



**CITY OF SOUTH PASADENA
CITY COUNCIL**

AGENDA

**SPECIAL MEETING
CLOSED SESSION**

WEDNESDAY, FEBRUARY 7, 2024, 6:30 P.M.

**AMEDEE O. "DICK" RICHARDS JR. COUNCIL CHAMBERS
1424 MISSION STREET, SOUTH PASADENA, CA 91030**

NOTICE ON PUBLIC PARTICIPATION & ACCESSIBILITY

The South Pasadena City Council Meeting will be conducted in-person from the Amedee O. "Dick" Richards, Jr. Council Chambers, located at 1424 Mission Street, South Pasadena, CA 91030 and the teleconference location. Pursuant to Assembly Bill 361 Government Code Section 54953, subdivision (e)(3), the City Council may conduct its meetings remotely and may be held via video conference.

Public Comment regarding items on the Closed Session Meeting agenda will be taken at the beginning of the meeting. The public will be released from the meeting so that the City Council may convene Closed Session discussion of items allowed under the Government Code. Any reportable action taken in Closed Session will be reported by the City Attorney during the next Open Session meeting. A separate Zoom link will be provided for the Open Session for the public to attend.

Public participation may be made as follows:

- In-Person – Council Chambers, 1424 Mission Street, South Pasadena, CA 91030 and the teleconference location.
- Live Broadcast via the City website – http://www.spectrumstream.com/streaming/south_pasadena/live.cfm
- Via Zoom – **Meeting ID: 226 442 7248**
- Written Public Comment – written comment must be submitted by 12:00 p.m. the day of the meeting by emailing to ccpubliccomment@southpasadenaca.gov.
- Via Phone – +1-669-900-6833 and entering the Zoom Meeting ID listed above.

Meeting may be viewed at:

1. Go to the Zoom website, <https://zoom.us/join> and enter the Zoom Meeting information; or
2. Click on the following unique Zoom meeting link: <https://us06web.zoom.us/j/2264427248?pwd=aEFuSGszQ2I5WjJkemoTms0RTIVUT09>; or
3. By calling: +1-669-900-6833 and entering the Zoom Meeting ID listed above; and viewing the meeting via http://www.spectrumstream.com/streaming/south_pasadena/live.cfm

CALL TO ORDER:

Mayor

Evelyn G. Zneimer

ROLL CALL:

Mayor

Evelyn G. Zneimer

Mayor Pro Tem

Jack Donovan

Councilmember

Jon Primuth

Councilmember

Michael A. Cacciotti

Councilmember

Janet Braun

PUBLIC COMMENT
CLOSED SESSION AGENDA ITEMS

A. REAL PROPERTY NEGOTIATIONS

(Government Code Section 54956.8)

1. Property Addresses:

- a. 216 Fairview Avenue, APN 5317-012-906
- b. 217 Fremont Avenue, APN 5317-012-901
- c. 225 Fremont Avenue, APN 5317-012-902
- d. 1131 Columbia Street, APN 5317-012-900
- e. 1707 Meridian Avenue, APN 5310-031-903
- f. 1008 Hope Street & 1002 Hope Street/726 Meridian Avneue, APN 5315-013-906
- g. 215 Fairview Avenue, APN 5317-007-903
- h. 302 Fairview Avenue, APN 5317-012-903
- i. 529 Prospect Avenue, APN 5317-036-904
- j. 530 Orange Grove Avenue, APN 5317-036-900
- k. 534 Orange Grove Avenue, APN 5317-036-903
- l. 535 Meridian Avenue, APN 5317-036-903
- m. 540 Prospect Avenue, APN 5317-035-901
- n. 901 Bonita Drive, APN 5310-020-903
- o. 885 Oneonta Drive, APN 5310-022-902; 5310-022-901; 5310-022-903
- p. 1037 & 1039 Grevalia Avenue, APN 5315-012-903
- q. 808 Valley View Road, APN 5310-020-901
- r. 822 Valley View Road, APN 5310-020-902

Agency Negotiator: Arminé Chaparyan, City Manager
 Negotiating Party: State of California, Department of Transportation
 Under Negotiation: Price and Terms of Payment

2. Property Address: 1503 and 1507 El Centro, APN 5315-003-903 and APN 5315-003-904

Agency Negotiator: Arminé Chaparyan, City Manager
 Negotiating Party: Stephen Godwin and Sally Smythe
 Under Negotiation: Price and Terms of Payment

CERTIFICATION OF POSTING

*I declare under penalty of perjury that I posted this notice of agenda for the meeting to be held on **February 7, 2024**, on the bulletin board in the courtyard of City Hall located at 1414 Mission Street, South Pasadena, CA 91030, and on the City website as required by law, on the date listed below.*

2/1/2024

/s/

Date

Mark Perez, Deputy City Clerk



**CITY OF SOUTH PASADENA
CITY COUNCIL**

AGENDA

**REGULAR MEETING
WEDNESDAY, FEBRUARY 7, 2024, AT 7:00 P.M.**

**AMEDEE O. "DICK" RICHARDS JR. COUNCIL CHAMBERS
1424 MISSION STREET, SOUTH PASADENA, CA 91030**

South Pasadena City Council Statement of Civility

As your elected governing board, we will treat each other, members of the public, and City employees with patience, civility, and courtesy as a model of the same behavior we wish to reflect in South Pasadena for the conduct of all City business and community participation. The decisions made tonight will be for the benefit of the South Pasadena community and not for personal gain.

NOTICE ON PUBLIC PARTICIPATION & ACCESSIBILITY

The South Pasadena City Council Meeting will be conducted in-person from the Amedee O. "Dick" Richards, Jr. Council Chambers, located at 1424 Mission Street, South Pasadena, CA 91030.

Public participation may be made as follows:

- In Person – Council Chambers, 1424 Mission Street, South Pasadena, CA 91030.
- Live Broadcast via the City website – http://www.spectrumstream.com/streaming/south_pasadena/live.cfm
- Via Zoom – **Webinar ID: 825 9999 2830**
- Written Public Comment – written comment must be submitted by 12:00 p.m. the day of the meeting by emailing to ccpubliccomment@southpasadenaca.gov.
- Via Phone – +1-669-900-6833 and entering the Zoom Meeting ID listed above.

Meeting may be viewed at:

1. Go to the Zoom website, <https://zoom.us/join> and enter the Zoom Meeting information; or
2. Click on the following unique Zoom meeting link:
<https://us06web.zoom.us/j/82599992830> or
3. By calling: +1-669-900-6833 and entering the Zoom Meeting ID listed above; and viewing the meeting via http://www.spectrumstream.com/streaming/south_pasadena/live.cfm

CALL TO ORDER: Mayor Evelyn G. Zneimer

ROLL CALL:

Mayor	Evelyn G. Zneimer
Mayor Pro Tem	Jack Donovan
Councilmember	Jon Primuth
Councilmember	Michael A. Cacciotti
Councilmember	Janet Braun

PLEDGE OF ALLEGIANCE: Mayor Pro Tem Jack Donovan

PUBLIC COMMENT GUIDELINES

The City Council welcomes public input. Members of the public may comment on a non-agenda subject under the jurisdiction of the City Council or on an agenda item. Members of the public will have three minutes to address the City Council, however, the Mayor and City Council may adjust the time allotted, as needed.

Public Comments received in writing will not be read aloud at the meeting, but will be part of the meeting record. Written public comments will be uploaded to the City website for public viewing under Additional Documents. When submitting a public comment, please make sure to include the following:

- 1) Name (optional), and
- 2) Agenda item you are submitting public comment on.
- 3) Submit by no later than 12:00 p.m., on the day of the City Council meeting. Correspondence received after this time will be distributed the following business day.

PLEASE NOTE: The Mayor may exercise the Chair's discretion, subject to the approval of the majority of the City Council, to adjust public comment time limit to less than three minutes, as needed.

Pursuant to State law, the City Council may not discuss or take action on issues not on the meeting agenda, except that members of the City Council or staff may briefly respond to statements made or questions posed by persons exercising public testimony rights (Government Code Section 54954.2). Staff may be asked to follow up on such items.

CLOSED SESSION ANNOUNCEMENTS**1. CLOSED SESSION ANNOUNCEMENTS****PUBLIC COMMENT****2. PUBLIC COMMENT – GENERAL (NON-AGENDA ITEMS)**

General Public Comment will be limited to 30 minutes at the beginning of the agenda. If there are speakers remaining in the queue, they will be heard at the end of the meeting. Only Speakers who submit a Public Comment card within the first 30 minutes of Public Comment period will be queued up to speak.

PRESENTATION**3. PRESENTATION ON THE WATER QUALITY AUTHORITY FROM MAYOR GONZALEZ OF THE CITY OF AZUSA****4. BLACK HISTORY MONTH PROCLAMATION****5. NHA ADVISORS PRESENTATION****CHANGES TO THE AGENDA****6. REORDERING OF, ADDITIONS, OR DELETIONS TO THE AGENDA**

CONSENT CALENDAR**OPPORTUNITY TO COMMENT ON CONSENT CALENDAR**

Items listed under the Consent Calendar are considered by the City Manager to be routine in nature and will be enacted by one motion unless a public comment has been received or Councilmember requests otherwise, in which case the item will be removed for separate consideration. Any motion relating to an ordinance or a resolution shall also waive the reading of the ordinance or resolution and include its introduction or adoption as appropriate.

7. **APPROVAL OF PREPAID WARRANTS IN THE AMOUNT OF \$38,896.68; GENERAL CITY WARRANTS IN THE AMOUNT OF \$850,750.44; ONLINE PAYMENTS IN THE AMOUNT OF \$35,649.71; TRANSFERS IN THE AMOUNT OF \$148,396.78; PAYROLL IN THE AMOUNT OF \$849,907.48**

Recommendation

It is recommended that the City Council approve the Warrants as presented.

8. **ADOPTION OF A RESOLUTION AUTHORIZING THE COUNTY OF LOS ANGELES AGRICULTURE COMMISSIONER TO INSPECT AND ABATE WEEDS, BRUSH AND NATIVE VEGETATION DECLARED TO BE AN EXISTING OR POTENTIAL FIRE HAZARD, AND SCHEDULE A PUBLIC HEARING TO BE HELD ON FEBRUARY 21, 2024 TO HEAR OBJECTIONS OR PROTESTS TO THE VEGETATION MANAGEMENT PROGRAM**

Recommendation

It is recommended that the City Council adopt the resolution authorizing the County of Los Angeles Agriculture Commissioner to inspect and abate weeds, brush and native vegetation declared to be an existing or potential fire hazard, and schedule a Public Hearing to be held on February 21, 2024 to hear objections or protests to the vegetation management program.

9. **CONSIDER AUTHORIZING THE ACCEPTANCE OF GRANT AWARDS TO THE LIBRARY FROM INTERNET ARCHIVE IN THE AMOUNT OF \$2,100 AND THE CALIFORNIA STATE LIBRARY IN THE AMOUNT OF \$22,470, AND APPROVE BUDGET APPROPRIATIONS IN THE AMOUNT OF \$24,570.**

Recommendation

It is recommended that the City Council:

1. Accept two grants totaling \$24,570:
 - \$2,100 from Internet Archive;
 - \$22,470 from the California State Library; and
 2. Appropriate \$24,570 from the General Fund fund balance:
 - \$13,770 to 101-8010-8011-8020 (Special Department Expense);
 - \$5,800 to 101-8010-8011-8170 (Professional Services);
 - \$3,000 to 101-8010-8011-8080 (Books/CDs/DVDs);
 - \$2,000 to 101-8010-8011-8083 (Ebooks); and
 3. Authorize the City Manager or designee to execute all necessary documents to accept the Internet Archive and California State Library grants.
10. **SECOND READING AND ADOPTION OF AN ORDINANCE OF THE CITY OF SOUTH PASADENA, CALIFORNIA, AMENDING SECTION 2.7 OF THE SOUTH PASADENA MUNICIPAL CODE TO ADJUST THE COMPENSATION OF CITY COUNCIL MEMBERS PURSUANT TO AND CONSISTENT WITH SENATE BILL 329**

ORDINANCE

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA, AMENDING SECTION 2.7 OF THE SOUTH PASADENA MUNICIPAL CODE TO ADJUST THE COMPENSATION OF CITY COUNCIL MEMBERS PURSUANT TO AND CONSISTENT WITH SENATE BILL 329

Recommendation

It is recommended that the City Council consider the adoption of an ordinance amending Section 2.7 of the South Pasadena Municipal Code to adjust City Council member compensation consistent with Senate Bill 329.

11. CONSIDERATION OF THE ADOPTION OF AN ORDINANCE TO INCREASE THE DENSITY IN THE RESIDENTIAL MEDIUM (RM) AND RESIDENTIAL HIGH (RH) ZONES CONSISTENT WITH THE ADOPTED 6TH CYCLE HOUSING ELEMENT

Recommendation

It is recommended that the City Council consider adoption of the Ordinance on second reading as follows:

ORDINANCE

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA, AMENDING CHAPTER 36 (ZONING) OF THE CITY CODE OF THE CITY OF SOUTH PASADENA RELATED TO INCREASING DENSITY IN THE RESIDENTIAL MEDIUM AND RESIDENTIAL HIGH ZONING DISTRICTS, IN COMPLIANCE WITH THE UPDATED GENERAL PLAN AND THE 2021-2029 (6TH CYCLE) HOUSING ELEMENT.

12. CONSIDERATION OF MODIFICATION OF THE URBAN AREA SECURITY INITIATIVE (UASI) 2021 GRANT AWARD IN THE AMOUNT OF \$44,369 FROM VIRTUAL REALITY TRAINING SIMULATOR TO FLOCK SAFETY, INC. AUTOMATED LICENSE PLATE READER (ALPR) CAMERAS

Recommendation

It is recommended that the City Council amend the current appropriation of \$44,369 in account 274-4010-4019-8520-000 for Flock Safety, Inc. ALPR cameras instead of virtual reality training simulators.

13. CONSIDERATION OF APPOINTMENTS AND REAPPOINTMENTS TO CITY BOARDS, COMMISSIONS, AND COMMITTEES

Recommendation

It is recommended by Mayor Zneimer that the City Council appoint the following to City Boards, Commissions, and Committees:

- 1. Minsun Meeker to the Library Board of Trustees to a full-term ending December 31, 2026;

It is recommended by Mayor Zneimer that the City Council re-appoint the following to City Boards, Commissions, and Committees for a full-term ending December 31, 2026:

1. Amitabh Barthakur to the Planning Commission.
2. Annalee A. Andres to the Public Arts Commission.

14. CONSIDERATION OF APPROVAL OF CITY COUNCIL MEETING MINUTES FOR DECEMBER 06, 2023

Recommendation

It is recommended that the City Council consider the approval of the minutes for the Regular Meeting on December 06, 2023.

15. CONSIDERATION OF APPROVING AN AGREEMENT WITH PUBLIC SECTOR PERSONNEL CONSULTANTS FOR PHASE II OF THE CITYWIDE CLASSIFICATION AND COMPENSATION STUDY

Recommendation

It is recommended that the City Council consider:

1. Approving an agreement with Public Sector Personnel Consultants (PSPC) for Phase II of the Citywide Classification and Compensation Study for a total amount not to exceed \$63,000; and
2. Authorize the City Manager to enter into any subsequent amendments, at the discretion of the City Manager, as long as the compensation for this agreement is not increased.

16. CONSIDERATION OF APPROVAL OF THE SECOND AMENDMENT TO THE AGREEMENT WITH ACORN TECHNOLOGY SERVICES FOR INFORMATION TECHNOLOGY SUPPORT SERVICES FOR ADDITIONAL SERVICES AT A COST OF \$354,400, FOR A NEW TOTAL NOT-TO-EXCEED AMOUNT OF \$661,208

Recommendation

It is recommended that the City Council approve the Second Amendment to the Agreement with Acorn Technology in an amount of \$354,400 for implementation of the City's network upgrade initiatives, and for a new total not-to-exceed amount of \$661,208.

17. CONSIDERATION OF APPROVAL OF MAYOR'S LIST OF CITY COUNCIL LIAISON AND REGIONAL GROUP APPOINTMENTS

Recommendation

It is recommended that the City Council:

1. Approve the Mayor's list of City Council Liaison and Regional Group Appointments to various commissions, boards, and committees; and
2. Adopt a Resolution, superseding Resolution No. 7812, appointing delegates, representatives, and alternates as official representatives of the City of South Pasadena.

18. CONSIDERATION OF A PURCHASE OF TWO 2022 LIGHTNING ELECTRIC TRANSIT EIGHT PASSENGER VANS FOR DIAL-A-RIDE IN THE AMOUNT OF \$393,881 FROM NATIONAL AUTO FLEET GROUP WITH PROPOSITION A LOCAL RETURN FUNDS AND UTILIZING THE SOURCEWELL COOPERATIVE PURCHASING PROGRAM

Recommendation

It is recommended that the City Council:

1. Appropriate \$393,881 from Proposition A Local Return Fund to the Community Services Proposition A Automotive Equipment Account No. 205-8030-8024-8540 to fund the procurement of two 2022 Lightning Electric Transit Eight Passenger Vans;

2. Authorize the use of the Sourcewell Cooperative Purchasing Program for the procurement of two 2022 Lightning Electric Transit Eight Passenger Vans from National Auto Fleet Group, pursuant to Section 2.99-19(19) and the City's Purchasing Policy;
3. Award a contract and associated purchase order to National Auto Fleet Group in the amount of \$393,881 for the purchase of two 2022 Lightning Electric Transit Eight Passenger vans; and
4. Declare the 2012 CNG MV1 (Vehicle #78 -Vin # 523MF1B65CM101646) as a surplus.

ACTION/DISCUSSION

19. CONSIDERATION OF RENEGOTIATION OF THE TERMS OF THE FIVE-YEAR AGREEMENT WITH THE SOUTH PASADENA CHAMBER OF COMMERCE FOR THE OPERATION OF THE SOUTH PASADENA FARMERS' MARKET

Recommendation

It is recommended that the City Council review and consider a request of the South Pasadena Chamber of Commerce (Chamber) to renegotiate financial terms related to gross revenue percentages paid to the City by the Farmers' Market, and provide direction to staff.

20. PRESENTATION OF THE ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR) FOR FISCAL YEAR ENDING JUNE 30, 2023

Recommendation

Staff recommends that the City Council receive and file the annual audit reports for the year ended June 30, 2023.

21. CONSIDERATION OF ENTERING INTO AND APPROVING THE EXECUTION OF SIX PURCHASE AND SALE AGREEMENTS WITH THE STATE OF CALIFORNIA, DEPARTMENT OF TRANSPORTATION FOR THE PURCHASE OF SIX UNOCCUPIED HISTORIC PROPERTIES (1131 COLUMBIA STREET, 216 FAIRVIEW AVENUE, 217 FREMONT AVENUE, 225 FREMONT AVENUE, 10021 1008 HOPE STREET AND 726 MERIDIAN AVENUE AND 1707 MERIDIAN AVENUE)

Recommendation

It is recommended that the City Council consider entering into and approving the execution of six purchase and sale agreements with the State of California, Department of Transportation for the purchase of six unoccupied historic properties in the form negotiated and finalized by the City Attorney and the City Manager, and authorize the City Manager to take all actions necessary to open escrow, including the payment of the deposit required under the agreements.

22. APPROVAL OF CITY COUNCIL MEETING MINUTES FOR OCTOBER 5, 2022

Recommendation

It is recommended that the City Council approve the minutes for the October 5, 2022, Regular City Council Meeting.

PUBLIC COMMENT – CONTINUED

23. CONTINUED PUBLIC COMMENT – GENERAL

This time is reserved for speakers in the Public Comment queue not heard during the first 30 minutes of Item No. 2. No new speakers will be accepted at this time.

COMMUNICATIONS

24. COUNCILMEMBER COMMUNICATIONS

Time allotted to speak per Councilmember is three minutes. Additional time will be allotted at the end of the City Council meeting agenda, if necessary.

25. CITY MANAGER COMMUNICATIONS

ADJOURNMENT

FOR YOUR INFORMATION

FUTURE CITY COUNCIL MEETINGS

February 21, 2024	Regular City Council Meeting	7:00 P.M.
March 6, 2024	Regular City Council Meeting	7:00 P.M.
March 20, 2024	Regular City Council Meeting	7:00 P.M.

PUBLIC ACCESS TO AGENDA DOCUMENTS AND BROADCASTING OF MEETINGS

City Council meeting agenda packets, any agenda related documents, and additional documents are available online for public viewing on the City’s website:

www.southpasadenaca.gov/CityCouncilMeetings2023


Regular meetings are live streamed via the internet at:

http://www.spectrumstream.com/streaming/south_pasadena/live.cfm

AGENDA NOTIFICATION SUBSCRIPTION

If you wish to receive an agenda email notification please contact the City Clerk’s Division via email at CityClerk@southpasadenaca.gov or call (626) 403-7230.

ACCOMMODATIONS

 The City of South Pasadena wishes to make all of its public meetings accessible to the public. If special assistance is needed to participate in this meeting, please contact the City Clerk’s Division at (626) 403-7230 or cityclerk@southpasadenaca.gov. Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities. Notification at least 48 hours prior to the meeting will assist staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting (28 CFR 35.102-35.104 ADA Title II).

CERTIFICATION OF POSTING

*I declare under penalty of perjury that I posted this notice of agenda for the meeting to be held on **February 7, 2024**, on the bulletin board in the courtyard of City Hall located at 1414 Mission Street, South Pasadena, CA 91030, and on the City, website as required by law, on the date listed below.*

2/1/2024

/S/

Date

Mark Perez, Deputy City Clerk

PROCLAMATION



Declaring February 2024 as “Black History Month” in the City of South Pasadena

- WHEREAS, the City of South Pasadena recognizes and value diversity, equity, and inclusion within our community;
- WHEREAS, the migration of African Americans to all parts of the United States and throughout the world have lead to countless indelible contributions in the fields of science, medicine, law, social justice, athletics, the arts, government, and more;
- WHEREAS, the presence of African Americans in our community continues to enhance the quality of life in the City of South Pasadena;
- WHEREAS, in 1976, as America observed its bicentennial, the week-long commemoration was expanded to one month and is celebrated today as Black History Month;
- WHEREAS, the City of South Pasadena understands that African Americans have endured egregious discrimination and bigotry throughout the course of our Nation’s history, conflicting with the core value of the City of South Pasadena;
- WHEREAS, Black History Month Calls on our collective need to recognize and combat racism, and to continue to build a community that embraces all ages, races, religions, and genders;
- WHEREAS, the City of South Pasadena reflects on its own history with the adoption of Resolution 7750 Condemning the City’s History as a Sundown Town and Past Practices of Institutionalized Racism;
- WHEREAS, Black History is a time where all citizens are encouraged to reflect on past successes and challenges on Black communities, and to look to the future to ensure freedom, equity, and inclusiveness

NOW, THEREFORE, BE IT RESOLVED, I, Evelyn G. Zneimer, Mayor of the City of South Pasadena, on behalf of the City Council, do hereby proclaim the month of February 2024 as Black History Month in the City of South Pasadena, and invite everyone to celebrate the diversity and character of our community and highlight the importance of sharing our culture, customs, and traditions with those around us.

Evelyn G. Zneimer, Mayor

Date



City Council Agenda Report

ITEM NO. 7

DATE: February 7, 2024

FROM: Arminé Chaparyan, City Manager *AC*

PREPARED BY: John Downs, Finance Director

SUBJECT: Approval of Prepaid Warrants in the Amount of \$38,896.68; General City Warrants in the Amount of \$850,750.44; Online Payments in the Amount of \$35,649.71; Transfers in the Amount of \$148,396.78; Payroll in the Amount of \$849,907.48

Recommendation

It is recommended that the City Council approve the Warrants as presented.

Fiscal Impact

Prepaid Warrants:

Warrant # 318303-318309	\$	22,324.77
ACH	\$	16,571.91
Voids	\$	0

General City Warrants:

Warrant # 318310-318435	\$	536,245.49
ACH	\$	314,504.95
Voids	\$	0

Payroll Period Ending: 1/12/2024 \$ 6,186.55

Payroll Period Ending: 1/19/2024 \$ 843,720.93

Wire Transfers Out – To (LAIF) \$ 0

Wire Transfers In – From (LAIF) \$ 0

Wire Transfers (RSA) \$ 0

Wire Transfers Out – To (Acct # 2413) \$ 43,129.64

Wire Transfers Out – To (Acct # 1936) \$ 105,267.14

Online Payments \$ 35,649.71

Prepaid Warrants \$ 0

General City Warrants \$ 0

Total \$ 1,923,601.09

Commission Review and Recommendation

This matter was not reviewed by a Commission.

Key Performance Indicators

This item is in line with the Finance Department's Key Performance Indicators identified in the Fiscal Year 2022-2023 Budget. The Accounts Payable process is completely digital and routed via a workflow process. This cuts down staff time significantly, as well as streamlines a previously strenuous process. This process also falls in line with the City's environmental strategies by reducing the amount of paper used.

Explanation of Terms

Warrant – Directs the Finance Department to pay a sum of money out of the City's funds to bearer of claim/invoice (named individual, company) also known as a payable. The warrants (payments) are only released after City Council approval.

