

NOTICE

COMPTON CITY COUNCIL AGENDA Tuesday, February 12, 2013 5:45 PM

HEARING(S)

OPENING

ROLL CALL

INTRODUCTION OF SPECIAL GUESTS

COMMENDATORY RESOLUTIONS/PRESENTATIONS

1. POWER POINT PRESENTATION - Dr. Keith Curry, (Update on Compton Community College)
2. **POWERPOINT PRESENTATION** - Christopher Callandrillo - Los Angeles Homeless Service

PUBLIC COMMENTS ON AGENDA ITEMS AND NON-AGENDA MATTERS

CONSENT AGENDA

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

APPROVAL OF MINUTES

3. JANUARY 22, 2013

REPORTS OF OFFICERS AND COMMISSIONS

CITY MANAGER/CITY ATTORNEY/CITY TREASURER REPORTS

4. CLAIMS AGAINST THE CITY:

Lee Hatfield v. City of Compton - I-8430/LI-108A
State Farm Insurance v. City of Compton - I-8552/LI0000238A
Jose J. Guzman v. City of Compton - I-8559/LI0000247A
Miguel Diaz v. City of Compton - I-8561/LI0000249A
Ben Harb v. City of Compton - I-8563/LI0000251A

GENERAL SERVICES

5. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A LEASE AGREEMENT WITH THE 44TH UNITED STATES CONGRESSIONAL DISTRICT REPRESENTATIVE (CONGRESSWOMAN JANICE HAHN) FOR A DISTRICT OFFICE IN COMPTON CITY HALL.

END CONSENT AGENDA

REGULAR AGENDA

REPORTS OF OFFICERS, BOARDS, COMMISSIONS AND COMMITTEES

CITY MANAGER'S REPORT

CITY ATTORNEY'S REPORTS

6. **ORAL REPORTS:** CITY PARTICIPATION IN BALLOT MEASURES
RULES OF DECORUM REVIEW

UNFINISHED BUSINESS

NEW BUSINESS

7. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO AMEND THE 2012-2013 FISCAL YEAR BUDGET AND EXECUTE A SIDE LETTER AGREEMENT BETWEEN SEIU LOCAL 721 MAINTENANCE AND TRADES UNIT TO ADJUST THE SALARIES OF POSITIONS IN THE PUBLIC WORKS AND MUNICIPAL UTILITIES DEPARTMENT
8. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A GROUND LEASE AGREEMENT WITH PRISM-IQ PARTNERS II, LLC.

APPROVAL OF WARRANTS

9. Warrant #213401 - Date - 1/17/13 - Name - American Print Media - Service - Public/Hearing Notices - Amount - \$19,495.50 - Requested by: City Clerk's Office

Warrant #213408 - Date - 1/17/13 - Name - CDWG - Service - Printer/Scanner/Fax Machine Purchase - Amount - \$1,906.58 - Requested by: Water Department

Warrant #213458 - Date - 1/24/13 - Name - Clinical Lab of San Bernardino - Service - Water Samples, Testing and Inspections Payment - Amount - \$2,592.00 - Requested by: Water Department

Warrant #213475 - Date - 1/24/13 - Name - Smart-Tek Automated Services - Service - Emergency Transportation and Basic Life - Amount - \$19,844.13 - Requested by: Fire Department

Warrant #213827 - Date - 2/06/13 - Name - All Star Interpreting Service - Service - Spanish Interpreting - Amount - \$3,000.00 - Requested by: City Clerk's Office

Total Amount - \$46,838.21

COUNCIL COMMENTS

ADJOURNMENT

NEXT REGULAR MEETING: Tuesday, February 19, 2013 @ 5:45 PM.

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

View Meetings Live at <mms://livemedia.comptoncity.org:8080>

JANUARY 22, 2013

The City Council meeting was called to order at 5:52 p.m. in the Council Chambers of City Hall by Mayor Eric Perrodin.

ROLL CALL

Council Members Present: Zurita, Dobson, Arceneaux, Jones, Perrodin

Council Members Absent: None

Other Officials Present: C. Cornwell, A. Godwin, G. H. Duffey

SPECIAL PRESENTATION - Jim Hlawek and Orlando Ward, Volunteers of America (Homelessness in the City of Compton) (Presentation made)

5:50 P.M. - PUBLIC HEARING - RECEIVE COMMENTS ON THE PROPOSED SUBSTANTIAL AMENDMENT TO REPROGRAM HUD FUNDS (Request to Reschedule Hearing - Item #4)

On motion by Arceneaux, seconded by Zurita, to reschedule the public hearing for Tuesday, February 26, 2013 at 5:50 p.m., by the following vote on roll call:

AYES: Council Members - Zurita, Dobson, Arceneaux, Jones, Perrodin

NOES: Council Members - None

ABSENT: Council Members - None

COMMENDATORY RESOLUTIONS/PRESENTATIONS

1. **PRESENTATION** - LOWE'S SENIOR ACTIVITY CENTER - CONSTRUCTION UPDATE (Grand opening scheduled for March 2014) (Power Point presentation made)

PUBLIC COMMENTS ON AGENDA AND NON-AGENDA ITEMS

Benjamin Holifield, Compton resident, petitioned the City Council to take action on issues that are important to the citizens, such as open space, supermarkets, activities for the youth, and shelters for the homeless. After referencing a full-service homeless shelter located at Arbutus and McKinley Avenue and his own extensive experience in this area, he questioned why no one has called him, or how anyone in a leadership position could manage the City's multi-million dollar budget when they have never operated a business. He urged that the rhetoric be stopped, and suggested that local residents be sought to discover the programs and services currently being offered in the City.

Charles Strickland, Compton resident, thanked everyone that participated in the "Grow a Mustache and Beard for Male Cancer Victims" event. He complimented the city manager for keeping the City afloat. He asked the city attorney and city manager to establish a system of finances that allows the residents to observe the City's finances from the past and who was in office to compile this deficit.

Marcus Johnson, owner of Four J's Wood Pit BBQ, announced the opening of Four J's Wood Pit BBQ located at 1710 East Compton Boulevard (former D&A BBQ location). Mr. Johnson also noted that the senior citizen community will be generously taken care of.

Mayor Perrodin encouraged Mr. Johnson to join the Compton Chamber of Commerce.

William Kemp, Compton resident, commented on the needs of the city.

Barbara Calhoun, Compton resident, commented on the selection of Sebrie Park for water well No. 20 with regard to the City of Compton's water master study. She agreed that the well is unsightly to some, but it will save lives in the end.

#3.

Lynn Boone, Compton resident, maintained that the City’s homeless population has increased due to the number of blighted areas in the community. She went on to suggest that the organization proposing to accommodate the City's homeless be investigated for legitimacy. She charged that the majority of the homeless are African American and questioned why the City continues to overlook Mr. Holifield and his local non-profit organization. She complimented Councilperson Arceneaux for finally illustrating leadership during last week’s council meeting, but it is too late. She proposed that if anyone should remain in office it should be the city clerk Alita Godwin.

Councilperson Arceneaux affirmed that she is still the same person she was twenty years ago, and clarified that the only reason she changed her vote was because the council was split, and because there was no one in public works or the water department to administer funds to pending projects.

Joyce Kelly, Compton resident, thanked the city manager for calling someone in to address the City's homeless population. As it relates to the director of the water department, she suggested the city manager hire someone permanently to allow them the opportunity to make an impact. She questioned why Lowe needs money, when \$93 million in bond funds was allocated for the senior housing development, the Transit Center and the parking lot structure.

Diana Sanchez, Compton resident, notified the residents that the Los Angeles Board of Supervisors has continued their Clean Water Clean Beach meeting to March 12, 2013. Based upon the protests and testimonies at the public hearing they have decided to revise the measure to include a sunset clause and more specifics about the projects to be funded in accordance to Proposition 218. She went on to recognize Explorer One Ambulance and Medical Services, ABC Channel 7 News, City Clerk Godwin and Mayor Perrodin for their contributions to the “Community United for Compton Christmas Toy Giveaway” held in December 2012.

Carolyn Stokes, Compton resident, urged the city attorney to address the countless number of parked cars and potholes on her street because it is difficult for her and her guests to access her driveway. Ms. Stokes also expressed a need for young people and change on the City Council.

Councilperson Arceneaux instructed the city manager to dispatch someone to 913 Chester Street now that the city has an interim public works director. Ms. Arceneaux added that this was one of the reasons why she changed her vote, so that staff can administer the funds allocated for street repair.

CONSENT AGENDA

On motion by Zurita, seconded by Arceneaux, the Consent Agenda was approved, by the following vote on roll call:

AYES: Council Members - Zurita, Dobson, Arceneaux, Jones, Perrodin
NOES: Council Members - None
ABSENT: Council Members - None

APPROVAL OF MINUTES

2. January 8, 2013 - **(Received/Filed)**

CITY MANAGER/CITY ATTORNEY/CITY TREASURER REPORTS

3. FOLLOW-UP LOG AND CLOSED COUNCIL FOLLOW -UP LOG **(Received/Filed)**

END CONSENT AGENDA

REGULAR AGENDA

CITY MANAGER’S REPORT

4. UPDATE ON UPCOMING SUBSTANTIAL AMENDMENTS **(Received/Filed)**

On motion by Arceneaux, seconded by Zurita, the update on upcoming substantial amendments report was received and filed, by the following vote on roll call:

AYES: Council Members - Zurita, Dobson, Arceneaux, Jones, Perrodin

NOES: Council Members - None

ABSENT: Council Members - None

5. REQUEST TO RESCHEDULE A PUBLIC HEARING TO RECEIVE COMMENTS ON THE PROPOSED SUBSTANTIAL AMENDMENT TO REPORGRAM HUD FUNDS (Scheduled for February 26, 2013 at 5:50 p.m.)

CITY ATTORNEY'S REPORTS

6. CLAIMS AGAINST THE CITY:
Shirley McGowen v. City of Compton - I-8553/LI0000239A
Arnaldo Sandoval v. City of Compton - I-8555/LI0000242A

On motion by Arceneaux, seconded by Zurita, the above claims were denied, by the following vote on roll call:

AYES: Council Members - Zurita, Dobson, Arceneaux, Jones, Perrodin

NOES: Council Members - None

ABSENT: Council Members - None

UNFINISHED BUSINESS - There was no Unfinished Business.

NEW BUSINESS

7. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO AMEND THE 2012-2013 FISCAL YEAR BUDGET TO ADD (2) FIRE PREVENTION ASSISTANT POSITIONS TO THE FIRE DEPARTMENT

It was moved by Arceneaux, seconded by Zurita to discuss this item.

Mayor Perrodin requested a brief explanation on behalf of the citizens.

Jon Thompson, Fire Chief, stated that in response to the Fats, Oil and Grease (FOG) program adopted by City Council in 2012, staff has proposed the addition of two fire prevention assistant positions will free up an inspector to regulate this program in all facilities that generate oil and grease.

Mayor Perrodin recognized the explicit need for this service and requested the amount of overtime currently incurred by the fire department this fiscal year.

Stephen Ajobiewe, City Controller, remarked that \$533,000 has been incurred.

Mayor Perrodin requested their budget for the entire fiscal year.

City Controller Ajobiewe remarked that they are budgeted for \$600,000 this year.

Mayor Perrodin affirmed that although he supports this endeavor; the City has to control its costs because over one million dollars in overtime costs will have been paid to the fire department this year.

On motion by Arceneaux, seconded by Zurita, **Resolution # 23,686** entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO AMEND THE 2012-2013 FISCAL YEAR BUDGET TO ADD (2) FIRE PREVENTION ASSISTANT POSITIONS TO THE FIRE DEPARTMENT" was approved, by the following vote on roll call:

#3.

AYES: Council Members - Zurita, Dobson, Arceneaux, Jones, Perrodin

NOES: Council Members - None

ABSENT: Council Members - None

8. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO EXECUTE A MEMORANDUM OF UNDERSTANDING WITH THE LOS ANGELES COUNTY HOMELESS SERVICES AUTHORITY TO PARTICIPATE IN THE 2013 GREATER LOS ANGELES HOMELESS COUNT OPT-IN PROGRAM

On motion by Arceneaux, seconded by Zurita, **Resolution # 23,687** entitled "**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO EXECUTE A MEMORANDUM OF UNDERSTANDING WITH THE LOS ANGELES COUNTY HOMELESS SERVICES AUTHORITY TO PARTICIPATE IN THE 2013 GREATER LOS ANGELES HOMELESS COUNT OPT-IN PROGRAM**" was approved, by the following vote on roll call:

AYES: Council Members - Zurita, Dobson, Arceneaux, Jones, Perrodin

NOES: Council Members - None

ABSENT: Council Members - None

9. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON RESCINDING RESOLUTION NO. 23, 477 AND AMENDING THE MUNICIPAL LAW ENFORCEMENT SERVICES DEPARTMENT 2012-2013 FISCAL YEAR BUDGET, AND THE CITY MANAGER'S 2012-2013 FISCAL YEAR BUDGET TO ALLOCATE FUNDS FROM THE DEPARTMENT OF JUSTICE, 2011 JUSTICE ASSISTANCE GRANT(**REMOVED**)
10. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH TRIMMING LAND COMPANY, INC. FOR TREE TRIMMING SERVICES

Mayor Perrodin requested the number of trees in the City.

Renee Ferrell, Grants manager, stated that an evaluation and inventory of the City's trees is currently taking place.

Mayor Perrodin requested the agencies involved in the evaluation process. Ms. Ferrell indicated that public works, TLC, the city manager and the grants manager would all be involved in the evaluation process.

City Manager Duffey notified the Mayor that public works has \$400,000 programmed in their budget for tree trimming, but because these Justice Assistance Grant (JAG) funds have an expiration date the City utilize them to trim trees, and then for any other areas of concern the budgeted funds will be programmed in on an as-needed basis.

Mayor Perrodin requested a report regarding the number of trees in the City, the number of trees cut since the beginning of the fiscal year, and the amount of trees to be cut with the remaining funds.

Councilperson Zurita requested the anticipated start date. Ms. Ferrell remarked that she anticipates tree trimming to start 72 hours after the approval of this resolution.

Mayor Perrodin requested the company's city of origin.

Tony Martinez, Vice President of Trimming Land Company, replied that they are based in the city of Southgate, managing 60+ personnel and 63 trucks. He also mentioned that they have been in business since 1977 and contracting with municipalities since 1984, citing current contracts with Los Angeles, Lynwood, Long Beach, Compton Unified School District and Southgate.

Mayor Perrodin requested an assessment of the trees on Compton Boulevard between Alameda and Long Beach Boulevard. Mr. Martinez conceded that there are large ficus trees along Compton Boulevard battling with infrastructure, utility lines, concrete, sewers, and street lights, which is extremely dangerous.

Mayor Perrodin asked Mr. Martinez if it is his recommendation to remove the ficus trees. Mr. Martinez remarked that there would be an extreme shock to the boulevard if done all at once, but a good idea if done systematically.

Angel Sotello, marketing director public relations and certified arborists, projected that the City has approximately 20,000 trees with up to 100 different species which is typical for a municipality in Southern California.

Mayor Perrodin requested the time it would take to trim 20,000 trees. Mr. Sotello remarked that they would put the City on a five year plan of 4,000 trees per year.

Mayor Perrodin requested the feasibility of planting trees specific to the street, for example a peach tree on Peach Street.

Mr. Sotello stated that the industry goes against that type of theory, because when a disease hits one species the whole species on that street is wiped out.

Councilperson Jones asked the city manager if he is developing a master plan to address the regular maintenance of the City's trees. City Manager Duffey indicated he would have to research whether or not the City already has a plan in place.

Mayor Perrodin requested the number of employees that actually live in the City of Compton. Mr. Sotello verified that six of their employees are from Compton.

On motion by Arceneaux, seconded by Zurita, **Resolution # 23,688** entitled "**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH TRIMMING LAND COMPANY, INC. FOR TREE TRIMMING SERVICES**" was approved, by the following vote on roll call:

AYES: Council Members - Zurita, Dobson, Arceneaux, Jones, Perrodin

NOES: Council Members - None

ABSENT: Council Members - None

11. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER TO HAPPY SOFTWARE, INC. FOR MAINTENANCE SUPPORT FOR HAPPY SOFTWARE MODULES

On motion by Arceneaux, seconded by Jones, **Resolution # 23,689** entitled "**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER TO HAPPY SOFTWARE, INC. FOR MAINTENANCE SUPPORT FOR HAPPY SOFTWARE MODULES**" was approved, by the following vote on roll call:

AYES: Council Members - Zurita, Dobson, Arceneaux, Jones, Perrodin

NOES: Council Members - None

ABSENT: Council Members - None

APPROVAL OF WARRANTS

12. Warrant #213150 - 12/19/12 - General Pump Services Inc. - Well 16 - \$838.50 - Requested by: Water Department

Warrant #213260 - 1/8/13 - Smart-Tek - Emergency Transportation and Basic Life Support Services - \$39,761.22 - Requested by: Fire Department

#3.

Warrant #213267 - 1/9/13 - All Star Interpreting Service - Spanish Interpreting Services - \$1,250.00 - Requested by: City Clerk's Office

Warrant #213291 - 1/10/13 - League of California Cities - Payment for web site job advertising - \$450.00 - Requested by: City Manager's Office

Total Amount - \$42,299.72

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

AYES: Council Members - Zurita, Dobson, Arceneaux, Jones, Perrodin

NOES: Council Members - None

ABSENT: Council Members - None

COUNCIL COMMENTS

Councilperson Dobson stated that she had the opportunity to participate in an assortment of events over the weekend, i.e., breakfast with the president of the Los Angeles City Council Herb Wesson, Dr. Sykes memorial service, Concerned Citizens of Compton meeting, the Swearing-In Ceremony for Congresswoman Janice Hahn and Assemblyman Isadore Hall III, the Kingdom Day Parade and the Empowerment Conference held by Mark Riddley Thomas.

Councilperson Dobson requested that the meeting be adjourned in the memory of Tinisha and Tamaya Davis and Willie Curtis Singleton.

Councilperson Zurita requested a weekly update on the traffic signal at Central and Compton Boulevard and the Williams Street alley beginning next week.

Councilperson Zurita asked the city manager to address the statements regarding the City's deficit and at-risk HUD funding.

City Manager Duffey verified that the City has a \$42 million deficit based upon prior years' general fund borrowing from other fund accounts. As it relates to at-risk HUD funding, City Manager Duffey clarified that the issue is that the City has not closed out projects with HUD dating back as far as 1990. Consequently, the City is working closely with HUD to resolve these issues, but it has not elevated to the level of the City losing HUD funding in the future.

Councilperson Zurita invited the residents to take advantage of the Careerlink Plumbing Apprenticeship program. The program will be hosted by Careerlink Monday thru Thursday, from 4 p.m. to 6 p.m. The cost is \$200 per session. For more information, please call Kimberly McKenzie at (310) 605-3074.

Councilperson Zurita also mentioned that she had the opportunity to attend the Kingdom Day Parade and Gift for Guns event in Compton.

Councilperson Jones stated that he also had the opportunity to attend the Empowerment Conference and Kingdom Day parade as well, in addition to the memorial services for Dr. Sykes.

Councilperson Jones invited the community to attend the Compton National Association for the Advancement of Colored People (NAACP) "Annual Installation of Officers" event at Victory Outreach Church on January 26, 2013 at 1 p.m. For more information, please call Ms. Gather at (310) 763-2002.

Councilperson Arceneaux stated that she had the opportunity to participate in the "Third District Compton Initiative Clean-Up" event last Saturday wherein they painted ten homes, Mt. Hebron Church Missionary Baptist Church and Longfellow Elementary School.

Councilperson Arceneaux asked the city manager to elaborate on the Compton Unified School District and City of Compton Creek Safe Route to School program. City Manager Duffey announced that staff recently submitted an application to the Metropolitan Transit Agency for the Compton Creek safe route to school program for up to \$2 million.

Councilperson Arceneaux requested that the meeting be adjourned in the memory of Keisha Gardner.

Councilperson Arceneaux announced an "Emergency Town hall Meeting" hosted by National Association for Equal Justice in America (NAEJA) to protest the closure of the Compton Post Office located at the corner of Willowbrook and Compton Boulevard to be held Thursday, January 24, 2013 at 7 p.m. at Citizens of Zion Baptist Church.

Councilperson Zurita requested that the meeting be adjourned in the memory of long-time resident Robert Matthews.

Mayor Perrodin announced the New Philadelphia A.M.E. Church "Blood Drive" to be held on Sunday, January 27, 2013 from 9 a.m. to 3 p.m. located at 191 Suzanna Road in Rancho Dominguez.

ADJOURNMENT

On motion by Zurita, seconded by Dobson, the meeting was adjourned at 8:56 p.m. in the memory of **Tinisha Davis, Tamaya Davis, Willie Curtis Singleton, Keisha Gardner** and **Robert Matthews**, by the following vote on roll call:

AYES: Council Members - Zurita, Dobson, Arceneaux, Jones, Perrodin
NOES: Council Members - None
ABSENT: Council Members - None

Clerk of the City of Compton

Mayor of the City of Compton

February 12, 2013

TO: MAYOR AND CITY COUNCIL MEMBERS

FROM: CITY ATTORNEY

SUBJECT: CITY ATTORNEY REPORT/CLAIM NO. I-8560/LI0000248A

SUMMARY

Council will consider the claim of Lee Hatfield (Claim No. I-8430/LI-108A), presented to the City on December 28, 2012, pursuant to Govt. Code §915, 912.4(a) and 912.6(a).

BACKGROUND

On December 28, 2012, the above claim was presented to the City Controller by an attorney representing Lee Hatfield for personal injury. Claimant alleges that on August 20, 2012, he was a passenger on an MTA bus that was struck by a dump truck owned by the City of Compton.

Our investigation confirmed that the City contracted with Pacific Coast Waste & Recycling, LLC, for solid waste services. Pursuant to our contract with Pacific Coast Waste & Recycling, the company is obligated to promptly remedy its potential liability at its cost without reimbursement by the City. Consequently, we have tendered the defense of this claim to Berkeley Risk Administrators Company, LLC, the program administrator for the claims of Pacific Coast Waste and Recycling, LLC.

FINANCIAL IMPACT

Twelve Thousand Dollars and No Cents (\$12,000).

