELOPMENT AGENCY OF THE**
CITY OF COMPTON, a public body, corporate and politic

By: _____
Charles Evans,
Executive Secretary

ATTEST:

CLERK OF THE AGENCY

APPROVED AS TO FORM:

Richards, Watson & Gershon,
Special Counsel to Tenant

By: _____
Bruce Galloway

EXHIBIT "A-1"
TO SHOPPING CENTER LEASE

DEPICTION OF THE FLOOR PLAN OF THE PREMISES

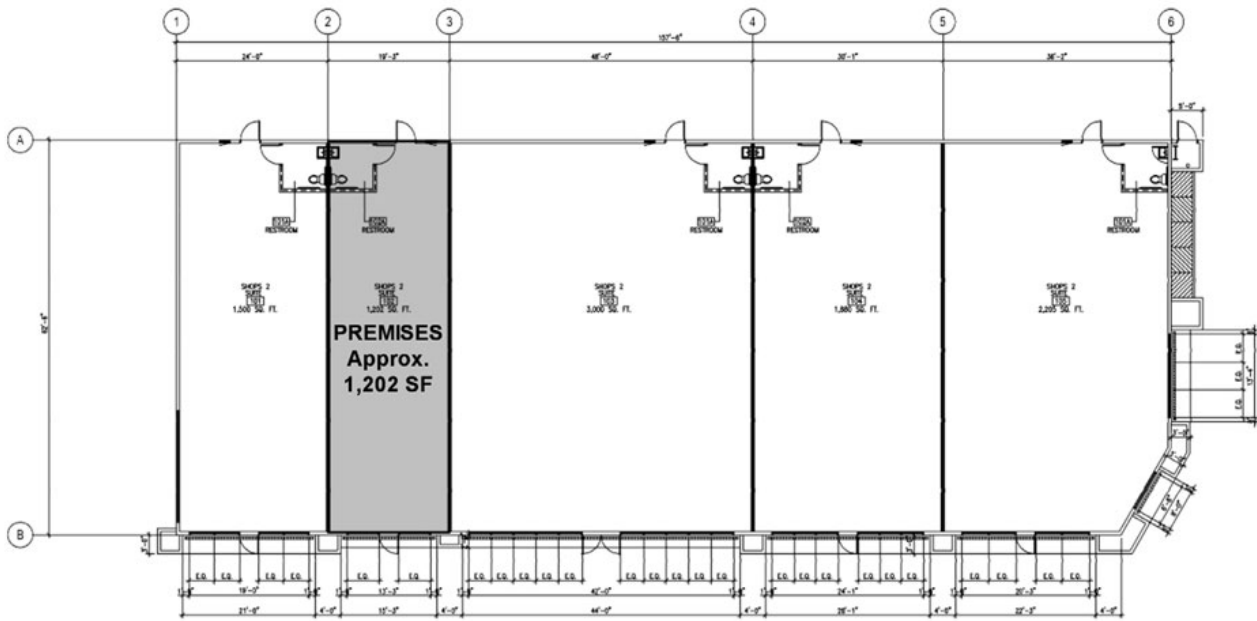


EXHIBIT “A-2”
TO SHOPPING CENTER LEASE

LEGAL DESCRIPTION OF THE PROPERTY

LOT 12 OF TRACT MAP NO. 061885, IN THE CITY OF COMPTON, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 1325, PAGES 50 TO 53, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXHIBIT "B"
TO SHOPPING CENTER LEASE
SITE PLAN