Warrant Summary – Summarizes all of the payments prepared during a specific cycle. The beginning of the cycle is the period after the last set of warrants were approved by Council and released as payment. The end of the cycle is the last date of invoice processing. All the warrants for the current cycle are summarized and the detail of warrants provided to Council for review and approval.

Prepaid Warrant List - A Prepaid Warrant directs the Finance Department to pay a sum of money out of the City's funds to bearer of claim/invoice (named individual, company) also known as a payable. The Prepaid Warrants (payments) are released prior to City Council approval, however reported to City Council as a Prepaid. Prepayments are generally time sensitive and would incur additional charges if not paid within a specific time frame.

General City Warrant List – Detailed listing of all payments made for a specific cycle. The beginning of the cycle is the period after the last set of warrants were approved by Council and released as payment. The end of the cycle is the last date of invoice processing.

Online Payments – Payments made online. These are typically for time sensitive utilities, credit card payments, and sometimes require the use of the payee's portal (SCE, So Cal Gas, Amazon, etc.).

VOIDS – Checks that were issued and voided. Examples of such instances would be lost checks that were mailed out. Checks that were on a warrant that did not get approved by Council.

Payroll – All payments made related to payroll, such as payroll taxes, retirement benefits, CalPERS, Garnishments, payroll etc.

Approval of Warrants
February 7, 2024
Page 3 of 3

Attachments:

1. Warrant Summary
2. Prepaid Warrant List
3. General City Warrant List
4. Online Payments
5. Payroll

**THIS PAGE
INTENTIONALLY
LEFT BLANK**

ATTACHMENT 1
Warrant Summary

**THIS PAGE
INTENTIONALLY
LEFT BLANK**

**City of South Pasadena
Demand/Warrant Register
Recap by fund**

Fund No.	Date	Amounts	
		Prepaid	Written
General Fund	101	16,759.74	437,248.61
Insurance Fund	103	5,000.00	-
Street Improvement Program	104	-	-
Technology Surcharge Fund	106	-	-
Facilities & Equip.Cap. Fund	105	-	-
Programs and Projects	107	-	-
Local Transit Return "A"	205	299.19	15,369.16
SLFRF Fund	206	-	82,589.83
Local Transit Return "C"	207	-	-
TEA/Metro	208	-	-
Sewer Fund	210	45.66	6,266.72
CTC Traffic Improvement	211	-	-
SB2 Planning Grant	213	-	-
Rogan HR5294 Grant	214	-	-
Street Lighting Fund	215	493.46	23,508.93
Public, Education & Govt Fund	217	-	-
Clean Air Act Fund	218	-	-
Business Improvement Tax	220	-	-
Gold Line Mitigation Fund	223	-	-
Mission Meridian Public Garage	226	-	6,728.91
Housing Authority Fund	228	-	-
State Gas Tax	230	45.66	6,998.39
County Park Bond Fund	232	-	2,532.58
Measure R	233	-	-
Measure M	236	-	3,586.50
Road Maint & Rehab (SB1)	237	-	-
MSRC Grant Fund	238	-	-
Measure W	239	-	-
Measure H	241	-	-
Prop C Exchange Fund	242	-	-
Bike & Pedestrian Paths	245	-	-
BTA Grants	248	-	-
Golden Street Grant	249	-	-
Capital Growth Fund	255	-	-
CDBG	260	-	7,588.00
Asset Forfeiture	270	-	-
Police Grants - State	272	-	172,714.37
Homeland Security Grant	274	-	-
Park Impact Fees	275	-	-
Historic Preservation Grant	276	-	-
HSIP Grant	277	-	-
Arroyo Seco Golf Course	295	-	-
Sewer Capital Projects Fund	310	-	-
400 Capital Improvement Program	400	-	27,210.50
Water Fund	500	45.66	55,626.64
Water Efficiency Fund	503	-	2,781.30
2016 Water Revenue Bonds Fund	505	-	-
SRF Loan - Water	506	-	-
Water & Sewer Impact Fee	510	-	-
Public Financing Authority	550	-	-
Payroll Clearing Fund	700	16,207.31	-
Column Totals:		38,896.68	850,750.44

Fund No.	Amounts		
		Prepaid	Written
RSA	227	-	-
RSA Report Totals:		-	-
City Report Totals:		-	889,647.12

Payroll Period Ending: 1/12/2024	6,186.55
Payroll Period Ending: 1/19/2024	843,720.93
Wire Transfer Out - To LAIF	-
Wire Transfer In - From LAIF	-
Wire Transfer - RSA	-
Wire Transfer Out - To Acct. # 2413	43,129.64
Wire Transfer Out - To Acct. # 1936	105,267.14
Online Payments	35,649.71
Voids - Prepaid	-
Voids - General Warrant	-
Grand Report Total:	1,923,601.09

Evelyn G. Zneimer, Mayor

John Downs, Finance Director

**THIS PAGE
INTENTIONALLY
LEFT BLANK**

ATTACHMENT 2
Prepaid Warrant List

**THIS PAGE
INTENTIONALLY
LEFT BLANK**

Accounts Payable

Check Detail

User: calvarez
Printed: 01/30/2024 - 5:28PM



Check Number	Check Date	Amount
CSD3014 - Ca. State Disbursement Unit		
318304	01/18/2024	
Inv	PR 01.05.2024	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/04/2024	PR Batch 10524.01.2024 - Garnishment Case # FAMSS-1406906.	903.69
Inv PR 01.05.2024 Total		903.69
Inv	PR 12.22.2023	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/21/2023	PR Batch 12223.12.2023 Garnishment Case # FAMSS-1406906.	903.69
Inv PR 12.22.2023 Total		903.69
318304 Total:		1,807.38
CSD3014 - Ca. State Disbursement Unit Total:		
		1,807.38
SCFT0000 - Franchise Tax Board		
318303	01/18/2024	
Inv	PR 01.05.2024	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/04/2024	PR Batch 10524.01.2024 Garnishment Case # 568717589	134.98
Inv PR 01.05.2024 Total		134.98
Inv	PR 12.22.2023	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/21/2023	PR Batch 12223.12.2023 Garnishment Case # 568717589	134.98
Inv PR 12.22.2023 Total		134.98
318303 Total:		269.96
SCFT0000 - Franchise Tax Board Total:		
		269.96
SOU5435 - S.P. Police Officers Association 700-0000-0000-2246-000		
0	01/18/2024	
Inv	January 2024	
<u>Line Item Date</u>	<u>Line Item Description</u>	

Check Number	Check Date	Amount
01/04/2024	PR Batch 10524.01.2024 SPPOA Insurance	2,221.14
01/04/2024	PR Batch 10524.01.2024 SPPOA - Union Dues	3,494.65
Inv January 2024 Total		5,715.79
0 Total:		5,715.79
SOU5435 - S.P. Police Officers Association Total:		5,715.79
SOU5451 - S.P. Public Service Employees Association 700-0000-0000-2248-000		
0	01/18/2024	
Inv	January 2024	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/04/2024	PR Batch 10524.01.2024 SPPSEA - Union Dues	1,440.00
Inv January 2024 Total		1,440.00
0 Total:		1,440.00
SOU5451 - S.P. Public Service Employees Association Total:		1,440.00
CEAP7000 - S.P. Public Service Employees Association-PT 700-0000-0000-2249-000		
0	01/18/2024	
Inv	January 2024	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/04/2024	PR Batch 10524.01.2024 PART TIME ASSN. DUES / FEE	128.00
Inv January 2024 Total		128.00
Inv	PR 12.22.2023	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/21/2023	PR Batch 12223.12.2023 PART TIME ASSN. DUES / FEE	8.00
Inv PR 12.22.2023 Total		8.00
0 Total:		136.00
CEAP7000 - S.P. Public Service Employees Association-PT Total:		136.00
SOU5230 - S.P.Firefighters L-3657		
0	01/18/2024	
Inv	January 2024	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/04/2024	PR Batch 10524.01.2024 FFA Fire Rec Fees	90.00
01/04/2024	PR Batch 10524.01.2024 Firefighters 3657 - Union	2,050.00
01/04/2024	PR Batch 10524.01.2024 Fire Assn. Insurance	177.42
Inv January 2024 Total		2,317.42

Check Number	Check Date	Amount
0 Total:		2,317.42
SOU5230 - S.P.Firefighters L-3657 Total:		2,317.42
SSDV2018 - Sandoval, Sheila		
0	01/18/2024	
Inv	PR 01.05.2024	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/04/2024	PR Batch 10524.01.2024 - Garnishment Case # FAMSS-1406906.	108.60
01/04/2024	PR Batch 10524.01.2024 - Garnishment Case # FAMSS-1406906.	956.03
Inv PR 01.05.2024 Total		1,064.63
Inv	PR 12.22.2023	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/21/2023	PR Batch 12223.12.2023 - Garnishment	956.03
12/21/2023	PR Batch 12223.12.2023 - Garnishment	381.70
Inv PR 12.22.2023 Total		1,337.73
0 Total:		2,402.36
SSDV2018 - Sandoval, Sheila Total:		2,402.36
Total:		14,088.91

Accounts Payable

Check Detail

User: calvarez
Printed: 01/30/2024 - 5:30PM



Check Number	Check Date	Amount
VTERCD40 - Calderon, Victor Ernesto		
318305	01/18/2024	
Inv	Incident 1/18	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/18/2024	Incident 1/18/2024	5,000.00
Inv Incident 1/18 Total		5,000.00
318305 Total:		5,000.00
VTERCD40 - Calderon, Victor Ernesto Total:		5,000.00
Total:		5,000.00

Accounts Payable

Check Detail

User: calvarez
 Printed: 01/30/2024 - 5:38PM



Check Number	Check Date		Amount
AKGSHFLP - Akin Gump Strauss Hauer & Feld LLP			
318306	01/30/2024		
Inv	2075750		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/10/2024	Legal Services FY22-23		13,980.46
Inv 2075750 Total			13,980.46
318306 Total:			13,980.46
AKGSHFLP - Akin Gump Strauss Hauer & Feld LLP Total:			13,980.46
AMAZONCP - Amazon Capital Services, Inc.			
0	01/30/2024		
Inv	11M7-Q7X6-KPKC		
<u>Line Item Date</u>	<u>Line Item Description</u>		
12/25/2023	Telephone Supplies for Department: 12/18/23-12/24/23		327.49
Inv 11M7-Q7X6-KPKC Total			327.49
Inv	146V-MDLG-N4XM		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/08/2024	Public Works Department Office Supplies- protective Laptop case		46.29
Inv 146V-MDLG-N4XM Total			46.29
Inv	161X-3WMG-C4DC		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/02/2024	Senior Center craft supplies		93.43
01/02/2024	DAR office supplies & battery disconnect		111.00
Inv 161X-3WMG-C4DC Total			204.43
Inv	16M9-VDDG-79NP		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/16/2024	Breakfast with Santa event supplies & state of the City		359.28
01/16/2024	Breakfast with Santa event supplies & state of the City		43.98
Inv 16M9-VDDG-79NP Total			403.26

Check Number	Check Date	Amount
Inv	1CW1-YCCM-99GD	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/02/2024	Credit memo for CSD	-1.88
Inv	1CW1-YCCM-99GD Total	-1.88
Inv	1CW1-YCCM-99H9	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/02/2024	Credit memo for CSD	-1.55
Inv	1CW1-YCCM-99H9 Total	-1.55
Inv	1F7D-WWNY-L6LR	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/02/2024	Battery Disconnect Switch for #80	31.95
Inv	1F7D-WWNY-L6LR Total	31.95
Inv	1GLJ-6WWH-PFFF	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/08/2024	Office, Computer, and Telephone Supplies for Department	29.97
01/08/2024	Office, Computer, and Telephone Supplies for Department	134.74
01/08/2024	Office, Computer, and Telephone Supplies for Department	563.96
Inv	1GLJ-6WWH-PFFF Total	728.67
Inv	1HNJ-FNDH-NWFQ	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/16/2024	Recreation office supplies and Transit supplies	549.69
01/16/2024	Recreation office supplies and Transit supplies	110.58
Inv	1HNJ-FNDH-NWFQ Total	660.27
Inv	1NJK-N3CF-6W9C	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/04/2023	Headset and Cameras	385.46
Inv	1NJK-N3CF-6W9C Total	385.46
Inv	1TQD-9JDP-N67M	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/08/2024	Office Supplies for City Manager's Office	28.64
Inv	1TQD-9JDP-N67M Total	28.64
Inv	1X3W-Q39M-7XWM	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/02/2024	Credit memo for CSD	-4.11
Inv	1X3W-Q39M-7XWM Total	-4.11

Check Number	Check Date		Amount
Inv	1YKD-GXQV-J19H		
<u>Line Item Date</u>	<u>Line Item Description</u>		
10/23/2023	Flashlights - Operations Division		223.89
10/23/2023	Flashlights - Operations Division		223.90
10/23/2023	Flashlights - Operations Division		223.90
Inv 1YKD-GXQV-J19H Total			671.69
0 Total:			3,480.61
AMAZONCP - Amazon Capital Services, Inc. Total:			3,480.61
CSD3014 - Ca. State Disbursement Unit			
318307	01/30/2024		
Inv	PR 01.19.2024		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/17/2024	PR Batch 11924.01.2024 Garnishment Case # FAMSS-1406906.		903.69
Inv PR 01.19.2024 Total			903.69
318307 Total:			903.69
CSD3014 - Ca. State Disbursement Unit Total:			903.69
SCFT0000 - Franchise Tax Board			
318308	01/30/2024		
Inv	PR 01.19.2024		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/17/2024	PR Batch 11924.01.2024 Garnishment Case # 568717589		134.98
Inv PR 01.19.2024 Total			134.98
318308 Total:			134.98
SCFT0000 - Franchise Tax Board Total:			134.98
CEAP7000 - S.P. Public Service Employees Association-PT 700-0000-0000-2249-000			
0	01/30/2024		
Inv	PR 01.19.2024		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/17/2024	PR Batch 11924.01.2024 PART TIME ASSN. DUES / FEE		8.00
Inv PR 01.19.2024 Total			8.00
0 Total:			8.00

Check Number	Check Date		Amount
CEAP7000 - S.P. Public Service Employees Association-PT Total:			8.00
SSDV2018 - Sandoval, Sheila			
0	01/30/2024		
Inv	PR 01.19.2024		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/17/2024	PR Batch 11924.01.2024 - Garnishment		956.03
01/17/2024	PR Batch 11924.01.2024- Garnishment		115.70
Inv PR 01.19.2024 Total			1,071.73
0 Total:			1,071.73
SSDV2018 - Sandoval, Sheila Total:			1,071.73
SOGA6501 - SoCalGAS			
318309	01/30/2024		
Inv	12/1/23-1/1/24		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/08/2024	CNG for City Vehicles (PW and Transit)12/1/2023-1/1/2024		45.66
01/08/2024	CNG for City Vehicles (PW and Transit)12/1/2023-1/1/2024		45.66
01/08/2024	CNG for City Vehicles (PW and Transit)12/1/2023-1/1/2024		45.66
01/08/2024	CNG for City Vehicles (PW and Transit)12/1/2023-1/1/2024		45.66
01/08/2024	CNG for City Vehicles (PW and Transit)12/1/2023-1/1/2024		45.66
Inv 12/1/23-1/1/24 Total			228.30
318309 Total:			228.30
SOGA6501 - SoCalGAS Total:			228.30
Total:			19,807.77

ATTACHMENT 3 General City Warrant List

**THIS PAGE
INTENTIONALLY
LEFT BLANK**

Accounts Payable

Check Detail

User: calvarez
Printed: 01/30/2024 - 5:12PM



Check Number	Check Date		Amount
ACCOEG - ACCO Engineered Systems, Inc.			
318310	02/07/2024		
Inv	20491520		
<u>Line Item Date</u>	<u>Line Item Description</u>		
12/15/2023	Service at Service Yard HVAC Unit		470.00
Inv 20491520 Total			470.00
318310 Total:			470.00
ACCOEG - ACCO Engineered Systems, Inc. Total:			
			470.00
ACHG2013 - A-Check Global			
318311	02/07/2024		
Inv	59-0718007		
<u>Line Item Date</u>	<u>Line Item Description</u>		
10/31/2023	Pre-Employment Background Check Services - October 2023		400.42
Inv 59-0718007 Total			400.42
318311 Total:			400.42
ACHG2013 - A-Check Global Total:			
			400.42
ACTI8030 - Action Sales			
318312	02/07/2024		
Inv	7164452-00		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/16/2024	Senior Center Freezer		2,300.00
01/16/2024	Senior Center Freezer		612.50
01/16/2024	Senior Center Freezer		2,600.00
Inv 7164452-00 Total			5,512.50
318312 Total:			5,512.50
ACTI8030 - Action Sales Total:			
			5,512.50
ACMT2920 - All City Management Services, Inc.			

Check Number	Check Date		Amount
318313	02/07/2024		
Inv 89980			
<u>Line Item Date</u>	<u>Line Item Description</u>		
12/13/2023	School crossing guard services November 26-December 9, 2023		12,625.47
Inv 89980 Total			12,625.47
Inv 90217			
<u>Line Item Date</u>	<u>Line Item Description</u>		
12/27/2023	School crossing guard services December 10-December 23, 2023		11,137.62
Inv 90217 Total			11,137.62
318313 Total:			23,763.09
ACMT2920 - All City Management Services, Inc. Total:			23,763.09
ALL0197 - All Star Fire Equipment, Inc.			
318314	02/07/2024		
Inv 252894			
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/05/2024	Tech Safety Helmets (5) & Particulate Hoods (8)		2,880.83
Inv 252894 Total			2,880.83
Inv 252895			
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/05/2024	Safety Boots		483.94
Inv 252895 Total			483.94
318314 Total:			3,364.77
ALL0197 - All Star Fire Equipment, Inc. Total:			3,364.77
AMAZONCP - Amazon Capital Services, Inc.			
0	02/07/2024		
Inv 1W1Q-VFP7-NTLN			
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/08/2024	Training books for PD		40.13
Inv 1W1Q-VFP7-NTLN Total			40.13
0 Total:			40.13
AMAZONCP - Amazon Capital Services, Inc. Total:			40.13

Check Number	Check Date		Amount
AMPM5011 - AMPM Door, Inc.			
0	02/07/2024		
Inv	58447		
<u>Line Item Date</u>	<u>Line Item Description</u>		
12/26/2023	Repairs to rear gate		1,336.21
Inv 58447 Total			1,336.21
0 Total:			1,336.21
AMPM5011 - AMPM Door, Inc. Total:			1,336.21
ANTLAGRP - Annealta Group			
318315	02/07/2024		
Inv	3062		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/09/2024	Street Improvement Program Management		822.50
Inv 3062 Total			822.50
Inv	3063		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/09/2024	Task Order 2: Street Improvement Project - Construction Inspection		9,465.00
Inv 3063 Total			9,465.00
318315 Total:			10,287.50
ANTLAGRP - Annealta Group Total:			10,287.50
ARCD6011 - ARC Document Solutions, LLC			
318316	02/07/2024		
Inv	12346629		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/10/2024	Printing - Street Improvements Plans		98.92
Inv 12346629 Total			98.92
318316 Total:			98.92
ARCD6011 - ARC Document Solutions, LLC Total:			98.92
AMST8020 - Armstrong Lock & Safe			
318317	02/07/2024		
Inv	7653		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/01/2024	Repairs to safe		145.00

Check Number	Check Date	Amount
Inv 7653 Total		145.00
318317 Total:		145.00
AMST8020 - Armstrong Lock & Safe Total:		145.00
RatPactI - ASM Industrial Corp.		
318318	02/07/2024	
Inv 17948		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/28/2023	Monthly Pest Control Services-Recreation Building Dec 2023	125.00
Inv 17948 Total		125.00
Inv 17949		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/28/2023	Monthly Pest Control Services-PW Yard Dec 2023	65.00
Inv 17949 Total		65.00
Inv 17951		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/28/2023	Monthly Pest Control Services-Library Dec 2023	65.00
Inv 17951 Total		65.00
Inv 17952		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/28/2023	Monthly Pest Control Services-Senior Center Dec 2023	150.00
Inv 17952 Total		150.00
Inv 17954		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/28/2023	Monthly Pest Control Services-City Hall/Civic Center Dec 2023	125.00
Inv 17954 Total		125.00
Inv 17961		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/28/2023	Monthly Pest Control for City Facilities - FY2023-24	535.00
Inv 17961 Total		535.00
Inv 17962		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/28/2023	Monthly Pest Control Services-War Memorial Dec 2023	735.00
Inv 17962 Total		735.00

Check Number	Check Date		Amount
Inv	18379		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/11/2024	Rodent Control at Service Yard		2,050.00
Inv 18379 Total			2,050.00
Inv	18380		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/11/2024	Rodent Control at Orange Grove Park		750.00
Inv 18380 Total			750.00
Inv	18383		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/11/2024	Rodent Services at Service Yard		950.00
Inv 18383 Total			950.00
Inv	18384		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/18/2024	Pest Control at Service Yard		750.00
Inv 18384 Total			750.00
Inv	18386		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/11/2024	Pest Control Services-War Memorial		735.00
Inv 18386 Total			735.00
318318 Total:			7,035.00
RatPactI - ASM Industrial Corp. Total:			7,035.00
AT&T5006 - AT&T			
318319	02/07/2024		
Inv	130464796		
<u>Line Item Date</u>	<u>Line Item Description</u>		
12/17/2023	AN 130464796 Services 12/18/23 - 01/17/24		90.24
Inv 130464796 Total			90.24
318319 Total:			90.24
318320	02/07/2024		
Inv	24813461002105		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/01/2024	AN 248 134-6100 210 5 Services for 1/1/24 - 1/31/24		18.86

Check Number	Check Date	Amount
Inv 24813461002105 Total		18.86
Inv 33184107563432		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/07/2024	AN 331 841-0756 343 2 Services for 1/7/24 - 2/6/24	31.86
Inv 33184107563432 Total		31.86
Inv 33184108023436		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/07/2024	AN 331 841-0802 343 6 Services for 1/7/24 - 2/6/24	31.86
Inv 33184108023436 Total		31.86
Inv 62644164973570		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/13/2023	AN 626 441-6497 357 0 Services for 12/13/23 - 1/12/24	1,347.33
Inv 62644164973570 Total		1,347.33
318320 Total:		1,429.91
318321	02/07/2024	
Inv 000021020683		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/27/2023	BAN CLAPDSOPAS Services for 11/27/2023 - 12/26/23	298.22
Inv 000021020683 Total		298.22
Inv 000021022366		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/27/2023	BAN 9391081369 Services for 11/27/23-12/26/23	1,614.00
Inv 000021022366 Total		1,614.00
Inv 9391081369		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/20/2023	BAN 9391081369 (11/20/2023-12/19/2023)	89.84
Inv 9391081369 Total		89.84
318321 Total:		2,002.06
ATCN9011 - AT&T Total:		3,522.21
CIN4011 - AT&T Mobility		
318322	02/07/2024	
Inv 287288006612		
<u>Line Item Date</u>	<u>Line Item Description</u>	

Check Number	Check Date	Amount
01/02/2024	AN 287288006612 Cell Phones Citywide Service12/3/23-1/2/24	2,900.98
Inv 287288006612 Total		2,900.98
318322 Total:		2,900.98
CIN4011 - AT&T Mobility Total:		2,900.98
AGSINC - Automated Gate Services, Inc.		
318323	02/07/2024	
Inv	0015418	
<u>Line Item Date</u>	<u>Line Item Description</u>	
11/30/2023	Service Call to troubleshoot Graves Reservoir Gate fault	382.00
Inv 0015418 Total		382.00
318323 Total:		382.00
AGSINC - Automated Gate Services, Inc. Total:		382.00
AXON4010 - Axon Enterprise Inc.		
0	02/07/2024	
Inv	INUS191297	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/01/2023	Year 2/5 Axon - Taser Core+ & SM Pocket Mount	72,714.37
Inv INUS191297 Total		72,714.37
0 Total:		72,714.37
AXON4010 - Axon Enterprise Inc. Total:		72,714.37
BAK0369 - Baker & Taylor Books		
0	02/07/2024	
Inv	2037880149	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/12/2023	Books FY2023-24	2,064.81
Inv 2037880149 Total		2,064.81
Inv	2037902424	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/13/2023	Books FY2023-24	887.06
Inv 2037902424 Total		887.06

Check Number	Check Date	Amount
Inv	2037921375	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/12/2023	Books FY2023-24	797.52
Inv 2037921375 Total		797.52
Inv	2038015389	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/28/2023	Books FY2023-24	69.60
Inv 2038015389 Total		69.60
Inv	2038015391	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/27/2023	Books FY2023-24	408.00
Inv 2038015391 Total		408.00
Inv	2038015393	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/27/2023	Books FY2023-24	188.02
Inv 2038015393 Total		188.02
Inv	2038015395	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/27/2023	Books FY2023-24	163.54
Inv 2038015395 Total		163.54
0 Total:		4,578.55
BAK0369 - Baker & Taylor Books Total:		4,578.55
BAK0366 - Baker & Taylor Entertainment		
0	02/07/2024	
Inv	H67315380	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/18/2023	DVDs/CDs - FY 2023-24	110.74
Inv H67315380 Total		110.74
Inv	H67410710	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/26/2023	DVDs/CDs - FY 2023-24	124.76
Inv H67410710 Total		124.76
0 Total:		235.50