RECOMMENDATION

Staff recommends that this claim be denied.

/S/
CRAIG J. CORNWELL
CITY ATTORNEY

February 12, 2013

TO: MAYOR AND CITY COUNCIL MEMBERS

FROM: CITY ATTORNEY

SUBJECT: CITY ATTORNEY REPORT/CLAIM NO. I-8552/LI0000238A

SUMMARY

Council will consider the claim of State Farm Insurance (Claim No. I-8552/LI0000238A), presented to the City on December 24, 2012, pursuant to Govt. Code §915, 912.4(a) and 912.6(a).

BACKGROUND

On December 24, 2012, the above claim was presented to the City Controller by State Farm Insurance for payment made to their insured, Lisa Morgan in the amount of \$5,361.53. Claimant alleges that on August 19, 2012, a tree fell onto their insured's vehicle which was parked near 2116 158th Street in Compton.

Claimant was unable to provide sufficient information or evidence to support their claim that a tree fell on their insured's vehicle. In addition, the Public Works Department did not find any work orders related to this date of incident or address. Staff also conducted a site inspection and found no evidence of a fallen tree at the alleged incident location.

FINANCIAL IMPACT

Five Thousand Three Hundred Sixty One Dollars and Fifty Three Cents (\$5,361.53).

RECOMMENDATION

Staff recommends that this claim be denied.

_____/S/
CRAIG J. CORNWELL
CITY ATTORNEY

February 12, 2013

TO: MAYOR AND CITY COUNCIL MEMBERS

FROM: CITY ATTORNEY

SUBJECT: CITY ATTORNEY REPORT/CLAIM NO. I-8559/LI0000247A

SUMMARY

Council will consider the claim of Jose J. Guzman (Claim No. I-8559/LI0000247A), presented to the City on January 8, 2013, pursuant to Govt. Code §915, 912.4(a) and 912.6(a).

BACKGROUND

On January 8, 2013, the above claim was presented to the City Controller by Jose J. Guzman. Claimant alleges that on January 7, 2013, he sent a plumbing company to fix his drain and they determined that the City sewer was the reason for a drain problem in his home in Compton.

According to the plumbing invoice submitted by Claimant, the date of incident appears to be on or about December 27, 2012. The invoice states that they ran a cleanout to the City sewer because of a paper stoppage. Additionally, a City Crew responded to a complaint of sewer blockage that needed clearing at Claimant's home on January 7, 2013 (Work Order No. 1635). The City crew cleared the blockage as the result of heavy grease obstructing the flow of water in the City sewer. Based upon this information, it appears that the damage alleged by Claimant is not related to an issue with the City's main sewer line, but because of the stoppage of paper coming from Claimant's home and/or the disposal of grease into the drain. The City is not liable for paper stoppage or for the improper disposal of cooking grease.

FINANCIAL IMPACT

Five Hundred Forty Dollars and Thirty One Cents (\$540.31).

RECOMMENDATION

Staff recommends that this claim be denied.

/S/
CRAIG J. CORNWELL
CITY ATTORNEY

February 12, 2013

TO: MAYOR AND CITY COUNCIL MEMBERS

FROM: CITY ATTORNEY

SUBJECT: CITY ATTORNEY REPORT/CLAIM NO. I-8561/LI0000249A

SUMMARY

Council will consider the claim of Miguel Diaz (Claim No. I-8561/LI0000249A), presented to the City on January 3, 2012, pursuant to Govt. Code §915, 912.4(a) and 912.6(a).

BACKGROUND

On January 3, 2012, the above claim was presented to the City Controller by an attorney representing Miguel Diaz for personal injury. Claimant alleges that on August 20, 2012, he was a passenger on an MTA bus that was struck by a dump truck owned by the City of Compton.

Our investigation confirmed that the City contracted with Pacific Coast Waste & Recycling, LLC, for solid waste services. Pursuant to our contract with Pacific Coast Waste & Recycling, the company is obligated to promptly remedy its potential liability at its cost without reimbursement by the City. Consequently, we have tendered the defense of this claim to Berkeley Risk Administrators Company, LLC, the program administrator for the claims of Pacific Coast Waste and Recycling, LLC.

FINANCIAL IMPACT

Unknown at this time.

RECOMMENDATION

Staff recommends that this claim be denied.

/S/

CRAIG J. CORNWELL
CITY ATTORNEY

February 12, 2013

TO: MAYOR AND CITY COUNCIL MEMBERS

FROM: CITY ATTORNEY

SUBJECT: CITY ATTORNEY REPORT/CLAIM NO. I-8563/LI0000251A

SUMMARY

Council will consider the amended claim of Ben Harb (Claim No. I-8563/LI0000251A), presented to the City on February 4, 2013, pursuant to Govt. Code §915, 912.4(a) and 912.6(a).

BACKGROUND

On February 4, 2013, the above amended claim was presented to the City Controller by Ben Harb. Claimant alleges that he was given an invalid parking citation on September 6, 2012. Claimant states that he timely appealed the citation, paid the citation fine but he was still assessed late penalties.

An administrative review was conducted of Claimant's citation and a Notice stating Claimant was found liable was mailed to him on October 23, 2012. That notice clearly stated that to appeal the citation further, a deposit or fee waiver must be paid within twenty-one (21) days of the Notice (California Vehicle Code Section 40215 (b)). Claimant did not submit payment by November 13, 2012 (the 21st day) and a late penalty was assessed on November 13, 2012 and November 26, 2012. Claimant made payment of the original fine after both late penalties were assessed on November 28, 2012.

In order to contest the citation further, Claimant was required to make a deposit (equal to the amount due) or request a fee waiver and request an Administrative Hearing by November 13, 2012. Claimant failed to appeal the citation in the specified time frame. Therefore, Claimant's failure to avail himself of his administrative remedy is now a bar to his claim.

FINANCIAL IMPACT

Ninety Dollars and No Cents (\$90).

RECOMMENDATION

Staff recommends that this claim be denied.

/S/
CRAIG J. CORNWELL
CITY ATTORNEY

February 12, 2013

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

**FROM: KELLY MONTGOMERY, INTERIM DIRECTOR
GENERAL SERVICES DEPARTMENT**

**SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
COMPTON AUTHORIZING THE CITY MANGER TO ENTER INTO
A LEASE AGREEMENT WITH THE 44TH UNITED STATES
CONGRESSIONAL DISTRICT REPRESENTATIVE
(CONGRESSWOMEN JANICE HAHN) FOR A DISTRICT OFFICE
IN COMPTON CITY HALL.**

SUMMARY

City Council adoption of the attached Resolution will authorize the City Manager to enter into a two (2) year lease agreement with Congresswoman Janice Hahn for use of office space within the Compton City Hall.

BACKGROUND

Congresswoman Janice Hahn, representative of the 44th U.S. Congressional District, wishes to locate a district office at Compton City Hall to provide constituent services to the local community. If the lease is approved, the Congresswoman and her staff representatives would occupy approximately 473 square feet of dedicated indoor space adjacent to the Human Resources Department on the first floor of City Hall.

STATEMENT OF THE ISSUE

Pursuant to guidance of the City Council, in November 2012, the City Manager implemented a City-wide leasing policy which requires that proper authorization from the City Council (i.e. an adopted resolution) and an executed written lease agreement be obtained for the leasing of City-owned facilities and/or property.

Congresswoman Hahn proposes to use approximately 473 square feet of indoor space on the first floor of City Hall for the 113th Congressional session. Entering into this lease agreement will allow Compton residents to have better access to their Congressional representative and, potentially, to become more aware of the services provided by the City of Compton, thus staff is recommending, and Congresswoman Hahn has agreed, that the monthly lease rate be set at the minimum base rate of One Dollar (\$1.00) per square foot.

Staff Report – Resolution Authorizing Lease with
Congresswoman Janice Hahn (44th Congressional District)
February 12, 2013, page 2

ALTERNATIVE

The alternative would be to reject the lease set forth for this space and potentially impair the relationship with our Congressional representative, as well as forgoing the opportunity to make government services more accessible to the residents of Compton.

FINANCIAL IMPACT

The estimated fiscal impact of this proposed action is a net gain to the General Fund of a monthly lease rate of **Four Hundred Seventy Three Dollars (\$473.00) per month** for the term of the lease.

RECOMMENDATION

It is recommended that the City Council adopt the attached resolution authorizing a Lease Agreement between the City of Compton and Congresswoman Janice Hahn.

**KELLY MONTGOMERY, INTERIM DIRECTOR
GENERAL SERVICES DEPARTMENT**

APPROVED FOR FORWARDING:

**G. HAROLD DUFFEY
CITY MANAGER**

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON
AUTHORIZING THE CITY MANAGER TO ENTER INTO A LEASE
AGREEMENT WITH THE 44TH UNITED STATES CONGRESSIONAL
DISTRICT REPRESENTATIVE (CONGRESSWOMAN JANICE HAHN) FOR A
DISTRICT OFFICE IN COMPTON CITY HALL**

WHEREAS, the City of Compton has approximately 98,000 residents, many of which are elderly or must rely on public transportation to handle the daily business of their lives; and

WHEREAS, pursuant to the Rules of the U.S. House of Representatives and the Regulations of the Committee on House Administration, Congressional members are permitted to have more than one District Office; and

WHEREAS, Congresswoman Janice Hahn is interested in leasing space for a District Office in Compton City Hall to serve City residents of the 44th Congressional District; and

WHEREAS, in an effort to provide its residents with greater access to their Congressional Representative, thereby increasing their participation in the democratic process, the City wishes to lease space within City Hall to Congresswoman Hahn, the City's representative in the 44th Congressional District; and

WHEREAS, the City has identified an area of approximately 474 square feet adjacent to the Human Resources Department which may be leased and utilized by Congresswoman Hahn as a District Office; and

WHEREAS, while the City is willing to lease the identified space to the Congressional District representative at a cost of \$1.00 per square foot per month, the public benefit received by the City and its residents by providing direct access to the Congressional office is of far more value than the true cost of providing the space.

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

Section 1. That the City Manager, upon the approval of the City Attorney, is hereby authorized to enter into a two (2) year Lease Agreement with Congresswoman Janice Hahn, the 44th U.S. Congressional District Representative, effective January 2013 through January 2015, to provide approximately 473 square feet of dedicated indoor space within Compton City Hall (adjacent to the Human Resources Department), for use as a District Office space.

Section 2. That the monthly lease rate shall be Four Hundred Seventy Three Dollars (\$473.00) per month (i.e. \$1.00 per square foot) for the term of the Lease.

Section 3. That a copy of this Resolution shall be filed in the offices of the City Clerk, City Attorney, City Manager, General Services and the City Controller.

Resolution No. _____
Page 2

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

ADOPTED this ____ day of _____, 2013.

MAYOR OF THE CITY OF COMPTON

ATTEST:

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 _____, 2013.

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

AYES: COUNCILMEMBERS-
NOES: COUNCILMEMBERS-
ABSTAIN: COUNCILMEMBERS-
ABSENT: COUNCILMEMBERS-

CITY CLERK OF THE CITY OF COMPTON

District Office Lease – Instructions

NO LEASE OR ATTACHMENT CAN BE SIGNED BEFORE THEY HAVE BEEN APPROVED BY THE ADMINISTRATIVE COUNSEL.

The term for a District Office Lease for the 113th Congress may not commence prior to January 3, 2013.

Members should endeavor to lease space through the last day of a congressional term rather than the last day of a calendar year. For the 113th Congress, leases should end on January 2, 2015, not December 31, 2014.

- The preamble has three blank lines to be filled in: (1) Landlord's name; (2) Landlord's address; and (3) Member/Member-Elect's name.
- Section 1 has three blank lines to be filled in: (1) Square footage of office that is being leased (optional); (2) Street address of office being leased; and (3) City, state and ZIP code where office is being leased.
- Section 2 has four boxes that can be checked on whether any parking is included in the lease – two of the options each have a blank line to be filled in if the lease includes any assigned and/or unassigned parking spaces.
- Section 3 has two blank lines to be filled in: (1) Date lease begins (must be on or after January 3, 2013); and (2) Date lease ends (must be on or before January 2, 2015).
- Section 4 has one blank line for the monthly rent amount (write "zero" if no rent is to be paid).
- Section 5 has one blank line – the number of days' notice required for either party to terminate the lease before the end of the term. A standard period is 30 days, but any figure is acceptable. If the lease may not be terminated early, enter "N/A" in this blank.
- Sections 1–10, other than filling in the blanks, may not be altered or deleted.
- Section 11 has space provided to list any additional lease provisions.
- **Prior to either party signing a lease, the Member/ Member-Elect must submit the proposed lease, accompanied by a copy of the District Office Lease Attachment for the 113th Congress, to the Administrative Counsel for review and approval.** If the proposed terms and conditions of the lease are determined to be in compliance with applicable law and House Rules and Regulations, the Administrative Counsel will notify the Member/Member-Elect that (s)he may proceed with the signing of the lease. Please submit the proposed lease and District Office Lease Attachment either by e-mail in PDF form (leases@mail.house.gov) or fax (202-225-6999).
- **The Member/ Member-Elect is required to personally sign the documents. A signed and dated District Office Lease Attachment must accompany this lease.**
- Once signed by both parties, the Lease and the District Office Lease Attachment must be submitted to the Administrative Counsel for final approval. They may be sent by email in PDF form or faxed to 202-225-6999, but the originals still must be submitted by inter office mail (217 Ford House Office Building, Washington, D.C. 20515) after emailing or faxing.
- If approved, Administrative Counsel will send them to Finance so that payment can begin. If there are errors, you will be contacted and required to correct them before the lease is approved.

U.S. House of Representatives

Washington, D.C. 20515

District Office Lease(Page 1 of 2 – 113th Congress)

Pursuant to 2 U.S.C. § 57, and the Regulations of the Committee on House Administration (as modified from time to time by Committee Order) relating to office space in home districts, _____

City of Compton, 205 South Willowbrook Avenue, Compton, California 90220

(Landlord's name)

(Landlord's street address, city, state, ZIP code)

("Lessor"), and Congresswoman Janice Hahn, a Member/Member-Elect of the U.S. House of Representatives ("Lessee"), agree as follows:

1. **Location.** Lessor shall lease to Lessee 473 square feet of office space located at 205 South Willowbrook Avenue - designated space next to the Human resources Department on 1st Floor of Compton City Hall building
(Office street address)
in the city, state and ZIP code of Compton, California 90220.
(Office city, state and ZIP)
2. **Parking.** The Lease includes (please check any and all that apply):
 - ☐ _____ parking spaces that are assigned
 - ☐ _____ parking spaces that are unassigned
 - ☒ General off-street parking on an as available basis
 - ☐ No off-street parking
3. **Term.** Lessee shall have and hold the leased premises for the period beginning January 22, 20 13 and ending January 2, 20 15. The term of this District Office Lease ("LEASE") may not exceed two years and may not extend beyond January 2, 2015, which is the end of the constitutional term of the Congress to which the Member is elected.
4. **Rent.** The monthly rent shall be \$473.00, and is payable in arrears on or before the last day of each calendar month. Rent payable under this LEASE shall be prorated on a daily basis for any fraction of a month of occupancy.
5. **Early Termination.** This Lease may be terminated by either party giving 30 days' prior written notice to the other party. The commencement date of such termination notice shall be the date such notice is delivered or, if mailed, the date such notice is postmarked.
6. **Payments.** During the term of this Lease, rent payments under Section 4 shall be remitted to the Lessor by the Chief Administrative Officer of the U.S. House of Representatives ("CAO") on behalf of the Lessee.
7. **District Office Lease Attachment for 113th Congress.** The District Office Lease Attachment attached hereto is incorporated herein by reference, and this Lease shall have no force or effect unless and until accompanied by an executed District Office Lease Attachment for the 113th Congress.
8. **Counterparts.** This Lease may be executed in any number of counterparts and by facsimile copy, each of which shall be deemed to be an original but all of which together shall be deemed to be one and the same instrument.

U.S. House of Representatives

Washington, D.C. 20515

District Office Lease(Page 2 of 2 – 113th Congress)

9. **Section Headings.** The section headings of this Lease are for convenience of reference only and shall not be deemed to limit or affect any of the provisions hereof.
10. **Modifications.** Any amendments, additions or modifications to this Lease inconsistent with Sections 1 through 9 above shall have no force or effect to the extent of such inconsistency.
11. **Other.** Additionally, the Lessor and the Lessee agree to the following:
Please refer to attached Pages 2a through 2d.

IN WITNESS WHEREOF, the parties have duly executed this District Office Lease as of the later date written below by the Lessor or the Lessee.

City of Compton by G. Harold Duffey, City Manager

U.S. Congresswoman Janice Hahn

Print Name (Lessor/Landlord)_____
Print Name (Lessee)_____
Lessor Signature_____
Lessee Signature_____
Date_____
Date

This District Office Lease must be accompanied by an executed District Office Lease Attachment.

U.S. HOUSE OF REPRESENTATIVES
Washington, D.C. 20515

DISTRICT OFFICE LEASE

[Attachment to Lease Agreement and Lease Attachment with Congresswoman Janice Hahn]

11. **Other.** Additionally, the Lessor and Lessee agree to the following:

a. Lease payments shall be remitted to:

General Services Department
205 South Willowbrook Avenue
Compton, California 90220
Attn: Director

Payable to: City of Compton

[Please identify your Lease Site on the payment]

b. Use of Premises: Lessee is entitled to use the Premises during normal building business hours - Mondays through Thursdays, 7:00 a.m. to 6:00 p.m. *(excepting legal City holidays and furlough days – the Site, including the Premises are closed)* for the following purpose(s) only:

General Office Use

Lessee shall not use the Premises for any other purpose without the prior written consent of the Lessor. Lessee shall not use the Premises in a manner so as to interfere with Owner's use or equipment at the Site. Lessee shall not use the Premises for the storage of inoperable or unusable equipment or property.

c. Utilities and Other Services: Lessor agrees to furnish the following utilities and services at Owner's expense during normal business hours:

.1 Electricity for normal lighting and power for office use. Special or additional electrical requirements over and above the standard for general office uses will be charged directly to Lessee.

.2 Heating/Cooling.

.3 Hot and cold water.

.4 Routine maintenance.

.5 General/shared security for the Site.

Any and all other types of utilities (e.g. telephone, cable, etc.) and services shall be at the sole expense and responsibility of the Lessee. Prior written approval shall be required for the installation of any utility and/or service that will involve physical alteration of the Premises and/or Site. Lessee shall reimburse Lessor for the cost of repairing any and all damages to the

Premises and/or Site caused directly or indirectly by Lessee's utility or service provider or its equipment.

Lessor shall in no way be liable or responsible for any loss, damage or expense that Lessee may sustain or incur by reason of any change, failure, interference, disruption or defect in the supply or character of the utilities and services supplied to Premises and/or Site, unless directly caused by the active negligence or willful misconduct of the Lessor.

d. Alterations and Additions: Lessee shall not make any alterations or construct any additions or improvements in or on the Site and/or the Premises until the Lessor has approved the complete plans and specifications for the project. Once the Lessor has been provided with said plans and specifications, Lessor shall have a fifteen (15) day minimum review period before granting Lessee approval or disapproval of the project in writing. Lessee shall, at the time of the request, specify if they desire to retain ownership and/or possession of the alteration, addition or improvement subject to plan review by Lessor at Lessee's expense. Lessee shall keep the Premises free of liens from such work.

Lessor agrees that except for structural alterations, the Lessee may remove, during or at the expiration or other termination of the term of this Lease, or of any extension or holdover period thereof, as the case may be, personal property placed or installed in or upon the Site and/or the Premises by the Lessee or under its authority. Lessee shall repair any damage to the Site and/or the Premises caused by Lessee's installation and/or removal of its personal property, alterations, improvements or additions.

e. Repairs and Maintenance: Except as specified in Section 15 of the "District Office Lease Attachment," Lessor shall not be responsible to make any repairs or alterations to the Premises, excepting due to reasonable normal wear and tear, and Lessee assumes any and all cost and liability for the repair and maintenance of the Premises leased herein, unless such repairs, alterations or maintenance are due to Lessor's negligence or willful misconduct. Lessee agrees to repair any damage caused by Lessee, its employees, contractors, agents or invitees, negligently or otherwise, at its own expense, and maintain the Premises leased and to return said Premises to Lessor in as good order, repair and condition as the same were in at the commencement of this Lease. Lessee must obtain prior written approval from the Lessor prior to commencing any repairs to the leased Premises. Lessee shall keep the Premises free of liens from such work.

f. Damage or Destruction: Lessor agrees that should the Premises be so badly damaged by earthquake or other violent action of the elements as to render them wholly unfit for Lessee's occupancy, than this Lease shall be terminated immediately upon the happening of any such event, whereupon Lessee shall surrender the Premises and shall not be obligated for any further rental payment and Lessor shall refund any unearned rent paid in advance by Lessee, calculated at a daily rate based on the regular monthly rental.

In the event of any lesser damage by casualty, then Lessor shall commence the repair and restoration of such premises within thirty (30) days of the event which necessitated the

#5.

repair and restoration, unless it is not reasonably possible to commence repair and restoration within thirty (30) days, in which case it shall be commenced as soon as feasibly possible. If the damage to the Premises is caused by the Lessee or its agents, employees or invitees, then after receiving Lessor's approval for the same, Lessee shall promptly repair the damage at Lessee's expense.

g. Default: Lessee shall pay said rent to the Lessor without deduction, default or delay. In the event of the failure of Lessee to do so, or in the event of a breach of any other terms, covenants or conditions herein contained on the part of Lessee to be kept and performed and if such default continues for a period of thirty (30) days after receipt of written notice from Lessor to Lessee of such default, this Lease may be terminated. Lessor may not terminate the Lease if (a) Lessee cures the default within the thirty (30) day period after notice of default is given, or (b) the default cannot reasonably be cured within thirty (30) days after notice of default is given, but Lessee reasonably commences to cure the default within the thirty (30) day period and diligently and in good faith continues to cure the default.