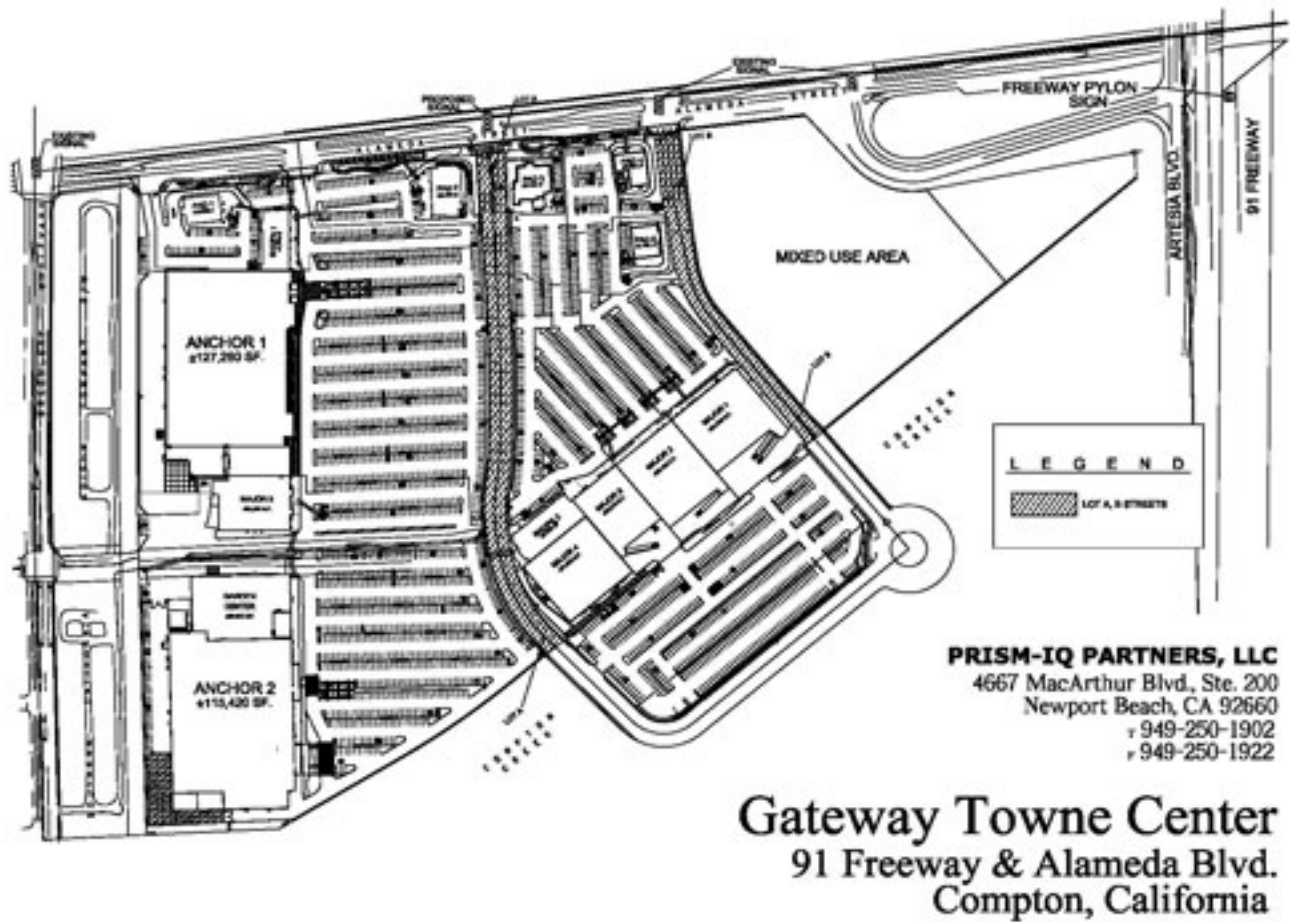


EXHIBIT “C-1”
TO SHOPPING CENTER LEASE

LEGAL DESCRIPTION OF THE DEVELOPER TRACT

LOTS 1 THROUGH 3, LOT 5, AND LOTS 7 THROUGH 13, AND LOT B OF TRACT MAP NO. 061885, IN THE CITY OF COMPTON, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 1325, PAGES 50 TO 53, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXHIBIT “C-2”

TO SHOPPING CENTER LEASE

LEGAL DESCRIPTION OF THE TARGET TRACT

LOT 4 OF TRACT MAP NO. 061885, IN THE CITY OF COMPTON, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 1325, PAGES 50 TO 53, INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXHIBIT “C-3”