Check Number	Check Date	Amount
BAK0366 - Baker & Taylor Entertainment Total:		235.50
BARALPW - Barrera, Alejandro		
318324	02/07/2024	
Inv	12/23/2023	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/23/2023	Mileage Claim for PW Staff	26.33
Inv 12/23/2023 Total		26.33
Inv	12/26/2023	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/26/2023	Mileage Claim for PW Staff	26.33
Inv 12/26/2023 Total		26.33
318324 Total:		52.66
BARALPW - Barrera, Alejandro Total:		52.66
BSHL6710 - Base Hill, Inc., dba Jan Point		
0	02/07/2024	
Inv	24053	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/26/2023	Monthly Janitorial Services December 2023 Services-Citywide	900.00
12/26/2023	Monthly Janitorial Services December 2023 Services-Citywide	14,985.00
12/26/2023	Monthly Janitorial Services December 2023 Services-Citywide	1,000.00
Inv 24053 Total		16,885.00
0 Total:		16,885.00
BSHL6710 - Base Hill, Inc., dba Jan Point Total:		16,885.00
BB&K - Best Best & Krieger LLP		
0	02/07/2024	
Inv	985210	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/10/2024	Legal Services - December 2023	324.00
Inv 985210 Total		324.00
0 Total:		324.00
BB&K - Best Best & Krieger LLP Total:		324.00

Check Number	Check Date	Amount
BLSP8010 - Blackstone Publishing		
0	02/07/2024	
Inv	2136093	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/08/2024	Books/DVDs/CDs	38.95
Inv 2136093 Total		38.95
Inv	2136970	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/12/2024	Books/DVDs/CDs	34.94
Inv 2136970 Total		34.94
0 Total:		73.89
BLSP8010 - Blackstone Publishing Total:		
		73.89
SNBOG601 - Bogdan, Sandor		
318325	02/07/2024	
Inv	2121 Hanscom	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/16/2024	Return of Deposit for Deputy Inspector	9,834.00
Inv 2121 Hanscom Total		9,834.00
318325 Total:		9,834.00
SNBOG601 - Bogdan, Sandor Total:		
		9,834.00
BDTCPI - Broadband Telcom Power, Inc.		
318326	02/07/2024	
Inv	56116-12152023	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/11/2024	Service Repair Electric Charger	930.00
Inv 56116-12152023 Total		930.00
318326 Total:		930.00
BDTCPI - Broadband Telcom Power, Inc. Total:		
		930.00
BUR4018 - Burro Canyon Shooting Park		
318327	02/07/2024	
Inv	3080	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/20/2023	PD range fees	80.00

Check Number	Check Date	Amount
Inv 3080 Total		80.00
318327 Total:		80.00
BUR4018 - Burro Canyon Shooting Park Total:		80.00
CAL5236 - CA Linen Services		
318328	02/07/2024	
Inv 2212696		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/21/2023	Linen Cleaning Services - FY 2023-24	117.88
Inv 2212696 Total		117.88
Inv 2216002		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/28/2023	Linen Cleaning Services - FY 2023-24	117.88
Inv 2216002 Total		117.88
Inv 2219557		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/04/2024	Linen Cleaning Services - FY 2023-24	120.42
Inv 2219557 Total		120.42
Inv 2222214		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/11/2024	Linen Cleaning Services - FY 2023-24	127.42
Inv 2222214 Total		127.42
318328 Total:		483.60
CAL5236 - CA Linen Services Total:		483.60
CPR8031 - CA Park & Recreation Society		
318329	02/07/2024	
Inv 002682		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/17/2024	Annual CPRS membership - Agency Dues with additional section fee	300.00
01/17/2024	Annual CPRS membership - Agency Dues with additional section fee	315.00
01/17/2024	Annual CPRS membership - Agency Dues with additional section fee	705.00
01/17/2024	Annual CPRS membership - Agency Dues with additional section fee	372.48
Inv 002682 Total		1,692.48
318329 Total:		1,692.48

Check Number	Check Date	Amount
CPR8031 - CA Park & Recreation Society Total:		1,692.48
DACA4011 - Calderon, David		
318330	02/07/2024	
Inv	01/12/2024	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/17/2024	Leadership/Mentorship Program Lunch Reimbursement Per Chief	40.00
Inv 01/12/2024 Total		40.00
318330 Total:		40.00
DACA4011 - Calderon, David Total:		40.00
CALB4011 - Calibre Press		
318331	02/07/2024	
Inv	91545	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/17/2024	Tactical Leadership Course for Officer Gramajo 04/01/24	199.00
Inv 91545 Total		199.00
318331 Total:		199.00
CALB4011 - Calibre Press Total:		199.00
CAL6695 - California American Water		
318332	02/07/2024	
Inv	11/22/23-12/20	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/22/2023	Wilson Well 2 Water Purchased December 2023	115.09
Inv 11/22/23-12/20 Total		115.09
318332 Total:		115.09
CAL6695 - California American Water Total:		115.09
CDTF3010 - California Department of Tax & Fee Administration		
318333	02/07/2024	
Inv	0-038-740-265	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/11/2024	Underground Storage Tank Tax & Fees-Yard 2023	234.00
Inv 0-038-740-265 Total		234.00

Check Number	Check Date		Amount
Inv	0-038-808-862		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/11/2024	Underground Storage Tank Tax & Fees-Fire Dep 2023		329.00
Inv 0-038-808-862 Total			329.00
318333 Total:			563.00
CDTF3010 - California Department of Tax & Fee Administration Total:			563.00
CAHWYPT - California Highway Patrol			
318334	02/07/2024		
Inv	23-004-001		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/17/2024	Vehicle Theft Investigators Course for Det Pech		247.00
Inv 23-004-001 Total			247.00
318334 Total:			247.00
CAHWYPT - California Highway Patrol Total:			247.00
CAMERPL - California Metro Patrol & EMS, Inc.			
318335	02/07/2024		
Inv	5368		
<u>Line Item Date</u>	<u>Line Item Description</u>		
12/21/2023	Security Guard Concierge Services at City Hall		1,644.40
Inv 5368 Total			1,644.40
Inv	5573		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/12/2024	Security Guard Concierge Srvc - 01/01/24 - 01/12/24		2,877.70
Inv 5573 Total			2,877.70
318335 Total:			4,522.10
CAMERPL - California Metro Patrol & EMS, Inc. Total:			4,522.10
CAN0607 - Cantu Graphics Inc.			
318336	02/07/2024		
Inv	22029		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/09/2024	Berkshire groundbreaking foam boards		178.61
Inv 22029 Total			178.61

Check Number	Check Date		Amount
Inv	22046		
<u>Line Item Date</u>	<u>Line Item Description</u>		
12/07/2023	City Coucil Re-Organization Mtg 12/20/23 Foam Boarding Printing		62.84
Inv 22046 Total			62.84
Inv	22091		
<u>Line Item Date</u>	<u>Line Item Description</u>		
12/27/2023	Blue Prints - Blank City Map		209.48
Inv 22091 Total			209.48
Inv	22121		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/10/2024	Business cards - Officer Gutierrez		38.53
Inv 22121 Total			38.53
Inv	22217		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/16/2024	Department Envelopes for Community Development		292.16
Inv 22217 Total			292.16
318336 Total:			781.62
CAN0607 - Cantu Graphics Inc. Total:			781.62
CRSC2013 - Capital Research & Consulting LLC			
318337	02/07/2024		
Inv	3231		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/08/2024	Quarterly Adminstration of Mutual Funds & Def Comp - 12/31/23		3,063.54
Inv 3231 Total			3,063.54
318337 Total:			3,063.54
CRSC2013 - Capital Research & Consulting LLC Total:			3,063.54
CDW5246 - CDW Government LLC			
0	02/07/2024		
Inv	NB38573		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/10/2023	(100) Disco Directl L-AC-PLS-3Y-S2		891.00
Inv NB38573 Total			891.00

Check Number	Check Date	Amount
Inv	NK89079	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/05/2023	Network Hardware Equipment - IT Master Plan	77,974.98
12/05/2023	Network Hardware Equipment - IT Master Plan	33,674.46
Inv NK89079 Total		111,649.44
0 Total:		112,540.44
CDW5246 - CDW Government LLC Total:		112,540.44
TIM4011 - Charter Communications		
0	02/07/2024	
Inv	00029763122723	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/27/2023	AN 8448 20 899 0029763 1422 Mission St. Serv 12/16/23-1/15/24	326.38
Inv 00029763122723 Total		326.38
Inv	0052005122623	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/26/2023	AN 8448 20 899 0052005 1414 Mission St. Serv 12/11/23-1/10/24	3,290.27
Inv 0052005122623 Total		3,290.27
Inv	0070193010124	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/01/2024	AN 8448 30 008 0070193 660 Stoney Dr. - Serv 1/1/24 - 1/31/24	83.95
Inv 0070193010124 Total		83.95
Inv	0355990010224	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/02/2024	AN 8448 30 008 0355990 416 Garfield Ave. Serv 01/02/24 - 2/1/24	224.98
Inv 0355990010224 Total		224.98
Inv	0357905010524	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/05/2024	AN 8448 30 008 0357905 815 Mission St - 1/5/24 - 2/4/24	130.52
Inv 0357905010524 Total		130.52
0 Total:		4,056.10
TIM4011 - Charter Communications Total:		4,056.10
CHE6010 - Chem Pro Laboratory, Inc.		
318338	02/07/2024	

Check Number	Check Date	Amount
Inv	IN136859	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/01/2024	Monthly Cleaning and Treatment of Cooling Tower Tank	160.65
Inv	IN136859 Total	160.65
318338 Total:		160.65
CHE6010 - Chem Pro Laboratory, Inc. Total:		160.65
CINTA3 - Cintas Corporation		
318339	02/07/2024	
Inv	4177933931	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/22/2023	Public Works Uniform Cleaning Services	17.29
12/22/2023	Public Works Uniform Cleaning Services	16.74
12/22/2023	Public Works Uniform Cleaning Services	15.54
12/22/2023	Public Works Uniform Cleaning Services	19.26
12/22/2023	Public Works Uniform Cleaning Services	29.85
12/22/2023	Public Works Uniform Cleaning Services	37.78
12/22/2023	Public Works Uniform Cleaning Services	4.10
Inv	4177933931 Total	140.56
Inv	4178463900	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/28/2023	Sanitary Scheduled Cleaning for Public Park Restrooms.	448.20
Inv	4178463900 Total	448.20
Inv	4179444057	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/08/2024	Public Works Uniform Cleaning Services	16.74
01/08/2024	Public Works Uniform Cleaning Services	19.26
01/08/2024	Public Works Uniform Cleaning Services	4.10
01/08/2024	Public Works Uniform Cleaning Services	17.29
01/08/2024	Public Works Uniform Cleaning Services	15.54
01/08/2024	Public Works Uniform Cleaning Services	37.78
01/08/2024	Public Works Uniform Cleaning Services	36.27
Inv	4179444057 Total	146.98
Inv	4179950745	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/11/2024	UltraClean Service	448.20
Inv	4179950745 Total	448.20
Inv	4180161245	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/15/2024	Public Works Uniform Cleaning Services	15.54

Check Number	Check Date		Amount
01/15/2024		Public Works Uniform Cleaning Services	19.26
01/15/2024		Public Works Uniform Cleaning Services	17.29
01/15/2024		Public Works Uniform Cleaning Services	16.74
01/15/2024		Public Works Uniform Cleaning Services	57.11
01/15/2024		Public Works Uniform Cleaning Services	4.10
01/15/2024		Public Works Uniform Cleaning Services	37.78
Inv 4180161245 Total			167.82
318339 Total:			1,351.76
318340	02/07/2024		
Inv	5186118273		
<u>Line Item Date</u>	<u>Line Item Description</u>		
11/29/2023	Public Works First Aid - Sewer		75.65
11/28/2023	Public Works First Aid - Water Production		75.65
11/29/2023	Public Works First Aid - Facilites		75.66
11/29/2023	Public Works First Aid - Street Maintenace		75.65
11/29/2023	Public Works First Aid - Administration		75.65
11/29/2023	Public Works First Aid - Water Distribution		75.67
11/29/2023	Public Works First Aid - Street Tree Maint.		75.66
Inv 5186118273 Total			529.59
Inv	5191092151		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/02/2024	Public Works First Aid - Administration		52.31
01/02/2024	Public Works First Aid - Street Tree Maint.		52.32
01/02/2024	Public Works First Aid - Street Maintenace		52.31
01/02/2024	Public Works First Aid - Facilites		52.32
01/02/2024	Public Works First Aid - Sewer		52.31
01/02/2024	Public Works First Aid - Water Distribution		52.32
01/02/2024	Public Works First Aid - Water Production		52.32
Inv 5191092151 Total			366.21
Inv	5191092162		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/05/2024	First Aid supplies for Senior Center		37.93
Inv 5191092162 Total			37.93
Inv	5192132365		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/17/2024	First Aid Cabinet & Monthly Servicing @ Community Services.		21.59
Inv 5192132365 Total			21.59
Inv	9245814095		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/05/2024	AED November Services for Senior Center		153.25
Inv 9245814095 Total			153.25

Check Number	Check Date	Amount
Inv	9253759545	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/05/2024	AED January Services for Senior Center	153.25
Inv 9253759545 Total		153.25
318340 Total:		1,261.82
CINTAS - Cintas Corporation Total:		2,613.58
SPMN3010 - City of South Pasadena		
318341	02/07/2024	
Inv	14044-12.27.23	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/17/2024	Utility Bill Statement for Dog Park : 10/23/12/19/23	540.36
Inv 14044-12.27.23 Total		540.36
Inv	19386-12.27.23	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/17/2024	Utility Bill Statement for Arroyo Park - 10/23/23-12/19/23.	510.86
Inv 19386-12.27.23 Total		510.86
Inv	19387-12.27.23	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/17/2024	Utility Bill Statement for San Pasqual - 10/23-12/19/23	481.36
Inv 19387-12.27.23 Total		481.36
318341 Total:		1,532.58
SPMN3010 - City of South Pasadena Total:		1,532.58
CHWP2010 - Colantuono,Highsmith & Whatley,PC		
0	02/07/2024	
Inv	58778	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/22/2024	December 2023 Legal Services	940.50
Inv 58778 Total		940.50
0 Total:		940.50
CHWP2010 - Colantuono,Highsmith & Whatley,PC Total:		940.50

Check Number	Check Date		Amount
CRDA1021 - Corodata Records Management			
0	02/07/2024		
Inv	RS4974828		
<u>Line Item Date</u>	<u>Line Item Description</u>		
12/31/2023	Records Mgmt/Records Storage Carton & Ltr Transercase-Dec 2023		481.65
Inv RS4974828 Total			481.65
0 Total:			481.65
CRDA1021 - Corodata Records Management Total:			481.65
CRSR2010 - Corodata Shredding Inc.			
0	02/07/2024		
Inv	DN1445925		
<u>Line Item Date</u>	<u>Line Item Description</u>		
12/31/2023	Shredding for Oxley St., Library, and Mission St. December 2023		205.43
Inv DN1445925 Total			205.43
0 Total:			205.43
CRSR2010 - Corodata Shredding Inc. Total:			205.43
CPSH2013 - CPS HR Consulting			
318342	02/07/2024		
Inv	TR-INV003370		
<u>Line Item Date</u>	<u>Line Item Description</u>		
11/25/2023	Fire Apparatus Driver/Operator Exam		379.50
Inv TR-INV003370 Total			379.50
318342 Total:			379.50
CPSH2013 - CPS HR Consulting Total:			379.50
ATGC8530 - CU Technology			
0	02/07/2024		
Inv	10960		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/01/2024	Full Service IT Support Services - January 2024		23,900.00
Inv 10960 Total			23,900.00
Inv	10993		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/10/2024	Server Software Subscription Renewal		442.16

Check Number	Check Date	Amount
Inv 10993 Total		442.16
0 Total:		24,342.16
ATGC8530 - CU Technology Total:		24,342.16
DSP0755 - D & S Printing		
318343	02/07/2024	
Inv 0102		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/10/2024	Printing services - Notice to appear books	4,167.45
Inv 0102 Total		4,167.45
318343 Total:		4,167.45
DSP0755 - D & S Printing Total:		4,167.45
DAN0769 - Dangelo Co.		
0	02/07/2024	
Inv S1539467.001		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/08/2024	Bolts and nuts to repair damaged 4" and 6" Fire Hydrants	1,459.04
Inv S1539467.001 Total		1,459.04
0 Total:		1,459.04
DAN0769 - Dangelo Co. Total:		1,459.04
DEL4000 - Dell Marketing L.P.		
0	02/07/2024	
Inv 10717613651		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/17/2023	Year One of Three Year Hardware Replacement Program	1,261.13
Inv 10717613651 Total		1,261.13
0 Total:		1,261.13
DEL4000 - Dell Marketing L.P. Total:		1,261.13
DTV5012 - DIRECTV		
318344	02/07/2024	
Inv 68653046X231229		
<u>Line Item Date</u>	<u>Line Item Description</u>	

Check Number	Check Date	Amount
12/29/2023	Cable Services for EOC	177.29
Inv 68653046X231229	Total	177.29
318344	Total:	177.29
DTV5012 - DIRECTV Total:		177.29
DDL8010 - Dr. Detail Ph.D LLC		
0	02/07/2024	
Inv 2989		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/10/2024	December cleaning for DAR	480.00
Inv 2989	Total	480.00
0	Total:	480.00
DDL8010 - Dr. Detail Ph.D LLC Total:		480.00
DGS16010 - Duthie Power Services		
318345	02/07/2024	
Inv S122697		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/10/2024	City Hall Generator Maintenance	1,634.12
Inv S122697	Total	1,634.12
318345	Total:	1,634.12
DGS16010 - Duthie Power Services Total:		1,634.12
ELSR1010 - El Sereno Tire Shop		
318346	02/07/2024	
Inv 2196		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/17/2024	Tire Replacement / #79	296.48
Inv 2196	Total	296.48
318346	Total:	296.48
ELSR1010 - El Sereno Tire Shop Total:		296.48
ELL1017 - Ellen's Silkscreening		
318347	02/07/2024	

Check Number	Check Date		Amount
Inv	EE82550		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/15/2004	City Polos and Jackets		139.91
Inv EE82550 Total			139.91
318347 Total:			139.91
ELL1017 - Ellen's Silkscreening Total:			139.91
EDGHITI - Engineering Consulting Services, Inc.			
318348	02/07/2024		
Inv	6		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/08/2024	Public Works Project Management Assistance Dec'23		1,755.00
Inv 6 Total			1,755.00
318348 Total:			1,755.00
EDGHITI - Engineering Consulting Services, Inc. Total:			1,755.00
ENT5426 - Entenmann-Rovin			
318349	02/07/2024		
Inv	0175685-IN		
<u>Line Item Date</u>	<u>Line Item Description</u>		
08/16/2023	Badge for Community Improvement Officer		950.00
Inv 0175685-IN Total			950.00
Inv	0178839-IN		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/17/2024	Police Department badges		957.45
Inv 0178839-IN Total			957.45
318349 Total:			1,907.45
ENT5426 - Entenmann-Rovin Total:			1,907.45
EURO6710 - Eurofins Eaton Analytical			
0	02/07/2024		
Inv	3800041465		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/01/2024	Laboratory testing and analysis of City's water system.		2,813.00
Inv 3800041465 Total			2,813.00

Check Number	Check Date	Amount
0 Total:		2,813.00
EURO6710 - Eurofins Eaton Analytical Total:		2,813.00
FED1109 - FedEx		
318350	02/07/2024	
Inv	8-362-92055	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/29/2023	Shipment for background investigator	37.12
Inv 8-362-92055 Total		37.12
318350 Total:		37.12
FED1109 - FedEx Total:		37.12
FRDMBLO - Ford of Montebello, Inc.		
318351	02/07/2024	
Inv	FOCS279436	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/16/2024	Replace spark plugs & evap purge valve unit #1909	933.14
Inv FOCS279436 Total		933.14
318351 Total:		933.14
FRDMBLO - Ford of Montebello, Inc. Total:		933.14
FRNCPOST - FRANCO TYP-POSTALIA, INC.		
318352	02/07/2024	
Inv	RI106054186	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/04/2024	FP Mailing Solutions Lease	216.12
Inv RI106054186 Total		216.12
318352 Total:		216.12
FRNCPOST - FRANCO TYP-POSTALIA, INC. Total:		216.12
GALL5011 - Galls, LLC		
318353	02/07/2024	
Inv	026040757	
<u>Line Item Date</u>	<u>Line Item Description</u>	
10/23/2023	Ripstop TDUs for #223	145.50

Check Number	Check Date	Amount
Inv 026040757	Total	145.50
Inv	026195092	
<u>Line Item Date</u>	<u>Line Item Description</u>	
11/07/2023	Chevrons for #206	5.41
Inv 026195092	Total	5.41
Inv	026316990	
<u>Line Item Date</u>	<u>Line Item Description</u>	
11/20/2023	Tester uniforms #206 #217;	146.48
Inv 026316990	Total	146.48
Inv	026383380	
<u>Line Item Date</u>	<u>Line Item Description</u>	
11/28/2023	OC Spray & belt for Recruit Maldonado	83.53
Inv 026383380	Total	83.53
Inv	026395623	
<u>Line Item Date</u>	<u>Line Item Description</u>	
11/29/2023	Boots for Recruit	181.76
Inv 026395623	Total	181.76
Inv	026468420	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/06/2023	uniform & supplies for recruit	648.48
Inv 026468420	Total	648.48
Inv	026511694	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/11/2023	Gear for recruit	323.11
Inv 026511694	Total	323.11
Inv	026548769	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/14/2023	Gear for recruit	944.27
Inv 026548769	Total	944.27
Inv	026641487	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/27/2023	Jacket and pants for #216	324.82
Inv 026641487	Total	324.82

Check Number	Check Date	Amount
Inv	026691299	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/03/2024	Chevrons for #206	5.41
Inv 026691299 Total		5.41
318353 Total:		2,808.77
GALL5011 - Galls, LLC Total:		2,808.77
GAR5011 - Garvey Equipment Co		
318354	02/07/2024	
Inv	154984	
<u>Line Item Date</u>	<u>Line Item Description</u>	
08/02/2023	Purchase of Chainsaw Chains	243.13
Inv 154984 Total		243.13
318354 Total:		243.13
GAR5011 - Garvey Equipment Co Total:		243.13
GVRNTAGN - Government Training Agency		
318355	02/07/2024	
Inv	71094	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/17/2024	Records Clerk Training for Clerk Jose Ramirez	525.00
Inv 71094 Total		525.00
318355 Total:		525.00
GVRNTAGN - Government Training Agency Total:		525.00
GRA6601 - Grainger		
318356	02/07/2024	
Inv	9930989877	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/11/2023	24 Volt Battery Tender for Westside Generator	213.22
Inv 9930989877 Total		213.22
318356 Total:		213.22
GRA6601 - Grainger Total:		213.22

Check Number	Check Date		Amount
CRSGRUND - Gruenewald, Christopher			
318357	02/07/2024		
Inv	01/08-12/24		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/17/2024	DUI Seminar Training Reimbursement for Officer Gruenewald		703.28
01/17/2024	DUI Seminar Training Reimbursement for Officer Gruenewald		464.10
Inv 01/08-12/24 Total			1,167.38
318357 Total:			1,167.38
CRSGRUND - Gruenewald, Christopher Total:			1,167.38
HHA5011 - H & H Wholesale Parts			
318358	02/07/2024		
Inv	11N0616974		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/18/2024	Oil Absorbant		126.41
Inv 11N0616974 Total			126.41
318358 Total:			126.41
HHA5011 - H & H Wholesale Parts Total:			126.41
HOP19319 - Hands On Painting Inc.			
318359	02/07/2024		
Inv	1264		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/17/2024	Painting of Camp Med and Camp Med Office.		7,120.00
Inv 1264 Total			7,120.00
318359 Total:			7,120.00
HOP19319 - Hands On Painting Inc. Total:			7,120.00
ADHA6116 - Herrera, Adam			
318360	02/07/2024		
Inv	12/22/2023		
<u>Line Item Date</u>	<u>Line Item Description</u>		
12/22/2023	PW Staff Mileage Claim		26.85
Inv 12/22/2023 Total			26.85
318360 Total:			26.85

Check Number	Check Date		Amount
ADHA6116 - Herrera, Adam Total:			26.85
HLGO8264 - HOLIDAYGOO INC.			
318361	02/07/2024		
Inv	20122		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/16/2024	Spring Eggstravaganza Plastic egg order for egg hunt on 03/30/24		1,080.77
Inv 20122 Total			1,080.77
318361 Total:			1,080.77
HLGO8264 - HOLIDAYGOO INC. Total:			1,080.77
HOMCOMMU - Hom, Reagan			
318362	02/07/2024		
Inv	4-010824		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/08/2024	Repair of lightbar for unit #1121		1,594.19
Inv 4-010824 Total			1,594.19
318362 Total:			1,594.19
HOMCOMMU - Hom, Reagan Total:			1,594.19
HONYAKU - Honyaku USA INC.			
318363	02/07/2024		
Inv	23610		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/19/2024	Translation of Tenant Protection Letter to Chinese & Spanish		160.00
Inv 23610 Total			160.00
318363 Total:			160.00
HONYAKU - Honyaku USA INC. Total:			160.00
STHL6410 - Houlemard, Stephen			
318364	02/07/2024		
Inv	2024 Boots_ SHo		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/07/2024	Boot Reimbursement for PW Staff		250.00
Inv 2024 Boots_ SHo Total			250.00