If Lessor defaults in the performance of any obligation required to be performed under this Lease and fails to perform such obligation within thirty (30) days after receipt of written notice from the Lessee to Lessor of such default, Lessee may terminate this Lease upon Lessor's default of any material obligation upon giving thirty (30) days written notice of termination. Lessee shall not terminate the Lease if (a) Lessor performs and meets the obligation within the thirty (30) day period after notice of default is given, or (b) the obligation cannot reasonably be performed within thirty (30) days after notice of default is given, but Lessor reasonably commences to cure the default within the thirty (30) day period and diligently and in good faith continues to cure the default.

h. Holding Over: In case Lessee holds over beyond the term herein provided with the consent, express or implied, of the Lessor, such tenancy shall be from month-to-month only, subject to the same terms and conditions of this Lease, but shall not be a renewal hereof. Such month-to-month tenancy shall be terminable on thirty (30) days written notice by either party to the other party.

i. Lessor's Access: Lessee agrees to permit the Lessor or Lessor's authorized agents, upon at least twenty-four (24) hours advance notice, free access to the Premises at all reasonable times for the purpose of inspection of the Premises or for making necessary alterations, improvements or major repairs.

j. Waivers: A waiver by either party to this Agreement of any breach of any terms, covenants or condition contained herein shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition contained herein, whether of the same or a different character.

k. Notices: All notices, demands or requests to be given under this Lease Agreement shall be given in writing and conclusively shall be deemed received when: (a) delivered personally, or (b) on the third business day after the deposit thereof in the United States mail,

postage prepaid, and addressed as hereinafter provided, or (c) one business day after send by facsimile transmission.

To LESSOR: City of Compton
205 South Willowbrook Avenue
Compton, California 90220
Attn: Director, General Services Department
(310) 605-5553
(310) 605-1753 – fax.

With copy to: City of Compton
205 South Willowbrook Avenue
Compton, California 90220
Attn: City Manager

To LESSEE: Congresswoman Janice Hahn
c/o Eric Boyd, Deputy District Director
44th Congressional District Office
140 West 6th Street
San Pedro, California 90731
(310) 831-1799

With copy to: Elise Swanson, District Director
44th Congressional District Office
140 West 6th Street
San Pedro, California 90731
(310) 831-1799

#5.

**District Office Lease Agreement between City of Compton and
United States Congresswoman Janice Hahn**

[Additional Signature Page for District Office Lease - City of Compton]

Approved as to form:

By _____
Craig J. Cornwell, City Attorney

Dated: _____

ATTEST:

By _____
Alita Godwin, City Clerk

Dated: _____

District Office Lease Attachment- Instructions

The District Office Lease Attachment ("Attachment") is a four-page document that must accompany *every* Lease or District Office Lease Amendment ("Amendment") that is submitted for a Member/Member-Elect's District Office.

NO LEASE, AMENDMENT OR ATTACHMENT CAN BE SIGNED BEFORE THEY HAVE BEEN APPROVED BY THE ADMINISTRATIVE COUNSEL.

The term of a District Office Lease or Amendment for the 113th Congress may not commence prior to January 3, 2013.

Members should endeavor to lease space through the last day of a congressional term rather than the last day of a calendar year. For the 113th Congress, leases should end on January 2, 2015, not December 31, 2014.

Four things are required:

1. The signature of the Landlord and date;
2. The signature of the Member/ Member-Elect of Congress and date;
3. Contact information for the person in the Member/ Member-Elect's office whom we should call if there are any problems or questions (scheduler, etc.); and
4. The signature from the Office of the Administrative Counsel.

A few things to keep in mind:

- The Member/ Member-Elect is required to personally sign the documents.
- The Attachment **SHALL NOT** have any provisions deleted or changed.
- Even if rent is zero, an Attachment is still required.
- **Prior to either party signing a Lease or Amendment, the Member/ Member-Elect must submit the proposed Lease or Amendment, accompanied by a copy of the Attachment, to the Administrative Counsel for review and approval.** If the Administrative Counsel determines that the proposed terms and conditions of the Lease or Amendment are in compliance with applicable law and House Rules and Regulations, the Administrative Counsel will notify the Member/Member-Elect that (s)he may proceed with the execution of the Lease or Amendment. Please submit the proposed Lease or Amendment and Attachment either by e-mail in PDF form (leases@mail.house.gov) or by fax (202-225-6999).
- Once signed by both parties, the Lease or Amendment and the Attachment must be submitted to the Administrative Counsel for final approval. The Attachment should be submitted at the same time the Lease or Amendment is sent to the Administrative Counsel. They may be sent by email in PDF form or faxed to (202-225-6999), but the originals still must be submitted by interoffice mail (217 Ford House Office Building, Washington, D.C. 20515) after emailing or faxing.
- Without a properly signed and submitted Attachment, the Lease or Amendment cannot be approved and payments will not be made.
- The parties agree that any charges for default, early termination or cancellation of the Lease or Amendment which result from actions taken by or on behalf of the Lessee shall be the sole responsibility of the Lessee, and are not reimbursable from the Member's Representational Allowance.

U.S. House of Representatives
Washington, D.C. 20515

District Office Lease Attachment

(Page 1 of 4 – 113th Congress)

1. **Incorporated District Office Lease Attachment.** Lessor (Landlord) and Lessee (Member/Member-Elect of the U.S. House of Representatives) agree that this District Office Lease Attachment ("Attachment") is incorporated into and made part of the Lease ("Lease") and, if applicable, District Office Lease Amendment ("Amendment") to which it is attached.
2. **Performance.** Lessor expressly acknowledges that neither the U.S. House of Representatives ("House") nor its Officers are liable for the performance of the Lease. Lessor further expressly acknowledges that payments made by the Chief Administrative Officer of the House ("CAO") to Lessor to satisfy Lessee's rent obligations under the Lease – which payments are made solely on behalf of Lessee in support of his/her official and representational duties as a Member of the House – shall create no legal obligation or liability on the part of the CAO or the House whatsoever. Lessee shall be solely responsible for the performance of the Lease and Lessor expressly agrees to look solely to Lessee for such performance.
3. **Modifications.** Any amendment to the Lease must be in writing and signed by the Lessor and Lessee. Lessor and Lessee also understand and acknowledge that the Administrative Counsel for the CAO ("Administrative Counsel") must review and give approval of any amendment to the Lease prior to its execution.
4. **Compliance with House Rules and Regulations.** Lessor and Lessee understand and acknowledge that the Lease shall not be valid, and the CAO will not authorize the disbursement of funds to the Lessor, until the Administrative Counsel has reviewed the Lease to determine that it complies with the Rules of the House and the Regulations of the Committee on House Administration, and approved the Lease by signing on page 4 of this Attachment.
5. **Payments.** The Lease is a fixed term lease with monthly installments for which payment is due in arrears on or before the end of each calendar month. In the event of a payment dispute, Lessor agrees to contact the Office of Finance of the House at 202-225-7474 to attempt to resolve the dispute before contacting Lessee.
6. **Void Provisions.** Any provision in the Lease purporting to require the payment of a security deposit shall have no force or effect. Furthermore, any provision in the Lease purporting to vary the dollar amount of the rent specified in the Lease by any cost of living clause, operating expense clause, pro rata expense clause, escalation clause, or any other adjustment or measure during the term of the Lease shall have no force or effect.
7. **Certain Charges.** The parties agree that any charge for default, early termination or cancellation of the Lease which results from actions taken by or on behalf of the Lessee shall be the sole responsibility of the Lessee, and shall not be paid by the CAO on behalf of the Lessee.
8. **Death, Resignation or Removal.** In the event Lessee dies, resigns or is removed from office during the term of the Lease, the Clerk of the House may, at his or her sole option, either: (a) terminate the Lease by giving thirty (30) days' prior written notice to Lessor; or (b) assume the obligation of the Lease and continue to occupy the premises for a period not to exceed sixty (60) days following the certification of the election of the Lessee's successor. In the event the Clerk elects to terminate the Lease, the commencement date of such thirty (30) day termination notice shall be the date such notice is delivered to the Lessor or, if mailed, the date on which such notice is postmarked.

U.S. House of Representatives
Washington, D.C. 20515

District Office Lease Attachment

(Page 2 of 4 – 113th Congress)

9. **Term.** The term of the Lease may not exceed the constitutional term of the Congress to which the Lessee has been elected. The Lease may be signed by the Member-Elect before taking office. Should the Member-Elect not take office to serve as a Member of the 113th Congress, the Lease will be considered null and void.
10. **Early Termination.** If either Lessor or Lessee terminates the Lease under the terms of the Lease, the terminating party agrees to promptly file a copy of any termination notice with the Office of Finance, U.S. House of Representatives, B-245 Longworth House Office Building, Washington, D.C. 20515, and with the Administrative Counsel, Office of the Chief Administrative Officer, U.S. House of Representatives, 217 Ford House Office Building, Washington, D.C. 20515.
11. **Notification upon Occurrence of Certain Events.** Lessor agrees to promptly notify Lessee in writing in the event Lessor sells, transfers, or otherwise disposes of the leased premises; in the event Lessor is placed in bankruptcy proceedings (whether voluntarily or involuntarily); in the event the leased premises is foreclosed upon; or in the event of any similar occurrence. Lessee shall promptly file a copy of any such notice with the Office of Finance, U.S. House of Representatives, B-245 Longworth House Office Building, Washington, D.C. 20515.
12. **Estoppel Certificates.** Lessee agrees to sign an estoppel certificate relating to the leased premises (usually used in instances when the Lessor is selling or refinancing the building) upon the request of the Lessor. Such an estoppel certificate shall not require the review and approval of the Administrative Counsel.
13. **Maintenance of Common Areas.** Lessor agrees to maintain in good order, at its sole expense, all public and common areas of the building including, but not limited to, all sidewalks, parking areas, lobbies, elevators, escalators, entryways, exits, alleys and other like areas.
14. **Maintenance of Structural Components.** Lessor also agrees to maintain in good order, repair or replace as needed, at its sole expense, all structural and other components of the premises including, but not limited to, roofs, ceilings, walls (interior and exterior), floors, windows, doors, foundations, fixtures, and all mechanical, plumbing, electrical and air conditioning/heating systems or equipment (including window air conditioning units provided by the Lessor) serving the premises.
15. **Lessor Liability for Failure to Maintain.** Lessor shall be liable for any damage, either to persons or property, sustained by Lessee or any of his or her employees or guests, caused by Lessor's failure to fulfill its obligations under Sections 13 and 14.
16. **Initial Alterations.** Lessor shall make any initial alterations to the leased premises, as requested by Lessee and subject to Lessor's consent, which shall not be unreasonably withheld. The cost of such initial alterations shall be included in the annual rental rate.
17. **Federal Tort Claims Act.** Lessor agrees that the Federal Tort Claims Act, 28 U.S.C. §§ 2671-80, satisfies any and all obligations on the part of the Lessee to purchase private liability insurance. Lessee shall not be required to provide any certificates of insurance to Lessor.

U.S. House of Representatives
Washington, D.C. 20515

District Office Lease Attachment

(Page 3 of 4 – 113th Congress)

18. **Limitation of Liability.** Lessor agrees that neither Lessee nor the House nor any of the House's officers or employees will indemnify or hold harmless Lessor against any liability of Lessor to any third party that may arise during or as a result of the Lease or Lessee's tenancy.
19. **Compliance with Laws.** Lessor shall be solely responsible for complying with all applicable permitting and zoning ordinances or requirements, and with all local and state building codes, safety codes and handicap accessibility codes (including the Americans with Disabilities Act), both in the common areas of the building and the leased space of the Lessee.
20. **Electronic Funds Transfer.** Lessor agrees to accept monthly rent payments by Electronic Funds Transfer and agrees to provide the Office of Finance, U.S. House of Representatives, with all banking information necessary to facilitate such payments.
21. **Refunds.** Lessor shall promptly refund to the CAO, without formal demand, any payment made to the Lessor by the CAO for any period for which rent is not owed because the Lease has ended or been terminated.
22. **Conflict.** Should any provision of this Attachment be inconsistent with any provision of the attached Lease or attached Amendment, the provisions of this Attachment shall control, and those inconsistent provisions of the Lease or the Amendment shall have no force and effect to the extent of such inconsistency.
23. **Construction.** Unless the clear meaning requires otherwise, words of feminine, masculine or neuter gender include all other genders and, wherever appropriate, words in the singular include the plural and vice versa.
24. **Fair Market Value.** The Lease or Amendment is entered into at fair market value as the result of a bona fide, arms-length, marketplace transaction. The Lessor and Lessee certify that the parties are not relatives nor have had, or continue to have, a professional or legal relationship (except as a landlord and tenant).
25. **District Certification.** The Lessee certifies that the office space that is the subject of the Lease is located within the district the Lessee was elected to represent unless otherwise authorized by Regulations of the Committee on House Administration.
26. **Counterparts.** This Attachment may be executed in any number of counterparts and by facsimile copy, each of which shall be deemed to be an original but all of which together shall be deemed to be one and the same instrument.
27. **Section Headings.** The section headings of this Attachment are for convenience of reference only and shall not be deemed to limit or affect any of the provisions hereof.

[Signature page follows.]

U.S. House of Representatives
Washington, D.C. 20515

District Office Lease Attachment

(Page 4 of 4 – 113th Congress)

IN WITNESS WHEREOF, the parties have duly executed this District Office Lease Attachment as of the later date written below by the Lessor or the Lessee.

City of Compton by G. Harold Duffey, City Manager

Print Name (Lessor)

U.S. Congresswoman Janice Hahn

Print Name (Lessee)

Lessor Signature

Lessee Signature

Date

Date

From the Member's Office, who is the point of contact for questions?

Name _____ Phone (____) _____ E-mail _____@mail.house.gov

This District Office Lease Attachment and the attached Lease or Amendment have been reviewed and are approved, pursuant to Regulations of the Committee on House Administration.

Signed _____ Date _____, 20____.
(Administrative Counsel)

*Send completed forms to: Administrative Counsel, 217 Ford House Office Building, Washington, D.C. 20515.
Copies may also be faxed to 202-225-6999*

#5.

District Office Lease Agreement between City of Compton and
United States Congresswoman Janice Hahn

[Additional Signature Page for District Office Lease Attachment - City of Compton]

Approved as to form:

By _____
Craig J. Cornwell, City Attorney

Dated: _____

ATTEST:

By _____
Alifa Godwin, City Clerk

Dated: _____

RESOLUTION SIGN-OFF FORM

DEPARTMENT: General Services

RESOLUTION TITLE: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A LEASE AGREEMENT WITH THE 44TH UNITES STATES CONGRESSIONAL DISTRICT REPRESENTATIVE (CONGRESSWOMAN JANICE HAHN) FOR A DISTRICT OFFICE IN COMPTON CITY HALL.

Kelly Montgomery
DEPARTMENT MANAGER’S SIGNATURE

2/6/2013 4:54:58 PM
DATE

REVIEW / APPROVAL

Ruth Rugley
CITY ATTORNEY

2/7/2013 10:41:04 AM
DATE

Stephen Ajobiewe
CITY CONTROLLER

2/7/2013 9:52:32 AM
DATE

G. Harold Duffey
CITY MANAGER

2/7/2013 8:11:04 AM
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.

February 12, 2013

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: CITY MANAGER

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO AMEND THE 2012-2013 FISCAL YEAR BUDGET AND EXECUTE A SIDE LETTER AGREEMENT BETWEEN SEIU LOCAL 721 MAINTENANCE AND TRADES UNIT TO ADJUST THE SALARIES OF POSITIONS IN THE PUBLIC WORKS AND MUNICIPAL UTILITIES DEPARTMENT

SUMMARY

The City Council will consider a resolution to amend the Fiscal Year 2012-2013 budget to adjust the salaries of the classified positions of Pump Operator, Meter Reader II, and Storekeeper and authorize the City Manager to execute a Side Letter Agreement with the Maintenance and Trades Unit, SEIU Local #721.

BACKGROUND

The Fiscal Year 2011-2012 budget adopted adjusted salaries for the classified positions of Pump Operator, Meter Reader II, and Storekeeper that were commiserate with the industry standards of other local municipal water agencies and districts. However, through inadvertence, the increased salary ranges for these positions were not implemented to reflect the approved Fiscal Year 2011-2012 budgeted amounts. Subsequently, the Fiscal Year 2012-2013 budget reverted the salaries for these positions to pre-Fiscal Year 2011-2012 budgeted amounts.

The classified positions of Pump Operator, Meter Reader II and Storekeeper are represented by the Maintenance and Trades Unit, SEIU Local 721. The current Memorandum of Agreement between the City of Compton and SEIU Local 721 was authorized for execution and implementation by Resolution 23,001, adopted by the City Council on December 22, 2009. Subsequent to the adoption and execution of the Memorandum of Agreement, the City and SEIU Local 721 representatives have met and conferred on the issue of the City adjusting the salaries of individuals employed by the City in the classified positions of Pump Operator, Meter Reader II and Storekeeper. The negotiations between the City and SEIU Local 721 have resulted in the reaching of a Side Letter Agreement (Attachment I); pending City Council approval, this will amend the Memorandum of Agreement authorized by Resolution 23,001.

#7.

STATEMENT OF ISSUE

The City Manager has completed an organizational assessment of the Department of Public Works and Municipal Utilities. Based upon this review, it is recommended that salary adjustments be made in order to serve the City's best needs and reflect the responsibilities and skill levels of the positions.

A salary survey comparison was completed by the Department of Human Resources in 2009 with 11 similar cities and/or Water Districts. At the commencement of the classification and compensation studies, the City and various bargaining units agreed to adjust classifications and/or compensations of positions, if warranted, prior to the completion of the studies. The salaries for the Pump Operator, Meter Reader II and Storekeeper positions should be adjusted to reflect the intent of the salary survey and Fiscal Year 2011-2012 budget appropriations.

The salary range for Pump Operator shall be amended as follows:

<u>From:</u>	Salary Range 95	\$3,282.00 - \$3,840.00 monthly \$38,988.00 - \$45,624.00 annually
<u>To:</u>	Salary Range 117	\$4,072.00 - \$4,772.00 monthly \$48,864.00 - \$57,264.00 annually

The salary range for Meter Reader II shall be amended as follows:

<u>From:</u>	Salary Range 82	\$2,889.00 - \$3,379.00 monthly \$34,668.00 - \$40,548.00 annually
<u>To:</u>	Salary Range 104	\$3,584.00 - \$4,194.00 monthly \$43,008.00 - \$50,328.00 annually

The salary range for Storekeeper shall be amended as follows:

<u>From:</u>	Salary Range 72	\$2,619.00 - \$3,064.00 monthly \$31,428.00 - \$36,768.00 annually
<u>To:</u>	Salary Range 93	\$3,217.00 - \$3,764.00 monthly \$38,604.00 - \$45,168.00 annually

ALTERNATIVE

The City Council has already approved consolidation of the Departments of Public Works and Municipal Water into the Department of Public Works and Municipal Utilities. The consolidation became effective on December 20, 2012, thus it is necessary that the Council adopt this resolution to move forward with salary adjustments for these positions so that the department may meet its core functions.

FISCAL IMPACT

The proposed amendments come at the mid-year of the Fiscal Year 2012-2013 budget, and therefore the funds necessary for the increase in expenditures are prorated and will come from salary savings at a cost of \$91,230.00. These salary savings are exclusive of those assumed as offsets for the Fiscal Year 2012-2013 budget deficit. These amendments will have no impact on the General Fund.

The Fiscal Year 2012-2013 budget must be amended as follows:

From:

The following vacant positions have yielded sufficient year-to-date salary savings that exceed the offsets required for the increase in budget expenditures:

<u>Position</u>	<u>Amount</u>
Water General Manager (7 months of vacancy)	
Permanent Salary	\$61,285.00
Fringe Benefits	<u>\$30,600.00</u>
	\$91,885.00
Accounting Specialist I (6 months of vacancy)	
Permanent Salaries	\$22,584.00
Fringe Benefits	<u>\$12,277.00</u>
	\$34,861.00
Total	\$126,746.00

To:

<u>Account Number</u>	<u>Description</u>	<u>Amount</u>
5000-860-000-4101	Permanent Salaries	\$11,184.00
5000-860-000-4190	Workers Compensation	\$730.00
5000-860-000-4192	PERS	\$1,158.00
5000-860-000-4193	PERS Pick-Up	\$447.00
5000-860-000-4198	State Disability Insurance	\$56.00
5000-860-000-4199	Medicare	\$81.00
Total		\$13,656.00

<u>Account Number</u>	<u>Description</u>	<u>Amount</u>
5000-870-000-4101	Permanent Salaries	\$11,184.00
5000-870-000-4190	Workers Compensation	\$730.00
5000-870-000-4192	PERS	\$1158.00
5000-870-000-4193	PERS Pick-Up	\$447.00
5000-870-000-4198	State Disability Insurance	\$56.00
5000-870-000-4199	Medicare	\$81.00
Total		\$13,656.00

#7.

<u>Account Number</u>	<u>Description</u>	<u>Amount</u>
5000-880-000-4101	Permanent Salaries	\$4,200.00
5000-880-000-4190	Workers Compensation	\$274.00
5000-880-000-4192	PERS	\$435.00
5000-880-000-4193	PERS Pick-Up	\$168.00
5000-880-000-4198	State Disability Insurance	\$21.00
5000-880-000-4199	Medicare	\$30.00
Total		\$5,128.00

<u>Account Number</u>	<u>Description</u>	<u>Amount</u>
5000-890-000-4101	Permanent Salaries	\$39,120.00
5000-890-000-4190	Workers Compensation	\$2,555.00
5000-890-000-4192	PERS	\$4,049.00
5000-890-000-4193	PERS Pick-Up	\$1,565.00
5000-890-000-4198	State Disability Insurance	\$196.00
5000-890-000-4199	Medicare	\$213.00
Total		\$47,697.00

<u>Account Number</u>	<u>Description</u>	<u>Amount</u>
5003-880-000-4101	Permanent Salaries	\$7,692.00
5003-880-000-4190	Workers Compensation	\$1,005.00
5003-880-000-4192	PERS	\$1,592.00
5003-880-000-4193	PERS Pick-Up	\$615.00
5003-880-000-4198	State Disability Insurance	\$77.00
5003-880-000-4199	Medicare	\$112.00
Total		\$11,093.00
GRAND TOTAL		\$91,230.00

RECOMMENDATION

It is recommended that the City Council adopt the attached Resolution authorizing the City Manager to amend the Fiscal Year 2012-2013 Budget and execute a Side Letter Agreement with the Maintenance and Trades Unit SEIU Local 721.