TO SHOPPING CENTER LEASE

LEGAL DESCRIPTION OF THE HOME DEPOT TRACT

LOT 6 OF TRACT MAP NO. 061885, IN THE CITY OF COMPTON, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 1325, PAGES 50 TO 53, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXHIBIT "D"
TO SHOPPING CENTER LEASE
CONSTRUCTION PROVISIONS

[\(Attached.\)](#)

EXHIBIT "E"
TO SHOPPING CENTER LEASE

NON-DISCRIMINATION AND HIRING REQUIREMENTS

NON-DISCRIMINATION

In the construction of any improvements on the Premises provided for in the Lease:

- (a) No party will discriminate against any employee or applicant for employment because of race, color, creed, religion, sex, marital status, ancestry or national origin. Each party will take reasonable action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, marital status, ancestry or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
- (b) Each party will, in all solicitations or advertisements for employees placed by or on behalf of that party, state that all qualified applicants will receive consideration for employment without regard to race, color, creed, religion, sex, marital status, ancestry or national origin.
- (c) Each party will cause the foregoing provisions to be inserted in all contracts for any work covered by the document to which this Exhibit is attached, so that such provisions will be binding upon each contractor and subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

Tenant, as the "lessee" in this Lease, agrees as follows: "The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through him or her, that this lease is made and accepted upon and subject to the following conditions: That there be no discrimination against or segregation of any person or group of persons, on account of race, color, creed, religion, sex, marital status, ancestry or national origin in the leasing, subleasing, transferring, use or occupancy, tenure or enjoyment of the land herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, 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, sublessees, subtenants or vendees in the land herein leased."

EMPLOYMENT

At least seven (7) days prior to hiring employees for the initial opening of business operations on any portion of the Premises, Tenant or Tenant's permitted successors-in-interest on the Premises, as applicable, will provide to the Community Redevelopment Agency of the City of Compton at 205 South Willowbrook Avenue, Compton, CA 90220, a list of positions and hiring criteria and job requirements for potential employees. Agency and/or the City may then choose to post such information on its CareerLink service or provide to Tenant and permitted successors-in-interest, as applicable, a list of potential qualified applicants (i.e., those applicants meeting the stated hiring criteria). Tenant agrees to review and fairly consider for employment those qualified applicants. Nothing contained herein shall be deemed to require Tenant or any permitted successors-in-interest (including the Los Angeles County Sheriff's Department) to alter its standard hiring criteria and/or practices nor violate any Federal, state or local laws regarding discrimination with respect to any person.