Check Number	Check Date		Amount
318364 Total:			250.00
STHL6410 - Houlemard, Stephen Total:			250.00
IMGN8032 - iMagen			
318365	02/07/2024		
Inv	40244-1		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/10/2024	Polo for CS staff (Rec+transit) +1 jacket (transit)		741.69
01/10/2024	Polo for CS staff (Rec+transit) +1 jacket (transit)		500.00
Inv 40244-1 Total			1,241.69
318365 Total:			1,241.69
IMGN8032 - iMagen Total:			1,241.69
IMSC8031 - IMS Commercial Ice Systems Refrigeration			
318366	02/07/2024		
Inv	11823		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/18/2024	Ice Machine Senior Center - Hoshizaki & B-500SF		7,914.24
Inv 11823 Total			7,914.24
318366 Total:			7,914.24
IMSC8031 - IMS Commercial Ice Systems Refrigeration Total:			7,914.24
IASPEVIN - Internal Association for Property and Evidence Inc			
318367	02/07/2024		
Inv	M24-C691884		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/17/2024	2024 Membership Dues		65.00
Inv M24-C691884 Total			65.00
318367 Total:			65.00
IASPEVIN - Internal Association for Property and Evidence Inc Total:			65.00
JSAR4011 - Jack's Auto Repair			
318368	02/07/2024		
Inv	17845		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/12/2024	Unit #1121 replacement of parking and tail lights		70.82

Check Number	Check Date	Amount
Inv 17845 Total		70.82
Inv 18741		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/04/2024	Unit #1121 replace battery and headlight assembly	391.00
Inv 18741 Total		391.00
Inv 18853		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/22/2023	Unit #1909 catalytic converter & torque mount replacement	2,046.30
Inv 18853 Total		2,046.30
Inv 18899		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/05/2024	Routine 45 Day Inspection of Dial-A-Ride 81	66.00
Inv 18899 Total		66.00
Inv 18902		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/03/2024	Unit #1201 replacement of coolant and heater hoses	523.54
Inv 18902 Total		523.54
Inv 18926		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/16/2024	Coolant for #81	25.36
Inv 18926 Total		25.36
318368 Total:		3,123.02
JSAR4011 - Jack's Auto Repair Total:		3,123.02
JHMS8020 - JHM Supply		
0	02/07/2024	
Inv 341779/1		
<u>Line Item Date</u>	<u>Line Item Description</u>	
11/08/2023	Irrigation Supplies for Repairs at City Parks, Medians, and Land	385.41
Inv 341779/1 Total		385.41
Inv 346365/1		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/17/2024	Arroyo South Irrigation Repairs	514.04
Inv 346365/1 Total		514.04

Check Number	Check Date	Amount
Inv 346370/1		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/17/2024	Arroyo South Irrigation Repairs	517.75
Inv 346370/1 Total		517.75
Inv 346371/1		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/17/2024	Arroyo South Irrigation Repairs	172.29
Inv 346371/1 Total		172.29
0 Total:		1,589.49
JHMS8020 - JHM Supply Total:		1,589.49
JHA307 - John L. Hunter and Associates, Inc.		
318369	02/07/2024	
Inv SPIFOG12306		
<u>Line Item Date</u>	<u>Line Item Description</u>	
07/19/2023	City's 2023-24 Fats, Oils, and Grease Contract (FOG)	2,821.25
Inv SPIFOG12306 Total		2,821.25
Inv SPIFOG12307		
<u>Line Item Date</u>	<u>Line Item Description</u>	
09/06/2023	City's 2023-24 Fats, Oils, and Grease Contract (FOG)	540.00
Inv SPIFOG12307 Total		540.00
Inv SPIFOG12308		
<u>Line Item Date</u>	<u>Line Item Description</u>	
10/18/2023	City's 2023-24 Fats, Oils, and Grease Contract (FOG)	1,600.00
Inv SPIFOG12308 Total		1,600.00
Inv SPIFOG12310		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/22/2023	City's 2023-24 Fats, Oils, and Grease Contract (FOG)	1,120.00
Inv SPIFOG12310 Total		1,120.00
318369 Total:		6,081.25
JHA307 - John L. Hunter and Associates, Inc. Total:		6,081.25
JCRS5011 - Jones Coffee Roasters		
318370	02/07/2024	

Check Number	Check Date	Amount
Inv 62164		
<u>Line Item Date</u>	<u>Line Item Description</u>	
10/04/2023	Fire Department Coffee Supplies	204.75
Inv 62164 Total		204.75
Inv 62447		
<u>Line Item Date</u>	<u>Line Item Description</u>	
11/06/2023	Fire Department Coffee Supplies	204.75
Inv 62447 Total		204.75
Inv 62874		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/01/2023	Fire Department Coffee Supplies	341.25
Inv 62874 Total		341.25
Inv 63213		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/29/2023	Fire Department Coffee Supplies	341.25
Inv 63213 Total		341.25
318370 Total:		1,092.00
JCRS5011 - Jones Coffee Roasters Total:		1,092.00
HASKAYN - Karayan, Hasmig		
318371 02/07/2024		
Inv DI0124-01		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/11/2024	Residential Water Cons. Rebate for Drip Irrigation Conversion	300.00
Inv DI0124-01 Total		300.00
Inv DT0124-01		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/11/2024	Residential Water Cons. Rebate for Water Efficient Plants	1,200.00
Inv DT0124-01 Total		1,200.00
318371 Total:		1,500.00
HASKAYN - Karayan, Hasmig Total:		1,500.00
KEY2011 - Keyser Marston Associates Inc		
318372 02/07/2024		

Check Number	Check Date		Amount
Inv	0038370		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/03/2024	Financial Analysis: 6 Historic & 11 Non-Historic Properties		7,930.00
Inv 0038370 Total			7,930.00
318372 Total:			7,930.00
KEY2011 - Keyser Marston Associates Inc Total:			7,930.00
KOAC6010 - KOA Corporation			
318373	02/07/2024		
Inv	JC31118-1		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/04/2024	Street Improvement Program Management June 2023		1,064.00
Inv JC31118-1 Total			1,064.00
Inv	JC31118-2		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/04/2024	Street Improvement Program Management July 2023		5,505.00
Inv JC31118-2 Total			5,505.00
Inv	JC31118-3		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/04/2024	Street Improvement Program Management Aug'23		8,287.00
Inv JC31118-3 Total			8,287.00
Inv	JC31118-4		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/04/2024	Street Improvement Program Management Sept' 2023		2,889.50
Inv JC31118-4 Total			2,889.50
318373 Total:			17,745.50
KOAC6010 - KOA Corporation Total:			17,745.50
LCCS8060 - League of California Cities			
318374	02/07/2024		
Inv	INV11922F9M1W7		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/08/2024	Membership dues for calendar year 2024		11,672.00
Inv INV11922F9M1W7 Total			11,672.00

Check Number	Check Date	Amount
318374 Total:		11,672.00
LCCS8060 - League of California Cities Total:		11,672.00
LIFE822 - Life-Assist Inc.		
318375	02/07/2024	
Inv 1392575		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/29/2024	Annual Fire Medical Supplies - FY 2023-2024.	1,833.19
Inv 1392575 Total		1,833.19
318375 Total:		1,833.19
LIFE822 - Life-Assist Inc. Total:		1,833.19
BLPN8267 - Lipson, Robert A.		
318376	02/07/2024	
Inv 12122023.02		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/18/2024	2023 Christmas Lucheon Music Remaining Balance	125.00
Inv 12122023.02 Total		125.00
318376 Total:		125.00
BLPN8267 - Lipson, Robert A. Total:		125.00
LBBM4010 - Long Beach BMW Motorcycles		
318377	02/07/2024	
Inv 47623		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/20/2023	Annual service & battery replacement VIN 39604	585.84
Inv 47623 Total		585.84
318377 Total:		585.84
LBBM4010 - Long Beach BMW Motorcycles Total:		585.84
LATS2011 - Los Angeles Times		
318378	02/07/2024	
Inv 10004495887		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/29/2023	Subscription renewal to the Los Angeles Times and LA Times Digit	598.00

Check Number	Check Date		Amount
		Inv 10004495887 Total	598.00
		318378 Total:	598.00
		LATS2011 - Los Angeles Times Total:	598.00
		MER2145 - Merit Oil Company	
		318379 02/07/2024	
		Inv 818053	
		<u>Line Item Date</u> <u>Line Item Description</u>	
		12/21/2023 1,700 Gallons of Unleaded Gasoline	837.80
		12/21/2023 1,700 Gallons of Unleaded Gasoline	5,146.48
		Inv 818053 Total	5,984.28
		318379 Total:	5,984.28
		MER2145 - Merit Oil Company Total:	5,984.28
		SNNKM601 - Min, Sung Ki	
		318380 02/07/2024	
		Inv 1711 Camden	
		<u>Line Item Date</u> <u>Line Item Description</u>	
		01/16/2024 Return of Tree Replacement Deposit	1,675.00
		Inv 1711 Camden Total	1,675.00
		318380 Total:	1,675.00
		SNNKM601 - Min, Sung Ki Total:	1,675.00
		MMV9126 - Mission Meridian Village POA	
		318381 02/07/2024	
		Inv 07012023	
		<u>Line Item Date</u> <u>Line Item Description</u>	
		07/01/2023 Mission Meridian Monthly HOA Fee	804.13
		07/01/2023 Mission Meridian Monthly HOA Fee	1,730.17
		Inv 07012023 Total	2,534.30
		Inv 08012023	
		<u>Line Item Date</u> <u>Line Item Description</u>	
		08/01/2023 Mission Meridian Monthly HOA Fee	1,730.17
		08/01/2023 Mission Meridian Monthly HOA Fee	804.13
		Inv 08012023 Total	2,534.30

Check Number	Check Date	Amount
Inv	09012023	
<u>Line Item Date</u>	<u>Line Item Description</u>	
09/01/2023	Mission Meridian Monthly HOA Fee	804.13
09/01/2023	Mission Meridian Monthly HOA Fee	1,730.17
Inv 09012023 Total		2,534.30
Inv	10012023	
<u>Line Item Date</u>	<u>Line Item Description</u>	
10/01/2023	Mission Meridian Monthly HOA Fee	1,730.17
10/01/2023	Mission Meridian Monthly HOA Fee	804.13
Inv 10012023 Total		2,534.30
Inv	11012023	
<u>Line Item Date</u>	<u>Line Item Description</u>	
11/01/2023	Mission Meridian Monthly HOA Fee	804.13
11/01/2023	Mission Meridian Monthly HOA Fee	1,730.17
Inv 11012023 Total		2,534.30
Inv	112024	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/01/2024	Mission Meridian Monthly HOA Fee	804.13
01/01/2024	Mission Meridian Monthly HOA Fee	1,730.17
Inv 112024 Total		2,534.30
Inv	12012023	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/01/2023	Mission Meridian Monthly HOA Fee	804.13
12/01/2023	Mission Meridian Monthly HOA Fee	1,730.17
Inv 12012023 Total		2,534.30
318381 Total:		17,740.10
MMV9126 - Mission Meridian Village POA Total:		17,740.10
MMA2011 - MMASC		
318382	02/07/2024	
Inv	8860	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/26/2023	Membership Renewal for Tiara Solorzano	125.00
Inv 8860 Total		125.00
318382 Total:		125.00
318383	02/07/2024	

Check Number	Check Date		Amount
Inv	9015		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/18/2024	MMASC membership renewal for Nathalie Wilcox		125.00
Inv 9015 Total			125.00
318383 Total:			125.00
MMSC2011 - MMASC Total:			250.00
MTCRED - Motorola Solutions Credit Company LLC			
318384	02/07/2024		
Inv	32414		
<u>Line Item Date</u>	<u>Line Item Description</u>		
12/08/2023	Annual Payment PD CAD/RMS (Year 3/6)		100,000.00
Inv 32414 Total			100,000.00
318384 Total:			100,000.00
MTCRED - Motorola Solutions Credit Company LLC Total:			100,000.00
MTSL8520 - Motorola Solutions, Inc.			
318385	02/07/2024		
Inv	0507-0183		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/17/2024	Motorola Summit 2024 For Corporal Carrillo		1,100.00
Inv 0507-0183 Total			1,100.00
Inv	0507-0184		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/17/2024	Motorola Summit 2024 For P.A. Sandoval		1,100.00
Inv 0507-0184 Total			1,100.00
Inv	0507-0188		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/17/2024	Motorola Summit 2024 For P.A. Pacheco		1,100.00
Inv 0507-0188 Total			1,100.00
318385 Total:			3,300.00
MTSL8520 - Motorola Solutions, Inc. Total:			3,300.00
SCOT8300 - MRC Smart Technology Solutions			

Check Number	Check Date		Amount
318386	02/07/2024		
Inv	IN3878679		
<u>Line Item Date</u>	<u>Line Item Description</u>		
12/21/2023	AN C072:21L124-002-S City Facility Xerox Machines 9/22-12/21/23		8,262.48
Inv IN3878679 Total			8,262.48
318386 Total:			8,262.48
SCOT8300 - MRC Smart Technology Solutions Total:			8,262.48
HANGNAN - Nan, Hang			
318387	02/07/2024		
Inv	DT0124-02		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/17/2024	Residential rebate for Water Efficient Plants.		824.00
Inv DT0124-02 Total			824.00
318387 Total:			824.00
HANGNAN - Nan, Hang Total:			824.00
ALXS6711 - Nick Barbieri Trucking, LLC			
318388	02/07/2024		
Inv	0082191-IN		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/03/2024	Food-grade oil for Wilson Well 3 deep well turbine pump.		348.93
Inv 0082191-IN Total			348.93
318388 Total:			348.93
ALXS6711 - Nick Barbieri Trucking, LLC Total:			348.93
OMEG4011 - Omega Polygraph			
318389	02/07/2024		
Inv	01995		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/17/2024	17 Polygraph Examinations For 17 Various Applicants for The PD		3,825.00
Inv 01995 Total			3,825.00
318389 Total:			3,825.00
OMEG4011 - Omega Polygraph Total:			3,825.00

Check Number	Check Date		Amount
OLNP8010 - Outlook Newspapers Group			
318390	02/07/2024		
Inv	79611		
<u>Line Item Date</u>	<u>Line Item Description</u>		
12/31/2023	Public Notices		6,936.00
Inv 79611 Total			6,936.00
318390 Total:			6,936.00
OLNP8010 - Outlook Newspapers Group Total:			6,936.00
PPSS8520 - Pacific Parking Systems Inc.			
318391	02/07/2024		
Inv	16669		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/11/2024	Extended maintenave Contract on Ven stationn pay station		1,100.00
Inv 16669 Total			1,100.00
318391 Total:			1,100.00
PPSS8520 - Pacific Parking Systems Inc. Total:			1,100.00
PAKH5011 - Parkhouse Tire, Inc.			
318392	02/07/2024		
Inv	4010194921		
<u>Line Item Date</u>	<u>Line Item Description</u>		
12/27/2023	Emergency Road Service Engine 81		1,928.49
Inv 4010194921 Total			1,928.49
318392 Total:			1,928.49
PAKH5011 - Parkhouse Tire, Inc. Total:			1,928.49
PRCFCA - Parks Coffee California			
318393	02/07/2024		
Inv	80026740		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/05/2024	Senior Center-Coffee Supplies & Monthly Servicing		278.27
Inv 80026740 Total			278.27
Inv 80028652			
<u>Line Item Date</u>	<u>Line Item Description</u>		

Check Number	Check Date		Amount
01/05/2024		Senior Center-rental water cooler	148.50
		Inv 80028652 Total	148.50
318393 Total:			426.77
PRCFCA - Parks Coffee California Total:			426.77
PRKWOD - Parkwood Landscape Maintenance, Inc.			
318394	02/07/2024		
		Inv 106498	
<u>Line Item Date</u>		<u>Line Item Description</u>	
12/27/2023		Weed Abatement at Illinois Dr. Vacant City Lot	10,136.00
12/27/2023		Weed Abatement at Illinois Dr. Vacant City Lot	6,064.00
		Inv 106498 Total	16,200.00
		Inv 106499	
<u>Line Item Date</u>		<u>Line Item Description</u>	
12/27/2023		Weed Abatement at Moffatt and Kendell Vacant City Lot	15,300.00
		Inv 106499 Total	15,300.00
318394 Total:			31,500.00
PRKWOD - Parkwood Landscape Maintenance, Inc. Total:			31,500.00
PHS4011 - Pasadena Humane Society			
318395	02/07/2024		
		Inv Jan2024SoPas	
<u>Line Item Date</u>		<u>Line Item Description</u>	
01/03/2024		Animal Control Services for the month of January 2024	14,890.61
		Inv Jan2024SoPas Total	14,890.61
318395 Total:			14,890.61
PHS4011 - Pasadena Humane Society Total:			14,890.61
PHOE4610 - Phoenix Group Information Systems			
318396	02/07/2024		
		Inv 112023184	
<u>Line Item Date</u>		<u>Line Item Description</u>	
01/02/2024		Citations processed for the month of November 2023	2,914.06
		Inv 112023184 Total	2,914.06

Check Number	Check Date	Amount
318396 Total:		2,914.06
PHOE4610 - Phoenix Group Information Systems Total:		2,914.06
PIVRABLE - Pi Variables, Inc.		
318397	02/07/2024	
Inv 8735		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/29/2023	DUI checkpoint supplies (OTS grant funds)	1,819.13
Inv 8735 Total		1,819.13
318397 Total:		1,819.13
PIVRABLE - Pi Variables, Inc. Total:		1,819.13
PLSRTGS - Police Strategies LLC		
318398	02/07/2024	
Inv 2023-22		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/05/2024	Consulting, Data Collection, and Database Management	10,000.00
Inv 2023-22 Total		10,000.00
318398 Total:		10,000.00
PLSRTGS - Police Strategies LLC Total:		10,000.00
POS5265 - Post Alarm Systems		
0	02/07/2024	
Inv 1655000		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/16/2024	Alarm Services for War Memorial Bldg.	59.76
01/16/2024	Alarm Services for Orange Grove.	59.76
Inv 1655000 Total		119.52
0 Total:		119.52
POS5265 - Post Alarm Systems Total:		119.52
PRVRNTLS - Provenance Rentals, Inc.		
318399	02/07/2024	
Inv 229382587		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/18/2024	Spring Eggstravaganza Bunny Chair rental for 03/30/24	185.36

Check Number	Check Date	Amount
Inv 229382587 Total		185.36
318399 Total:		185.36
PRVRTLS - Provenance Rentals, Inc. Total:		185.36
PUWA8020 - Pure Water		
0	02/07/2024	
Inv 205070		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/01/2024	Fire - Drinking Water 2024 January	66.24
Inv 205070 Total		66.24
0 Total:		66.24
PUWA8020 - Pure Water Total:		66.24
QUI7779 - Quinn Company		
318400	02/07/2024	
Inv WF25022		
<u>Line Item Date</u>	<u>Line Item Description</u>	
11/08/2023	Maintenance Repair Machine	3,580.40
Inv WF25022 Total		3,580.40
Inv WX79469		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/07/2023	Maintenance Repair Compressor	3,129.07
Inv WX79469 Total		3,129.07
318400 Total:		6,709.47
QUI7779 - Quinn Company Total:		6,709.47
RWGN8160 - Richards, Watson & Gershon		
318401	02/07/2024	
Inv 245948		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/22/2024	January 2024 General Legal Services	29,572.40
Inv 245948 Total		29,572.40
Inv 245949		
<u>Line Item Date</u>	<u>Line Item Description</u>	

Check Number	Check Date	Amount
01/22/2024	January 2024 Special Legal Services	3,164.00
Inv 245949 Total		3,164.00
Inv 245950		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/22/2024	January 2024 Litigation	1,891.00
Inv 245950 Total		1,891.00
Inv 245951		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/22/2024	January 2024 Litigation	30.00
Inv 245951 Total		30.00
Inv 245952		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/22/2024	January 2024 Litigation	744.00
Inv 245952 Total		744.00
Inv 245953		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/22/2024	January 2024 Litigation	1,827.00
Inv 245953 Total		1,827.00
Inv 245954		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/22/2024	January 2024 Litigation	122.50
Inv 245954 Total		122.50
Inv 245955		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/22/2024	January 2024 Litigation	5,059.30
Inv 245955 Total		5,059.30
318401 Total:		42,410.20
RWGN8160 - Richards, Watson & Gershon Total:		42,410.20
ROWI2011 - Right of Way Inc.		
318402	02/07/2024	
Inv 67613		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/10/2024	On-Call Services for Traffic Control for K-Rails. Dec'2023	1,382.00

Check Number	Check Date	Amount
Inv 67613 Total		1,382.00
Inv 67892		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/10/2024	On-Call Services for Traffic Control for K-Rails.Jan2024	1,382.00
Inv 67892 Total		1,382.00
318402 Total:		2,764.00
ROWI2011 - Right of Way Inc. Total:		2,764.00
RHCC7101 - Rio Hondo College		
318403	02/07/2024	
Inv F23-158-ZSPS		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/17/2024	Physical Agility Test For 5 Police Officer Applicants	125.00
Inv F23-158-ZSPS Total		125.00
318403 Total:		125.00
RHCC7101 - Rio Hondo College Total:		125.00
RIV4011 - Riverside County Sheriff's Dept		
318404	02/07/2024	
Inv BCTC0068581		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/17/2024	Communications Training Officer for PA Lee	165.00
Inv BCTC0068581 Total		165.00
Inv BCTC0071231		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/17/2024	Basic Traffic Collision Mandatory Training for Officer Gutierrez	269.00
Inv BCTC0071231 Total		269.00
318404 Total:		434.00
RIV4011 - Riverside County Sheriff's Dept Total:		434.00
ACTM3010 - Robert Half International, Inc.		
0	02/07/2024	
Inv 0219611C		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/11/2024	Temporary Personnel Services - December 2023	4,614.85

Check Number	Check Date		Amount
		Inv 0219611C Total	4,614.85
		0 Total:	4,614.85
ACTM3010 - Robert Half International, Inc. Total:			4,614.85
SGVMC111 - San Gabriel Valley Medical Center			
318405	02/07/2024		
		Inv 793153	
<u>Line Item Date</u>	<u>Line Item Description</u>		
12/08/2023	Blood alcohol withdrawal for Medical Record # 793153		48.00
		Inv 793153 Total	48.00
		Inv 916906	
<u>Line Item Date</u>	<u>Line Item Description</u>		
12/21/2023	Blood alcohol withdrawal for Medical Record # 916906		48.00
		Inv 916906 Total	48.00
		Inv 917328	
<u>Line Item Date</u>	<u>Line Item Description</u>		
12/31/2023	Blood alcohol withdrawal for Medical Record # 917328		48.00
		Inv 917328 Total	48.00
		318405 Total:	144.00
SGVMC111 - San Gabriel Valley Medical Center Total:			144.00
SGVWA - San Gabriel Valley Water Association			
318406	02/07/2024		
		Inv 2024 Prod. Dues	
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/01/2024	2024 Producer Membership Fees- SGV Water Association		3,640.33
		Inv 2024 Prod. Dues Total	3,640.33
		318406 Total:	3,640.33
SGVWA - San Gabriel Valley Water Association Total:			3,640.33
SAN4958 - San Marino Security System			
318407	02/07/2024		
		Inv 43263	
<u>Line Item Date</u>	<u>Line Item Description</u>		

Check Number	Check Date	Amount
01/01/2024	Monitoring Services for Water Facilities - 1/1/24-6/30/24	1,404.00
Inv 43263 Total		1,404.00
Inv 43268		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/16/2024	Monthly Security System @ Senior Center	708.00
01/16/2024	Monthly Security System @ Orange Grove Rec Bldg.	207.00
01/16/2024	Monthly Security System @ Eddie Park, Youth House, WMB, MMI	1,362.00
Inv 43268 Total		2,277.00
Inv 48166		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/29/2023	Monthly Security System @ Senior Center	80.00
Inv 48166 Total		80.00
Inv 48167		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/29/2023	Service Call to troubleshoot monitoring alarm at Raymond elevate	50.00
Inv 48167 Total		50.00
318407 Total:		3,811.00
SAN4958 - San Marino Security System Total:		3,811.00
SRTN2010 - San Yi US Investment CO., Inc.		
318408	02/07/2024	
Inv M-S12VWHQ		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/04/2024	Executive Team Professional Development Workshop	2,804.55
Inv M-S12VWHQ Total		2,804.55
318408 Total:		2,804.55
SRTN2010 - San Yi US Investment CO., Inc. Total:		2,804.55
SAVGTRN - Savage Training Group LLC		
318409	02/07/2024	
Inv 2381		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/17/2024	Command Of Multi-jurisdictional Incident Training for Sgt. Louie	314.00
Inv 2381 Total		314.00