G. HAROLD DUFFEY
CITY MANAGER

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON
AUTHORIZING THE CITY MANAGER TO AMEND THE 2012-2013
FISCAL YEAR BUDGET AND EXECUTE A SIDE LETTER
AGREEMENT BETWEEN SEIU LOCAL 721 MAINTENANCE AND
TRADES UNIT TO ADJUST THE SALARIES OF POSITIONS IN THE
PUBLIC WORKS AND MUNICIPAL UTILITIES DEPARTMENT**

WHEREAS, on November 20, 2012, the City Council adopted Ordinance No. 2,235, which consolidated the City's Departments of Public Works and Municipal Water and created the Department of Public Works and Municipal Utilities ("Department") to provide more integrated and efficient management of the engineering, design, construction and maintenance of the City's critical infrastructure; and

WHEREAS, the classified positions of Pump Operator, Meter Reader II and Storekeeper are employed in the Public Works and Municipal Utilities Department and represented by the Service Employees International Union ("SEIU") Local 721, Maintenance and Trades Unit; and

WHEREAS, the Fiscal Year 2011-2012 budget adopted adjusted salaries for the positions of Pump Operator, Meter Reader II, and Storekeeper that were commiserate with the industry standards of other local municipal water agencies and districts; however, through inadvertence, the increased salary ranges for these positions were not implemented to reflect the approved Fiscal Year 2011-2012 budgeted amounts. Subsequently, the Fiscal Year 2012-2013 budget reverted the salaries for these positions to pre-Fiscal Year 2011-2012 budgeted amounts; and

WHEREAS, on December 22, 2009, the City Council adopted Resolution No. 23,001, which authorized the City Manager to execute and implement the Memorandum of Agreement between the City and SEIU Local 721, Maintenance and Trades Unit, and subsequent to adoption and execution of the Memorandum of Agreement, the City and SEIU Local 721 representatives have met and conferred on the issue of the City adjusting the salaries of individuals employed in the positions of Pump Operator, Meter Reader II and Storekeeper, resulting in the reaching of a Side Letter Agreement (attached hereto); pending City Council approval; which will amend the Memorandum of Agreement authorized by Resolution 23,001; and

WHEREAS, it is in the best interest of the City to authorize the proposed Side Letter Agreement amending the Memorandum of Agreement between the City and SEIU Local 721, Maintenance and Trades Unit; and

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

Section 1. That the City Council does hereby approve and ratify the Side Letter Agreement (attached hereto), amending the Memorandum of Agreement between the City of Compton and the Service Employees International Union Local 721, Maintenance and Trades Unit.

Section 2. That the provisions of the Side Letter Agreement shall be effective retroactively from the date of July 1, 2012.

Section 3. That the City Manager, upon the advice of the City Attorney, is hereby directed to execute and implement the Side Letter Agreement to the Memorandum of Agreement in accordance with the provisions of this Resolution and the amendment to the Memorandum of Agreement. All other terms and conditions of the current Memorandum of Agreement, adopted pursuant to Resolution No. 23,001, shall remain in effect and unchanged.

Section 4. That the Fiscal Year 2012-2013 budget shall be amended to adjust the salary range for the position of Pump Operator as follows:

<u>From:</u>	Salary Range 95	\$3,282.00 - \$3,840.00 monthly \$38,988.00 - \$45,624.00 annually
---------------------	-----------------	---

To:

Salary Range 117

\$4,072.00 - \$4,772.00 monthly
\$48,864.00 - \$57,264.00 annually

Section 5. That the Fiscal Year 2012-2013 budget shall be amended to adjust the salary range for the position of Meter Reader II as follows:

From:

Salary Range 82

\$2,889.00 - \$3,379.00 monthly
\$34,668.00 - \$40,548.00 annually

To:

Salary Range 104

\$3,584.00 - \$4,194.00 monthly
\$43,008.00 - \$50,328.00 annually

Section 6. That the Fiscal Year 2012-2013 budget shall be amended to adjust the salary range for the position of Storekeeper as follows:

From:

Salary Range 72

\$2,619.00 - \$3,064.00 monthly
\$31,428.00 - \$36,768.00 annually

To:

Salary Range 93

\$3,217.00- \$3,764.00 monthly
\$38,604.00 - \$45,168.00 annually

Section 7. That the Departments of Public Works and Water Fiscal Year 2012-2013 budgets shall be amended as follows:

From:

The following vacant positions year-to-date salary savings that exceed the offsets required for the proposed budget amendments:

<u>Position</u>	<u>Amount</u>
Water General Manager (7 months of vacancy)	
Permanent Salary	\$61,285.00
Fringe Benefits	<u>\$30,600.00</u>
	\$91,885.00
Accounting Specialist I (6 months of vacancy)	
Permanent Salaries	\$22,584.00
Fringe Benefits	<u>\$12,277.00</u>
	\$34,861.00
Total	\$126,746.00

To:

<u>Account Number</u>	<u>Description</u>	<u>Amount</u>
5000-860-000-4101	Permanent Salaries	\$11,184.00
5000-860-000-4190	Workers Compensation	\$730.00
5000-860-000-4192	PERS	\$1,158.00
5000-860-000-4193	PERS Pick-Up	\$447.00
5000-860-000-4198	State Disability Insurance	\$56.00
5000-860-000-4199	Medicare	<u>\$81.00</u>
Total		\$13,656.00

<u>Account Number</u>	<u>Description</u>	<u>Amount</u>
5000-870-000-4101	Permanent Salaries	\$11,184.00
5000-870-000-4190	Workers Compensation	\$730.00
5000-870-000-4192	PERS	\$1158.00
5000-870-000-4193	PERS Pick-Up	\$447.00
5000-870-000-4198	State Disability Insurance	\$56.00
5000-870-000-4199	Medicare	<u>\$81.00</u>
Total		\$13,656.00

<u>Account Number</u>	<u>Description</u>	<u>Amount</u>
5000-880-000-4101	Permanent Salaries	\$4,200.00
5000-880-000-4190	Workers Compensation	\$274.00
5000-880-000-4192	PERS	\$435.00
5000-880-000-4193	PERS Pick-Up	\$168.00
5000-880-000-4198	State Disability Insurance	\$21.00
5000-880-000-4199	Medicare	<u>\$30.00</u>
Total		\$5,128.00

<u>Account Number</u>	<u>Description</u>	<u>Amount</u>
5000-890-000-4101	Permanent Salaries	\$39,120.00
5000-890-000-4190	Workers Compensation	\$2,555.00
5000-890-000-4192	PERS	\$4,049.00
5000-890-000-4193	PERS Pick-Up	\$1,565.00
5000-890-000-4198	State Disability Insurance	\$196.00
5000-890-000-4199	Medicare	\$213.00
Total		\$47,697.00

<u>Account Number</u>	<u>Description</u>	<u>Amount</u>
5003-880-000-4101	Permanent Salaries	\$7,692.00
5003-880-000-4190	Workers Compensation	\$1,005.00
5003-880-000-4192	PERS	\$1,592.00
5003-880-000-4193	PERS Pick-Up	\$615.00
5003-880-000-4198	State Disability Insurance	\$77.00
5003-880-000-4199	Medicare	\$112.00
Total		\$11,093.00
GRAND TOTAL		\$91,230.00

Section 8. That a duly certified copy of this Resolution shall be delivered to the offices of the City Clerk, City Manager, City Controller, City Attorney, Human Resources, Public Works and Municipal Utilities Department and provided to the President of the Services Employees International Union Local 721, Maintenance and Trades Unit.

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

ADOPTED this ____ day of _____, 2013.

MAYOR OF THE CITY OF COMPTON

ATTEST:

CITY CLERK OF THE CITY OF COMPTON

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

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing Resolution was adopted by the City Council, signed by the Mayor and attested by the City Clerk at a regular meeting thereof, held on the ____ day of _____, 2013.

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

**SIDE LETTER AGREEMENT
MEMORANDUM OF AGREEMENT BETWEEN CITY OF COMPTON AND SEIU LOCAL 721
MAINTENANCE AND TRADES UNIT
JULY 1, 2009 – JUNE 20, 2012**

This **SIDE LETTER AGREEMENT** is entered by and between the **CITY OF COMPTON**, a municipal corporation of the State of California ("**CITY**") and **SERVICE EMPLOYEES INTERNATIONAL UNION, LOCAL #721, MAINTENANCE AND TRADES UNIT**, a City recognized employee bargaining unit ("**SEIU LOCAL #721, MAINTENANCE AND MAINTENANCE UNIT**").

RECITALS

WHEREAS, the classified positions of Pump Operator, Meter Reader II and Storekeeper are employed within the (former) Compton Municipal Water Department of the City and represented by the Service Employees International Union ("**SEIU**") Local 721, Maintenance and Trades Unit; and

WHEREAS, on December 22, 2009, the City Council of the City of Compton adopted Resolution No. 23,001, which authorized the City Manager to execute and implement the Memorandum of Agreement between the City and SEIU Local #721, Maintenance and Trades Unit; and

WHEREAS, during the City budget adoption process for Fiscal Year 2011-2012, the salary ranges for the job classifications of Pump Operator, Meter Reader II and Storekeeper were increased, however, through inadvertence the increased salary ranges for these positions were not implemented; and

WHEREAS, during the City budget adoption process for Fiscal Year 2012-2013, the salary ranges for the job classifications of Pump Operator, Meter Reader II and Storekeeper were reduced to the pre-FY 2011-2012 salary ranges; and

WHEREAS, on January 7, 2013, pursuant to the provisions of the Meyers-Milias-Brown Act, the City and SEIU Local #721, Maintenance and Trades Unit representatives met and conferred on the above issue of the appropriate salary range for the job classifications of Pump Operator, Meter Reader II and Storekeeper; and

WHEREAS, the negotiations have resulted in the City and SEIU Local #721, Maintenance and Trades Unit representatives reaching a Side Letter Agreement which will amend the Memorandum of Agreement authorized by Resolution No. 23,001; and

WHEREAS, by Resolution No. _____, adopted on the ____ day of _____ 2013, the City Council gave approval to the City Manager to execute and implement a Side Letter Agreement amending the Memorandum of Agreement authorized by Resolution No. 23,001, to increase the salary ranges for the job classifications of Pump Operator, Meter Reader II and Storekeeper.

Side Letter – Amending Memorandum of Agreement
 Service Employees International Union Local #721 – Maintenance and Trades
 July 1, 2009 – June 30, 2012
 Resolution No. _____

NOW, THEREFORE, the parties do hereby mutually agree to amend the Memorandum of Agreement as follows:

AMENDMENTS

1. Article 19 (Compensation), Section D (Salary Ranges) is amended in part as follows:

<u>Classification</u>	<u>From</u>	<u>To</u>
Meter Reader II	\$40,548 (Range 82)	\$50,328 (Range 104)
Pump Operator	\$46,080 (Range 95)	\$57,264 (Range 117)
Storekeeper	\$36,768 (Range 72)	\$45,168 (Range 93)

2. The provisions of this Side Letter Agreement amending the Memorandum of Agreement increasing the salary ranges for the job classifications identified above shall be effective retroactively to July 1, 2012.

3. It is explicitly understood and agreed by the parties hereto that the provisions of this Side Letter Agreement shall not entitle any person(s) employed in the job classifications of Pump Operator, Meter Reader II and/or Storekeeper to any adjustment to the salary they may have received or allegedly was entitled to receive during the 2011-2012 Fiscal Year, nor any additional or different benefits than those benefits that were received, and that any claims to such is expressly, knowingly and intelligently waived.

4. Except as provided for above, all other terms and conditions of the Memorandum of Agreement, adopted pursuant to Resolution No. 23,001 shall remain in effect and unchanged.

IN WITNESS WHEREOF, the authorized representatives of the parties have executed this SIDE LETTER AGREEMENT.

SERVICE EMPLOYEES INTERNATIONAL UNION
 LOCAL #721 – MAINTENANCE AND TRADES UNIT

By _____
 James Walker, Chapter President

Dated: _____

By _____
 Kevin Monk, SEIU Local #721
 Union Representative

Dated: _____

Side Letter – Amending Memorandum of Agreement
Service Employees International Union Local #721 – Maintenance and Trades
July 1, 2009 – June 30, 2012
Resolution No. _____

CITY OF COMPTON

Dated: _____

By _____
G. Harold Duffey, City Manager

Approved as to form:

By _____
Craig J. Cornwell, City Attorney

Dated: _____

ATTEST:

Dated: _____

By _____
Alita Godwin, City Clerk

#7.

RESOLUTION SIGN-OFF FORM

DEPARTMENT: City Management

RESOLUTION TITLE: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO AMEND THE 2012-2013 FISCAL YEAR BUDGET AND EXECUTE A SIDE LETTER AGREEMENT BETWEEN SEIU LOCAL 721 MAINTENANCE AND TRADES UNIT TO ADJUST THE SALARIES OF POSITIONS IN THE PUBLIC WORKS AND MUNICIPAL UTILITIES DEPARTMENT

Terrance C. Davis
DEPARTMENT MANAGER’S SIGNATURE

2/7/2013 8:56:27 AM
DATE

REVIEW / APPROVAL

Ruth Rugley
CITY ATTORNEY

2/7/2013 2:19:32 PM
DATE

Stephen Ajobiewe
CITY CONTROLLER

2/7/2013 4:34:06 PM
DATE

Terrance C. Davis
CITY MANAGER

2/7/2013 1:25:22 PM
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.

February 12, 2013

TO: MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: CITY MANAGER

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A GROUND LEASE AGREEMENT WITH PRISM-IQ PARTNERS II, LLC.

SUMMARY

Authorization is requested for the City Manager to enter into a ground lease agreement with PRISM-IQ PARTNERS II, LLC, for the unimproved real property located at the northwest corner of Artesia Boulevard and the Alameda Street off-ramp in the City of Compton.

BACKGROUND

The property in question consists of approximately 1,540 square feet of vacant land along State Route 91. Based on a market value of \$7.03 per square foot, the fair market value of the property is \$10,826.20. A 10% annual return on that fair market value is equivalent to a monthly rental of \$90.22. The property is located at the northwest corner of Artesia Boulevard and the Alameda Street off-ramp in the City of Compton. The property has limited uses as it is inaccessible from Artesia Boulevard and the off-ramp to Alameda Street due to a significant grade difference. PRISM-IQ PARTNERS II, LLC, has proposed to use this site to erect a pylon or monument sign to promote the nearby proposed shopping center and other related uses.

RECOMMENDATION

It is in the best interest of the City to enter into a long-term lease (55 years) with PRISM-IQ PARTNERS II, LLC, for the base rent amount of Ninety Dollars and Twenty-Two Cents (\$90.22) per month. Therefore, staff recommends that the City Council adopt the attached resolution.

G. HAROLD DUFFEY
CITY MANAGER

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON
AUTHORIZING THE CITY MANAGER TO ENTER INTO A GROUND LEASE
AGREEMENT WITH PRISM-IQ PARTNERS II, LLC**

WHEREAS, the City of Compton is the owner of approximately 1,540 square feet of unimproved real property located at the northwest corner of Artesia Boulevard and the Alameda Street off-ramp within the City of Compton; and

WHEREAS, the City desires to lease to PRISM-IQ PARTNERS II, LLC; and same desires to lease from City the property referenced above for the purpose of erecting a pylon or monument sign to promote or advertise the nearby proposed shopping center or any occupant thereof and uses reasonably related thereto; and

WHEREAS, the City has established a base monthly rent in the amount of ninety dollars and twenty-two cents (\$90.22) for the lease of this property.

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

SECTION 1. That the City Council hereby authorizes the City Manager, upon the advice and approval of the City Attorney, to enter into a ground lease agreement with Prism-IQ Partners II, LLC, for the lease of approximately 1,540 square feet of unimproved real property owned by the City of Compton, located at the northwest corner of Artesia Boulevard and the Alameda Street off-ramp within the City of Compton.

SECTION 2. That the term of the lease agreement shall commence on the earlier of either December 1, 2014 or fifteen (15) days following Prism-IQ Partners II, LLC's receipt of any required City of Compton permits for construction of the pylon or monument sign on the leased property ("Commencement Date"), and shall terminate on the fifty-fifth (55th) anniversary of the commencement date. The term of lease agreement may be extended four (4) times for ten (10) year additional terms by mutual consent of the parties.

SECTION 3. That the base monthly rent amount for the lease shall commence at \$90.22 per month, which shall increase by ten percent (10%) on each tenth (10th) anniversary of the lease agreement commencement date.

SECTION 4. That a certified copy of this Resolution shall be filed in the offices of the City Manager, City Attorney, City Controller, Successor Agency, Planning and Economic Development, Building and Safety and the City Clerk.

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

ADOPTED this ____ day of _____, 2013.

MAYOR OF THE CITY OF COMPTON

Resolution No. _____
Page 2

ATTEST:

CITY CLERK OF THE CITY OF COMPTON

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

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing Resolution was adopted by the City Council, signed by the Mayor, and attested by the City Clerk at a regular meeting thereof held on the _____ day of _____, 2013.

That said Resolution was adopted by the following vote:

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

CITY CLERK OF THE CITY OF COMPTON

GROUND LEASE

THIS GROUND LEASE ("Lease") is made and entered into as of January 23, 2013, by and between the CITY OF COMPTON, CALIFORNIA, a municipal corporation ("Landlord"), and PRISM-IQ PARTNERS II, LLC, a California limited liability company ("Tenant").

RECITALS:

A. Landlord is the owner of approximately 1,540 square feet of unimproved real property located in Compton, California, and which is more particularly described on **Exhibit "A"** attached hereto (the "Premises").

B. Tenant's affiliate and the Successor Agency to the Community Redevelopment Agency of the City of Compton, as successor in interest by operation of law to the Community Redevelopment Agency of the City of Compton, are parties to that certain Disposition and Development Agreement executed as of January 12, 2005 (as amended, the "DDA"), and pursuant to which the Tenant's affiliate has the right to acquire that certain real property located in the City of Compton for the purpose of constructing certain commercial improvements as described in the DDA, and which is more particularly described on **Exhibit "B"** attached hereto (the "Tenant Property").

C. In connection with the acquisition of the Tenant Property and the construction of the aforesaid commercial improvements, the Landlord desires to lease to Tenant, and Tenant desires to lease from Landlord, the Premises on the terms and conditions set forth in this Lease.

AGREEMENT

NOW, THEREFORE, incorporating the foregoing recitals and in consideration thereof and of the mutual covenants, conditions and agreements herein contained to be done, kept and performed, Landlord and Tenant hereby agree as follows:

ARTICLE 1**PREMISES**

1.1 **Lease.** Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the Premises, upon and subject to the terms, covenants and conditions herein set forth. Landlord represents and warrants to Tenant that Landlord owns the Premises free and clear of all monetary liens and has the power and authority to enter into and perform this Lease.

1.2 **No Representations.** Except as expressly provided in this Lease, Landlord makes no representations or warranties of any kind or nature as to the Premises. Landlord makes no representations or warranties that Tenant will be able to obtain any licenses, permits or other authorizations necessary or required to conduct the uses permitted herein on the Premises nor that the Premises are suitable for the uses permitted herein. Except for Landlord's representations and warranties and indemnity expressly provided in this Lease, Tenant has satisfied itself that the Premises are suitable for the uses permitted herein, and accepts the Premises on an "as is" basis.

ARTICLE 2

LEASE TERM AND OPTION TO PURCHASE

2.1 Term. The term of this Lease ("Term") shall commence on the earlier of (a) December 1, 2014, or (b) fifteen (15) days following Tenant's receipt of any required City of Compton permits for construction of the pylon or monument sign (the "Commencement Date"), and shall terminate on the fifty-fifth (55th) anniversary of the Commencement Date unless sooner terminated pursuant to the provisions hereof, except that if the Commencement Date has not occurred before December 1, 2014, then either party may terminate the Lease by giving the other party written notice of termination (by both commercial express delivery service and facsimile) on and effective as of December 1, 2014.

2.2 Option to Purchase. At any time prior to the fifty-fifth (55th) anniversary of the Commencement Date, Tenant shall have the option to purchase the Premises from Landlord (the "Option") by providing at least thirty days' prior written notice of exercise to Landlord (the "Exercise Notice"). The purchase price for the Premises shall be \$10,826.20, adjusted for changes in the Consumer Price Index for All Urban Consumers U.S. City Average, All Items (base years 1982-1984 = 100) published by the United States Department of Labor, Bureau of Labor Statistics (or if that Index is changed, then the converted or replacement index that is most similar to that Index), but the purchase price shall not increase more than 10% in any ten-year period. Landlord will sell, and Tenant will buy, the Premises within sixty days after the Exercise notice, subject to Tenant's approval of title to the Premises, and subject to other terms and conditions that are commercially reasonable at the time of the Exercise Notice for other commercial real property purchase transactions in the vicinity of the Premises.

2.3 Option to Extend Term. Tenant shall have the right to extend the Term of this Lease four (4) times for ten (10) years each by delivering written notice to Landlord not less than six (6) months before the Term would otherwise expire. In the event Tenant extends the Term, all the terms and conditions of this Lease shall remain in effect during Tenant's extension of the Term.

ARTICLE 3

RENT

3.1 Base Monthly Rent During Term. Commencing on the Commencement Date and continuing thereafter throughout the Lease Term, Tenant shall pay to Landlord base monthly rent in advance on or before the first day of each month of the Term in the amount of Ninety Dollars and Twenty-Two Cents (\$90.22) ("Base Rent"). Base Rent for partial months shall be prorated based on the actual number of days in such month. The Base Rent shall be increased by ten percent (10%) on each tenth (10th) anniversary of the Commencement Date during the Term.

3.2 Place and Method of Payment. All payments of Base Rent and other amounts due under this Lease shall be made by Tenant to Landlord without notice, demand, deduction, offset, or counterclaim except as expressly herein provided, at the address set forth in Article XXIV for the giving of notices to Landlord, or at such other place as Landlord may designate from time to time in writing, and shall be payable in current legal tender of the United States of America.