EXHIBIT "F"
TO SHOPPING CENTER LEASE

RULES AND REGULATIONS

- | | |
|------------------|--|
| Trash | 1. All garbage and refuse shall be kept in the kind of containers specified by Landlord, and shall be placed outside of the Leased Premises prepared for collection in the manner and at the times and places specified by Landlord. If Landlord shall provide or designate a service for picking up refuse and garbage, Tenant shall use same at Tenant's cost. Tenant shall pay the costs of removal of any of Tenant's refuse or rubbish. Tenant shall not permit any dumping, disposing, incineration or reduction of garbage, except as set forth in these Rules and Regulations. |
| Deliveries | 2. All loading and unloading of goods and any other deliveries shall be done only at such times, in the areas, and through the entrances, designated, for such purposes by Landlord. |
| Noise | 3. No loud speakers, televisions, phonographs, radios, flashing lights, machinery or other devices shall be used in a manner so as be heard or seen outside of the Leased Premises without the prior written consent of Landlord, |
| Employee Parking | 4. Tenant and Tenant's employees shall park their cars only in those portions of the parking area designated for the purpose by Landlord. Landlord reserves the right to designate any area(s) of the Shopping Center regardless of proximity to the Leased Premises, for Tenant and employee parking. Tenant and employees shall not service or store any vehicles in the Common Areas. Within five (5) days after written notice from Landlord, Tenant shall furnish Landlord with automobile license numbers assigned to Tenant's car or cars, and cars of Tenant's employees, and shall thereafter notify Landlord of any changes within five (5) days after such changes occur. In the event that Tenant or its employees, fail to park their cars in designated parking areas as aforesaid, then Landlord at its option shall charge Tenant Ten Dollars (\$10.00) per day per car parked in any area other than those designated, as and for liquidated damages. |
| Extermination | 5. Tenant shall use, at Tenant's sole cost and expense, such pest extermination contractor as Landlord may direct and at such intervals as Landlord may require. |
| Sidewalks | 6. The outside sidewalk area immediately adjoining the Leased Premises shall be kept clean and free from dirt and rubbish by Tenant to the satisfaction of Landlord, and Tenant shall not place or permit any obstructions or merchandise in such areas. Tenant may not display, sell merchandise, allow grocery carts, portable sign, devices or any other object to be stored or to remain outside the defined exterior walls and permanent doorways of the Leased Premises. |
| Outside Displays | 7. Tenant shall not use any of the Shopping Center Common Areas for display and/or sale of merchandise without the express written approval of Landlord, which approval may be given or withheld in Landlord's sole discretion. Tenant shall keep its entrance doors and window glass clean and its display windows, if any, properly and invitingly trimmed. |
| Roof | 8. Tenant shall not affix anything to the roof of the Leased Premises and Shopping Center and shall not bore any holes through the roof for any purpose whatsoever. Tenant must receive Landlord's prior approval to access the roof for any purpose. |
| Lighting | 9. Tenant shall light its signs and its display windows, if any, each and every day of the Lease Term, during those hours designated by Landlord. Tenant shall maintain show windows in a neat and clean condition and no signs shall be posted on windows <u>except as agreed by Landlord.</u> |
| Awnings | 10. No awning or other projection shall be attached to the outside walls of the Leased Premises or the building of which they form a part. |

15.

Aerials Antennas	or	11.	No radio or television aerial or any other aerial shall be erected on the roof or exterior walls of the Leased Premises or the building of which they form a part, or on the Shopping Center grounds without, in each instance, the prior written consent of Landlord, which approval may be given or withheld in Landlord's sole discretion.
Going-Out-of-Business Sales		12.	No auction, fire, bankruptcy, going-out-of-business or distress sales shall be conducted on or about the Leased Premises without the prior written consent of Landlord, which may be withheld in Landlord's sole and absolute discretion.
Noxious Odors		13.	Tenant shall not carry on any trade or occupation or operate any instrument or apparatus or equipment, which emits an odor, which may be deemed offensive in nature.
Lodging		14.	No person shall use the Leased Premises as sleeping quarters, sleeping apartments or lodging rooms.
Common Area		15.	In connection with the use of the Common Area, no person shall, without the prior written consent of Landlord: a. vend, peddle or solicit orders for sale or distribution of any merchandise, device, service, periodical, book, pamphlet or other matter whatsoever; b. exhibit any sign, placard, banner, notice or other written material; c. distribute any circular, booklet, handbill, placard or other material; d. solicit membership in any organization, group or association or contribution for any purpose; e. parade, patrol, picket, demonstrate or engage in any conduct that might tend to interfere with or impede the use of any Common Area by any customer, business invitee or employee, create a disturbance, attract attention or [harass, annoy, disparage or be detrimental to the interest of] any of the retail establishments within the Shopping Center; f. use any Common Area for any purpose when none of the retail establishments within the Shopping Center is open for business or employment; and g. panhandle, beg or solicit funds.
Hours Operation	of	16.	<u>The City (as assignee of this Lease) shall cause its subtenant (the Los Angeles County Sheriff's Department) to staff and operate the substation in the Premises in accordance with the provisions of the Substation Reimbursement Agreement between the City and Landlord</u>

EXHIBIT “G-1”
TO SHOPPING CENTER LEASE
SHOPPING CENTER SIGN CRITERIA

15.