Check Number	Check Date	Amount
Inv 2402		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/17/2024	Dispatch Priming Course for Pa Sandoval and Pacheco 03/03/24	613.00
Inv 2402 Total		613.00
318409 Total:		927.00
SAVGTRN - Savage Training Group LLC Total:		927.00
SAXE2013 - Saxe-Clifford PH.D, Susan		
318410	02/07/2024	
Inv 24-0108-5		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/17/2024	Psychological Evaluation for Applicant Torres, Francisco	450.00
Inv 24-0108-5 Total		450.00
318410 Total:		450.00
SAXE2013 - Saxe-Clifford PH.D, Susan Total:		450.00
SDSI0107 - SDS Security Design Systems		
318411	02/07/2024	
Inv 243364		
<u>Line Item Date</u>	<u>Line Item Description</u>	
11/17/2024	Security System Services December 2023	217.46
Inv 243364 Total		217.46
Inv 243720		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/01/2023	Security System Services January 2024	65.18
Inv 243720 Total		65.18
Inv 243721		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/01/2024	Security System Services January 2024	217.46
Inv 243721 Total		217.46
Inv 243722		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/01/2023	Security System Services January 2024	113.00
Inv 243722 Total		113.00

Check Number	Check Date	Amount
Inv 243723		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/01/2023	Security System Services January 2024	55.00
Inv 243723 Total		55.00
Inv 243849		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/01/2024	Security System Services February 2024	65.18
Inv 243849 Total		65.18
Inv 243850		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/01/2024	Security System Services February 2024	217.46
Inv 243850 Total		217.46
Inv 243851		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/01/2024	Security System Services February 2024	113.00
Inv 243851 Total		113.00
Inv 243852		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/01/2024	Security System Services February 2024	55.00
Inv 243852 Total		55.00
318411 Total:		1,118.74
SDSI0107 - SDS Security Design Systems Total:		1,118.74
SESA8264 - SESAC		
318412	02/07/2024	
Inv 10704526		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/16/2024	Annual Music License Fee	997.68
Inv 10704526 Total		997.68
318412 Total:		997.68
SESA8264 - SESAC Total:		997.68
SHO7777 - Showcases		
0	02/07/2024	

Check Number	Check Date	Amount
Inv 327876		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/03/2024	Blu-Ray/DVD cases	332.64
Inv 327876 Total		332.64
0 Total:		332.64
SHO7777 - Showcases Total:		332.64
THES8267 - Siegel, Theodore		
318413	02/07/2024	
Inv 2122024		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/10/2024	February North by Northwest presentaiton and screening	150.00
Inv 2122024 Total		150.00
318413 Total:		150.00
THES8267 - Siegel, Theodore Total:		150.00
MHSM4011 - Smith, Michael		
318414	02/07/2024	
Inv 12/11/2023		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/17/2024	PAS Operation Training Reimbursement for Officer Smith 12/11/23	42.89
Inv 12/11/2023 Total		42.89
318414 Total:		42.89
MHSM4011 - Smith, Michael Total:		42.89
SPEC5011 - Spectrum Gas Products		
318415	02/07/2024	
Inv 00606404		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/28/2023	OXYGEN MEDICAL SUPPLIES	137.00
Inv 00606404 Total		137.00
Inv 00606853		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/04/2024	OXYGEN MEDICAL SUPPLIES	133.57
Inv 00606853 Total		133.57

Check Number	Check Date	Amount
Inv 00607511		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/11/2024	OXYGEN MEDICAL SUPPLIES	105.57
Inv 00607511 Total		105.57
Inv 00850913		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/31/2023	OXYGEN MEDICAL SUPPLIES	54.00
Inv 00850913 Total		54.00
318415 Total:		430.14
SPEC5011 - Spectrum Gas Products Total:		430.14
SPBK - Springbrook Holding Company, LLC		
0	02/07/2024	
Inv Q-22511-1		
<u>Line Item Date</u>	<u>Line Item Description</u>	
11/27/2023	Standard Professional Services - HR Setup and Training	450.00
Inv Q-22511-1 Total		450.00
Inv TM-INV-007197		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/29/2023	Standard Professional Services - HR Setup and Training	220.00
Inv TM-INV-007197 Total		220.00
Inv TM-INV-007198		
<u>Line Item Date</u>	<u>Line Item Description</u>	
11/29/2023	Standard Professional Services - HR Setup and Training	1,045.00
Inv TM-INV-007198 Total		1,045.00
0 Total:		1,715.00
SPBK - Springbrook Holding Company, LLC Total:		1,715.00
SGMC2013 - St. George's Medical Clinic		
0	02/07/2024	
Inv 107925		
<u>Line Item Date</u>	<u>Line Item Description</u>	
11/02/2023	Pre-Employment & Physical Exams - November 2023	120.00
Inv 107925 Total		120.00

Check Number	Check Date	Amount
Inv 145005		
<u>Line Item Date</u>	<u>Line Item Description</u>	
11/02/2023	Pre-Employment & Physical Exams - November 2023	745.00
Inv 145005 Total		745.00
Inv 145118		
<u>Line Item Date</u>	<u>Line Item Description</u>	
11/10/2023	Pre-Employment & Physical Exams - November 2023	175.00
Inv 145118 Total		175.00
Inv 145334		
<u>Line Item Date</u>	<u>Line Item Description</u>	
11/29/2023	Pre-Employment & Physical Exams - November 2023	175.00
Inv 145334 Total		175.00
0 Total:		1,215.00
SGMC2013 - St. George's Medical Clinic Total:		1,215.00
STA5219 - Staples Business Advantage		
0	02/07/2024	
Inv 3545680208		
<u>Line Item Date</u>	<u>Line Item Description</u>	
08/24/2023	Engineering Supplies	58.56
Inv 3545680208 Total		58.56
Inv 3550301537		
<u>Line Item Date</u>	<u>Line Item Description</u>	
10/18/2023	Toner for Community Development Department	458.31
Inv 3550301537 Total		458.31
Inv 3554239922		
<u>Line Item Date</u>	<u>Line Item Description</u>	
10/18/2023	Headset for Community Development	60.63
Inv 3554239922 Total		60.63
Inv 3554308154		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/07/2023	Office Supplies for Department	834.14
Inv 3554308154 Total		834.14
Inv 3554645240		
<u>Line Item Date</u>	<u>Line Item Description</u>	

Check Number	Check Date	Amount
	12/12/2023 Office Supplies for Department	154.66
	Inv 3554645240 Total	154.66
	Inv 3554771514	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/14/2023	Office Supplies for Department	209.55
	Inv 3554771514 Total	209.55
	Inv 3555255686	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/20/2023	Fire - Batteries for Fire Station	120.94
	Inv 3555255686 Total	120.94
	Inv 3555255687	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/19/2023	Air duster, notebooks, mouse pads, packing tape, file pockets	85.53
	Inv 3555255687 Total	85.53
	Inv 3555307072	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/22/2023	Fire - Batteries for Fire Station	64.77
	Inv 3555307072 Total	64.77
	Inv 3555549769	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/27/2023	PD Office Supplies	301.84
	Inv 3555549769 Total	301.84
	Inv 3556306846	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/02/2024	Swiffer dusters	59.76
	Inv 3556306846 Total	59.76
	Inv 3556306847	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/03/2024	Public Works Department Break Room (Yard)	10.88
01/03/2024	Public Works Department Break Room (Yard)	10.88
01/03/2024	Public Works Department Break Room (Yard)	10.88
01/03/2024	Public Works Department Break Room (Yard)	10.88
01/03/2024	Public Works Department Break Room (Yard)	10.89
01/03/2024	Public Works Department Break Room (Yard)	10.88
	Inv 3556306847 Total	65.29

Check Number	Check Date	Amount
Inv	3556306848	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/03/2024	PD Office Supplies	39.49
Inv 3556306848 Total		39.49
Inv	3556377350	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/02/2024	headphones	21.27
Inv 3556377350 Total		21.27
Inv	3556453017	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/05/2024	Office Supplies for Department	191.69
Inv 3556453017 Total		191.69
Inv	3556611900	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/06/2024	Desk calendar, notebooks, pens, headsets	122.26
Inv 3556611900 Total		122.26
Inv	3556768027	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/10/2024	Office Supplies for City Manager's Office	294.30
Inv 3556768027 Total		294.30
Inv	3556768028	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/10/2024	Public Works Department- Sustainability Office Supplies	42.30
Inv 3556768028 Total		42.30
Inv	3556768029	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/10/2024	PD Office Supplies	78.03
Inv 3556768029 Total		78.03
Inv	3556768030	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/16/2024	Camp Med Office Supplies	139.15
Inv 3556768030 Total		139.15
Inv	3556833267	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/09/2024	Notepads	46.70

Check Number	Check Date	Amount
Inv 3556833267	Total	46.70
Inv 3556907505		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/12/2024	Fire - Office Supplies	51.72
Inv 3556907505	Total	51.72
Inv 3556907506		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/12/2024	Office Supplies for Management Services	85.09
Inv 3556907506	Total	85.09
Inv 3557675495		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/24/2024	PD Office Supplies	70.49
Inv 3557675495	Total	70.49
Inv 3558023362		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/27/2024	PD Office Supplies	139.63
Inv 3558023362	Total	139.63
Inv 3558049984		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/28/2024	PD Office Supplies	281.10
Inv 3558049984	Total	281.10
0 Total:		4,077.20
STA5219 - Staples Business Advantage Total:		4,077.20
SWRCB833 - State Water Resources Control Board		
0	02/07/2024	
Inv LW-1043928		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/20/2023	Water System Annual Fees FY23-24	38,229.40
Inv LW-1043928	Total	38,229.40
0 Total:		38,229.40
SWRCB833 - State Water Resources Control Board Total:		38,229.40

Check Number	Check Date		Amount
SRYC5011 - Stericycle Inc.			
318416	02/07/2024		
Inv	8005604213		
<u>Line Item Date</u>	<u>Line Item Description</u>		
12/18/2023	Disposal of Infectious Disease Equipment		163.01
Inv 8005604213 Total			163.01
318416 Total:			163.01
SRYC5011 - Stericycle Inc. Total:			163.01
STKLINFO - Sterling Infosystems Inc.			
318417	02/07/2024		
Inv	9625349		
<u>Line Item Date</u>	<u>Line Item Description</u>		
11/30/2023	Pre-Employment Background Check Services - November 2023		87.50
Inv 9625349 Total			87.50
318417 Total:			87.50
STKLINFO - Sterling Infosystems Inc. Total:			87.50
STSM1020 - Studio Spectrum, Inc.			
0	02/07/2024		
Inv	192662		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/01/2024	Video Production and Streaming Services for December 2023		4,160.00
Inv 192662 Total			4,160.00
0 Total:			4,160.00
STSM1020 - Studio Spectrum, Inc. Total:			4,160.00
SUVA8022 - Sunset Vans Inc.			
318418	02/07/2024		
Inv	26808		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/16/2024	60-day Ramp Inspection and Wheelchair Repairs for Dial-A-Ride.		220.96
Inv 26808 Total			220.96
Inv	26809		
<u>Line Item Date</u>	<u>Line Item Description</u>		
01/16/2024	60-day Ramp Inspection and Wheelchair Repairs for Dial-A-Ride.		125.00

Check Number	Check Date	Amount
Inv 26809 Total		125.00
318418 Total:		345.96
SUVA8022 - Sunset Vans Inc. Total:		345.96
SCRR4010 - Superior Court of California, County of LA		
318419	02/07/2024	
Inv	November 2023	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/03/2024	Citations processed for the month of November 2023	2,620.00
Inv November 2023 Total		2,620.00
318419 Total:		2,620.00
SCRR4010 - Superior Court of California, County of LA Total:		2,620.00
LART4011 - The Regional Training Center		
318420	02/07/2024	
Inv	2300	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/17/2024	UAS Managers Training Course for Sgt. Dubois 01/29/24	170.00
Inv 2300 Total		170.00
318420 Total:		170.00
LART4011 - The Regional Training Center Total:		170.00
TMOB4010 - T-Mobile		
318421	02/07/2024	
Inv	988212311	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/21/2023	AN 988212311 Service 11/21/23 - 12/20/23	91.38
Inv 988212311 Total		91.38
318421 Total:		91.38
TMOB4010 - T-Mobile Total:		91.38
TRA5998 - Transtech Engineers, Inc.		
318422	02/07/2024	
Inv	20236685	
<u>Line Item Date</u>	<u>Line Item Description</u>	

Check Number	Check Date	Amount
11/30/2023	Building officials and plan check services November 2023	49,368.61
Inv 20236685 Total		49,368.61
318422 Total:		49,368.61
TRA5998 - Transtech Engineers, Inc. Total:		49,368.61
UCL6115 - UCLA Cashiering Department		
318423	02/07/2024	
Inv 3013-740		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/03/2024	Continuing Education, Certification, and Licensing for Fire	2,349.91
Inv 3013-740 Total		2,349.91
318423 Total:		2,349.91
UCL6115 - UCLA Cashiering Department Total:		2,349.91
ULFRINC - Ultimate Fortune Inc.		
318424	02/07/2024	
Inv 21447		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/16/2024	Retractable Banner	264.60
Inv 21447 Total		264.60
318424 Total:		264.60
ULFRINC - Ultimate Fortune Inc. Total:		264.60
UND6710 - Underground Service Alert/SC		
318425	02/07/2024	
Inv 1220230707		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/01/2024	Underground Service Alert Fee	88.75
Inv 1220230707 Total		88.75
Inv 23-242358		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/01/2024	Underground Service Alert Fee	57.68
Inv 23-242358 Total		57.68
318425 Total:		146.43

Check Number	Check Date	Amount
UND6710 - Underground Service Alert/SC Total:		146.43
UQMS8010 - Unique Management Services, Inc.		
0	02/07/2024	
Inv	6120992	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/01/2024	Library Agency Recovery Services - FY2023-2024	267.95
Inv 6120992 Total		267.95
0 Total:		267.95
UQMS8010 - Unique Management Services, Inc. Total:		267.95
URTL6711 - United Rentals		
0	02/07/2024	
Inv	224002768-002	
<u>Line Item Date</u>	<u>Line Item Description</u>	
10/10/2023	Backwash tank rental for Wilson Reservoir GAC Exchange	947.79
Inv 224002768-002 Total		947.79
0 Total:		947.79
URTL6711 - United Rentals Total:		947.79
POR4707 - United Site Services, Inc.		
318426	02/07/2024	
Inv	INV-3996625	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/16/2024	Skate Park Portable Toilet & Hand Washing Station11/28-12/25/23	597.44
Inv INV-3996625 Total		597.44
Inv	INV-4067766	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/16/2024	Skate Park Portable Toilet & Hand Washing Station12/26-1/22/24	597.44
Inv INV-4067766 Total		597.44
318426 Total:		1,194.88
POR4707 - United Site Services, Inc. Total:		1,194.88
UPP7789 - Upper San Gabriel Valley MWD		
318427	02/07/2024	

Check Number	Check Date	Amount
Inv	2/12-23	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/16/2024	Water purchased from MWD- December 2023	88.33
Inv 2/12-23 Total		88.33
Inv	2024Q1	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/16/2024	CY 2024 1st Quarter Water Capacity Charge for MWD	3,640.00
Inv 2024Q1 Total		3,640.00
Inv	SoPas-1.8.24	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/08/2024	Co-funding for MWD water conservation rebates- December 2023	415.00
Inv SoPas-1.8.24 Total		415.00
318427 Total:		4,143.33
UPP7789 - Upper San Gabriel Valley MWD Total:		4,143.33
TRIOVLLY - Valley Services, Inc.		
318428	02/07/2024	
Inv	2230037286	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/09/2024	On-Site Meal Program for October	4,228.00
Inv 2230037286 Total		4,228.00
Inv	2230040217	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/09/2024	On-Site Meal Program for December	3,360.00
Inv 2230040217 Total		3,360.00
318428 Total:		7,588.00
TRIOVLLY - Valley Services, Inc. Total:		7,588.00
VERW6711 - Verizon Wireless		
318429	02/07/2024	
Inv	9952007221	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/17/2023	AN 842311063-00002 Services 11/18/23 - 12/17/23	734.72
Inv 9952007221 Total		734.72

Check Number	Check Date	Amount
Inv	9952725475	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/26/2023	AN 270619951-00004 Services 11/27/23 - 12/26/23	498.02
Inv 9952725475 Total		498.02
Inv	9953110130	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/01/2024	AN 542443342-00001 Services 12/2/23 - 1/1/24	52.34
Inv 9953110130 Total		52.34
Inv	9953128934	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/01/2024	AN 642443919-00001 Services 12/02/23 - 01/01/2024	1,174.25
Inv 9953128934 Total		1,174.25
318429 Total:		2,459.33
VERW6711 - Verizon Wireless Total:		2,459.33
EDVL6010 - Villalobos, Edgar		
318430	02/07/2024	
Inv	D3	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/04/2024	Water Operator Treatment 2 reimbursement	360.00
Inv D3 Total		360.00
Inv	T2	
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/04/2024	Water Operator Treatment 2 reimbursement	462.00
Inv T2 Total		462.00
318430 Total:		822.00
EDVL6010 - Villalobos, Edgar Total:		822.00
VEWI8020 - Vision Electric Wholesale, Inc.		
0	02/07/2024	
Inv	1005973	
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/21/2023	Wire nuts for service vehicle and a digital time clock	342.88
Inv 1005973 Total		342.88

Check Number	Check Date	Amount
Inv 1005982		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/26/2023	Wall Packs	1,491.20
Inv 1005982 Total		1,491.20
Inv 1005990		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/28/2023	Street Lighting	1,928.46
Inv 1005990 Total		1,928.46
0 Total:		3,762.54
VEWI8020 - Vision Electric Wholesale, Inc. Total:		3,762.54
VTMS4011 - Vital Medical Services, LLC		
318431	02/07/2024	
Inv 4348		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/31/2023	Evidentiary warrant blood draws DR 23-31100, DR 23-31364	1,302.00
Inv 4348 Total		1,302.00
318431 Total:		1,302.00
VTMS4011 - Vital Medical Services, LLC Total:		1,302.00
GRWK5010 - Walker, Gerald R.		
318432	02/07/2024	
Inv 40014		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/05/2023	Fire - FCC License Renewal	115.00
Inv 40014 Total		115.00
318432 Total:		115.00
GRWK5010 - Walker, Gerald R. Total:		115.00
WES4152 - West Coast Arborists, Inc.		
0	02/07/2024	
Inv 208860		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/15/2023	Urban Forestry Services: 23-24 Arborist Services	1,700.00
Inv 208860 Total		1,700.00

Check Number	Check Date		Amount
Inv	208861		
<u>Line Item Date</u>	<u>Line Item Description</u>		
12/15/2023	Urban Forestry Services: 23-24 Tree Maintenance		3,780.00
Inv 208861 Total			3,780.00
Inv	209450		
<u>Line Item Date</u>	<u>Line Item Description</u>		
12/31/2023	Citywide Urban Forestry Services - Street Tree Maint.		1,190.00
Inv 209450 Total			1,190.00
Inv	209451		
<u>Line Item Date</u>	<u>Line Item Description</u>		
12/31/2023	Citywide Urban Forestry Services - Annual Tree Planting & Removal		810.00
Inv 209451 Total			810.00
0 Total:			7,480.00
WES4152 - West Coast Arborists, Inc. Total:			7,480.00
WLHD8020 - Westlake Hardware			
0	02/07/2024		
Inv	14304200		
<u>Line Item Date</u>	<u>Line Item Description</u>		
11/08/2023	Fire - Building Maintenance		287.64
Inv 14304200 Total			287.64
Inv	14304221		
<u>Line Item Date</u>	<u>Line Item Description</u>		
11/15/2023	PD Generator supplies		46.26
Inv 14304221 Total			46.26
Inv	14304251		
<u>Line Item Date</u>	<u>Line Item Description</u>		
11/28/2023	Fire - Building Maintenance		13.22
Inv 14304251 Total			13.22
Inv	14304255		
<u>Line Item Date</u>	<u>Line Item Description</u>		
11/15/2023	PD Department supplies		117.88
Inv 14304255 Total			117.88

Check Number	Check Date	Amount
Inv 14304275		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/03/2023	Fire - Building Maintenance	45.99
Inv 14304275 Total		45.99
Inv 14304286		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/06/2023	PD wall hooks	13.21
Inv 14304286 Total		13.21
Inv 14304289		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/06/2023	PD wall hook	8.37
Inv 14304289 Total		8.37
Inv 14304291		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/07/2023	Fire - Building Maintenance	35.26
Inv 14304291 Total		35.26
0 Total:		567.83
WLHD8020 - Westlake Hardware Total:		567.83
WIT6353 - Wittman Enterprises LLC		
318433	02/07/2024	
Inv 2311059		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/22/2023	Paramedic Billing Services - November 2023	7,177.86
Inv 2311059 Total		7,177.86
318433 Total:		7,177.86
WIT6353 - Wittman Enterprises LLC Total:		7,177.86
GRA1244 - Woods Maintenance Services, Inc.		
318434	02/07/2024	
Inv SPAS1223		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/03/2024	City-wide Graffiti Removal, December 2023	1,083.00
Inv SPAS1223 Total		1,083.00

Check Number	Check Date	Amount
318434 Total:		1,083.00
GRA1244 - Woods Maintenance Services, Inc. Total:		1,083.00
YTI1023 - Y Tire Performance LLC		
318435	02/07/2024	
Inv 36878		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/15/2023	PD replacement of tire unit # 198	339.03
Inv 36878 Total		339.03
Inv 36923		
<u>Line Item Date</u>	<u>Line Item Description</u>	
12/28/2023	PD replacement of tire unit # 1121	285.13
Inv 36923 Total		285.13
318435 Total:		624.16
YTI1023 - Y Tire Performance LLC Total:		624.16
ZOLL8021 - Zoll Medical Corporation		
0	02/07/2024	
Inv 3886052		
<u>Line Item Date</u>	<u>Line Item Description</u>	
01/02/2024	Medical Equipment CPR - Electrode	592.40
Inv 3886052 Total		592.40
0 Total:		592.40
ZOLL8021 - Zoll Medical Corporation Total:		592.40
Total:		850,750.44

**THIS PAGE
INTENTIONALLY
LEFT BLANK**

ATTACHMENT 4

Online Payments

**THIS PAGE
INTENTIONALLY
LEFT BLANK**

City of
SOUTH PASADENA

Online Payment Log			
Date	Vendor	Amount	Description
1/16/2024	So Cal Edison	\$12,305.49	Online Payment for City Owned Electric Accounts.
1/18/2024	So Cal Edison	\$23,344.22	Online Payment for City Owned Electric Account #3859.
Total:		\$35,649.71	

**THIS PAGE
INTENTIONALLY
LEFT BLANK**

ATTACHMENT 5
Payroll Summary

**THIS PAGE
INTENTIONALLY
LEFT BLANK**

Payroll

Payroll Summary Report



Payroll Date: 1/12/2024 Off-Cycle

Checks	\$	-
Direct Deposits	\$	4,785.52
IRS Payments	\$	1,068.64
EDD - State of CA	\$	332.39
PERS Pension	\$	-
Deferred Comp	\$	-
PERS Health	\$	-
Subtotal:	\$	6,186.55

Payroll Date: 1/19/2024 Regular

Checks	\$	5,120.57
Direct Deposits	\$	539,824.13
IRS Payments	\$	100,596.14
EDD - State of CA	\$	30,101.62
PERS Pension	\$	141,508.79
Deferred Comp	\$	26,569.68
PERS Health	\$	-
Subtotal:	\$	843,720.93
Grand Total:	\$	849,907.48

**THIS PAGE
INTENTIONALLY
LEFT BLANK**



City Council Agenda Report

ITEM NO. 8

DATE: February 7, 2024

FROM: Arminé Chaparyan, City Manager *AC*

PREPARED BY: Paul Riddle, Fire Chief

SUBJECT: **Adoption of a Resolution Authorizing the County of Los Angeles Agriculture Commissioner to Inspect and Abate Weeds, Brush and Native Vegetation Declared to be an Existing or Potential Fire Hazard, and Schedule a Public Hearing to be Held on February 21, 2024 to Hear Objections or Protests to the Vegetation Management Program**

Recommendation

It is recommended that the City Council adopt the resolution authorizing the County of Los Angeles Agriculture Commissioner to inspect and abate weeds, brush and native vegetation declared to be an existing or potential fire hazard, and schedule a Public Hearing to be held on February 21, 2024 to hear objections or protests to the vegetation management program.

Background

The City of South Pasadena (City) began participating in the vegetation management program through the County of Los Angeles on January 1, 2011. The vegetation management program through the Agriculture Commissioner's office is an efficient and effective method to inspect and mitigate fire hazard problems associated with the annual growth of grass, brush and native vegetation. South Pasadena Fire Department staff works closely with the Agriculture Commissioner's office to respond to customer complaints relating to brush clearance and to identify high hazard areas in need of weed, brush and/or rubbish removal.

Analysis

On March 17, 2021, the City Council approved a five-year contract with the County of Los Angeles Agriculture Commissioner's Office to provide brush clearance and vegetation management services within the City for the period from July 1, 2021 to June 30, 2026. Through the vegetation management program, property owners of unimproved and designated properties are sent notices to maintain parcels in a fire safe condition. These notices were sent by the County of Los Angeles on or before February 1, 2024. If the property owner elects not to abate the brush and native vegetation fire hazards, the Agriculture Commissioner's staff facilitates removal and authorizes a special assessment to recover costs. The 2024 Los Angeles County Declaration list

identified 87 unimproved properties in the City that require an inspection and or clearance of hazardous vegetation. Property owners who object to the proposed removal of hazardous vegetation and the recovery of costs can attend the Public Hearing on February 21, 2024, to request to have their properties removed from the Los Angeles County Declaration List. The Public Hearing will be held at Amedee O. "Dick" Richards Jr. Council Chambers, 1424 Mission Street, South Pasadena, CA 91030, where their objections will be heard and given due consideration by the Agricultural Commissioner's office.