3.3 All Obligations of Tenant Considered Additional Rent. All costs and expenses which Tenant is required to pay hereunder, together with all interest and penalties that may accrue thereon in the event of Tenant's failure to pay such amounts, and all damages, costs and expenses which Landlord may incur by reason of any default of Tenant or failure on Tenant's part to comply with the terms of this Lease, shall be deemed to be "Additional Rent" and, in the event of nonpayment by Tenant, Landlord shall have all rights and remedies with respect thereto as Landlord has for the nonpayment of the Base Rent. Additional Rent and Base Rent are sometimes referred to in this Lease collectively as "Rent".

3.4 Interest on Overdue Payments. All Rent and other sums of any nature that Tenant fails to pay to Landlord when due under any provision of this Lease, or that Landlord pays to any third party on behalf of Tenant pursuant to any provision of this Lease, shall bear interest from the date due to Landlord or paid by Landlord, as applicable, at the lesser of (i) ten percent (10%) per annum, accruing daily but not compounded, or (ii) the highest rate permitted by applicable law. Such interest shall be payable immediately and without the necessity of any demand by Landlord. The fact that Landlord is entitled to interest under this Section 3.4 shall not be construed to excuse or mitigate any default by Tenant.

3.5 Triple Net Lease. This Lease is a 'triple-net' lease and all Rent shall be paid to Landlord absolutely net of all costs and expenses that relate in any way to the Premises, including, without limitation, any and all Real Premises Taxes (as hereinafter defined) and any and all construction, maintenance, repair, utility and operation costs associated with the Improvements (as hereinafter defined), and Tenant will be solely responsible for the payment of all such taxes, costs and expenses unless otherwise expressly provided in this Lease.

ARTICLE 4

USE OF THE PREMISES

4.1 Use of Premises. Tenant shall use the Premises solely for the construction, operation, use, maintenance, replacement and removal of a pylon or monument sign, related equipment and utility services in substantial conformance with the conceptual plan attached hereto as **Exhibit "C"** to promote or advertise the commercial improvements to be constructed on the Tenant Property and/or the business or adjacent property of Tenant's affiliate(s) or of any occupant thereof, or for the transmission or display of wireless signals or electronic messages reasonably related thereto (the "Improvements"). Except to the extent of Landlord's indemnity in Section 4.3 below, Tenant agrees to indemnify and protect Landlord against and to hold Landlord harmless from any and all claims, damages, costs, expenses or liabilities that may arise from the Tenant's use of the Premises or Improvements.

4.2 Restrictions on Use. Tenant shall not use or allow the Premises to be used for any unlawful purpose; nor shall Tenant cause, maintain or permit any nuisance on or about the Premises. Tenant shall be allowed to install and maintain a fence, constructed of materials reasonably approved by Landlord, around the Premises; which fence, if constructed shall constitute a part of the Improvements.

4.3 Compliance with Laws. Tenant covenants that during the Term of this Lease, Tenant will comply with all laws, ordinances, orders, rules, regulations and requirements of all

federal, state and municipal governments and appropriate departments, commissions, boards and offices thereof that apply to the Premises or the Improvements, or the use thereof, including all laws, orders, rules, regulations and requirements relating to Hazardous Materials (as hereinafter defined), excepting however any laws, ordinances, order, rules, regulations and requirements which Tenant is in good faith contesting in a court of appropriate jurisdiction (collectively, the "Applicable Laws") except Landlord will comply with all Applicable Laws with respect to any matters, including but not limited to Hazardous Materials, existing at or relating to the Premises before the Commencement Date (the "Landlord Applicable Laws"). Notwithstanding the foregoing, if Landlord's compliance with Landlord Applicable Laws with respect to Hazardous Materials will reasonably require Landlord's paying more than \$50,000.00 (the "Compliance Cap"), then Landlord may terminate this Lease upon sixty days' prior written notice to Tenant unless Tenant, within sixty days after receiving that notice, notifies Landlord that Tenant will pay the excess over the Compliance Cap for that compliance, in which case Landlord will proceed promptly with that compliance and pay up to the Compliance Cap and Tenant will thereafter pay the excess over that Compliance Cap. The Tenant agrees to indemnify and protect Landlord against and hold Landlord harmless from any and all claims, damages, costs, expenses or liabilities that may arise from the Tenant's failure to comply with all Applicable Laws, except that Landlord agrees to indemnify and protect Tenant against and hold Tenant harmless from any and all claims, damages, costs, expenses or liabilities that may arise from the Landlord's failure to comply with the Landlord Applicable Laws..

ARTICLE 5

CONSTRUCTION OF IMPROVEMENTS

Throughout the Term of this Lease, the Improvements shall remain the property of Tenant, but upon termination of this Lease the ownership of the Improvements shall vest in the Landlord except to the extent on or before termination Tenant elects by written notice to Landlord to remove the Improvements. Provided that Tenant has received the prior written consent of the Landlord, which consent shall not be unreasonably withheld or delayed (and which shall be deemed to have been given if Landlord does not reject Tenant's written request for Landlord's consent within thirty (30) days after Tenant provides the request to Landlord), and Tenant complies with all Applicable Laws and bears all costs relating thereto, Tenant shall have the right to modify the existing Improvements. Notwithstanding the foregoing, Landlord's consent is not required for repairs or replacements of any Improvements, or for any modifications costing less than \$50,000.00 in the aggregate during a calendar year. At all times during construction of the Improvements, the Improvements and the Premises shall be kept free from, and Tenant shall fully indemnify Landlord against, liens of materialmen, contractors, subcontractors and laborers or any other liens or claims arising in connection with the construction of the Improvements. Tenant agrees that the Improvements shall be designed, erected, constructed, completed and maintained in accordance with all Applicable Laws. Tenant agrees to indemnify and protect Landlord against and to hold Landlord harmless from any and all damages to person or property suffered by reason of the acts or omissions of Tenant, its agents, employees or contractors during the construction or demolition of the Improvements.

ARTICLE 6

MECHANICS' LIENS

6.1 Liens. Tenant shall not suffer or permit any liens against the Premises or against Tenant's leasehold interest therein by reason of work, labor, services or materials supplied or claimed to have been supplied to Tenant or anyone holding the Premises, or any part thereof, through or under Tenant, and Tenant agrees to indemnify, protect and defend Landlord against any such liens and from any and all other liability, claims, damages, expenses (including reasonable attorneys' fees), judgments, proceedings and causes of action, arising out of or in any way connected with the performance of such work or the supply of such services. If any such lien shall at any time be filed against the Premises, Tenant shall promptly cause the lien to be discharged of record; provided, however, that Tenant shall have the right to contest the amount or validity, in whole or in part, of any such lien by appropriate proceedings, but in such event, Tenant shall first notify Landlord and shall promptly bond such lien in the manner authorized and in the amount required by law with a responsible surety company qualified to do business in the State of California.

6.2 Nonresponsibility. Landlord shall have the right at any time and from time to time to post and maintain on the Premises such notices as may be necessary to protect the Premises and Landlord from mechanics' liens, materialmen's liens or liens of a similar nature. On or before ten (10) days prior to the commencement of any work of improvement by Tenant upon the Premises (including, without limitation, demolition of the Improvements), Tenant shall give written notice thereof to Landlord.

6.3 No Consent of Landlord. Nothing in this Lease shall be deemed to be, or construed in any way to constitute, the consent or request of Landlord, express or implied, by inference or otherwise, to any person, firm or corporation for the performance of any labor or the furnishing of any materials for any construction, rebuilding, alteration or repair of or to the Premises or any part thereof, nor as giving Tenant any right, power or authority to contract for or permit the rendering of any services or the furnishing of any materials, which might in any way give rise to the right to file any lien against Landlord's interest in the Premises. Landlord shall have the right to post and keep posted at all reasonable times on the Premises any notices which Landlord shall be required to post for the protection of Landlord and its interest in the Premises from any such lien.

ARTICLE 7

TAXES AND ASSESSMENTS

As used herein, the term "Real Premises Taxes" shall mean all real estate taxes, assessments for land and improvements to the Premises (including, without limitation, all personal property taxes and assessments of whatsoever kind or nature, if any, levied against the Improvements and all equipment, furniture, fixtures, alterations, improvements and any other personal property of whatsoever kind and to whomsoever belonging, situated or installed in and upon the Premises, whether or not affixed to the realty), municipal or county water and sewer rates and charges and other governmental levies and charges, general and special, ordinary and extraordinary, of any kind, which shall be levied against the Premises or the Improvements

erected or caused to be erected thereon which become a lien thereon and any tax or assessment in any way levied or assessed with respect to the possessory interest of Tenant or any person or entity holding under Tenant pursuant to the terms of this Lease, and any increases thereof regardless of the reason therefor, but excluding any franchise, corporate, income, personal property, capital levy, capital stock excess profits, transfer, revenue, estate, gift, inheritance or succession tax, payable by Landlord or any other tax, assessment, levy or charge upon or measured in whole or in part by the income or profits of Landlord. Throughout the Term of this Lease, Tenant shall pay all Real Premises Taxes prior to delinquency. Tenant shall have the right to contest any Real Premises Taxes at its sole expense and without any liability to Landlord. The possessory interest created by this Lease may be subject to taxation, and Tenant or any person or entity holding under Tenant pursuant to the terms of this Lease and in whom the possessory interest is vested may be subject to payment of possessory interest taxes under the California Revenue and Taxation Code. Such possessory interest taxes shall constitute Real Premises Taxes and shall be paid prior to delinquency.

ARTICLE 8

UTILITIES

Landlord shall have no obligation to Tenant under this Lease to furnish any utilities or services to the Premises. Throughout the Term of this Lease, Tenant shall contract for, furnish and pay, at its sole cost and expense, all water, gas, heat, light, power and sewer charges, telephone service and all other services and utilities supplied to or consumed in or on the Premises, together with any taxes thereon.

ARTICLE 9

REPAIRS AND MAINTENANCE

The parties agree that Landlord shall have no obligation to make any repairs, alterations or improvements to or upon the Premises or any part thereof at any time. Tenant shall, at Tenant's sole cost and expense at all times during the Term hereof, keep and maintain the Premises, appurtenances and every part thereof in clean, good order, first-class condition and repair and in compliance with all Applicable Laws. Landlord shall not be responsible for securing the Premises and Improvements from damage, theft or vandalism.

ARTICLE 10

LEASEHOLD FINANCING

10.1 Leasehold Financing. Landlord acknowledges and agrees that Tenant may from time to time during the Term, without the consent of Landlord, mortgage or otherwise finance and encumber, whether by leasehold deed of trust or mortgage, collateral assignment of this Lease, lease/sublease-back, assignment/leaseback and/or direct ownership of the Improvements, any and/or all of its leasehold estate hereunder, and property and rights in and to the Premises granted to it under this Lease, separately or together with any other property, as security for the payment of an indebtedness (any and all of which are herein referred to as a "Leasehold Mortgage" and the holder thereof is herein referred to as "Tenant's Mortgagee"). Any such

Leasehold Mortgage shall be a lien only upon Tenant's leasehold estate hereunder and Tenant's interest in the Premises but shall not be a lien upon the fee title to the Premises, upon Landlord's interests in this Lease, or upon Landlord's reversionary interest in the Improvements. Tenant's Mortgagee or its assigns may enforce such Leasehold Mortgage and acquire title to the leasehold estate and Tenant's interest in the Premises in any lawful way, and in connection therewith Tenant's Mortgagee may take possession of the Premises.

10.2 Cooperation with Tenant's Mortgagee. Landlord and Tenant agree that, so long as any Leasehold Mortgage is a lien on the leasehold estate created hereby and Tenant's interest in the Premises, then notwithstanding anything to the contrary contained in this Lease:

10.2.1 Notice. If Tenant or Tenant's Mortgagee under Leasehold Mortgage shall have delivered to Landlord prior written notice of the address of Tenant's Mortgagee, Landlord shall mail to Tenant's Mortgagee a copy of any notice of termination and/or default to Tenant given under this Lease, concurrently with giving such notice to Tenant.

10.2.2 Right to Cure. In the event of any default by Tenant under the provisions of this Lease, Tenant's Mortgagee shall have the same periods as are given Tenant for remedying such default, plus, in each case, an additional period of ninety (90) days, and in such event Tenant's Mortgagee, without prejudice to its rights against Tenant, shall have the right to cure such default within the applicable grace periods provided for herein whether such default consists of the failure to pay the Base Rent or the failure to perform any other obligation of Tenant hereunder, and Landlord shall accept such performance by Tenant's Mortgagee as though the same had been done or performed by Tenant.

10.2.3 No Termination During Foreclosure or Cure. In the event of any default by Tenant, and if prior to the expiration of the applicable cure period specified in Section 10.2.2, Tenant's Mortgagee shall give Landlord written notice that it intends to undertake the curing of such default, or to cause the same to be cured, or to exercise its rights to acquire the leasehold interest of Tenant by foreclosure or otherwise, and shall immediately commence and then proceed with all due diligence to do so, whether by performance on behalf of Tenant of its obligations under this Lease, or by entry on the Premises by foreclosure or otherwise, then Landlord shall not terminate or take any action to effect a termination of this Lease or reenter, take possession of or relet the Premises or similarly enforce performance of this Lease so long as Tenant's Mortgagee is with all due diligence and in good faith engaged in the curing of such default, provided, no extension beyond expiration of the thirty (30) day grace period specified in Section 10.2.2 shall be granted where default consists of failure to make timely payment of the Base Rent or other monetary sums due hereunder. Tenant's Mortgagee shall not be required to continue such possession of foreclosure proceedings if the default that was the reason therefor has been cured.

10.2.4 New Lease. In the event of the termination of this Lease as a result of Tenant's default under this Lease, or if Tenant as debtor in possession, or any trustee for Tenant's bankruptcy estate in any bankruptcy proceedings, shall reject this Lease, then Landlord shall provide Tenant's Mortgagee with written notice that this Lease has been terminated or rejected, as the case may be, together with a statement of all sums which would at that time be due under this Lease but for such termination or rejection, and of all other defaults of Tenant, if any, then known to Landlord. Landlord agrees to enter into a new lease ("New Lease") of the

Premises with Tenant's Mortgagee or its nominee (provided such nominee is reasonably financially capable of carrying out Tenant's obligations under this Lease) effective as of the date of termination or rejection, as the case may be, at the Base Rent and additional rent, and upon the terms, covenants and conditions (but excluding requirements which are not applicable or which have already been fulfilled) of this Lease, provided:

10.2.4.1 Tenant's Mortgagee or its nominee (provided such nominee is reasonably financially capable of carrying out Tenant's obligations under this Lease) shall pay or cause to be paid to Landlord at the time of the execution and delivery of such New Lease, any and all sums which are and/or would have at the time of execution and delivery thereof been due pursuant to this Lease but for such termination;

10.2.4.2 Tenant's Mortgagee or its nominee shall agree to remedy any of Tenant's defaults of which Tenant's Mortgagee was notified by Landlord's notice(s) of termination and/or default or otherwise which are reasonably susceptible of being so cured by Tenant's Mortgagee or its nominee, and it is hereby agreed that all monetary defaults are susceptible of cure.

10.2.4.3 Any New Lease made pursuant to this subparagraph (c) shall be prior to any lien, charge or encumbrance on the Premises which was junior and subordinate to such Leasehold Mortgage prior to the termination of this Lease and the tenant under such New Lease shall have the same right, title and interest in and to the Premises as Tenant had under this Lease.

10.2.5 Transfer after Foreclosure. This Lease may be assigned, without the consent of Landlord, to Tenant's Mortgagee, pursuant to foreclosure or similar proceedings, or pursuant to an assignment or other transfer of this Lease to Tenant's Mortgagee in lieu thereof, or thereafter by Tenant's Mortgagee to any third party, and Tenant's Mortgagee shall be liable to perform the obligations herein imposed on Tenant only for and during the period it is in possession of the Premises or in ownership of the leasehold estate created hereby.

10.2.6 No Surrender or Modification Binding. No surrender (except a surrender upon the expiration of the Term or upon termination by Landlord pursuant to the provisions of this Lease, including the notice provisions of Section 10.2.1 and the cure provisions of Section 10.2.2) by Tenant to Landlord of this Lease, or of the Premises, or any part thereof, or of any interest therein, and no termination of this Lease by Tenant shall be valid or effective, and neither this Lease nor any of the terms hereof may be amended, modified, changed or canceled and no consent of Tenant hereunder shall be valid or effective without the prior written consent of Tenant's Mortgagee (which consent shall not be unreasonably withheld or delayed).

10.2.7 Assignment of Sublease. Landlord consents to a provision in any Leasehold Mortgage or otherwise for an assignment of rents from subleases of the Premises to the holder thereof, effective upon any default under such Leasehold Mortgage.

10.2.8 Amendment to Lease. In connection with any leasehold financing, Landlord agrees to execute any and all amendments or modifications of this Lease reasonably requested by such lender, provided that no such amendment or modification shall decrease the

Base Rent or any other monetary sums due from or payable by Tenant hereunder, change the permitted use of the Premises as provided for herein, or otherwise have an adverse effect on Landlord's rights, benefits and privileges under this Lease, or create any additional obligations, or burdens upon Landlord (excluding non-material obligations or burdens) not required by the terms of this Lease.

10.3 Liability of Tenant's Mortgage. Except as set forth above, no Tenant's Mortgagee shall become personally liable for the performance or observance of any covenants or conditions to be performed or observed by Tenant unless and until Tenant's Mortgagee obtains possession of the Premises or becomes the owner of Tenant's interest hereunder upon the exercise of any remedy provided for in any Leasehold Mortgage or by law. Thereafter, Tenant's Mortgagee shall be liable for the performance and observance of such covenants and conditions only so long as Tenant's Mortgagee remains in such possession or for the time period it owns such interest including curing of all monetary defaults prior to Tenant's Mortgagee taking possession thereof.

ARTICLE 11

INSURANCE

11.1 Tenant's General Insurance Requirements. All insurance required to be carried by Tenant hereunder shall be issued by responsible insurance companies with general policy holder's rating of not less than B+ and a financial rating of not less than Class VII as rated in the most current available "Best Insurance Reports" or other similar insurance rating guide reasonably acceptable to Landlord and the holder of any deed of trust secured by any portion of the Premises (herein referred to as a "Mortgagee"). Tenant shall also have sole responsibility for obtaining any insurance required by any of the subleases (as described below in Section 14.1). Each such policy shall name Landlord, and at Landlord's request, any Mortgagee of the Premises as additional insureds, as their respective interests may appear. Each such policy must contain a provision that the company writing said policy will give to Landlord and, at Landlord's request, any Mortgagee of the Premises, not less than thirty (30) days notice in writing in advance of any modification, cancellation or lapse of such insurance or any reduction in the amounts thereof.

All of Tenant's insurance policies shall be written as primary policies, not contributing with, and not in excess of, coverage which Landlord may carry, and shall provide for severability of interests. Tenant shall furnish Landlord with renewals or "binders" of each such policy at least thirty (30) days prior to the expiration thereof. Tenant may carry such insurance under a blanket policy. Tenant shall not do, or permit to be done, anything which shall invalidate the insurance policies required hereunder.

11.2 Liability Insurance. At all times during the Term hereof, Tenant shall, at its own cost and expense, obtain and continue in force commercial liability insurance or comprehensive general liability insurance with respect to the Premises and the activities and use thereof and thereon by Tenant and Tenant's employees, agents, contractors, licensees, subtenants, assignees, concessionaires and invitees. Such insurance shall include coverage for personal injury (including employees and false arrest coverage), bodily injury, broad form property damage, premises/operations, owner's protective coverage, blanket contractual liability, products and completed operations liability, and owned/non-owned auto liability in an amount not less than

One Million Dollars (\$1,000,000.00) combined single limit, which may be provided by a combination of primary and umbrella policies.

ARTICLE 12

DAMAGE OR DESTRUCTION

In case of damage to or destruction of any of the Improvements, in whole or in part, by fire or any other casualty whatsoever, whether or not insured against by any policy or policies of insurance (including required endorsements) required to be carried under the provisions of Article XI of this Lease, all of Tenant's obligations hereunder, including, without limitation, the obligation to pay Rent, shall continue as provided for in this Lease. Landlord shall in no event be under any duty or obligation to restore, replace or rebuild the Improvements, or any portion thereof, at any time, or to contribute any insurance proceeds from insurance carried by Landlord or other funds towards the cost of doing so. Tenant shall retain the right to receive all insurance proceeds relating thereto under insurance policies carried by Tenant. Tenant shall have no right to (a) any abatement of Rent as the result of any damage or destruction of all or any part of the Premises, or (b) terminate this Lease as a result of any statutory provisions now or hereafter in effect pertaining to the damage and destruction of all or any part of the Premises, including, without limitation, the provisions of Section 1932(2) and 1933(4) of the California Civil Code. Tenant shall not be entitled to any compensation or damages from Landlord for the loss of the use of the whole or any part of the Premises, or of Tenant's personal property or any inconvenience or annoyance occasioned by such damage, destruction repair, reconstruction or restoration.

ARTICLE 13

TRADE FIXTURES

Throughout the Term of this Lease, all trade fixtures, equipment, signs and furnishings installed by Tenant in or on the Premises shall be and remain the property of Tenant and such items shall be removable at any time during the Term of this Lease at Tenant's sole cost. Upon the expiration or earlier termination of the Term, Tenant, at its option may elect to abandon trade fixtures, equipment, signs and furnishings installed by Tenant in or on the Premises at no cost to Tenant.

ARTICLE 14

ASSIGNMENT AND SUBLETTING

14.1 Restrictions on Transfers. Tenant shall have the right to execute such assignments; subleases and any terminations, modifications, extensions, replacements or renewals thereof; or licenses or occupancy agreements that affect the Premises; as Tenant deems appropriate in its sole discretion.

14.2 Required Provisions. Any and all subleases, licenses or occupancy agreements shall (a) impose the same obligations and conditions on the subtenant, licensee, or occupant, as are imposed on Tenant by this Lease except for (i) Base Rent, (ii) collection of any expenses

otherwise payable by Tenant, and (iii) the term (which may not exceed the Term)), with an express assumption of such obligations by the subtenant, licensee, or occupant, (b) be expressly subject and subordinate to each and every provision of this Lease, (c) have a term that expires on or before the expiration of the Term of this Lease, and (d) expressly provide that Tenant shall not be released from any or all of its obligations under this Lease notwithstanding such sublease, license or occupancy agreement and that Tenant remains jointly and severally liable for the subtenant's, licensee's, or occupant's obligations under the sublease.