RESOLUTION SIGN-OFF FORM

DEPARTMENT: Community Redevelopment

RESOLUTION TITLE: AUTHORIZING A SHOPPING CENTER LEASE AGREEMENT BETWEEN THE COMMUNITY REDEVELOPMENT AGENCY AND PRISM-IQ PARTNERS, LLC., AND ASSIGNMENT OF THE LEASE TO THE CITY OF COMPTON PURSUANT TO A REIMBURSEMENT AGREEMENT BETWEEN THE CITY AND PRISM-IQ PARTNERS, LLC., IN CONNECTION WITH THE ESTABLISHMENT OF A SHERIFF SUBSTATION AT THE GATEWAY TOWNE CENTER SITE IN THE REDEVELOPMENT PROJECT AREA

<ManagersName>
DEPARTMENT MANAGER’S SIGNATURE

<ManagersDate>
DATE

REVIEW / APPROVAL

<LegalName>
CITY ATTORNEY

<LegalDate>
DATE

<ControllerName>
CITY CONTROLLER

<ControllerDate>
DATE

<BudgetName>
BUDGET OFFICER

<BudgetDate>
DATE

<CityManager>
CITY MANAGER

<CityManagerDate>
DATE

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

October 23, 2007

TO: MAYOR AND CITY COUNCIL

FROM: CITY ATTORNEY

SUBJECT: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COMPTON, CALIFORNIA, ADDING SECTION 9-24 TO CHAPTER IX OF THE COMPTON MUNICIPAL CODE PROHIBITING THE ESTABLISHMENT AND OPERATION OF MEDICAL MARIJUANA DISPENSARIES

SUMMARY

The attached ordinance adds sections 9-24, *et seq.*, “Medical Marijuana Dispensaries,” to the Compton Municipal Code.

BACKGROUND

Proposition 215

Proposition 215, the Compassionate Use Act of 1996, was approved by the California voters with the intent to “ensure seriously ill Californians the right to obtain and use marijuana for medical purposes where that medical use is deemed appropriate and has been recommended by a physician who has determined that the person’s health would benefit from the use of marijuana in the treatment of [specified illnesses].” This proposition was codified at California Health and Safety Code Section 11362.5. It allows for the personal possession and cultivation of marijuana for medical purposes, but does not provide a patient with absolute immunity from arrest. Instead, it provides limited immunity by allowing a patient to raise medical use as an affirmative defense to prosecution for possession and cultivation of marijuana.

Senate Bill 420 was signed into effect January 1, 2004 to clarify the scope of Proposition 215, and to allow cities and counties to adopt and enforce rules and regulations regarding the Act.

Problems with Proposition 215

Marijuana is still classified as a Schedule I substance under federal law; the Controlled Substances Act. Schedule I drugs, which include heroin and LSD, have a high potential for abuse and serve no legitimate medical purpose in the United States. The California Health and Safety Code also classified marijuana as a Schedule I drug. Moreover, it is highly unlikely that marijuana could pass the Food and Drug Administration's pure drug standards, given the number of crude chemicals, including carcinogens, contained in marijuana. Since marijuana is still a Schedule I drug and not approved by the FDA, Proposition 215 encourages citizens to violate federal law.

Marijuana may be obtained by patients through a variety of sources, since its point of origin remains unregulated. There are no government owned or operated marijuana cultivations, warehouses or retail outlets for medical marijuana in California. The law only designates a "qualified patient" or "primary caregiver" as those permitted to grow, obtain or possess medical marijuana. If a "qualified patient" or "primary caregiver" does not cultivate marijuana, it must be obtained illicitly either by the patient or caregiver or someone else who supplies it to them. Patients may also purchase marijuana through mail order or internet services. It may be obtained through a health care provider, a cannabis club, cooperative, or on the black market. There are dozens of medical marijuana dispensaries, cannabis clubs, collectives and cooperatives in Southern California.

The California Medical Marijuana Information report by the United States Department of Justice indicates large-scale traffickers have been posing as "caregivers" to obtain and sell marijuana. Local news has reported instances of marijuana being grown on public lands, such as the Cleveland, Angeles and Los Padres National Forests, and in homes in various suburbs.