Fiscal Impact

There is no fiscal impact related to this item, outside of staff time and duplication costs. Property owners who elect not to abate vegetation hazards are assessed fees through the County of Los Angeles for the inspection, abatement, and administration of the vegetation management program.

Key Performance Indicators and Strategic Plan

This item is in line with the Fire Department's Key Performance Indicator to complete 100% of brush inspections annually, as identified in the Fiscal Year 2023-2024 Budget. In addition, this item addresses section 3(e) of the Adopted 2021-2026 Strategic Plan, which identifies controlling/mitigating hazardous vegetation in the City's high hazard brush area.

Commission Review and Recommendation

This matter was not reviewed by the Public Safety Commission.

Attachment:

1. 2024 Weed Abatement Resolution
2. Abatement Order, Los Angeles County
3. 2024 Los Angeles County Declaration List "Exhibit A"
4. Weed Abatement Service Agreement

ATTACHMENT 1
2024 Weed Abatement Resolution

**THIS PAGE
INTENTIONALLY
LEFT BLANK**

RESOLUTION NO. __

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA DECLARING THAT WEEDS, BRUSH, RUBBISH AND REFUSE UPON OR IN FRONT OF SPECIFIED PROPERTY IN THE CITY ARE A SEASONAL AND RECURRENT PUBLIC NUISANCE AND DECLARING ITS INTENTION TO PROVIDE FOR THE ABATEMENT THEREOF

WHEREAS, On March 17, 2021, the South Pasadena City Council approved a five-year contract with the Los Angeles County Agriculture Commissioner's Office to provide hazardous vegetation management services within the City of South Pasadena (City); and

WHEREAS, the City is located in the County of Los Angeles, and is subject to long periods of dry, hot, and windy climates, which increase the chance of a fire occurring and predispose the City to large destructive fires. These dry climatic conditions and winds contribute to the rapid spread of even small fires originating in moderate density housing or vegetation.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. That the weeds, brush, or rubbish growing or existing upon the streets, sidewalks, or private property in the City attain such large growth as to become, when dry, a fire menace to adjacent improved property, or which are otherwise noxious, dangerous, or a public nuisance.

SECTION 2. That the presence of dry grass, stubble, refuse, or other flammable materials are conditions that endanger the public safety by creating a fire hazard.

SECTION 3. That by reason of the foregoing fact, the weeds, brush, rubbish, dry grass, stubble, refuse, or other flammable material growing or existing upon the private property hereinafter described, and upon the streets and sidewalks in front of said property, constitute a seasonal and recurrent public nuisance and should be abated as such.

SECTION 4. That the private property, together with streets and sidewalks in front of same herein referred to, is more particularly described as follows, to wit: That certain property described in the attached list hereto as "Exhibit A," and by this reference made a part hereof as though set forth in full at this point.

SECTION 5. The City Clerk of the City of South Pasadena shall certify to the passage and adoption of this resolution and its approval by the City Council and shall cause the same to be listed in the records of the City.

**NOTICE TO DESTROY WEEDS,
REMOVE BRUSH, RUBBISH AND REFUSE**

Notice is hereby given that on February 7, 2024, the City Council of the City of South Pasadena passed or will pass a resolution declaring noxious or dangerous vegetation including weeds, brush, tumbleweeds, sagebrush, and chaparral or rubbish refuse were growing or occurring upon or in front of said property on certain streets in said city or unincorporated area of the County of Los Angeles, and more particularly described in the resolution, and that they constitute a fire hazard or public nuisance which must be abated by the removal of said noxious or dangerous vegetation, rubbish and refuse, otherwise they may be removed and the nuisance abated by County authorities and the cost of removal assessed upon the land from or in front of which the noxious or dangerous vegetation, rubbish and refuse are removed, and such cost will constitute a special assessment against such lots or lands. Reference is hereby made to said resolution for further particulars. In addition, the Board of Supervisors authorized and directed the Agricultural Commissioner to recover its costs of details. All property owners having any objections to the proposed removal of noxious or dangerous vegetation, rubbish and refuse and the recovery of inspection costs, are hereby notified that they may attend a Public Hearing of the City Council of said city to be held at 1424 Mission Street, South Pasadena, CA 91030, in the Council Chamber on February 21, 2024, at 7:00 p.m., where their objections will be heard and given due consideration. If the property owner does not want to present objections to the proposed removal of the noxious or dangerous vegetation including weeds, brush, tumbleweeds, sagebrush, and chaparral or rubbish and refuse, or the recovery of inspection costs, the owner need not appear at the above-mentioned hearings.

Mark Perez, Deputy City Clerk

BE IT THEREFORE RESOLVED THAT the Agricultural Commissioner is hereby authorized and directed to recover its costs of inspection of the properties hereinabove described in a manner consistent with prior action of the Board adopting a fee schedule for such inspections. The recovery of these costs is vital to the ongoing operation governing the identification and abatement of those properties that constitute a seasonal and recurrent public nuisance and endanger the public safety.

BE IT FURTHER RESOLVED THAT the 21st day of February, 2024, at the hour of 7:00 p.m. of said day, is the day and hour, and the meeting room of the City Council of the City of South Pasadena is fixed by this City Council as the place when and where any and all property owners having any objections to the aforesaid proposed removal of weeds, brush, rubbish, dry grass, stubble, refuse or other flammable material may appear before the City Council and show cause why said weeds, brush, rubbish, dry grass, stubble, refuse or other flammable material should not be removed in accordance with this resolution, and said objections will then and there be heard and given due consideration.

BE IT RESOLVED THAT the notices to destroy weeds, brush, rubbish, dry grass, stubble, refuse or other flammable material hereinbefore referred to shall be mailed by said Agricultural Commissioner/Director of Weights and Measures at least ten days prior to February 21, 2024.

PASSED, APPROVED AND ADOPTED ON this 7th day of February, 2024.

Evelyn G. Zneimer, Mayor

ATTEST:

APPROVED AS TO FORM:

Mark Perez, Deputy City Clerk

Roxanne Diaz, City Attorney

I HEREBY CERTIFY the foregoing resolution was duly adopted by the City Council of the City of South Pasadena, California, at a regular meeting held on the 7th day of February, 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

Mark Perez, Deputy City Clerk

ATTACHMENT 2
Abatement Order, Los Angeles County

**THIS PAGE
INTENTIONALLY
LEFT BLANK**

ABATEMENT ORDER

FEBRUARY 21, 2024

FOLLOWING THE PUBLIC HEARING HELD FEBRUARY 21, 2024, IN THE MATTER OF RESOLUTION TO ABATE NOXIOUS WEEDS, RUBBISH, AND REFUSE, THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, BY MOTION ADOPTED AN ORDER DIRECTING THE AGRICULTURAL COMMISSIONER OF WEIGHTS AND MEASURES TO ABATE THE NUISANCE BY HAVING THE WEEDS, RUBBISH, AND REFUSE REMOVED.

**CITY COUNCIL OF THE
CITY OF SOUTH PASADENA**

BY:

Evelyn G. Zneimer, Mayor

ATTEST:

BY: _____
Mark Perez, Deputy City Clerk

Date: _____

**THIS PAGE
INTENTIONALLY
LEFT BLANK**

ATTACHMENT 3

2024 Los Angeles County Declaration List “Exhibit A”

**THIS PAGE
INTENTIONALLY
LEFT BLANK**



COUNTY OF LOS ANGELES

**Department of
Agricultural Commissioner/
Weights and Measures**



Kurt E. Floren
Agricultural Commissioner
Director of Weights and Measures

12300 Lower Azusa Road
Arcadia, CA 91006-5872
<https://acwm.lacounty.gov>

Maximiliano E. Regis
Chief Deputy

January 8, 2024

Mark Perez, Deputy City Clerk
City of South Pasadena
1414 Mission Street
South Pasadena, CA 91030

Dear Mr. Perez,

REQUEST TO REVIEW DECLARATION LIST 2024

Enclosed is a list of parcels in the City of South Pasadena which have been identified, by inspection, to contain or have the potential to contain weeds or brush sufficient to be considered a public nuisance. We are recommending that the City include them in its annual weed abatement process beginning with the City Council resolution adoption scheduled for February 7, 2024. Please review the list and submit any changes in writing as soon as possible for the Resolution and Final Declaration List be sent to your City for approval.

The same state law pursuant to which the City's weed abatement program is conducted can also be used to abate rubbish and refuse (illegal dumping, etc.) on private property in your City. If your City is interested in pursuing this, our Department may be able to help. For more information on this, please feel free to contact me at (626) 575-5487.

Very truly yours,

ADRIAN ZAVALA
Deputy Director/Bureau Chief
Weed Hazard and Integrated Pest Management Bureau

AZ:jr

Enc.

EXHIBIT A

2023
LOS ANGELES COUNTY
DECLARATION LIST
CITY OF SOUTH PASADENA
KEY OF F, CITY CODE 654 (UNIMPROVED)

DATE: 01/03/23

PARCEL	LOCATION	OWNER	MAILING ADDRESS	CITY/STATE	ZIP
5308 002 064	CAMINO DEL SOL	L S AND E ASSOCIATES	P O BOX 556537	LOS ANGELES CA	90055
5308 002 070	HANSCOM DR	LEVY,SAMUEL S	P O BOX 556537	LOS ANGELES CA	90255
5308 002 072	CAMINO DEL SOL	S AND E ASSOCIATES	P O BOX 556537	LOS ANGELES CA	90055
5308 020 027	HANSCOM DR	WINTER,ERIC	P O BOX 3702	SOUTH PASADENA CA	91031
5308 021 001	HANSCOM DR	WINTER,ERIC	P O BOX 3702	SOUTH PASADENA CA	91031
5308 022 002	HANSCOM DR	BROSMAN,NICOLE A	353 MONTEREY RD	SOUTH PASADENA CA	91030
5308 022 003	HANSCOM DR	KWONG DEVELOPMENT INC	1743 CAMINO LINDO	SOUTH PASADENA CA	91030
5308 022 004	HANSCOM DR	LIU,ANNIE AND PHI,HONG THAI	3360 FOOTHILL BLVD UNIT 405	PASADENA CA	91107
5308 022 005	HANSCOM DR	BOGDAN, SANDOR & NITZA	5825 KESTER AVE	SHERMAN OAKS CA	91411
5308 023 007	PETERSON AVE	JAMJOOM,TALAL M	453 E PUTNAM AVE APT 1L	COS COB CT	06807
5308 023 015	HANSCOM DR	YELDING SOLAN, JOHN P TR	227 GOUGH ST	SAN FRANCISCO CA	94102
5308 024 017	HANSCOM DR	IMBUS, CHARLES E TR	1074 GLEN OAKS BLVD	PASADENA CA	91105
5308 024 034	1903 HANSCOM DR	NARINYAN,ARMAN	1128 N HOWARD ST	GLENDALE CA	91207
5308 025 027	PETERSON AVE	CHU, WILLIAM	1825 HANSCOM R	SOUTH PASADENA CA	91030
5308 027 007	HARRIMAN AVE	HILL DR PROPERTIES LLC	3743 MENTONE AVE UNIT 6	LOS ANGELES CA	90034
5308 027 008	HARRIMAN AVE	HILL DR PROPERTIES LLC	3743 MENTONE AVE UNIT 6	LOS ANGELES CA	90034
5308 027 016	HARRIMAN AVE	HILL DR PROPERTIES LLC	3743 MENTONE AVE UNIT 6	LOS ANGELES CA	90034
5308 027 017	HARRIMAN AVE	HILL DR PROPERTIES LLC	3743 MENTONE AVE UNIT 6	LOS ANGELES CA	90034
5308 027 018	HARRIMAN AVE	HILL DR PROPERTIES LLC	3743 MENTONE AVE UNIT 6	LOS ANGELES CA	90034
5308 027 019	HARRIMAN AVE	HILL DR PROPERTIES LLC	3743 MENTONE AVE UNIT 6	LOS ANGELES CA	90034
5308 027 020	HARRIMAN AVE	HILL DR PROPERTIES LLC	3743 MENTONE AVE UNIT 6	LOS ANGELES CA	90034
5308 031 001	PETERSON AVE	TARMASAL INC	950 HUNTINGTON DR	SAN MARINO CA	91108

2023
 LOS ANGELES COUNTY
 DECLARATION LIST
CITY OF SOUTH PASADENA
 KEY OF F, CITY CODE 654 (UNIMPROVED)

DATE: 01/03/23

PARCEL	LOCATION	OWNER	MAILING ADDRESS	CITY/STATE	ZIP
5308 031 039	PETERSON AVE	JAMJOOM,TALAL M	453 E PUTNAM AVE APT 1L	COS COB CT	06807
5308 031 040	PETERSON AVE	JAMJOOM,TALAL M	453 E PUTNAM AVE APT 1L	COS COB CT	06807
5308 031 041	PETERSON AVE	JAMJOOM,TALAL M	453 E PUTNAM AVE APT 1L	COS COB CT	06807
5308 031 042	PETERSON AVE	WANG, KEN	147 PALATINE DR	ALHAMBRA CA	91801
5308 031 052	PETERSON AVE	YAO, CAROLINE	156 PETERSON AVE	SOUTH PASADENA CA	91030
5308 031 053	PETERSON AVE	YAO, CAROLINE	156 PETERSON AVE	SOUTH PASADENA CA	91030
5308 031 054	PETERSON AVE	YAO, CAROLINE	156 PETERSON AVE	SOUTH PASADENA CA	91030
5308 031 055	PETERSON AVE	YAO, CAROLINE	156 PETERSON AVE	SOUTH PASADENA CA	91030
5308 032 006	PETERSON AVE	LEUNG, ERIC W AND NANCY X	4641 S HUNTINGTON DR	LOS ANGELES CA	90032
5308 032 009	PETERSON AVE	DUNAWAY, CAM T TR	710 FARVIEW AVE	SOUTH PASADENA CA	91030
5308 032 012	HANSCOM DR	YANG, ABRAHAM CST DN	12012 LOWER AZUSA RD	EL MONTE CA	91732
5308 032 044	PETERSON AVE	KWONG, EUNIA Y TR	1900 PETERSON AVE	SOUTH PASADENA CA	91030
5308 032 045	PETERSON AVE	KWONG, EUNIA Y TR	1900 PETERSON AVE	SOUTH PASADENA CA	91030
5308 034 004	HULBERT AVE	REDIRECT MARKETING GROUP INC	45 E UNION ST	PASADENA CA	91103
5310 021 009	BONITA AVE	TARMASAL INC	950 HUNTINGTON DR	SAN MARINO CA	91108
5310 022 013	BONITA AVE	KAROGLU,VARUJAN	3398 HEATHER FIELD DR	HACIENDA HEIGHTS CA	91745
5310 026 010	ONEONTA DR	ZHUANA, YAN	298 W HIGHLAND AVE	SIERRA MADERE CA	91024
5310 026 011	ONEONTA DR	ZHUANA, JINRU	298 W HIGHLAND AVE	SIERRA MADERE CA	91024
5311 001 018	5 PASADENA AVE	99 PASADENA AVE LLC	538 MISSION ST	SOUTH PASADENA CA	91030
5311 007 019	KOLLE AVE	FRANCO,LUCIO AND OLIVIA	810 ROLLIN ST	SOUTH PASADENA CA	91030
5311 008 033	ST ALBANS AVE	KIM,JOSEPH W	420 S SAN PEDRO ST APT 208	LOS ANGELES CA	90013
5311 008 039	ST ALBANS AVE	RETINO, CLAIROSE B	20045 E SKYLINE DR	WALNUT CA	91789

LOS ANGELES COUNTY
DECLARATION LIST
CITY OF SOUTH PASADENA
KEY OF F, CITY CODE 654 (UNIMPROVED)

PARCEL	LOCATION	OWNER	MAILING ADDRESS	CITY/STATE	ZIP
5311 009 055	CAMINO DEL CIELO	WILLIAMSON,KATHLEEN D TR	PO BOX 686	SOUTH PASADENA CA	91031
5311 009 056	CAMINO DEL CIELO	WILMS,NANCY M AND ROBERT S	1457 OAKCREST AVE	SOUTH PASADENA CA	91030
5311 009 057	CAMINO DEL CIELO	AIT MANAGEMENT LLC	330 GODDARD	IRVINE CA	92618
5311 009 058	CAMINO DEL CIELO	KWOK,GEORGE AND	300 CAMINO DEL CIELO	SOUTH PASADENA CA	91030
5311 010 010	MONTEREY RD	MPPA LP	2211 S HACIENDA BLVD UNIT 110	HACIENDA HEIGHTS CA	91745
5311 010 012	MONTEREY RD	MPPA LP	2211 S HACIENDA BLVD UNIT 110	HACIENDA HEIGHTS CA	91745
5311 010 015	MONTEREY RD	MPPA LP	2211 S HACIENDA BLVD UNIT 110	HACIENDA HEIGHTS CA	91745
5311 010 027	MONTEREY RD	CASEBEER,PAUL	259 MONTEREY RD	SOUTH PASADENA CA	91030
5311 010 028	MONTEREY RD	MPPA LP	2211 S HACIENDA BLVD UNIT 110	HACIENDA HEIGHTS CA	91745
5311 010 029	MONTEREY RD	MPPA LP	2211 S HACIENDA BLVD UNIT 110	HACIENDA HEIGHTS CA	91745
5311 010 030	MONTEREY RD	MPPA LP	2211 S HACIENDA BLVD UNIT 110	HACIENDA HEIGHTS CA	91745
5311 014 042	INDIANA AVE	LI,DAVID S	1441 LAKE SHORE AVE	LOS ANGELES CA	90026
5311 014 043	INDIANA AVE	NEGRETE,TONY CO TR	1507 INDIANA AVE	SOUTH PASADENA CA	91030
5311 014 048	INDIANA AVE	QUARESMA, DIANE TR	260 W RUMBLE RD APT A	MODESTO CA	95350
5311 015 005	SAINT ALBANS AVE	HOFF,DAVID C	20534 SAN GABRIEL VALLEY DR	WALNUT CA	91789
5311 015 006	ST ALBANS AVE	HOFF,DAVID C	20534 SAN GABRIEL VALLEY DR	WALNUT CA	91789
5311 015 022	ST ALBANS AVE	ST ALBANT LLC	2396 SCENIC RIDGE DR	CHINO HILLS CA	91709
5311 015 023	ST ALBANS AVE	ST SLBANT LLC	2396 SCENIC RIDGE DR	CHINO HILLS CA	91709
5311 017 020	WARWICK AVE	CASSENAER, STUN	249 N EUCLID AVE UNIT 212	PASADENA CA	91101
5311 017 021	WARWICK AVE	CASSENAER, STUN	249 N EUCLID AVE UNIT 212	PASADENA CA	91101
5312 002 007	MONTEREY RD	SOUTH PASADENA VILLAS LLC	766 COLORADO BLVD STE 102	PASADENA CA	91101
5312 002 008	MONTEREY RD	SOUTH PASADENA VILLAS LLC	766 COLORADO BLVD STE 102	PASADENA CA	91101

LOS ANGELES COUNTY
DECLARATION LIST
CITY OF SOUTH PASADENA
KEY OF F, CITY CODE 654 (UNIMPROVED)

PARCEL	LOCATION	OWNER	MAILING ADDRESS	CITY/STATE	ZIP
5312 002 009	MONTEREY RD	SOUTH PASADENA VILLAS LLC	766 COLORADO BLVD STE 102	PASADENA CA	91101
5312 002 025	MONTEREY RD	SOUTH PASADENA VILLAS LLC	766 COLORADO BLVD STE 102	PASADENA CA	91101
5312 016 014	HARRIMAN AVE	JUNG,DAVID TR	2161 CAMORILLA DR	LOS ANGELES CA	90065
5312 016 015	HARRIMAN AVE	JUNG,DAVID TR	2161 CAMORILLA DR	LOS ANGELES CA	90065
5312 016 016	HARRIMAN AVE	JUNG,DAVID TR	2161 CAMORILLA DR	LOS ANGELES CA	90065
5312 016 017	HARRIMAN AVE	JUNG,DAVID TR	2161 CAMORILLA DR	LOS ANGELES CA	90065
5312 017 025	HILL DR	GAVINA, FRANCISCO	84 CLUB RD	PASADENA CA	91105
5312 017 042	HARRIMAN AVE	HUANG, KING M CO TR	PO BOX 4012	MENLO PARK CA	94026
5312 017 043	HARRIMAN AVE	HUANG,KING AND	PO BOX 4012	MENLO PARK CA	94026
5312 017 044	HARRIMAN AVE	HUANG,KING AND	PO BOX 4012	MENLO PARK CA	94026
5312 017 049	HARRIMAN AVE	HUANG, K M AND K E FAMILY LTD	PO BOX 4012	MENLO PARK CA	94026
5312 020 012	OAKHILL AVE	THAM,ERNEST Y AND JANET C AND	11724 CULVER BLVD #9	LOS ANGELES CA	90066
5312 020 022	OAKHILL AVE	THAM,ERNEST Y AND JANET C AND	11724 CULVER BLVD #9	LOS ANGELES CA	90066
5314 005 017	INDIANA TERR	TARMASAL INC	950 HUNTINGTON DR	SAN MARINO CA	91108
5314 005 021	619 INDIANA TERR	KIM, YONG J AND	716 VALLEY VIEW RD	SOUTH PASADENA CA	91030
5314 005 045	ALTA VISTA AVE	VALENSI,NICHOLAS AND	529 5TH AVE 4TH FL	NEW YORK NY	10017
5314 006 005	ALTA VISTA AVE	ZHANG, YI TR	PO BOX 101154	CHICAGO IL	60610
5314 007 017	ALTA VISTA AVE	GETMAN, DANA L AND	60 SUMMIT ST UNIT 3	BROOKLYN NY	11231
5314 008 014	INDIANA AVE	SETO,VANESSA AND	PO BOX 70519	PASADENA CA	91117
5314 018 010	BANK ST	LEE,TYLER AND	857 BANK ST	SOUTH PASADENA CA	91030
5314 026 050	ROLLIN ST	PAN, CHIU SUNG AND	1423 MAPLE ST	SOUTH PASADENA CA	91030

2023
LOS ANGELES COUNTY
DECLARATION LIST
CITY OF SOUTH PASADENA
KEY OF F, CITY CODE 654 (UNIMPROVED)

DATE: 01/03/23

PARCEL	LOCATION	OWNER	MAILING ADDRESS	CITY/STATE	ZIP
TOAL VACANT/IMPROVED RECORDS					0
TOTAL UNIMPROVED RECORDS					87
TOTAL RECORDS					87

ATTACHMENT 4
Weed Abatement Service Agreement

**THIS PAGE
INTENTIONALLY
LEFT BLANK**

WEED ABATEMENT SERVICE

AGREEMENT

THIS AGREEMENT, dated upon execution by both parties, is made by and between the County of Los Angeles, hereinafter referred to as "County," and the CITY OF SOUTH PASADENA, hereinafter referred to as "City."

RECITALS:

(a) The City is desirous of contracting with the County for the performance of weed abatement functions within its boundaries on both unimproved and designated improved properties by the County of Los Angeles, acting through its Agricultural Commissioner/Director of Weights and Measures.

(b) The County is agreeable to rendering such weed abatement services on the terms and conditions hereinafter set forth.

(c) Such contracts are authorized and provided for by the provisions of Section 56 ½ of the Charter of the County of Los Angeles and California Government Code (Government Code) section 51301.

THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. The County agrees, through the Agricultural Commissioner/Director of Weights and Measures, to provide weed abatement services within the corporate limits of the City in accordance with the provisions of Government Code sections 39560 through 39588.

Such services shall encompass the weed abatement duties and functions of the type coming within the jurisdiction of, and customarily rendered by, the Agricultural Commissioner/Weights and Measures Department of the County of Los Angeles under the Charter of County and the statutes of the State of California.

79186

The level of service shall be the same basic level of weed abatement service that is currently, and shall be hereinafter during the term of this agreement, provided for in the unincorporated areas of the County of Los Angeles by said Agricultural Commissioner/Director of Weights and Measures.

The County shall have the discretion to terminate services on parcels in tax default.

The rendition of such services, the standard of performance, and other matters incidental to the performance of such services, and the control of personnel so employed shall remain at the discretion of the County.

The standard for hazardous vegetation clearance shall be equivalent to that detailed within the Los Angeles County Fire Code, sections 325.2.1 and 325.2.2, and this standard being the same which currently applies in the unincorporated areas of the County of Los Angeles unless some other standard is requested by the City in writing.

2. To facilitate the performance of said functions, it is hereby agreed that the County shall have full cooperation and assistance from the City Council and other City officers, agents, and employees.

3. For the purpose of performing said functions, County shall furnish and supply all necessary labor, supervision, equipment, and supplies necessary to maintain the level of service to be rendered hereunder.

4. No City Employee as such shall be made into, or considered to be, an employee of the County, and no person employed by the County hereunder shall be granted any City pension, civil service, or any status or right.

For the purpose of performing such services and functions, and for the purpose of giving official status to the performance thereof where necessary, every County officer and employee engaged in the performance of any service hereunder shall be deemed to be an officer

or employee of said City while performing services for said City, which services are within the scope of this agreement and are purely municipal functions.