14.3 Assumption of Obligations/Release of Tenant. Each subtenant, licensee, occupant or assignee of Tenant shall assume all obligations of Tenant under this Lease and shall be and remain liable jointly and severally with Tenant for the payment of the Rent and the performance of all the terms, covenants, conditions and agreements herein contained on Tenant's part to be performed for the Term of this Lease. Notwithstanding the foregoing and subject to Landlord's prior written approval which shall not be unreasonably withheld, Tenant shall be released from all its obligations under this Lease occurring after an assignment provided such assignee is reasonably financially capable of carrying out Tenant's obligations under this Lease.

ARTICLE 15

RIGHT TO MORTGAGE

Landlord shall have the right to mortgage, encumber, and hypothecate the fee interest in the Premises with any mortgage, deed of trust or otherwise (any of which is herein called a "Mortgage"); provided, however, that no such Mortgage shall be superior to this Lease unless the mortgagee executes a Non-Disturbance Agreement (as defined below in this Section). Subject to the provisions of this following sentence, this Lease shall be subject and subordinate to any Mortgage now or hereafter placed upon the Premises, to any and all advances made on the security thereof, and to all renewals, modifications, and extensions thereof. With respect to any Mortgage, Tenant's subordination of this Lease shall be conditioned upon receiving a commercially reasonable non-disturbance agreement (a "Non-Disturbance Agreement") from the lender which holds the Mortgage (herein called "Mortgagee"), which Non-Disturbance Agreement provides that Tenant's possession of the Premises, and this Lease will not be disturbed so long as Tenant is not in breach hereof and attorns to the record owner of the Premises. Tenant agrees that the holders of any such Mortgage shall have no liability or obligation to perform any of the obligations of Landlord under this Lease. Any Mortgagee may elect to have this Lease superior to the lien of its Mortgage by giving written notice thereof to Tenant, whereupon this Lease shall be deemed prior to such Mortgage, notwithstanding the relative dates of the documentation or recordation thereof. Subject to obtaining the Non-Disturbance Agreement, Tenant agrees to attorn to Landlord's Mortgagee or any other party who acquires ownership of the Premises by reason of a foreclosure of a Mortgage, and that in the event of such foreclosure, such new owner shall not: (a) be liable for any act or omission of any prior Landlord or with respect to events occurring prior to acquisition of ownership; (b) be subject to any offsets or defenses which Tenant might have against any prior Landlord, or (c) be bound by prepayment of more than one (1) month's rent.

ARTICLE 16**CONDEMNATION**

16.1 Taking. If (a) all or a substantial portion of the Premises, or (b) any portion of the Improvements, is taken or appropriated for public or quasi-public use by the right of eminent domain or otherwise by a taking in the nature of a condemnation or inverse condemnation, with or without litigation, or is transferred by agreement under the threat thereof (any of the foregoing being referred to herein as a "Taking"), then Tenant may, by written notice given to Landlord within thirty (30) days of receipt of notice of such taking, elect to terminate this Lease effective upon sixty (60) days written notice. In the event of a partial Taking which does not result in a termination of this Lease in its entirety, this Lease shall terminate as to the portion of the Premises so taken and Base Rent shall be reduced on a prorata basis, based upon the reduction in the square footage of the Improvements. No temporary Taking of the Premises shall terminate this Lease, or give Tenant any right to any abatement of Base Rent hereunder, except that Tenant shall be entitled to the entire award applicable to the Premises for such temporary Taking. Each party hereto waives the provisions of California Code of Civil Procedure Section 1265.130 allowing either party to petition the court to terminate this Lease for a partial Taking.

16.2 Division of Award. In the event that an award is made for an entire or partial Taking or for damage to the Premises or any interest therein or due to any action in direct or inverse condemnation or in the event of a Taking as herein defined, the parties hereto agree that their respective rights to the award or compensation paid shall be as follows:

16.2.1 Landlord shall be entitled to receive the entire portion of the award attributable to the Premises;

16.2.2 Tenant shall be entitled to receive the entire portion of the award attributable to the Improvements and any portion of the award that may be made for the taking of or injury to Tenant's business and profits (including loss of rents from any subtenants) or on account of any cost or loss Tenant or its subtenants may sustain in the removal, or destruction of, its or their Improvements, merchandise, fixtures, equipment and furnishings for the Premises, or loss of good will; and

16.2.3 Landlord shall be entitled to the balance of any award except if the Taking is as a result of Landlord action in which case the Tenant shall be entitled to the balance of any award.

16.2.4 Tenant shall not be entitled to any portion of the award on the basis that Tenant's interest in the Lease had a bonus value (i.e., that the fair rental value of the Premises for all or any portion of the remainder of the Term thereof exceeded the rental reserved under this Lease for such period).

If there is an award made pursuant to a judgment and neither party can agree as to the value to be assigned to their respective interests in such award, the values of these interests shall be determined under any proceeding therefor provided for by or under the statutes of the State of California. Neither party will do any act or make any agreement which will impair the legal obligation of the condemnor to bear the cost of such proceeding. Both parties agree,

however, that in the event such a proceeding is used, the rights of the respective parties hereto shall be governed by the formula set forth herein.

16.3 Costs. Each party shall bear its own costs, attorneys' fees, appraisers' fees and all other costs in connection with any matter contained in this Article, except as may be otherwise provided.

ARTICLE 17

DEFAULT PROVISIONS

17.1 Events of Default. Tenant shall be deemed to be in default under the terms of this Lease as follows:

17.1.1 If Tenant shall fail to pay any Rent or other sum when due and such failure shall continue for a period of five (5) days after Landlord delivers written notice thereof to Tenant specifying the default and the applicable cure period; or

17.1.2 If Tenant shall fail to promptly perform or observe any covenant, condition or agreement to be performed by Tenant under this Lease, and such failure shall continue for a period of thirty (30) days (or such longer period of time as may be necessary to cure such default provided Tenant diligently commences and thereafter diligently pursues the cure thereof to completion) after Landlord delivers written notice thereof to Tenant specifying the default, the applicable cure period, and Landlord's opinion of any actions needed to cure such default; or

17.1.3 If any petition shall be filed against Tenant in any court, whether or not pursuant to any statute of the United States of America or of any state, in any bankruptcy, reorganization, composition, extension, arrangement or insolvency proceedings, and Tenant shall thereafter be adjudicated bankrupt, or if said proceedings shall not be dismissed within sixty (60) days after the institution of the same, or if any such petition shall be filed by Tenant or liquidators; or

17.1.4 If Tenant shall (i) fail to complete construction of the Improvements on or before December 31, 2015, or (ii) following the completion of construction of the Improvements, fail to construct new Improvements after a casualty, for a period of one hundred eighty (180) days following receipt of all necessary permits and approvals; or

17.1.5 If, in any third party creditor proceedings for the collection of Tenant's obligations to that creditor, a receiver, receiver and manager, trustee or liquidator shall be appointed for all or a substantial portion of the Premises, and such receiver, receiver and manager, trustee or liquidator shall not be discharged within sixty (60) days after the appointment of such receiver, receiver and manager, trustee or liquidator; or

17.1.6 If Tenant makes an assignment for the benefit of creditors.

17.1.7 If pursuant to the DDA the Successor Agency to the Community Redevelopment Agency of the City of Compton exercises its repurchase rights to all the Commercial Land (as defined in the DDA) strictly in accordance with Section 8.2.2 thereof; or

17.1.8 If, subject to force majeure, Tenant shall cease to use the Improvements for any purpose described in Section 4.1 above for a period of thirty (30) consecutive days or an aggregate of ninety (90) days during any calendar year.

17.2 Remedies. Upon the occurrence of any event of default by Tenant except Section 17.1.7, Landlord shall have, in addition to any other remedies available to Landlord at law or in equity, the option to pursue any one or more of the following remedies, each and all of which shall be cumulative and nonexclusive, without any notice or demand whatsoever.

17.2.1 Landlord shall have the right to terminate this Lease, in which event Tenant shall immediately surrender the Premises to Landlord, and if Tenant fails to do so, Landlord may, without prejudice to any other remedy which it may have for possession or arrearages in rent, enter upon and take possession of the Premises and expel or remove Tenant and any other person who may be occupying the Premises or any part thereof, without being liable for prosecution or any claim for damages therefor; and Landlord may recover from Tenant the following:

17.2.1.1 The worth at the time of award of any unpaid rent which has been earned at the time of such termination; plus

17.2.1.2 The worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus

17.2.1.3 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 rental loss that Tenant proves could have been reasonably avoided; plus

17.2.1.4 Any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, specifically including but not limited to, brokerage commissions and advertising expenses incurred, expenses of remodeling the Premises or any portion thereof for a new tenant, whether for the same or a different use, and any special concessions made to obtain a new tenant; and

17.2.1.5 At Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by applicable law.

The term "rent" as used in this Section 17.2 shall be deemed to be and to mean all sums of every nature required to be paid by Tenant pursuant to the terms of this Lease, whether to Landlord or to others. As used in Sections 17.2.1(i) and (ii), above, the "worth at the time of award" shall be computed by allowing interest at the maximum amount of such interest permitted by law. As used in Section 17.2.1 (iii) above, the "worth at the time of award" 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 one percent (1%).

17.2.2 Landlord shall have the remedy described in California Civil Code Section 1951.4 (lessor may continue lease in effect after lessee's breach and abandonment and recover rent as it becomes due, if lessee has the right to sublet or assign, subject only to reasonable limitations). Accordingly, if Landlord does not elect to terminate this Lease on account of any default by Tenant, Landlord may, from time to time, without terminating this Lease, enforce all of its rights and remedies under this Lease, including the right to recover all rent as it becomes due.

17.2.3 Upon the occurrence of an Event of Default pursuant to Section 17.1.7 by Tenant, Landlord, subject to reimbursing Tenant for all documented direct out-of-pocket costs to construct the Improvements ("Out-Of-Pocket Costs"), shall have the right to terminate this Lease, in which event Tenant shall immediately surrender the Premises to Landlord, and if Tenant fails to do so, Landlord may, take possession of the Premises and expel or remove Tenant and any other person who may be occupying the Premises or any part thereof, without being liable for prosecution or any claim for damages therefore. Out-Of-Pocket Costs shall include all documented direct out-of-pocket costs incurred by Tenant for the design, engineering, construction, fabrication, and installation of the Improvements.

17.3 Remedies Cumulative. The remedies of Landlord, as hereinabove provided, are cumulative and in addition to and not exclusive of any other remedy of Landlord herein given or which may be permitted by law. The remedies of Landlord, as hereinabove provided, are subject to the other provisions herein and are particularly subject to the provisions of Article XV hereinabove. Nothing contained in this Article XVII shall constitute a waiver of Landlord's right to recover damages by reason of Landlord's efforts to mitigate the damage to it caused by Tenant's default; nor shall anything herein adversely affect Landlord's right, as in this Lease elsewhere provided, to indemnification against liability for injury or damage to persons or property occurring prior to the termination of this Lease.

17.4 Performance by Tenant. All covenants and agreements to be performed by Tenant under this Lease shall be performed by Tenant at Tenant's sole cost and expense and without any offset to or abatement of rent. If Tenant fails to pay any sum of money, including rent, required to be paid by it hereunder or fails to perform any other act on its part to be performed hereunder, and such failure continues after written notice thereof to Tenant (if required) and the expiration of any period expressly provided for in this Lease during which Tenant may cure such failure, Landlord may, without waiving or releasing Tenant from any obligation of Tenant, make any such payment or perform any such act and all sums so paid by Landlord and all costs incurred by Landlord in performing such act (including attorneys' fees), shall be payable by Tenant on demand and Tenant hereby covenants to pay any and all such sums. Landlord shall have in addition to any other right or remedy of Landlord the same rights and remedies in the event of nonpayment of sums due under this Article XVII as in the case of default by Tenant in the payment of rent.

17.5 Landlord's Default. Landlord shall not be in default in the performance of any obligation under this Lease unless and until it has failed to perform such obligation within thirty (30) days after receipt of written notice by Tenant to Landlord specifying such failure, except

that defaults that may be cured by the payment of money must be remedied within five (5) days; provided, however, that if the nature of Landlord's default is such that more than thirty (30) days are required for its cure, then Landlord shall not be deemed to be in default if it commences such cure within the thirty (30) day period and thereafter diligently prosecutes such cure to completion. Tenant agrees to give any Mortgagee of Landlord's estate a copy, by registered mail, of any notice of default served upon Landlord, provided that prior to such notice Tenant has been notified in writing of the address of such Mortgagee and to accept the cure of any default from such Mortgagee.

ARTICLE 18

INTENTIONALLY OMITTED

ARTICLE 19

INTENTIONALLY OMITTED

ARTICLE 20

ESTOPPEL CERTIFICATES

20.1 Tenant's Certificate. Tenant agrees at any time and from time to time, upon not less than ten (10) business days written notice by Landlord, to execute, acknowledge and deliver to Landlord a statement in writing certifying ("Tenant Estoppel Certificate") (a) that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same are in full force and effect as modified and stating the modifications); (b) whether or not, to Tenant's knowledge, there are then existing any offsets or defenses against the enforcement of any of the terms, covenants or conditions hereof upon the part of Tenant to be performed and if so specifying the same; (c) the dates to which the rent and other charges have been paid; (d) whether or not, to Tenant's knowledge, Landlord or Tenant is in default in the performance of any covenant, agreement or condition contained in this Lease and, if so, specifying each such default of which Tenant may have knowledge; and (e) such other matters as may be reasonably required by Landlord or any lender, it being intended that any such statement delivered pursuant to this section may be relied upon by any prospective purchasers or Mortgagee of the fee of the Premises. Tenant's failure to deliver such Tenant Estoppel Certificate within such time shall be conclusive upon Tenant (i) that this Lease is in full force, without modification except as may be represented by Landlord, (ii) that there are no uncured defaults in Landlord's performance, and (iii) that not more than one (1) month's rental has been paid in advance.

20.2 Landlord's Certificate. Landlord agrees at any time and from time to time, upon not less than ten (10) business days written notice by Tenant, to execute, acknowledge and deliver to Tenant a statement in writing certifying ("Landlord Estoppel Certificate") (a) that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same are in full force and effect as modified and stating the modifications); (b) whether or not, to Landlord's knowledge, there are then existing any offsets or defenses against the enforcement of any of the terms, covenants or conditions hereof upon the part of Landlord to be performed and if so specifying the same; (c) the dates to which the rent and other charges have been paid; (d) whether or not, to Landlord's knowledge, Landlord or Tenant is in default in the performance

of any covenant, agreement or condition contained in this Lease and, if so, specifying each such default of which Landlord may have knowledge; and (e) such other matters as may be reasonably required by Tenant, it being intended that any such statement delivered pursuant to this section may be relied upon by any prospective Mortgagee, assignee or sublessee of Tenant. Landlord's failure to deliver such Landlord Estoppel Certificate within such time shall be conclusive upon Landlord (i) that this Lease is in full force, without modification except as may be represented by Landlord, (ii) that there are no uncured defaults in Landlord's performance, and (iii) that not more than one (1) month's rental has been paid in advance.

ARTICLE 21

MEMORANDUM OF LEASE

At Tenant's request, both parties shall execute and acknowledge a Memorandum of this Lease in recordable form which shall be substantially in the form attached hereto as Exhibit "D" ("Memo of Lease"), which shall be recorded in the Official Records on the Commencement Date at Tenant's expense.

ARTICLE 22

QUIET POSSESSION

Landlord covenants that Tenant shall and may at all times, for itself and its subtenants, peaceably and quietly have, hold and enjoy the Premises during the Term of this Lease.

ARTICLE 23

INTENTIONALLY OMITTED

ARTICLE 24

GENERAL PROVISIONS

24.1 Notices. Any notice to be given or other document to be delivered by either party to the other hereunder may be delivered in person to either party, may be delivered by commercial express delivery service, facsimile or United States mail duly certified, return receipt requested, with postage prepaid, and addressed to the party for whom intended as follows:

To Landlord:	City of Compton 205 South Willowbrook Avenue Compton, CA 90220 Attn.: City Manager Fax: (310) 761-1429
--------------	--

With Copy to:	City of Compton 205 South Willowbrook Avenue Compton, CA 90220
---------------	--

Attn.: City Attorney
Fax: 310 763-0895

To Tenant: PRISM-IQ PARTNERS II, LLC
c/o Prism Realty Corporation
3189 Airway Avenue, Unit B
Costa Mesa, CA 92626
Attn.: Mr. Eric Eklund
Fax: (714) 708-2760

With a Copy to: Prism-IQ Partners, LLC
c/o Prism Realty Corporation
3189 Airway Avenue, Unit B
Costa Mesa, CA 92626
Attn.: Mr. Eric Eklund
Fax: (714) 708-2760

Shahen Hairapetian
Attorney at Law
1145 South Fair Oaks Avenue
Pasadena, CA 91105
Fax: (626) 281-8199

Either party hereto may from time to time by written notice to the other party designate a different address which shall be substituted for the one above specified. All notices and other documents shall be effective upon receipt at the appropriate address. The address to which notices are sent may be changed by providing notice thereof in the manner specified in this Section 24.1.

24.2 Litigation. In the event of the bringing of any action or suit by either party against the other arising out of this Lease, the party in whose favor final judgment shall be entered shall be entitled to recover from the other party all costs and expenses of suit, including reasonable attorneys' fees.

24.3 Waiver. No delay or omission by either party hereto in exercising any right or power accruing upon the non-compliance or failure of performance by either party hereto under the provisions of the Lease shall impair any such right or power to be construed to be a waiver thereof. A waiver by either party hereto of any of the covenants, conditions or agreements thereof to be performed by the other party shall not be construed as a waiver of any succeeding breach of the same or other covenants, agreements, restrictions and conditions hereof.

24.4 Holding Over. If Tenant shall remain in possession of the Premises after the expiration or earlier termination of the Term of this Lease without the express written consent of Landlord, Tenant will be deemed to be occupying the Premises as a tenant-at-sufferance only subject to all covenants and obligations of this Lease and at a daily rental equal to one hundred and twenty-five percent (125%) of the Base Rent which would be applicable upon the date of such expiration or earlier termination, prorated on the basis of a thirty (30) day month, plus all

other amounts of rent and all items of additional rent which are payable hereunder, during the period of any such holding over.

24.5 Surrender. Subject to Tenant's rights under Article 13, upon the expiration or earlier termination of the Term, Tenant shall surrender the Premises and Improvements to Landlord in its then existing condition.

24.6 Lease Binding Upon Successors and Assigns. Subject to the limitations herein set forth, each of the terms, covenants and conditions of this Lease shall extend to and be binding on and inure to the benefit of not only Landlord and Tenant, but also each of their successors and assigns. Whenever in this Lease reference is made to either Landlord or Tenant, the reference shall be deemed to include, wherever applicable, the successors and assigns and the parties hereto the same as if in every case expressed.

24.7 Force Majeure. Except as otherwise expressly provided in this Lease, if the performance of any act required by this Lease to be performed by either Landlord or Tenant is prevented or delayed by reason of any act of God, strike, lockout, labor trouble, inability to secure materials, restrictive governmental laws or regulations enacted following the Commencement Date, or any other cause (except financial inability) not the fault of the party required to perform the act, the time for performance of the act will be extended for a period equivalent to the period of delay and performance of the act during the period of delay will be excused. However, nothing contained in this Section 24.7 shall excuse the prompt payment of Rent by Tenant as required by this Lease or the performance of any act rendered difficult or impossible solely because of the financial condition of the party required to perform the act.

24.8 Hazardous Materials. "Hazardous Materials" means any chemical, material or substance now or hereafter defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "extremely hazardous waste," "restricted hazardous waste," "toxic substances," "pollutant or contaminant," "imminently hazardous chemical substance or mixture," "hazardous air pollutant," "toxic pollutant," or words of similar import under any local, state or federal law or under the regulations adopted or publications promulgated pursuant thereto applicable to the Premises, including, without limitation: the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. § 9601, et seq. ("CERCLA"); the Hazardous Materials Transportation Act, as amended, 49 U.S.C. § 1801, et seq.; the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251, et seq.; and the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 6901, et seq. The term "Hazardous Materials" shall also include any of the following: any and all toxic or hazardous substances, materials or wastes listed in the United States Department of Transportation Table (49 CFR 172.101) or by the Environmental Protection Agency as hazardous substances (40 CFR Part 302) and in any and all amendments thereto in effect as of the date of the close of any escrow; oil, petroleum, petroleum products (including, without limitation, crude oil or any fraction thereof), natural gas, natural gas liquids, liquefied natural gas or synthetic gas usable for fuel, not otherwise designated as a hazardous substance under CERCLA; any substance which is toxic, explosive, corrosive, reactive, flammable, infectious or radioactive (including any source, special nuclear or by-product material as defined at 42 U.S.C. § 2012, et seq.), carcinogenic, mutagenic, or otherwise hazardous and is or becomes regulated by any governmental authority; asbestos in any form; urea formaldehyde foam insulation; transformers or other equipment which

contain dielectric fluid containing levels of polychlorinated biphenyl's; radon gas; or any other chemical, material or substance (i) which poses a hazard to the Premises, to adjacent properties, or to persons on or about the Premises, and (ii) which causes the Premises to be in violation of any of the aforementioned laws or regulations, and (iii) the presence of which on or in the Premises requires investigation, reporting or remediation under any such laws or regulations.

24.9 Time of the Essence. Time is expressly declared to be of the essence of this Lease with regard to all obligations hereunder.

24.10 Number and Gender. Whenever the singular number is used in this Lease and when required by the context, the same shall include the plural, and the masculine gender shall include the feminine and neuter genders, and the word "Person" shall include corporation, firm, limited partnership, limited liability company or association.

24.11 Headings and Titles. The section headings of this Lease are inserted as a matter of convenience and references only and in no way define, limit or describe the scope or intent of this Lease or in any way effect the terms and provisions hereof.

24.12 Entire Agreement. This Lease contains the final expression of and the entire agreement between the parties hereto with respect to the matters covered hereby, and no other previous agreement, statement or promise made by any party hereto which is not contained herein shall be binding or valid.