Proposition 215 does not address the consumption of marijuana by minors. Although the age limit for smoking tobacco is 18 and 21 for the consumption of alcohol, there is no age restriction for marijuana consumption under the provisions of Proposition 215. There is a significant and growing problem with the use of marijuana by juvenile aged high school students. Marijuana is also considered a "gateway drug" to other "harder" drug use and is dangerous, psychologically addictive and has a high potential for abuse.

Recent Developments

Under the Federal Controlled Substances Law, there is no Compassionate Use Act. The United States Supreme Court addressed the issue of medical marijuana distribution by dispensaries in *United States v. Oakland Cannabis Buyers' Cooperative*, 532 U.S. 483 (2001) and ruled that there is no medical necessity defense under federal law. Thus, the distribution of marijuana through a dispensary remains illegal under federal law.

In addition, in *Gonzales v. Raich* 545 U.S. 1 (2005), the United States Supreme Court ruled that under the Commerce Clause of the United States Constitution, the federal government has the power to prohibit the local cultivation and use of marijuana, even though such cultivation and

Staff Report
Page 3 of 3

use complies with California law. While the Court did not invalidate California's medical marijuana laws, it found that the federal government could continue to enforce its marijuana laws.

Other Jurisdictions

According to the California League of Cities, as of September 2006, 141 cities surveyed have taken some action regarding medical marijuana dispensaries. Seventy-three cities have enacted moratoriums on these businesses allowing the city more time to study the issue. Twenty-eight cities have chosen to allow medical marijuana dispensaries and forty cities are prohibiting dispensaries in their community.

Impact on Compton

Early this year the City discovered that a business in the City, operating under the name Holistic Caregivers, was selling marijuana, despite the fact its business license was for retail herbs. The City refused to renew the business license. Holistic Caregivers filed a Petition for Writ of Mandate in Superior Court seeking to compel the City to issue a business license. At a recent hearing on the matter, the court sided with the City and stated that the Compassionate Use Act did not give Holistic Caregivers the right to sell marijuana and that the City had not abused its discretion in refusing to renew the business license. Holistic Caregivers' attorney has indicated it will appeal the court's decision.

In addition, to the civil case, the City has criminal matters on calendar with Holistic Caregivers for their continued operation of a business without a license and battery on a Code Enforcement Officer.

RECOMMENDATION

It is recommended that the City Council adopt this ordinance prohibiting the establishment and operation of medical marijuana dispensaries in the City of Compton.

LEGRAND H. CLEGG II
 CITY ATTORNEY

Legrand H. Clegg II
 City Attorney

Charles Evans
 City Manager

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COMPTON, CALIFORNIA, ADDING SECTION 9-24 TO CHAPTER IX OF THE COMPTON MUNICIPAL CODE PROHIBITING THE ESTABLISHMENT AND OPERATION OF MEDICAL MARIJUANA DISPENSARIES

WHEREAS, the People of the State of California approved Proposition 215, which was codified as California Health and Safety Code § 11362.5 and entitled the Compassionate Use Act of 1996 (“the Act”); and

WHEREAS, the Act prohibits the provisions of law making the possession or cultivation of marijuana unlawful from applying to a qualified patient, or to a patient’s primary caregiver, who possesses or cultivates marijuana for the personal medical use of the patient upon the recommendation of a physician and also prohibits the criminal prosecution or punishment of a physician for having recommended marijuana to a patient for medical purposes; and

WHEREAS, thereafter, the Legislature of the State of California enacted Senate Bill 420 (the “Medical Marijuana Program”), codified as California Health and Safety Code § 11362.7, *et seq.*, which requires the State Department of Health Services to establish and maintain a voluntary program for the issuance of identification cards to qualified patients and primary caregivers, and prohibits the arrest of a qualified patient or primary caregiver with a valid identification card for the possession, transportation, delivery, or cultivation of medical marijuana; and