5. City shall not be called upon to assume any liability for the direct payment of any salaries, wages, or other compensation to any County personnel performing services hereunder for the County, or any liability other than that provided for in this agreement.

Except as herein otherwise specified, the City shall not be liable for compensation and/or indemnification to any County employee for any injury or sickness arising out of that person's employment.

6. The parties hereto have executed an Assumption of Liability Agreement approved by the Board of Supervisors on December 27, 1977 and/or a Joint Indemnity Agreement approved by the Board of Supervisors on October 8, 1991. Whichever of these documents the City has signed later in time is currently in effect and is hereby made a part of and incorporated into this agreement as if set out in full herein. In the event that the Board of Supervisors later approves a revised Joint Indemnity Agreement, and the City executes such a revised agreement, the subsequent agreement as of its effective date shall supersede the agreement previously in effect between the parties hereto.

The City understands and agrees that the fire protection indemnity provided in Government Code sections 850 and 850.2 applies to the County for work pursuant to this agreement.

7. Unless sooner terminated as provided for herein, this agreement shall be effective commencing July 1, 2021 and will continue in effect through June 30, 2026.

Notwithstanding the provisions of this paragraph hereinbefore set forth, the City may terminate this agreement as of the thirty-first day of December of any year upon notice in writing to the County on or before September 30 of the same year. The County may terminate this agreement at any time and for any reason upon thirty (30) days prior written notice to the City.

The City, acting through its City Council, will perform the necessary functions required of the legislative body to which is referred in Government Code section 39560 through 39588, as they relate to the execution of this Agreement.

8. If the City fails to adopt a resolution declaring that weeds upon parcels of property located within the City to be a public nuisance pursuant to Government Code section 39561, then the County shall have no obligation to carry out its duties under this agreement until such year that the City does adopt such resolution, unless the City's failure occurs in the final year of this agreement, which shall mean the agreement terminates.

9. It is the intent of this agreement that the Agricultural Commissioner/Director of Weights and Measures of the County shall constitute the public officer designated by the City Council to perform the duties imposed by Government Code section 39560(a), and that the City Council of said City shall perform the duties of the legislative body as set forth in said section.

10. For and in consideration of the rendition of the foregoing services by the County, the City agrees that the costs of abating such weeds shall be assessed in the manner set forth in Government Code sections 39573 to 39585, and that upon collection of such assessments, they will be paid over to the County.

11. Each parcel, except tax-exempt parcels, upon which weeds, brush or rubbish are declared to be a public nuisance pursuant to paragraph 9 of this agreement, shall be assessed the current County Board of Supervisors approved inspection fee whether or not the County determines it is necessary to perform abatement work upon the parcel.

12. The parties hereto contemplate that the services of the County are limited to abatement of weeds, brush and rubbish, and agree that the County will not perform any other type of service or additional work of any kind.

13. This agreement contains the entire agreement between the County and the City for weed abatement services. This agreement may not be modified except by formal amendment executed by the duly authorized representatives of the parties hereto.

14. Notices regarding this agreement shall be addressed as follows:

COUNTY:

Adrian Zavala

Deputy Director

Los Angeles County Department of Agricultural Commissioner/

Weights and Measures

12300 Lower Azusa Road

Arcadia, California 91006-5872

CITY:

Lucie Colombo, CMC, CPMC

City Clerk

City of South Pasadena

1414 Mission Street

South Pasadena, CA 91030

IN WITNESS HEREOF, the CITY OF SOUTH PASADENA, by motion duly adopted by its City Council, caused this agreement to be signed by its Mayor and attested by its Clerk, and the County of Los Angeles, by order of its Board of Supervisors, has caused these presents to be subscribed by the Chair of said Board and seal of said Board to be affixed thereto and attested by the Clerk of the Board.



CITY OF SOUTH PASADENA

By Diana Mahmud
Diana Mahmud, Mayor

COUNTY OF LOS ANGELES

By Hilda F. Solis
Chairman, Los Angeles County

ATTEST:

By [Signature]
City Clerk

I hereby certify that pursuant to Section 25103 of the Government Code, delivery of this document has been made.

CELIA ZAVALA, Executive Officer
Executive Office of the Board of Supervisors
of the County of Los Angeles

By [Signature]
Deputy

CELIA ZAVALA
Executive Officer
Clerk of the Board of Supervisors

By [Signature]
Deputy

APPROVED AS TO FORM
BY COUNTY COUNSEL
RODRIGO A. CASTRO-SILVA

By [Signature]
BRIAN T. CHU
Principal Deputy County Counsel

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

20 October 5, 2021

[Signature]
CELIA ZAVALA
EXECUTIVE OFFICER

79186



City Council Agenda Report

ITEM NO. 9

DATE: February 7, 2023

FROM: Arminé Chaparyan, City Manager *AC*

PREPARED BY: Cathy Billings, Library Director
Olivia Radbill, Adult Services/Local History Librarian

SUBJECT: Consider Authorizing the Acceptance of Grant Awards to the Library from Internet Archive in the Amount of \$2,100 and the California State Library in the Amount of \$22,470, and Approve Budget Appropriations in the Amount of \$24,570.

Recommendation

It is recommended that the City Council:

1. Accept two grants totaling \$24,570:
 - \$2,100 from Internet Archive;
 - \$22,470 from the California State Library; and
2. Appropriate \$24,570 from the General Fund fund balance:
 - \$13,770 to 101-8010-8011-8020 (Special Department Expense);
 - \$5,800 to 101-8010-8011-8170 (Professional Services);
 - \$3,000 to 101-8010-8011-8080 (Books/CDs/DVDs);
 - \$2,000 to 101-8010-8011-8083 (Ebooks); and
3. Authorize the City Manager or designee to execute all necessary documents to accept the Internet Archive and California State Library grants.

Executive Summary

The Library has been awarded grant funds from two separate organizations. In 2021 Internet Archive selected the Library to participate in its Community Webs Program, which included two small stipends totaling \$2,100. In 2023, the California State Library awarded the Library a Sustainable Libraries Grant in the amount of \$22,470. The funds must be appropriated to the Library budget so they can be expended. There will be no impact to the General Fund balance because the total amount appropriated (\$24,570) is fully offset by grant funds received and recorded as revenue in the Miscellaneous Grants account.

Background

Internet Archive, a 501(c)(3) non-profit, is building a digital library (Archive.org) of Internet sites and other cultural artifacts in digital form. The Library participates in their Community Webs Program which began in 2017 as an Institute of Museum and Library Services and Internet Archive funded program of education, training, and services designed to enable

public libraries to build collections of historically valuable, web published materials documenting their local communities. Community Webs Program participants receive free web archiving and technical services, training, and small stipends which may be used for professional development, community outreach, digital collecting, or other expenses related to the program.

The California State Library's Sustainable California Libraries grant, funded by the federal Library Services and Technology Act (LSTA), provided libraries the opportunity to design programming and educational opportunities focused on sustainability and climate resilience. Collaboration with community partners and community members was encouraged. The Library submitted a grant application in June 2023, accompanied by a letter of support from the South Pasadena Community Garden. The application proposed a "Sowing South Pasadena" initiative designed to plant seeds of eco-consciousness among library patrons and community members. The Library's proposal included creating and launching a Seed Library, offering at least six sustainability-themed programs to the public (including seed swap kick-off party, a four-part lecture series, a Repair Café day), and installing new small plaque signage in the Library Park to highlight local microenvironments and flora species. The proposal also identified entities that staff would seek to partner with, including South Pasadena Beautiful, South Pasadena Community Garden, South Pas Active Streets, Friends of the South Pasadena Nature Park, and the City's Natural Resources and Environmental Commission. The Library was granted \$22,470 to realize the Sowing South Pasadena initiative.

Analysis

As a participant in the Internet Archive's Community Webs Program, the South Pasadena Public Library is enhancing its Local History Collection and preserving information for the benefit of future generations. The Library is building three archival collections of web content related to South Pasadena:

1. City Government Collection: archiving the City of South Pasadena website and the City Hall Scoop blog.
2. Local Newspapers Collection: archiving websites of *The South Pasadena Review*, the *South Pasadenan*, and the South Pasadena High School's *Tiger News*.
3. Nonprofit Organizations Collection: archiving the websites of 15 South Pasadena-related entities, such as South Pasadena Tournament of Roses, Vecinos, South Pasadena Beautiful, South Pas Active Streets, South Pasadena Arts Council, and many others.

The State Library's Sustainable California Libraries grant is making it possible for the Library to engage our community on topics of critical importance over a period of many months. The Sowing South Pasadena Initiative is in harmony with the City's Vision Statement, which describes a commitment to "building a more just and environmentally and financially sustainable future." From the Seed Library (a community resource that makes fruit, vegetable, herb, and flower seeds freely available Library cardholders) to programs that will explore native plants, fossil fuels and the climate, native flora and

indigenous land practices, and the memories of environmental activist Ed Begley, Jr., Sowing South Pasadena will enrich, entertain, and educate all who participate.

Fiscal Impact

The impact of this item on the General Fund fund balance is neutral. All funds appropriated are offset by grant funds received.

The Internet Archive stipends in the amount of \$2,100 have been received and recorded as Miscellaneous Grants revenue.

The California State Library grant has distributed \$20,223 to date, following a 45%-45%-10% payment schedule. A final distribution in the amount of \$2,247 will take place upon the State Library's receipt and approval of all final reports, which will be submitted before August 31, 2024.

In-kind costs related to the State Library grant are in the form of librarian wages and equal approximately \$8,762. The estimated number of hours that the librarians will dedicate to this project is an average of 6 hours/week, which equals 240 total hours over the 10-month grant period. The Seed Library is the only program funded by the grant that will continue to operate beyond the grant period. There may be insignificant expenses related to the Seed Library in future years, which will be paid out of the Library's regular operating budget or with funds provided by the Friends of the South Pasadena Public Library, Inc.

Key Performance Indicators and Strategic Plan

This item is in line with the Library Department's Fiscal Year 2023-2024 Key Performance Indicators that sets a target to present at least 8 programs for adults. The State Library grant funding will pay for at least 4 adult programs between January and June 2024. Securing this funding meets the Library 2023-2027 Strategic Plan goal to "Identify and pursue grant and alternative funding opportunities to support expanded and diversified library services and collections."

Commission Review and Recommendation

This item was not reviewed by the Library Board of Trustees.

Attachments:

1. California State Library Award Letter and Library Services and Technology Act (LSTA) Award Agreement and Certification of Compliance

**THIS PAGE
INTENTIONALLY
LEFT BLANK**

ATTACHMENT 1

California State Library Award Letter and Library Services and Technology Act (LSTA) Award Agreement and Certification of Compliance

**THIS PAGE
INTENTIONALLY
LEFT BLANK**



August 8, 2023

Cathy Billings,
Library Director
City of South Pasadena (South Pasadena Public Library)
1100 Oxley Street
South Pasadena, CA 91030-3159

Dear Cathy Billings:

The California State Library is pleased to approve the grant application for the **Sowing South Pasadena** project for a total of **\$22,470** in federal Library Services and Technology Act (LSTA) funds.

This letter contains general information regarding the LSTA award process as well as information specific to your project. Once you have reviewed this letter, please review the Award Agreement and Certification of Compliance included in your award packet and refer to the LSTA Grant Guide located on the California State Library's [Manage Your Current Grant](https://www.library.ca.gov/grants/manage/) webpage (<https://www.library.ca.gov/grants/manage/>) for more information.

LSTA Funds and Payments

Processing of grant payments may take from eight to ten weeks before delivery. If you have not received payment ten weeks after submitting your claim form to the State Library's Fiscal Department, please contact your Grant Monitor.

Please note: If your full grant amount is more than \$20,000, ten percent (10%) of the grant award is withheld until the end of the project period (unless otherwise noted in the Award Agreement and Certification of Compliance. This ten percent (10%) is payable only if the grant recipient fulfills all project reporting requirements and expends all funds, or returns all unspent grant funds, by the time specified in the award packet.

Reporting

Financial and program narrative reports are required throughout and following the project period. All required reporting materials are located on the State Library's [Manage Your Current Grant](https://www.library.ca.gov/grants/manage/) (<https://www.library.ca.gov/grants/manage/>) webpage. Reporting period and deadlines can be found in the Award Agreement and Certification of Compliance for this project. Failure to provide timely reports is a serious breach of a grant recipient's administrative duty under the grant program, which may result in federal audit exceptions against the state and the loss of LSTA funds.

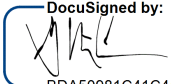
Project Support Team

Your project support team is available throughout the project period to assist you. There are two people assigned to your project. The first is your Grant Monitor who is available to assist you with compliance and reporting matters. The Grant Monitor assigned to your project is Michelle Killian and can be reached via email at michelle.killian@library.ca.gov. You are also assigned a Library Programs Consultant (LPC) for ongoing programmatic support. The Library Programs Consultant (LPC) assigned to your project is Julianna Robbins and can be reached via email at julianna.robbins@library.ca.gov.

Please stay in touch with your project support team throughout the award period. Read the enclosed award packet thoroughly and contact your project support team if you have any questions.

Best wishes for a successful project.

Respectfully yours,

DocuSigned by:

BDA50981C41C416...

Greg Lucas
California State Librarian

cc: Alexis Mendoza	amendoza@southpasadenaca.gov
Julianna Robbins:	julianna.robbins@library.ca.gov
Michelle Killian	michelle.killian@library.ca.gov
Nicole Olson	federalgrants.fiscal@library.ca.gov
Angie Shannon:	angie.shannon@library.ca.gov
Lynne Oliva:	lynne.oliva@library.ca.gov
Reed Strege:	reed.strege@library.ca.gov
Natalie Cole:	natalie.cole@library.ca.gov

THE BASICS – YOUR LSTA GRANT AWARD

Award #:	LS-S-23-8
File #:	SS-8
IMLS #:	LS-253616-OLS-23
Organization:	City of South Pasadena (South Pasadena Public Library)
Project Title:	Sowing South Pasadena
Award Amount:	\$22470

2023/2024 LSTA APPROVED BUDGET

Salaries/Wages/Benefits	\$0
Consultant Fees	\$0
Travel	\$0
Supplies/Materials	\$8470
Equipment (\$5,000 or more per unit)	\$0
Services	\$14000
Project Total	\$22470
Indirect Cost	\$0
Grant Total	\$22470 (LSTA Funds Only)
Payment Schedule	45%/45%/10%

Start Date:	8/1/2023
End Date:	8/31/2024

This project will be officially closed as of the end date listed above and no new expenditures may be generated, nor may any additional funded project activities occur. Unexpended or unencumbered funds must be returned within 30 days of the end date. However, if funds were encumbered prior to the end date, this project is allowed 45 days to liquidate those encumbrances. Any funds not liquidated are to be returned with the liquidation report within 60 days of the end date.



LIBRARY SERVICES AND TECHNOLOGY ACT (LSTA)
**AWARD AGREEMENT AND
CERTIFICATION OF COMPLIANCE**



TABLE OF CONTENTS

[PROJECT SUMMARY](#) Error! Bookmark not defined.

[PROCEDURES and REQUIREMENTS](#)..... Error! Bookmark not defined.

[A. Term of the Agreement](#)Error! Bookmark not defined.

[B. Scope of Work](#)Error! Bookmark not defined.

[C. Spending Funds](#)Error! Bookmark not defined.

[D. Narrative and Financial Reports](#)Error! Bookmark not defined.

[E. Claim Form and Payment](#)Error! Bookmark not defined.

[EXHIBIT A: TERMS AND CONDITIONS](#) Error! Bookmark not defined.

[EXHIBIT B: FEDERAL RESTRICTIONS ON THE USE OF LSTA FUNDS](#) Error! Bookmark not defined.

[EXHIBIT C: LSTA AWARD REQUIREMENTS](#) Error! Bookmark not defined.

[A. CIPA Compliance](#).....Error! Bookmark not defined.

[B. Contracting Guidance](#)Error! Bookmark not defined.

[C. Language Access Services](#).....Error! Bookmark not defined.

[EXHIBIT D: CERTIFICATION OF COMPLIANCE FORM](#) Error! Bookmark not defined.

[Certification](#)Error! Bookmark not defined.

[Authorized Representative Signature](#)Error! Bookmark not defined.



PROJECT SUMMARY

**AWARD AGREEMENT BETWEEN THE CALIFORNIA STATE LIBRARY
and City of South Pasadena (South Pasadena Public Library) for the Sowing
South Pasadena
AWARD AGREEMENT NUMBER LS-S-23-8**

This Award Agreement ("Agreement") is entered into on 8/1/2023 by and between the California State Library ("State Library") and City of South Pasadena (South Pasadena Public Library), ("Subrecipient").

This Award Agreement pertains to City of South Pasadena (South Pasadena Public Library)'s LSTA-funded Sowing South Pasadena project.

The Library Development Services Bureau ("LDS") of the State Library administers state and federal funds in the form of awards.

The Subrecipient was selected by the State Library to receive LSTA award funds in the amount of \$22,470 through the process adopted by the State Library in administering such grants.

The State Library and the Subrecipient, for the consideration and under the conditions hereinafter set forth in the Grant Agreement, agree as follows:



PROCEDURES and REQUIREMENTS

A. Term of the Agreement

The Award term begins on the date of execution of the Agreement by both parties, until 9/30/2024. If completion of the project occurs prior to the end of the award period, this will be the end date of the term of this agreement. Award eligible program expenditures may begin no earlier than the start date of the project period. The project period ends on 6/30/2024 and all eligible program costs must be incurred by this date.

B. Scope of Work

1. Subrecipient agrees to perform all activities specifically identified in the Subrecipient's application and submitted to the State Library in response to the LSTA California Sustainable Libraries opportunity.
2. The following activities and deliverables to be performed by the Subrecipient include, but are not limited to the following:
 - Maintain and keep records of expenditures related to the grant that are consistent with the Generally Accepted Accounting Principles (GAAP).
 - Make financial records available to the State Library upon request.
 - Work with the State Library staff to assure that funds are disbursed in compliance with the purpose of the grant.
 - Prepare and submit required narrative and financial reports.
 - Procure equipment, and other supplies as needed for the project.
 - Issue contracts for services, personnel, and consultants.
 - If applicable, make payments for services, including for hours worked and travel reimbursements, to consultants and contractors.
 - Oversee the implementation of project activities.

C. Spending Funds

1. There are federal restrictions for how LSTA funding can and cannot be spent. Please be sure to review the [Restrictions on the Use of LSTA Grant Funds](#), also detailed in Exhibit B of this agreement, to ensure that LSTA funds are used appropriately. Unallowable costs may not be counted toward a project's match or in-kind contribution.

D. Narrative and Financial Reports

1. The Subrecipient shall be responsible for submission of interim and final **narrative and financial** reports on the progress and activities of the project, to the California State Library, using the sample report documents provided by the California State Library.
2. All the reports must be current, include all required sections and documents, and must be approved by the Grant Monitor before any payment request can be processed. Failure to comply with the specified reporting requirements may be considered a breach of this Agreement and result in the termination of the Agreement or rejection of the payment request and/or forfeiture by the Subrecipient of claims for costs incurred that might otherwise have been eligible for grant funding. Any problems or delays must be reported immediately to the Grant Monitor. The financial reports shall reflect the expenditures made by the Subrecipient under the Agreement, and may be incorporated into the same reporting structure as the narrative reports.
3. The reports shall be submitted by the following dates:

Reporting Period	Report	Due Date
N/A	Baseline Self-Assessment Due	October 3, 2023
August - September	1 st Quarter Financial Report Due	October 15, 2023
October - December	2 nd Quarter Financial Report Due and Mid Project Program Narrative Report Due	January 15, 2024
January - March	3 rd Quarter Financial Report Due	April 15, 2024
April – June 30	Final Financial Report, Expenditure Detail Report and Final Program Narrative Report Due	Upon completion of the project but no later than July 31, 2024
60 Days from Project End Date (if end date is extended see extension letter for new dates)	Liquidation Financial Report Due (Only required if encumbered funds have not been spent by project end date)	August 31, 2024

4. Failure to submit timely reports with the appropriate documentation by the due date may result in rejection of the payment request and/or forfeiture by the Subrecipient of claims for costs incurred that might otherwise have been eligible for grant funding.
5. The Subrecipient agrees to maintain records and supporting documentation pertaining to the performance of this grant subject to possible audit for a minimum of five (5) years after final payment date or grant term end date, whichever is later. Please refer to Exhibit A, Terms and Conditions for more information.

E. Claim Form and Payment

1. The California State Library shall provide the Subrecipient payment as outlined in the payment schedule, and only for those activities and costs specified in the approved award application.
2. The Subrecipient shall complete, sign, and submit the Certification of Compliance form (Exhibit D) and the Financial Claim form (included in your award packet) to the California State Library within 14 days of receiving the award packet. These forms will be issued, signed and submitted using the online signature and agreement platform, DocuSign.
3. Any of the sums listed as approved and/or amended appearing under the categories in the approved budget may be adjusted with prior authorization from the California State Library Grant Monitor. This would be to increase the allotment with the understanding that there will be corresponding decreases in the other allotments so that the total amount paid by the California State Library to the Subrecipient under this Agreement shall not exceed the awarded amount, which shall be expended/encumbered during the grant period.
4. If the payment amount made by the California State Library exceeds the actual expenses incurred during the term of this Agreement, as reflected in the financial reports to be filed by the Subrecipient, the Subrecipient shall immediately refund the excess payment amount to the California State Library.
5. The Award payments will only be made to the Subrecipient. It is the Subrecipient's responsibility to pay all contractors and subcontractors for purchased goods and services.
6. For awards over \$20,000, the Final Payment of 10% will be withheld and retained by the California State Library until all conditions agreed upon in this Agreement, including submission and Grant Monitor approval of the final narrative and financial reports, have been satisfied.
7. **Prompt Payment Clause**
The California State Library will make payments to the Subrecipient in accordance with the Prompt Payment Clause under Government Code, section 927, *et. seq.* The Subrecipient may typically expect payment to be

issued within 45 days from the date a grant payment request is properly submitted and approved by the Fiscal Analyst.

8. Budget Contingency Clause

- a. It is mutually agreed that if the Budget Act of the current fiscal year or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall no longer be in full force and effect. In this event, the California State Library shall have no liability to pay any funds whatsoever to the Subrecipient or to furnish any other considerations under this Agreement and the Subrecipient shall not be obligated to perform any provisions of this Agreement.
- b. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this Program, the California State Library shall have the option to either cancel this Agreement with no liability occurring to itself or offer an Agreement amendment to the Subrecipient to reflect the reduced amount.
- c. This grant award may have been written before ascertaining the availability of congressional appropriation of funds, for the mutual benefit of both parties in order to avoid program and fiscal delays which would occur if the grant award were executed after that determination was made.
- d. This grant award is valid and enforceable only if sufficient funds are made available to the State by the United States government for the Fiscal Year 2023-2024 for the purposes of this program. In addition, this grant award is subject to any additional restrictions, limitations, or conditions enacted by the Congress or any statute enacted by the Congress which may affect the provisions, terms or funding of this grant award in any manner.
- e. It is mutually agreed that if the Congress does not appropriate sufficient funds for the program, this grant award shall be amended to reflect any reduction in funds.
- f. The California State Library has the option to amend the grant award to reflect any reduction of funds.
- g. Upon the grant award approval by the State Librarian, one (1) completed set of this Award Agreement will be sent to the Subrecipient. Such copy shall be the officially approved agreement for the conduct of the approved project.



EXHIBIT A: TERMS AND CONDITIONS

1. Accessibility: The organization receiving this LSTA award, as listed in the certification section below, and all program staff, will ensure all LSTA-funded project materials will meet California accessibility standards.

The State is responsible for ensuring that public websites are accessible to both the general public and state employees, including persons with disabilities. Subrecipient shall assist the State in meeting its responsibility. Therefore, all project materials generated by state funded programs must meet the California Accessibility Standards. Additionally, all project materials designed, developed, and maintained shall be in compliance with the California Government Code, sections 7405 and 11135, and the Web Content Accessibility Guidelines 2.0, or a subsequent version, as published by the Web Accessibility Initiative of the World Wide Web Consortium at a minimum Level AA success criteria.

However, if for some reason project material is not generated to be in compliance to meet these standards, please still submit it to the State Library. When submitting the material make sure to note that the material is not accessible by including "NOT ACCESSIBLE" in the file name.

The California State Library reserves the right to post project materials to its website that are in compliance with these standards.

Common, applicable award materials include, but are not limited to:

- Project toolkits
- Digital resources
- Publications
- Survey templates
- Project marketing materials

2. Acknowledgment: The Institute of Museum and Library Services and the California State Library shall be acknowledged in all promotional materials and publications related to the LSTA-funded project.

- a. LSTA award recipients must ensure that the Library Services and Technology Act receive full credit as the funding program and that the Institute of Museum and Library Services (IMLS) likewise, is acknowledged as the federal source of funds.
- b. Publications and information releases about the project must credit the Library Services and Technology Act (LSTA). An appropriate statement for a publication or project press release is:

"This [publication/project] was supported in whole or in part by the U.S. Institute of Museum and Library Services under the provisions of the Library Services and Technology Act, administered in California by the State Librarian."

As appropriate, this disclaimer should be added:

"The opinions expressed herein do not necessarily reflect the position or policy of the U.S. Institute of Museum and Library Services or the California State Library, and no official endorsement by the U.S. Institute of Museum and Library Services or the California State Library should be inferred."