24.13 Partial Invalidity. If any term, provision, condition or covenant of this Lease, or the application thereof to any party or circumstances shall, to any extent, be held invalid or unenforceable, the remainder of this Lease, or the application of such term, provision, condition or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Lease shall be valid and enforceable to the fullest extent permitted by law.

24.14 Applicable Law. This Lease shall be governed by and construed in accordance with the laws of the State of California, without regard to choice of law provisions.

24.15 Modifications. Any alteration, change or modification of or to this Lease, in order to become effective, shall be made by written instrument or endorsement hereon and in each such instance executed on behalf of each party hereto.

24.16 Brokers. Landlord represents and warrants to Tenant, and Tenant represents and warrants to Landlord, that no broker or finder has been engaged by it, respectively, in connection with any of the transactions contemplated by this Lease, or to its knowledge is in any way connected with any of such transactions. In the event of any such claims for brokers' or finders' fees or commissions in connection with the negotiation, execution or consummation of this Lease, Tenant shall indemnify, save harmless and defend Landlord from and against such claims if they shall be based upon any alleged statement or representation or agreement by Tenant, and Landlord shall indemnify, save harmless and defend Tenant if such claims shall be based upon any alleged statement, representation or agreement made by Landlord.

24.17 Construction. The parties hereto agree that each has been represented by counsel, each has participated substantially and materially in the preparation of this Lease and that, accordingly, this Lease should be interpreted according to its plain meaning and shall not be strictly construed for or against either party.

24.18 Exhibits. All exhibits attached to this Lease and listed below are hereby incorporated herein by this reference.

Exhibit "A" Legal Description of Premises

Exhibit "B" Legal Description of Tenant Property

Exhibit "C" Conceptual Plans for the Improvements

Exhibit "D" Memo of Lease

24.19 Counterparts. This Lease may be executed in one or more counterparts, which, taken together, shall constitute a single instrument.

#8.

IN WITNESS WHEREOF, the parties hereto have executed this Lease as of the date and year first set forth above.

“LANDLORD”

CITY OF COMPTON

By: _____

Name: _____

Title: _____

“TENANT”

PRISM-IQ PARTNERS II, LLC,
a California limited liability company

By: Prism Realty Corporation,
a California corporation,
Its Manager

By: _____
Brook Morris, President

Approved As To Form:

CRAIG J. CORNWELL
City Attorney
City of Compton

ATTEST:

ALITA GODWIN
City Clerk
City of Compton

Exhibit "A"
LEGAL DESCRIPTION
GROUND LEASE AREA

THAT PORTION OF EAST ARTESIA BOULEVARD, IN THE CITY OF COMPTON, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ADJACENT TO THE SOUTHERLY LINE OF PARCEL 'A' OF PARCEL MAP No. 70914, AS PER MAP RECORDED IN BOOK 370, PAGES 82 THROUGH 84 INCLUSIVE OF PARCEL MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID PARCEL 'A', SAID POINT BEING ON THE NORTHERLY RIGHT OF WAY OF SAID EAST ARTESIA BOULEVARD; THENCE LEAVING SAID PARCEL 'A', S10°46'14"E A DISTANCE OF 22.02 FEET; THENCE S49°42'43"W A DISTANCE OF 33.74 FEET; THENCE N40°17'18"W A DISTANCE OF 54.42 FEET TO THE SOUTHWESTERLY CORNER OF SAID PARCEL 'A'; THENCE ALONG THE SOUTHERLY LINE OF SAID PARCEL 'A', N88°02'52"E A DISTANCE OF 56.84 FEET TO THE POINT OF BEGINNING.

SAID EASEMENT CONTAINS 1,536 SQUARE FEET, MORE OR LESS.

AS SHOWN ON EXHIBIT 'B' ATTACHED HERETO AND MADE A PART HERE OF.

#8.

SHEET 1 of 1
SCALE: 1" = 80'

EXHIBIT 'B' GROUND LEASE AREA

SKETCH TO ACCOMPANY LEGAL DESCRIPTION (EXHIBIT 'A')
ATTACHED HERETO AND MADE A PART HEREOF

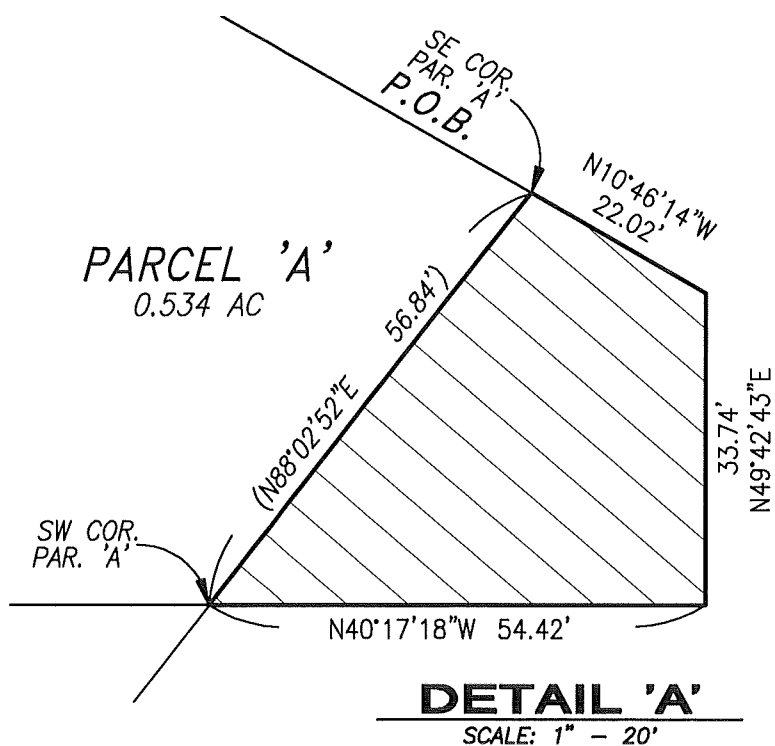
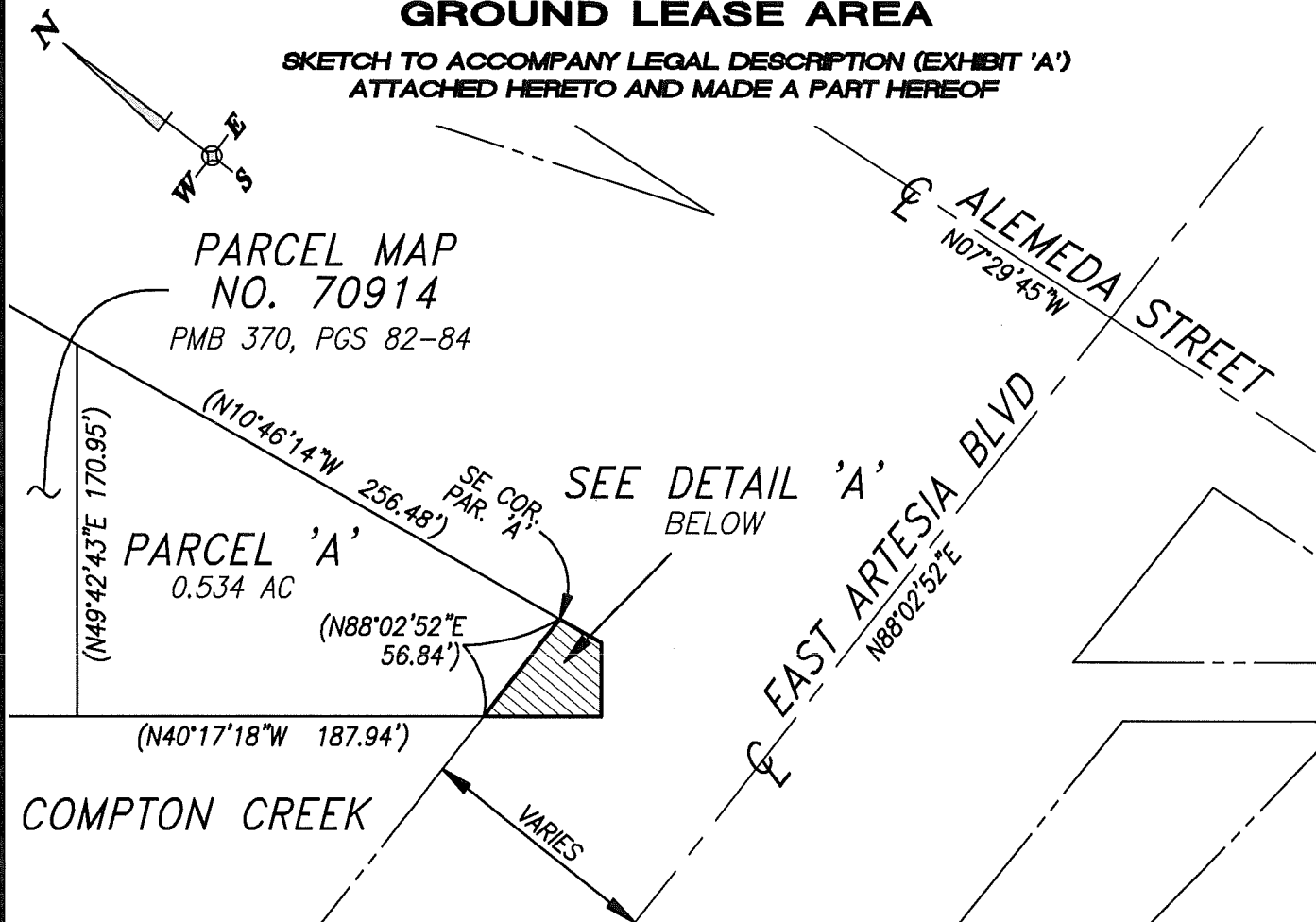


Exhibit "B"
DESCRIPTION OF TENANT PROPERTY

Parcels 1 through 6, inclusive, and Parcel A of Parcel Map No. 70914, in the City of Compton, County of Los Angeles, State of California, as per map recorded in Book 370, Pages 82, 83 and 84 of Parcel Maps, in the office of the County Recorder of said County.

EXCEPT THEREFROM all oil, gas, minerals and other hydrocarbon substances below a depth of 500 feet, without the right of surface entry, as reserved in an instrument recorded December 16, 1959 in Book D-694 Page 909, Official Records.

#8.

Exhibit "C"

CONCEPTUAL PLANS FOR IMPROVEMENTS

Exhibit "D"

MEMORANDUM OF LEASE

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

Prism-IQ Partners II, LLC
c/o Prism Realty Corporation
3189 Airway Avenue, Unit B
Costa Mesa, CA 92626

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE is entered into as of January 23, 2013, by and between CITY OF COMPTON, CALIFORNIA, a municipal corporation ("Landlord"), and PRISM-IQ PARTNERS II, LLC, a California limited liability company ("Tenant"), who agree as follows.

1. Premises. Pursuant to the terms of that certain Ground Lease, dated January 23, 2013 (the "Lease"), executed by and between Landlord and Tenant, Landlord leased to Tenant real property described on Schedule "1" attached hereto (the "Premises"). The provisions of the Lease are incorporated herein by this reference.

2. Term. The term of the Lease ("Term") shall commence on the earlier of (i) December 1, 2014, or (ii) fifteen (15) days following Tenant's receipt of any required City of Compton permits for construction of the pylon or monument sign (the "Commencement Date"), and shall terminate on the fifty-fifth (55th) anniversary of the Commencement Date unless sooner terminated pursuant to the provisions hereof. Tenant has an option to purchase the Premises.

3. Provisions Binding on Parties. The provisions of the Lease to be performed by Landlord or Tenant, whether affirmative or negative in nature, are intended to and shall bind or benefit the respective parties and their assigns or successors, as applicable, at all times.

4. Purpose of Memorandum of Lease. This Memorandum of Lease is prepared solely for purposes of recordation, and in no way modifies the provisions of the Lease.

5. Counterparts. This Assignment may be executed in any number of counterparts all of which, taken together, shall constitute one and the same instrument.

“LANDLORD”

CITY OF COMPTON

By: _____

Name: _____

Title: _____

“TENANT”

PRISM-IQ PARTNERS II, LLC,
a California limited liability company

By: Prism Realty Corporation,
a California corporation,
Its Manager

By: _____
Brook Morris, President

Approved As To Form:

CRAIG J. CORNWELL
City Attorney
City of Compton

ATTEST:

ALITA GODWIN
City Clerk
City of Compton

#8.

State of California)
County of Los Angeles)

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

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

State of California)
County of Los Angeles)

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

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

State of California)
County of Los Angeles)

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

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

State of California)
County of Los Angeles)

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

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

#8.

THAT PORTION OF EAST ARTESIA BOULEVARD, IN THE CITY OF COMPTON, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ADJACENT TO THE SOUTHERLY LINE OF PARCEL 'A' OF PARCEL MAP No. 70914, AS PER MAP RECORDED IN BOOK 370, PAGES 82 THROUGH 84 INCLUSIVE OF PARCEL MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID PARCEL 'A', SAID POINT BEING ON THE NORTHERLY RIGHT OF WAY OF SAID EAST ARTESIA BOULEVARD; THENCE LEAVING SAID PARCEL 'A', S10°46'14"E A DISTANCE OF 22.02 FEET; THENCE S49°42'43"W A DISTANCE OF 33.74 FEET; THENCE N40°17'18"W A DISTANCE OF 54.42 FEET TO THE SOUTHWESTERLY CORNER OF SAID PARCEL 'A'; THENCE ALONG THE SOUTHERLY LINE OF SAID PARCEL 'A', N88°02'52"E A DISTANCE OF 56.84 FEET TO THE POINT OF BEGINNING.

SAID EASEMENT CONTAINS 1,536 SQUARE FEET, MORE OR LESS.

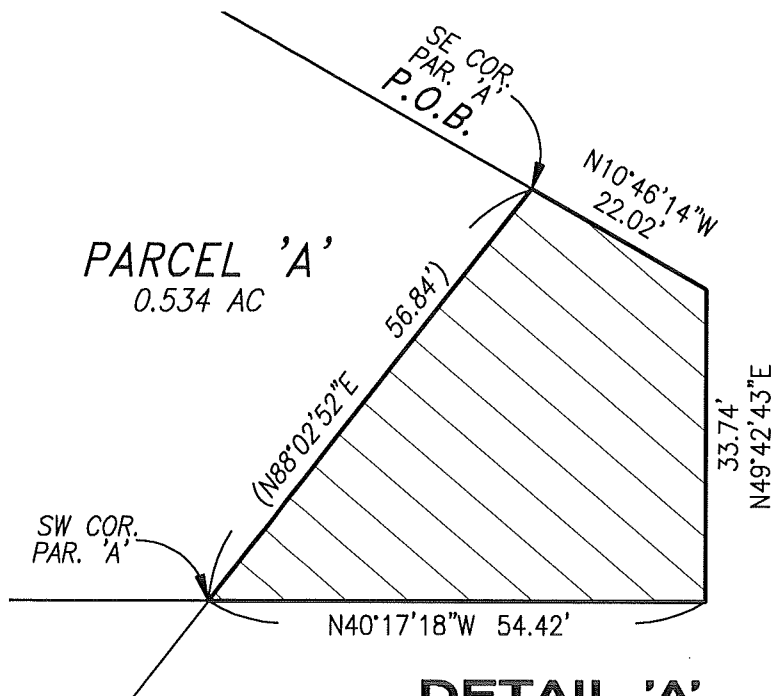
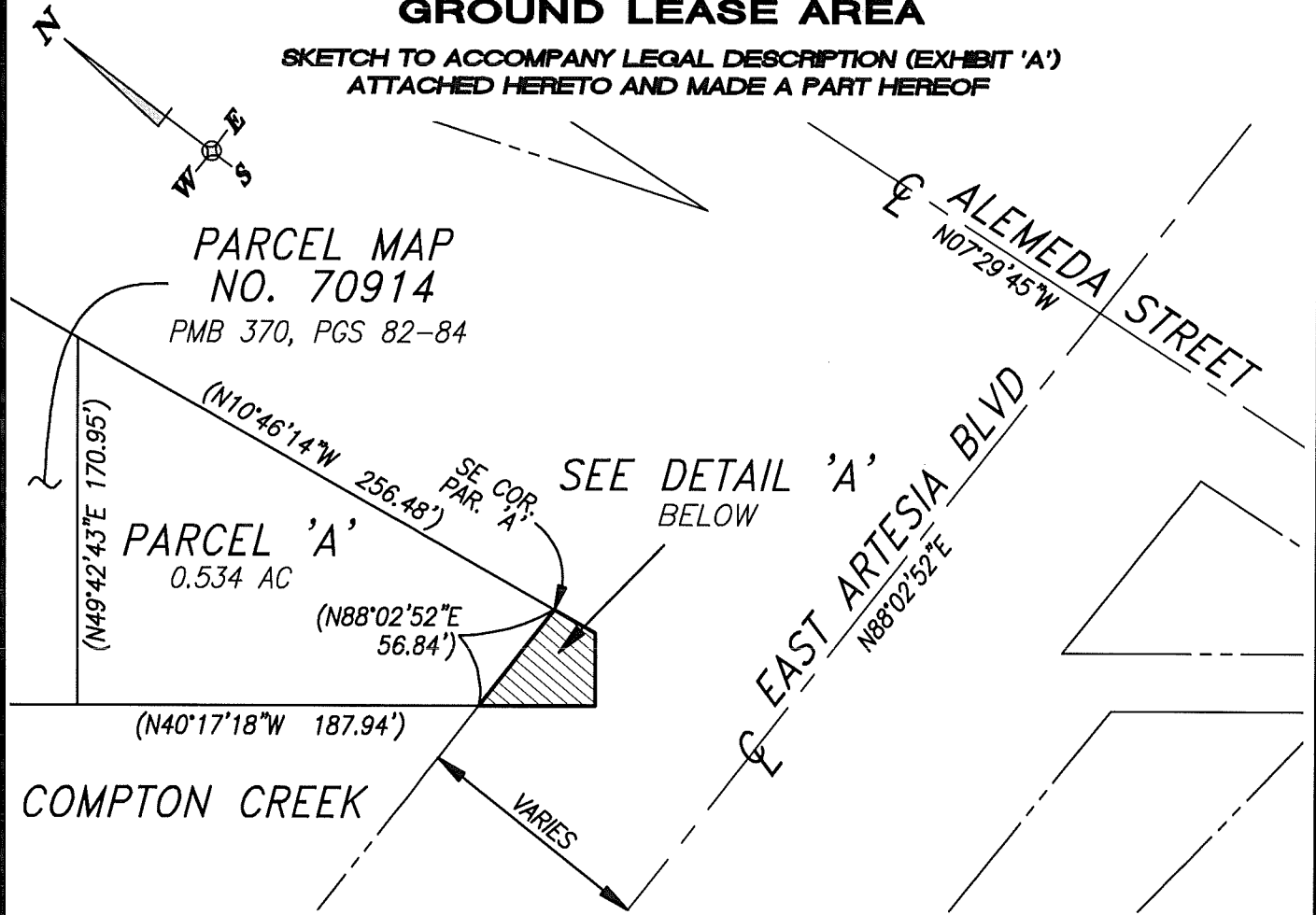
AS SHOWN ON EXHIBIT 'B' ATTACHED HERETO AND MADE A PART HERE OF.

SHEET 1 of 1
SCALE: 1" = 80'

EXHIBIT 'B'

GROUND LEASE AREA

SKETCH TO ACCOMPANY LEGAL DESCRIPTION (EXHIBIT 'A')
ATTACHED HERETO AND MADE A PART HEREOF



DETAIL 'A'

SCALE: 1" = 20'

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

Prism-IQ Partners II, LLC
c/o Prism Realty Corporation
3189 Airway Avenue, Unit B
Costa Mesa, CA 92626

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE is entered into as of January 23, 2013, by and between CITY OF COMPTON, CALIFORNIA, a municipal corporation ("Landlord"), and PRISM-IQ PARTNERS II, LLC, a California limited liability company ("Tenant"), who agree as follows.

1. Premises. Pursuant to the terms of that certain Ground Lease, dated January 23, 2013 (the "Lease"), executed by and between Landlord and Tenant, Landlord leased to Tenant real property described on **Schedule "1"** attached hereto (the "Premises"). The provisions of the Lease are incorporated herein by this reference.

2. Term. The term of the Lease ("Term") shall commence on the earlier of (i) December 1, 2014, or (ii) fifteen (15) days following Tenant's receipt of any required City of Compton permits for construction of the pylon or monument sign (the "Commencement Date"), and shall terminate on the fifty-fifth (55th) anniversary of the Commencement Date unless sooner terminated pursuant to the provisions hereof. Tenant has an option to purchase the Premises.

3. Provisions Binding on Parties. The provisions of the Lease to be performed by Landlord or Tenant, whether affirmative or negative in nature, are intended to and shall bind or benefit the respective parties and their assigns or successors, as applicable, at all times.

4. Purpose of Memorandum of Lease. This Memorandum of Lease is prepared solely for purposes of recordation, and in no way modifies the provisions of the Lease.

5. Counterparts. This Assignment may be executed in any number of counterparts all of which, taken together, shall constitute one and the same instrument.

#8.

“LANDLORD”

CITY OF COMPTON

By:_____

Name:_____

Title:_____

Approved As To Form:

CRAIG J. CORNWELL

City Attorney

City of Compton

ATTEST:

ALITA GODWIN

City Clerk

City of Compton

“TENANT”

PRISM-IQ PARTNERS II, LLC,
a California limited liability company

By: Prism Realty Corporation,
a California corporation,
Its Manager

By:_____
Brook Morris, President

State of California)
County of Los Angeles)

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

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

State of California)
County of Los Angeles)

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

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

#8.

State of California)
County of Los Angeles)

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

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

State of California)
County of Los Angeles)

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

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

SCHEDULE "1"
LEGAL DESCRIPTION

#8.