WHEREAS, one purpose of the Act and the Medical Marijuana Program is “[t]o encourage the federal and state governments to implement a plan to provide for the safe and affordable distribution of marijuana to all patients in medical need of marijuana;” and

WHEREAS, neither the federal nor the state government has implemented a specific plan “to provide for the safe and affordable distribution of marijuana to all patients in medical need of marijuana,” leaving cities with a lack of direction about how the Act is intended to be implemented, particularly in regard to distribution for medical marijuana through dispensaries; and

WHEREAS, the Medical Marijuana Program provides additional statutory guidance for medical marijuana use and cultivation, but it does not explicitly address the role of dispensaries, nor does it require that cities provide for or allow the establishment and/or operation of medical marijuana dispensaries; and

WHEREAS, notwithstanding the passage of the Act and the Medical Marijuana Program, the possession, sale and distribution of marijuana is prohibited by the Controlled Substances Act, 21 U.S.C. § 841 and California Health and Safety Code § 11359; and

Ordinance No.

Page 2 of 5

WHEREAS, California state law does not provide for the sale or distribution of marijuana by Medical Marijuana Dispensaries to a primary caregiver, a qualified patient or a person with an identification card, as the terms are defined in California Health and Safety Code § 11362.7; and

WHEREAS, the Compton Municipal Code currently does not specifically provide for or restrict the existence or operation of Medical Marijuana Dispensaries in the City of Compton; and

WHEREAS, Medical Marijuana Dispensaries have been established in numerous locations in California, and as a consequence, local agencies have reported negative secondary effects on the community, which effects include, illegal drug activity and drug sales in the vicinity of dispensaries, robbery of persons leaving dispensaries, driving under the influence of a controlled substance by persons who have obtained marijuana from a dispensary; persons acquiring marijuana from a dispensary and then selling it to a non-qualified person; burglaries and robberies; and an increase in vacancies in the commercial areas in the vicinity of such businesses; and

WHEREAS, the California Police Chiefs Association has compiled an extensive database, which can be accessed on its website, detailing the state of medical marijuana dispensaries throughout the state and the negative secondary effects, and which contain persuasive anecdotal and documented evidence that medical marijuana dispensaries pose a threat to public health, safety and welfare; and

WHEREAS, California Health and Safety Code § 11362.5(c)(2) expressly provides that nothing in the Act shall be construed to supersede legislation prohibiting persons from engaging in conduct that endangers others, nor to condone the diversion of marijuana for non-medical purposes; and

WHEREAS, the City Council hereby finds that, because of the inconsistency between state and federal law relating to the possession, sale and distribution, and because of the documented threat to public health, safety and welfare, it is in the best interest of the citizens of the City of Compton that the City prohibit the establishment and operation of medical marijuana dispensaries within the City of Compton; and

WHEREAS, this ordinance is enacted pursuant to California Health and Safety Code §§ 11362.5(c)(2) and 11362.83 and the City's police power as granted broadly under Article XI, Section 7 of the California Constitution in order to promote the health, safety and welfare of Compton residents.

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

Section 1. **Section 9-24, "Medical Marijuana Dispensaries"** is hereby added to the Compton Municipal Code to read as follow:

§ 9-24.1 Purpose and Findings.

The City Council finds that federal and state laws prohibiting the possession, sale and distribution of marijuana would preclude the opening of medical marijuana dispensaries sanctioned by the City of Compton, and in order to serve public health, safety, and welfare of the residents and businesses within the City, the declared purpose of this chapter is to prohibit medical marijuana dispensaries as stated in this chapter.

Section 2. **Section 9-24.2 “Definitions”** is hereby added to the Compton Municipal Code. The following terms and phrases, whenever used in this chapter, shall be construed as defined in this section:

“**Identification card**” is a document issued by the State Department of Health Services which identified a person authorized to engage in the medical use of marijuana and the person’s designated primary caregiver, if any.