THAT PORTION OF EAST ARTESIA BOULEVARD, IN THE CITY OF COMPTON, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ADJACENT TO THE SOUTHERLY LINE OF PARCEL 'A' OF PARCEL MAP No. 70914, AS PER MAP RECORDED IN BOOK 370, PAGES 82 THROUGH 84 INCLUSIVE OF PARCEL MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID PARCEL 'A', SAID POINT BEING ON THE NORTHERLY RIGHT OF WAY OF SAID EAST ARTESIA BOULEVARD; THENCE LEAVING SAID PARCEL 'A', S10°46'14"E A DISTANCE OF 22.02 FEET; THENCE S49°42'43"W A DISTANCE OF 33.74 FEET; THENCE N40°17'18"W A DISTANCE OF 54.42 FEET TO THE SOUTHWESTERLY CORNER OF SAID PARCEL 'A'; THENCE ALONG THE SOUTHERLY LINE OF SAID PARCEL 'A', N88°02'52"E A DISTANCE OF 56.84 FEET TO THE POINT OF BEGINNING.

SAID EASEMENT CONTAINS 1,536 SQUARE FEET, MORE OR LESS.

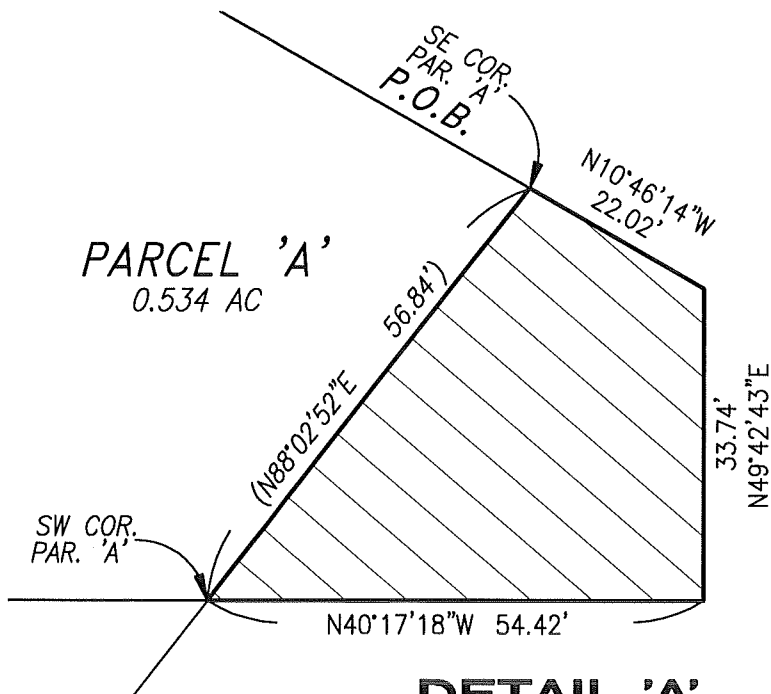
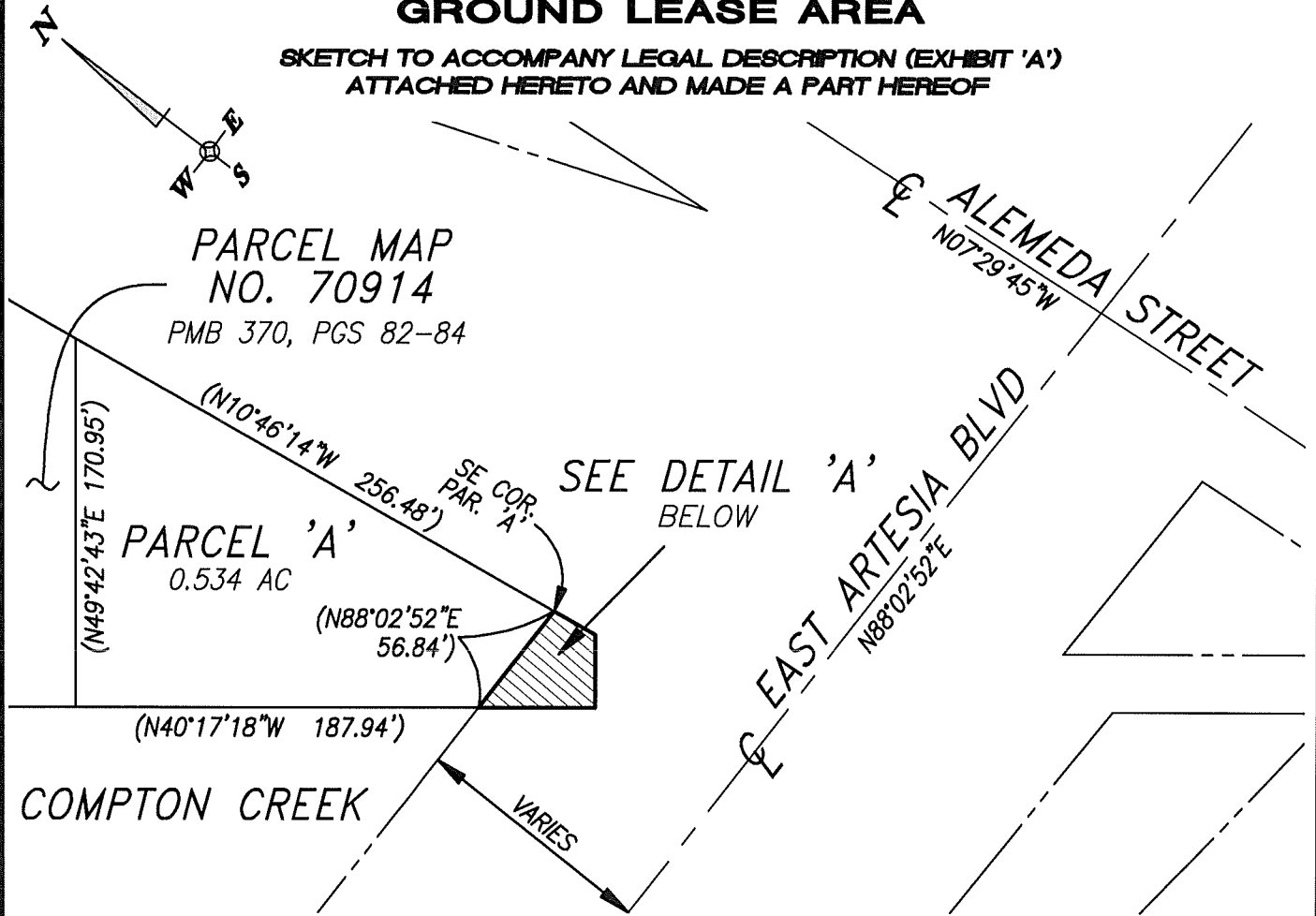
AS SHOWN ON EXHIBIT 'B' ATTACHED HERETO AND MADE A PART HERE OF.

SHEET 1 of 1
SCALE: 1" = 80'

EXHIBIT 'B'

GROUND LEASE AREA

SKETCH TO ACCOMPANY LEGAL DESCRIPTION (EXHIBIT 'A')
ATTACHED HERETO AND MADE A PART HEREOF



DETAIL 'A'

SCALE: 1" = 20'

RESOLUTION SIGN-OFF FORM

DEPARTMENT: City Attorney

RESOLUTION TITLE: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO A GROUND LEASE AGREEMENT WITH PRISM-IQ PARTNERS II, LLC.

Ruth Rugley
DEPARTMENT MANAGER’S SIGNATURE

2/7/2013 5:53:44 PM
DATE

REVIEW / APPROVAL

Ruth Rugley
CITY ATTORNEY

2/7/2013 6:33:35 PM
DATE

Stephen Ajobiewe
CITY CONTROLLER

2/7/2013 7:41:04 PM
DATE

G. Harold Duffey
CITY MANAGER

2/7/2013 6:29:10 PM
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.

WARRANTS APPROVED BY COUNCIL

<u>Warrant #</u>	<u>Date</u>	<u>Name</u>	<u>Services Provided</u>	<u>Amount</u>	<u>Amount Paid Year to Date</u>
------------------	-------------	-------------	--------------------------	---------------	-------------------------------------

213401	1/17/13	American Print Media	Public Notices and Hearing Advertisement	\$19,495.50	\$750.00
--------	---------	----------------------	--	-------------	----------

Requested by City Clerk's Office

213408	1/17/13	CDWG	Purchase of printer/scanner/fax machine for the City Water Yard	\$1,906.58	\$8,280.82
--------	---------	------	--	------------	------------

Requested by Water Dept

213458	1/24/13	Clinical Lab of San Bernardino	Payment for water samples, testing and inspections	\$2,592.00	\$2,803.00
--------	---------	-----------------------------------	---	------------	------------

Requested by Water Dept

213475	1/24/13	Smart-Tek Automated Services Inc	Emergency transportation and basic life for the City Water Yard	\$19,844.13	\$276,354.13
--------	---------	-------------------------------------	--	-------------	--------------

Requested by Fire Dept

I hereby certify that the above demands in the amounts of \$ 43,838.21 were approved at a regular meeting of the City Council and reject
_____ as of February 5, 2013.

_____ Council Member	_____ Council Member	_____ City Manager
-------------------------	-------------------------	-----------------------

I hereby certify that the Finance Committee at a regular meeting of the City Council on February 5, 2013 allowed the above demands.

Alita Godwin
City Clerk

Invoice

5737 Kanan Road, Ste. 296
Agoura Hills, CA 91301
310-635-6776

Date	Invoice #
6/28/2012	0052949

OK TO PAY

Bill To
City Of Compton City Clerk's Office 205 S. Willowbrook Compton, CA 90220

			P.O. No.	Terms
Item	Quantity	Description	Rate	Amount
LA-Legal Ad		June 2012 Legal Advertising (Please see attached for details.) Pay your bills online at: https://www.intuitbillpay.com/americanprintmedia1	308.00	308.00
			Total	\$308.00

5737 Kanan Road, Ste. 296
Agoura Hills, CA 91301
310-635-6776

Invoice

OK TO PAY.

Date _____

5/31/2012

Invoice #

0052950

Bill To

City Of Compton
City Clerk's Office
205 S. Willowbrook
Compton, CA 90220

P.O. No.	Terms
Rate	Amount
14,462.50	14,462.50
-800.00	-800.00
Total	\$13,662.50

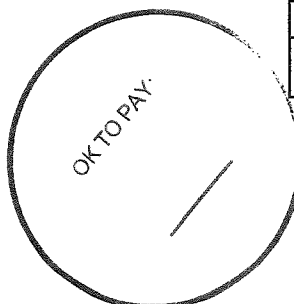
#9.

American Print Media

5737 Karan Road, Ste. 296
 Agoura Hills, CA 91301
 310-635-6776

Invoice

Date	Invoice #
8/17/2012	0053277



Bill To
City Of Compton City Clerk's Office 205 S. Willowbrook Compton, CA 90220

			P.O. No.	Terms
Item	Quantity	Description	Rate	Amount
LA-Legal Ad		June, July, August 2012 Legal Advertising (Please see attached for details) Pay your bills online at: https://www.intuitbillpay.com/americanprintmedia1	3,167.50	3,167.50
Total				\$3,167.50

#9.

American Print Media

5737 Kanan Road, Ste. 296
 Agoura Hills, CA 91301
 310-635-6776

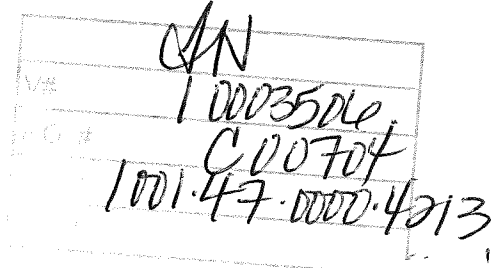
Invoice

Date	Invoice #
11/5/2012	0053583



Bill To
City Of Compton City Clerk's Office 205 S. Willowbrook Compton, CA 90220

			P.O. No.	Terms
Item	Quantity	Description	Rate	Amount
LA-Legal Ad		September 2012-October 2012 LEGAL ADVERTISING Pay your bills online at: https://www.intuitbillpay.com/americanprintmedia1	0.00 2,357.50	0.00 2,357.50
			Total	
			\$2,357.50	





CDWG.com | 800.594.4239

OE400SPC

SALES QUOTATION

QUOTE NO.	ACCOUNT NO.	DATE
DCFF823	6508383	11/14/2012

BILL TO:
GARRY FRANCIS
205 S WILLOWBROOK AVE

SHIP TO:
CITY OF COMPTON
Attention To: GARRY FRANCIS
205 S WILLOWBROOK AVE

Accounts Payable
COMPTON , CA 90220-3134

COMPTON , CA 90220-3134
Contact: GARRY
FRANCIS 310.605.5507

Customer Phone #310.605.5507

Customer P.O. # DCFF823 QUOTE

ACCOUNT MANAGER

JON CACIOPPO 877.603.6330

SHIPPING METHOD

AIT- LAX 1-2 day

TERMS

MasterCard/Visa Govt

EXEMPTION CERTIFICATE

QTY	ITEM NO.	DESCRIPTION	UNIT PRICE	EXTENDED PRICE
1	2873249	HP CLJ M570DN PRO 500 FLOW MFP Mfg#: CZ271A#BGJ Contract: MARKET	1,329.00	1,329.00
1	2882502	HPE 3Y NBD CLJ M570 HW SUP Mfg#: U6Y78E Contract: MARKET Electronic distribution - NO MEDIA	349.00	349.00
SUBTOTAL				1,678.00
FREIGHT				112.29
TAX				116.29
				US Currency

TOTAL 1,906.58

CDW Government
230 North Milwaukee Ave.
Vernon Hills, IL 60061

Fax: 847.371.8831

Please remit payment to:
CDW Government
75 Remittance Drive
Suite 1515
Chicago, IL 60675-1515

Approved:
For Payment by the WATER DEPARTMENT

#9.

Clinical Laboratory of San Bernardino, Inc.

Post Office Box 329
 San Bernardino, CA 92402
 (909) 825-7693
 Fax (909) 825-7696

Invoice

Invoice Date	Invoice Number
10/11/2012	924155

City of Compton
Attn: City Controller/Water Dept
205 Willowbrook Avenue
Compton, CA 90220

Purchase Order No.	Terms :	DUE DATE
	Net 30 Days	11/10/2012

Date	Description of Samples	Quantity	Unit Price	Extended Price
09/04/12	Coliform Bacteria 12I0151	20	7.00	140.00
09/04/12	General Physical 12I0239	4	5.00	20.00
09/05/12	Plate Count 12I0378	5	5.00	25.00
	Coliform Bacteria	5	7.00	35.00
09/05/12	Plate Count 12I0380	1	5.00	5.00
	Coliform Bacteria	1	7.00	7.00
09/07/12	Plate Count 12I0541	1	5.00	5.00
	Coliform Bacteria	1	7.00	7.00
09/10/12	EPA 552.2 Haloacetic Acids 12I0604	8	100.00	800.00
	Trihalomethanes (THM)	9	30.00	270.00
09/10/12	Plate Count 12I0642	5	5.00	25.00
	Coliform Bacteria	5	7.00	35.00
09/10/12	Plate Count 12I0644	2	5.00	10.00
	Coliform Bacteria	2	7.00	14.00
09/10/12	Plate Count 12I0645	3	5.00	15.00
	Coliform Bacteria	3	7.00	21.00
09/10/12	Coliform Bacteria 12I0651	20	7.00	140.00
09/10/12	General Physical 12I0708	6	5.00	30.00
09/11/12	Plate Count 12I0751	1	5.00	5.00
	Coliform Bacteria	1	7.00	7.00
09/12/12	Plate Count 12I0969	4	5.00	20.00
	Coliform Bacteria	4	7.00	28.00
09/13/12	Plate Count 12I1071	4	5.00	20.00
	Coliform Bacteria	4	7.00	28.00
09/17/12	Coliform Bacteria 12I1195	20	7.00	140.00
09/17/12	General Physical 12I1274	4	5.00	20.00
09/21/12	Plate Count 12I1610	5	5.00	25.00
	Coliform Bacteria	5	7.00	35.00
09/24/12	Coliform Bacteria 12I1690	20	7.00	140.00
09/24/12	Lead/Copper 12I1714	1	20.00	20.00
Total				


 00160050
 P.O. # C00740
 A/C # 560087.0000.4258
 A/C #

Clinical Laboratory of San Bernardino, Inc.

Post Office Box 329
 San Bernardino, CA 92402
 (909) 825-7693
 Fax (909) 825-7696

Invoice

Invoice Date	Invoice Number
10/11/2012	924155

City of Compton
Attn: City Controller/Water Dept
205 Willowbrook Avenue
Compton, CA 90220

Purchase Order No.	Terms :	DUE DATE
	Net 30 Days	11/10/2012

Date	Description of Samples	Quantity	Unit Price	Extended Price
09/24/12	General Physical 12I1756	6	5.00	30.00
09/27/12	Plate Count 12I2026	5	5.00	25.00
	Coliform Bacteria	5	7.00	35.00
10/01/12	Plate Count 12J0122	10	5.00	50.00
	Coliform Bacteria	20	7.00	140.00
10/01/12	General Physical 12J0174	4	5.00	20.00
10/03/12	Plate Count 12J0434	6	5.00	30.00
	Coliform Bacteria	6	7.00	42.00
10/03/12	Plate Count 12J0436	6	5.00	30.00
	Coliform Bacteria	6	7.00	42.00
			Total	\$2,536.00

#9.

12/14/12

Clinical Laboratory of San Bernardino, Inc.

Post Office Box 329
 San Bernardino, CA 92402
 (909) 825-7693
 Fax (909) 825-7696

Invoice

Invoice Date	Invoice Number
11/14/2012	924778

City of Compton
 Attn: City Controller/Water Dept
 205 Willowbrook Avenue
 Compton, CA 90220

Purchase Order No.	Terms :	DUE DATE
	Net 30 Days	12/14/2012

Date	Description of Samples	Quantity	Unit Price	Extended Price
10/24/12	Coliform Bacteria 12J1874	8	7.00	56.00
 V# 00160050 P.O.# C00740 AC# 5000.87.000.4258 AC# (P)				
Total				\$56.00

If you have any question please email or call Teresa Rivas,
 Rivas@clinical-lab.com

SMART-TEK AUTOMATED SERVICES, INC.
11838 Bernardo Plaza Ct Suite 240
San Diego, CA 92128

V#	10006446
P.O. #	200756
A/C #	1001690004269
A/C #	

S01010

CITY OF COMPTON
201 S. ACACIA AVE.
COMPTON, CA 90220-

P:310/605-5670 F:310/632-8414

Handwritten signature: "Pay to the order of"

QUESTIONS?
Call Us at 1-866-257-6675

Invoice 017947

Date 12-27-2012

For the Pay Period Ending 12-21-2012
Batch S01010-201233

GROSS WAGES	13,660.00
SOCIAL SECURITY & MEDICARE	1,040.59
FEDERAL UNEMPLOYMENT	108.82
STATE UNEMPLOYMENT	843.35
OTHER STATE TAXES	13.62
WORKERS COMPENSATION	1,666.92
HEALTH BENEFITS	830.76
ADMINISTRATIVE FEE	1,661.54
DELIVERY	18.53

SUB-TOTAL .

19,844.13

TOTAL INVOICE

19,844.13

REMIT PAYMENT TO PM FACTORS
PO BOX 1488, CULVER CITY, CA 90232

Open/Past Due Invoice List as of Invoice Date

Invoice	InvDate	Balance	DaysOpen
016964	11/30/2012	20238.29	27
016965	11/30/2012	310.20	27
017419	12/14/2012	18654.38	13
017420	12/14/2012	558.35	13
017947	12/27/2012	19844.13	0
Total Items		59605.35	

ALL STAR

INTERPRETING SERVICE

POST OFFICE BOX 250958
GLENDALE, CA 91225-0958

OK TO PAY

Invoice

DATE	INVOICE No.
12/18/12	10477

BILL TO

CITY OF COMPTON
ATTN: ACCOUNTS PAYABLE
205 S. WILLOWBROOK
COMPTON, CA 90220

TERMS

Due on receipt

DATE OF SERVICE	DESCRIPTION	RATE	AMOUNT
12/4/12	For Spanish Interpreting services delivered today for the UCDC & City Council Meeting at Compton City Hfall, 205 S. Willowbrook Ave., Compton, CA 90220. Duration of this Service: 3:14 Hrs.	500.00	500.00
12/11/12	For Spanish Interpreting services delivered today for the Housing, PFA, Gaming Commisions & UCDC City Council Meeting at Compton City Hall, 205 S. Willowbrook Ave., Compton, CA 90220. Duration of this Service: 3:45 Hrs.	500.00	500.00
12/18/12	For Spanish Interpreting services delivered today for the UCDC & City Council Meeting at Compton City Hfall, 205 S. Willowbrook Ave., Compton, CA 90220. Duration of this Service: 5:00 Hrs. These services were provided by: Juan Carlos Morales State Certified Court Interpreter No: 300513 Federally Certified Court Interpreter No: 06050 Tax ID No: 20-5816674	750.00	750.00
It's been a pleasure working with you!		Total	\$1,750.00

Phone #

(213) 400-9225

Fax #

(818) 547-0562

E-mail

jcmorales@interpreting.com

11/18/12

#9.

ALL STAR

INTERPRETING SERVICE

POST OFFICE BOX 250958
GLENDALE, CA 91225-0958



Invoice

DATE	INVOICE No.
1/15/2013	10606

BILL TO
CITY OF COMPTON ATTN: ACCOUNTS PAYABLE 205 S. WILLOWBROOK COMPTON, CA 90220

TERMS
Due on receipt

DATE OF SERVICE	DESCRIPTION	RATE	AMOUNT
1/8/2013	For Spanish Interpreting services delivered today for the UCDC & City Council Meeting at Compton City Hfall, 205 S. Willowbrook Ave., Compton, CA 90220. Duration of this Service: 2:55 Hrs.	500.00	500.00
1/15/2013	For Spanish Interpreting services delivered today for the Housing, PFA, Gaming Commisions & UCDC City Council Meeting at Compton City Hall, 205 S. Willowbrook Ave., Compton, CA 90220. Duration of this Service: 5:30 Hrs. These services were provided by: Juan Carlos Morales State Certified Court Interpreter No: 300513 Federally Certified Court Interpreter No: 06050 Tax ID No: 20-5816674	750.00	750.00
It's been a pleasure working with you!		Total	\$1,250.00

Phone #
(213) 400-9225

Fax #
(818) 547-0562

E-mail
jcmorales@interpreting.com