“**Medical marijuana**” is marijuana used for medical purposes where that medical use is deemed appropriate and has been recommended by a physician who has determined that the person’s health would benefit from the use of marijuana in the treatment of cancer, anorexia, AIDS, chronic pain, spasticity, glaucoma, arthritis, migraine, or any other serious medical condition for which marijuana is deemed to provide relief as defined in subsection (h) of Health and Safety Code § 11362.7.

“**Medical marijuana dispensary or dispensary**” is any facility or location where medical marijuana is made available to and/or distributed by or to three or more of the following: a qualified patient, a person with an identification card, or a primary caregiver. Each of these terms is defined herein and shall be interpreted in strict accordance with California Health and Safety Code §§ 11362.5 and 11362.7 *et seq.* as such sections may be amended from time to time.

“**Primary caregiver**” is the individual, designated by a qualified patient or by a person with an identification card, who has consistently assumed responsibility for the housing, health, or safety of that patient or person.

“**Physician**” is an individual who possesses a recognition in good standing to practice medicine or osteopathy issued by the Medical Board of California or the Osteopathic Medical Board of California and who has taken responsibility for an aspect of the medical care, treatment, diagnosis, counseling, or referral of a patient and who has conducted a medical examination of that patient before recording in the patient’s medical record the physician’s assessment of whether the patient has a serious medical condition and whether the medical use of marijuana is appropriate.

“**Qualified patient**” is a person who is entitled to the protections of California Health and Safety Code § 11362.5, but who does not have an identification card issued by the State Department of Health Services.

Section 3. Section 9-24.3, is hereby added to the Compton Municipal Code to read as follows:

§ 9-24.3 Medical Marijuana Dispensary Prohibited.

Ordinance No.

Page 4 of 5

It shall be unlawful for any person or entity to own, manage, conduct, or operate any medical marijuana dispensary or to participate as an employee, contractor, agent or volunteer, or in any other manner or capacity, in any medical marijuana dispensary in the City of Compton.

Section 4. **Section 9-24.4** is hereby added to the Compton Municipal Code to read as follows:

§ 9-24.4 Use or Activity Prohibited by State or Federal Law.

Nothing contained in this chapter shall be deemed to permit or authorize any use or activity which is otherwise prohibited by any state or federal law.

Section 5. **Existing Nonconforming Uses.**

Any medical marijuana dispensaries existing within the City of Compton on the effective date of this ordinance shall cease operations forthwith.

Section 6. **Severability.**

If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance, or the application to any person or circumstances, is for any reason held to be invalid or unenforceable, such invalidity or unenforceability shall not affect the validity or enforceability of the remaining sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases of this Ordinance, or its application to any other person or circumstance. The City Council of the City of Compton hereby declares that it would have adopted each section, subsection, subdivision, paragraph, sentence, clause or phrase hereof, irrespectively of the fact that any one or more other sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases hereof be declared invalid or unenforceable.

Section 7. **Savings Clause.**

Neither the adoption of this ordinance nor the repeal of any other ordinance of this City shall in any manner affect the prosecution for violations of ordinances, which violations were committed prior to the effective date hereof, nor be construed as a waiver of any license or penalty or the penal provisions applicable to any violation thereof. The provisions of this by the City relating to the same subject matter shall be construed as restatements and continuations, and not as new enactments.

Section 8. **Penalty.**

Except as may otherwise be expressly provided, any person who violates any provision of this ordinance is guilty of a misdemeanor and shall, upon conviction thereof, be punished in the manner provided in Section 1-6.2 of the Compton Municipal Code.

Section 9. The City Clerk shall certify to the adoption of this Ordinance, and shall cause the same to be posted in the manner required by law.

Ordinance No.
Page 5 of 5

Section 10. The Ordinance shall be effective thirty (30) days following its adoption.

ADOPTED THIS _____ DAY OF _____, 2007.

MAYOR OF THE CITY OF COMPTON

ATTEST:

CITY CLERK OF THE CITY OF COMPTON

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing Ordinance was adopted by the City Council of the City of Compton, signed by the Mayor and attested by the City Clerk at a regular meeting thereof held on this _____ day of _____, 2007.

That said Ordinance was adapted 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