- c. This credit line on products of a project, such as materials and publicity, is important to foster support from the public and by state and federal funding sources.
 - d. For more examples from Institute of Museum and Library Services (IMLS) provided for recipients of national level grants, please see [IMLS Acknowledgement Requirements](#).
 - e. IMLS Logo: Use of the IMLS logo, which can be downloaded [on the IMLS Logos page](#), is required on any publications. Please refer to the [IMLS Brand Standards page](#) for further details and usage requirements. If the award project results in copyrightable material, the sub Subrecipient or any subcontractor of the sub Subrecipient is free to copyright the work. However, IMLS and the State Library reserve a royalty-free, exclusive and irrevocable license to reproduce, publish, or otherwise use and authorize others to use the work for government purposes.
 - f. Photo Documentation: Digital photos are a great way to document the happenings of your project. It is recommended that you use a photo release form when taking photos of the public. You may use your library's photo release form, or use the [IMLS Media Content Authorization and Release form](#).
3. Agency: In the performance of this Agreement the Subrecipient and its agents and employees shall act in an independent capacity and not as officers,

employees or agents of the California State Library. The Subrecipient is solely responsible for all activities supported by the grant. Nothing in this Agreement creates a partnership, agency, joint venture, employment, or any other type of relationship between the parties. The Subrecipient shall not represent itself as an agent of the California State Library for any purpose, and has no authority to bind the State Library in any manner whatsoever.

4. Amendment: No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties, and approved as required. No oral understanding or agreement not incorporated into this Agreement is binding on any of the parties. This Agreement may be amended, modified or augmented by mutual consent of the parties, subject to the requirements and restrictions of this paragraph.
5. Applicable law: The laws of the State of California shall govern all proceedings concerning the validity and operation of this Agreement and the performance of the obligations imposed upon the parties hereunder. The parties hereby waive any right to any other venue. The place where the Agreement is entered into and place where the obligation is incurred is Sacramento County, California.
6. Assignment, Successors, and Assigns: The Subrecipient may not assign this Agreement or delegate its performance to any third-party person or entity, either in whole or in part, without the California State Library's prior written consent. The provisions of this Agreement shall be binding upon and inure to the benefit of the California State Library, the Subrecipient, and their respective successors and assigns.
7. Audit and Records Access: The Subrecipient agrees that the California State Library, the Department of General Services, the State Auditor, or their designated representatives shall have the right to review, audit, inspect and copy any records and supporting documentation pertaining to the performance of this Agreement. To meet federal and state requirements, Subrecipients agrees to maintain grant records for five years following the California State Library's submission of the last expenditure report for the LSTA Five-Year Plan under which the award was issued, unless a longer period of records retention is stipulated, or until completion of any action and resolution of all issues which may arise as a result of any litigation, dispute, or audit, whichever is later. The Subrecipient agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, the Subrecipient agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement.

Examples of audit documentation may include, but not limited to, competitive bids, grant amendments, if any, relating to the budget or work plan, copies of any agreements with contractors or subcontractors if utilized, expenditure ledger, payroll register entries, time sheets, personnel expenditure summary form, travel expense log, paid warrants, contracts and change orders, samples of items and materials developed with grant funds, invoices and/or cancelled checks.

A records retention schedule is included in the LSTA Grant Guide available to LSTA awardees.

8. Authorized Representative: Subrecipient and the California State Library mutually represent that their authorized representatives have the requisite legal authority to sign on their organization's behalf.
9. Communication: All communications from either party, including an interim check-in at any time during the grant term, shall be directed to the respective Grant Monitor or representative of the California State Library or Subrecipient. For this purpose, the following contact information is provided below:

City of South Pasadena (South Pasadena Public Library)	California State Library
Cathy Billings	Michelle Killian
1100 Oxley Street	900 N Street
South Pasadena, CA, 91030-3159	Sacramento, CA 95814
626-403-7352	916-603-6706
cbillings@southpasadenaca.gov	michelle.killian@library.ca.gov

10. Confidentiality: Subrecipient will maintain as confidential any material it receives or produces that is marked **Confidential** or is inherently confidential, or is protected by privilege. Subrecipient agrees to alert the State Library to this status in advance, and State Library agrees to maintain this status in conformity with the Public Records Act.
11. Contractor and Subcontractors: Nothing contained in this Grant Agreement or otherwise shall create any contractual relation between the State and any contractor or subcontractors, and no contract or subcontract shall relieve the Subrecipient of their responsibilities and obligations hereunder. The Subrecipient agrees to be as fully responsible to the State for the acts and omissions of its contractors, subcontractors, volunteers, student interns and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the Subrecipient. The Subrecipient's obligation to pay its contractors and subcontractors is an independent obligation from the State's obligation to make payments to the Subrecipient. As a result, the State

shall have no obligation to pay or to enforce the payment of any monies to any contractor or subcontractor.

12. Copyright: Subrecipient owns and retains titles to any copyrights or copyrightable material from any original works that it creates within the scope of this Agreement in accordance with the federal Copyright Act. (17 U.S.C. 101, et seq.) Subrecipient is responsible for obtaining any necessary licenses, permissions, releases or authorizations to use text, images, or other materials owned, copyrighted, or trademarked by third parties and for extending such licenses, permissions, releases, or authorizations to the California State Library pursuant to this section. Also, the California State Library may upload, post or transmit copyrighted material produced or purchased with grant funds on a California State Library website for public access and viewing.
13. Discharge of Grant Obligations: The Subrecipient's obligations under this Agreement shall be deemed discharged only upon acceptance of the final report by California State Library. If the Subrecipient is a non-profit entity, the Subrecipient's Board of Directors shall accept and certify as accurate the final report prior to its submission to California State Library.
14. Dispute Resolution: In the event of a dispute, Subrecipient will discuss the problem informally with the Grant Monitor. If unresolved, the Subrecipient shall file a written "Notice of Dispute" with the State Library Grant Monitor within ten (10) days of discovery of the problem. Within ten (10) days of receipt, the Grant Monitor shall meet with the Subrecipient for purposes of resolving the dispute. Any dispute arising under the terms of this Agreement which is not disposed of within a reasonable period of time, the Subrecipient may bring it to the attention of the State Librarian or the designated representative. The decision of the State Librarian or designated representative shall be final. Unless otherwise instructed by the Grant Monitor, the Subrecipient shall continue with its responsibilities under this Agreement during any dispute.
15. Drug-free Workplace: The Subrecipient certifies under penalty of perjury under the laws of California, that the Subrecipient will comply with the requirements of the Drug-Free Workplace Act of 1990 (Gov. Code, § 8350 et. seq.) and will provide a drug-free workplace by taking the following actions:
 - a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.
 - b. Establish a Drug-Free Awareness Program to inform employees about all of the following:

- 1) The dangers of drug abuse in the workplace.
 - 2) The Subrecipient's policy of maintaining a drug-free workplace;
 - 3) Any available counseling, rehabilitation and employee assistance programs.
 - 4) Penalties that may be imposed upon employees for drug abuse violations.
- c. Require that every employee who works on the Agreement will:
- 1) Receive a copy of the Subrecipient's drug-free workplace policy statement.
 - 2) Agrees to abide by the terms of the Subrecipient's statement as a condition of employment on the Agreement.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and Subrecipient may be ineligible for award of any future state agreements if the California State Library determines that the Subrecipient has made a false certification, or violated the certification by failing to carry out the requirements as noted above.

16. Effectiveness of Agreement: This Agreement is of no force or effect until signed by both parties.
17. Entire Agreement: This Agreement supersedes all prior agreements, oral or written, made with respect to the subject hereof and, together with all attachments hereto, contains the entire agreement of the parties.
18. Exclusive Agreement: This is the entire Agreement between the California State Library and Subrecipient.
19. Executive Order N-6-22-Russia Sanctions: The Grantee shall comply with Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under state law. The EO directs state agencies to terminate grant agreements with, and to refrain from entering any new grant agreements with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State determine Grantee is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this agreement. The State shall provide Grantee advance written notice of such

termination, allowing Grantee at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State.

20. Extension: The State Librarian or designee may extend the final deadline for good cause. The Subrecipient's request for an extension of the grant period must be made in writing and received by the California State Library at least 30 days prior to the final deadline. Extensions of up to 30 days following the original project period end date may be granted. Extended project end dates may not exceed the end of the Federal fiscal year (September 30).
21. Failure to Perform: If the Grant Monitor determines the Subrecipient has not complied with this Agreement, or is not implementing the project as approved by the State Library, the Subrecipient may forfeit the right to reimbursement of any grant funds not already by the California State Library, including, but not limited to, the ten percent (10%) withhold.
22. Federal and State Taxes: The State Library shall not:
- a. Withhold Federal Insurance Contributions Act (FICA) payments from Subrecipient's payments or make FICA payments on the Subrecipient's behalf; or
 - b. Make Federal or State unemployment insurance contributions on Subrecipient's behalf; or
 - c. Withhold Federal or State income taxes from Subrecipient's payments

Subrecipient shall pay all taxes required on payments made under this Agreement including applicable income taxes and FICA.

23. Force Majeure: Neither the California State Library nor the Subrecipient, its contractors, vendors, or subcontractors, if any, shall be responsible hereunder for any delay, default, or nonperformance of this Agreement, to the extent that such delay, default, or nonperformance is caused by an act of God, weather, accident, labor strike, fire, explosion, riot, war, rebellion, sabotage, flood, or other contingencies unforeseen by the California State Library or the Subrecipient, its contractors, vendors, or subcontractors, and beyond the reasonable control of such party.
24. Forfeit of Grant Funds and Repayment of Funds Improperly Expended: If grant funds are not expended, or have not been expended, in accordance with this Agreement, the State Librarian or designee, at their sole discretion, may take appropriate action under this Agreement, at law or in equity, including requiring the Subrecipient to forfeit the unexpended portion of the grant funds, including,

but not limited to, the ten percent (10%) withhold, and/or to repay to the California State Library any funds improperly expended.

25. Fringe Benefit Ineligibility: Subrecipient agrees that neither the Subrecipient nor its employees and contract personnel are eligible to participate in any employee pension, health benefit, vacation pay, sick pay or other fringe benefit plan of the State of California or the State Library.
26. Generally Accepted Accounting Principles: The Subrecipient is required to use Generally Accepted Accounting Principles in documenting all grant expenditures.
27. Grant Monitor: The Grant Monitor may monitor Subrecipient performance to ensure Subrecipient expends grant funds appropriately and in a manner consistent with the terms and conditions contained herein. The Grant Monitor does not have the authority to approve any deviation from or revision to the Terms and Conditions (Exhibit A) or the Procedures and Requirements, unless such authority is expressly stated in the Procedures and Requirements.
28. Independent Action: Subrecipient reserves the right to fulfill its obligations under this Agreement in an independent manner, at any location and at any time within the agreed-upon timeline. Subrecipient's employees or contract personnel shall perform all services required by this Agreement, but their time need not be devoted solely to fulfilling obligations under this Agreement. Subrecipient shall furnish all equipment and materials used to meet its obligations, and complete the Project. The State Library shall not provide any personnel or other resources beyond the grant award, and is not required to provide training in connection with this Agreement.
29. Indemnification: Subrecipient agrees to indemnify, defend and save harmless the State of California, the California State Library and its officers, employees, and agents, from any and all claims, losses, and liabilities accruing or resulting to any and all contractors, subcontractors, suppliers, laborers and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by Subrecipient in the performance of this Agreement.
30. License to Use: The California State Library and the Institute of Museum and Library Services reserve a fully paid-up, royalty-free, nonexclusive, sub-licensable and irrevocable license to reproduce, publish, prepare derivative works,

distribute or otherwise use, and to authorize third parties to use, any material received or maintained by Subrecipient in connection with this Agreement. This includes intellectual property, with or without third-party rights. All such usages will be for public library and State governmental purposes:

- a. The copyright in any work developed under this grant or contract under this award; and
 - b. Any rights of copyright to which a Subrecipient or a contractor purchases ownership with award support.
31. Limitation of Expenditure: Expenditure for all projects must conform to the approved budget, as amended, and with applicable Federal and State laws and regulations. The total amount paid by the California State Library to the subrecipient under this agreement shall not exceed \$22,470 and shall be expended/encumbered in the designated award period.

During the award period, the subrecipient may find that the awarded budget may need to be modified. Budget changes, requests for additional funds, or requests for reductions in award funding must be discussed with the assigned State Library Grant Monitor and a Grant Award Modification may be required to be submitted according to the instructions. Approval is by the State Librarian. Adjustments should be reported on the next financial report. Any adjustments in approved budgets must be documented and documentation retained in project accounts.

32. Lobbying: Subrecipient confirms that the grant funds will not be used for the purposes of lobbying or otherwise attempting to influence legislation, as those purposes are defined by the U.S. Internal Revenue Code of 1986.
33. Non-Discrimination Clause: During this grant period, the Subrecipient and the Subrecipient's contractors, and subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, age, sexual orientation, or military and veteran status. Subrecipient shall insure that the evaluation and treatment of contractors, employees and applicants for employment are free from such discrimination and harassment.

Additionally, Subrecipient, contractors, and subcontractors, if applicable, shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12900 *et seq.*), the regulations promulgated thereunder (Cal. Code Regs., tit. 2, §11000 *et seq.*), the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of

the Government Code (Gov. Code §§ 11135-11139.5), and the regulations or standards adopted by the California State Library to implement such article.

Subrecipient shall permit access by representatives of the Department of Civil Rights and the California State Library upon reasonable notice at any time during the normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, and all other sources of information and its facilities as said Department or the California State Library shall require to ascertain compliance with this clause. Subrecipient, and its contractors, and subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. (See Cal. Code Regs., tit. 2, §11105.) Subrecipient shall include the non-discrimination and compliance provisions of this clause in all contracts and subcontracts to perform work under the Agreement.

34. Notices: All notices and other communications in connection with this Agreement shall be in writing, and shall be considered delivered as follows:
- a. **Electronic Mail (E-mail)**: When sent by e-mail to the last e-mail address of the recipient known to the party giving notice. Notice is effective upon transmission.
 - b. **DocuSign (e-signature platform)**: When sent via DocuSign a notification will be sent to the last e-mail address of the recipient known to the party giving notice. Notice is effective upon transmission.
 - c. **Grants Management System**: When sent via / uploaded to the California State Library's Grants Management System a notification will be sent to the last e-mail address of the recipient known to the party giving notice. Notice is effective upon transmission.
 - d. **Personally**: When delivered personally to the recipient's physical address as stated in this Agreement.
 - e. **U.S. Mail**: Five days after being deposited in the U.S. Mail, postage prepaid, and addressed to recipient's address as stated in this Agreement.
35. Order of Precedence: The performance of this Agreement shall be conducted in accordance with the Terms and Conditions, Procedures and Requirements, Federal Restrictions on the Use of LSTA Funds, LSTA Award Requirements, Certificate of Compliance, and Project Summary of this Agreement, or other combination of exhibits specified on the Grant Agreement Coversheet attached hereto (collectively referred to as "Terms"). Subrecipient's California State Library-

approved Application (Subrecipient's Application) is hereby incorporated herein by this reference. In the event of conflict or inconsistency between the articles, exhibits, attachments, specifications or provisions that constitute this Agreement, the following order of precedence shall apply:

- (a) Grant Agreement Coversheet and any Amendments thereto
- (b) Terms and Conditions
- (c) Procedures and Requirements
- (d) Federal Restrictions on the Use of LSTA Funds
- (e) LSTA Award Requirements
- (f) Certificate of Compliance
- (g) Project Summary
- (h) Subrecipient's Application
- (i) All other attachments hereto, including any that are incorporated by reference.

36. Payment:

- a. The approved Budget, if applicable as detailed in the Award Letter, states the maximum amount of allowable costs for each of the tasks identified in the Activity Timeline included in the project application. California State Library shall provide funding to the Subrecipient for only the work and tasks specified in the Subrecipient's Application at only those costs specified in the Budget and incurred in the term of the Agreement.
- b. The Subrecipient shall carry out the work described in the Subrecipient's Application in accordance with the approved Budget, and shall obtain the Grant Monitor's written approval of any changes or modifications to the approved project as described in the Subrecipient's Application or the approved Budget prior to performing the changed work or incurring the changed cost. If the Subrecipient fails to obtain such prior written approval, the State Librarian or designee, at their sole discretion, may refuse to provide funds to pay for such work or costs.
- c. The Subrecipient shall request funds in accordance with the funding schedule included in this agreement.
- d. For awards with total funding exceeding \$20,000, ten percent (10%) will be withheld from each Payment Request and paid at the end of the grant term, when all reports and conditions stipulated in this Agreement have been satisfactorily completed. Failure by the Subrecipient to satisfactorily complete all reports and conditions stipulated in this Agreement may result in forfeiture of any such funds withheld.

- e. Lodgings, Meals and Incidentals: Subrecipient's eligible costs are limited to the amounts authorized in the [U.S. General Services Administration](#) (contact the Grant Monitor for more information).
 - f. Payment will be made only to the Subrecipient.
 - g. Allowable expenses shall not be incurred unless and until the Subrecipient receives official award notification as described in the Procedures and Requirements.
37. Personal Jurisdiction: The Subrecipient consents to personal jurisdiction in the State of California for all proceedings concerning the validity and operation of this Agreement and the performance of the obligations imposed upon the parties. Native American Tribal Subrecipient s expressly waive tribal sovereign immunity as a defense to any and all proceedings concerning the validity and operation of this Agreement and the performance of the obligations imposed upon the parties.
38. Personnel Costs: If there are eligible costs pursuant to Exhibit D, Eligible and Ineligible Costs, any personnel expenditures to be reimbursed with grant funds must be computed based on actual time spent on grant-related activities and on the actual salary or equivalent hourly wage the employee is paid for their regular job duties, including a proportionate share of any benefits to which the employee is entitled, unless otherwise specified in Exhibit D.
39. Pledge: This Agreement shall not be interpreted to create any pledge or any commitment by the State Library to make any other or further grants or contributions to Subrecipient, or any other person or entity in connection with the Project. It is mutually agreed that Subrecipient is responsible for furnishing funds beyond the award that may be necessary to complete outcomes or deliverables.
40. Privacy Protection: Both parties agree to protect the confidentiality of any non-public, personal information that may be contained in materials received or produced in connection with this Agreement, as required by Civil Code, section 1798, *et. seq.*
41. Prohibited Use: The expenditure under this program shall not be used to supplant Subrecipient efforts in other grant programs provided by the California State Library and shall not be used to supplant subrecipient effort.
42. Provisions: This agreement is entered into under provisions of the Library Services and Technology Act, Public Law 104-208 on September 30, 1996; and

Congressional Record – House, H11644-H11728 on September 28, 1996, H12266-H12267 on October 3, 1996; and 2 CFR 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, December 26, 2013. Congress enacted the Museum and Library Services Act of 2010 (Pub. L. 111-340, codified at 20 U.S.C. § 9101 *et seq.*), which also incorporates Library Services and Technology Act (LSTA).

- a. Performance of the provisions of this agreement is subject to the conditions and availability of funds as awarded by the State Librarian under said Act.

43. Public Records Act: Material maintained or used by the California State Library is considered "public record" under the Public Records Act (PRA) at Government Code, sections 6250, *et seq.* This includes the Interim and Final reports, and any other written communications between the parties. Subrecipient agrees to ensure that all content contained in its written reports are appropriate for publication. Said material, along with all other reports, documentation and data collected during the term of the Agreement, will be subject to disclosure unless it qualifies for exemption under the PRA in whole or in part. Subrecipient agrees to alert the State Library as to a basis for exemption, if any exists.
44. Publicity Obligations: Subrecipient will notify the State Library of any promotional materials or publications resulting from the award no later than five (5) days in advance of distribution, whether they are print, film, electronic, or in any other format or medium. Copies of all promotional materials will be provided to the State Library. Subrecipient will acknowledge the LSTA support as noted above. Subrecipient agrees that the State Library may include information about this grant and its outcomes in its own annual reports, with specific reference to Subrecipient, and may distribute such information to third parties.
45. Records: Communications, grant related documents, data, original receipts and invoices must be maintained by Subrecipient and shall be made available to the State Library upon request. Subrecipient agrees to maintain adequate grant program records and adequate financial records consistent with generally accepted accounting practices, and to retain all records for at least five (5) years after the end-of-term. The State Library may monitor or conduct an onsite evaluation of Subrecipient's operation to ensure compliance with this Agreement, with reasonable advance notice.
46. Reduction of Waste: In the performance of this Agreement, Subrecipient shall take all reasonable steps to ensure that materials purchased or utilized in the course of the project are not wasted. Steps should include, but not be limited to:

the use of used, reusable, or recyclable products; discretion in the amount of materials used; alternatives to disposal of materials consumed; and the practice of other waste reduction measures where feasible and appropriate.

47. Reimbursement Limitations: Under no circumstances shall the Subrecipient seek reimbursement pursuant to this Agreement for a cost or activity that has been or will be paid for through another funding source. The Subrecipient shall not seek reimbursement for any costs used to meet cost sharing or matching requirements of any other California State Library funded program.
48. Reports and Claims: It is the responsibility of the recipient of these instructions to see that the proper individual to supply the required reports and claims receives the instructions and makes the required reports and claims to the California State Library.
- a. The subrecipient shall be responsible for submitting to the State Library Narrative Reports detailing progress and activities. The reports are due on the dates specified in the reporting schedule detailed in the Procedures and Requirements section.
 - b. The subrecipient shall be responsible for submitting to the State Library Financial Reports reflecting project expenditure activity. The reports are due on the dates specified in the reporting schedule detailed in the Procedures and Requirements section.
 - c. To obtain payment hereunder the subrecipient shall submit authorized claims provided by the State Library for that purpose, on each of the following mentioned dates for payment, and the California State Library agrees to reimburse the Library as soon thereafter as State fiscal procedures will permit.
 - d. In-full payments are typically made for awards totaling \$20,000 or less.
 - e. Funding for awards totaling more than \$20,000 are issued in three payments following a 45%/45%/10% payment schedule, unless an exception has been made.
 - f. The final 10% of the grant award (if applicable) is payable only if the subrecipient fulfills all project reporting requirements and returns all unspent funds by the time specified in the Grant Guide. Failure to provide timely reports is a serious breach of an award recipient's administrative duty under the award, which may result in federal audit exceptions against the State and the loss of LSTA funds.
 - g. Payment will be provided to cover the expenditures incurred by the subrecipient for the project in the following manner:

- \$10,112 upon execution of the agreement and submission of claim by fiscal agent
- If applicable, second payment will be made upon approval of first quarter financial report and receipt of claim form in the amount of \$10,111
- If applicable, final payment will be made upon approval of all final reports and receipt of claim form in the amount of \$2,247

49. Self-Dealing and Arm's Length Transactions: All expenditures for which reimbursement pursuant to this Agreement is sought shall be the result of arm's-length transactions and not the result of, or motivated by, self-dealing on the part of the Subrecipient or any employee or agent of the Subrecipient. For purposes of this provision, "arm's-length transactions" are those in which both parties are on equal footing and fair market forces are at play, such as when multiple vendors are invited to compete for an entity's business and the entity chooses the lowest of the resulting bids. "Self-dealing" is involved where an individual or entity is obligated to act as a trustee or fiduciary, as when handling public funds, and chooses to act in a manner that will benefit the individual or entity, directly or indirectly, to the detriment of, and in conflict with, the public purpose for which all award monies are to be expended.

50. Severability: If any part of this Agreement is found to be unlawful or unenforceable, such provisions will be voided and severed from this Agreement, but the remainder of the provisions in the Agreement will remain in full force and effect.

51. Site Visits: The Subrecipient shall allow the California State Library to access and conduct site visits, with reasonable notice, at which grant funds are expended and related work being performed at any time during the performance of the work and for up to ninety (90) days after completion of the work, or until all issues related to the grant project have been resolved. A site visit may include, but not be limited to, monitoring the use of grant funds, provide technical assistance when needed, and to visit the State funded project.

52. Subrecipient: The Subrecipient is the government or other legal entity to which a subaward is awarded and which is accountable to the grantee for the use of the funds provided.

- a. The subrecipient will make reports to the State Librarian in such form and containing such information as may be required to enable the California State Library to perform its duties. The subrecipient will keep such records and afford such access as the California State Librarian or Library may find necessary to assure the correctness and verification of such reports.

- b. The control of funds and title to property derived there from shall be in a subrecipient agency for the uses and purposes provided; a subrecipient agency will administer such property and funds and shall apply funds only for the purposes for which they were granted.
53. Subrecipient Accountability: The Subrecipient is ultimately responsible and accountable for the manner in which the grant funds are utilized and accounted for and the way the grant is administered, even if the Subrecipient has contracted with another organization, public or private, to administer or operate its grant program. In the event an audit should determine that grant funds are owed to the California State Library, the Subrecipient is responsible for repayment of the funds to the California State Library.
54. Subrecipient Funds: It is mutually agreed that the Subrecipient is responsible for furnishing funds beyond the grant award that may be necessary to complete the project.
55. Termination: The Agreement shall be subject to termination by the State Librarian or designee upon notice to the Subrecipient at least thirty (30) days prior to the effective date of termination. In the event this agreement is terminated, the Subrecipient shall deliver to the State Librarian copies of all reports, accounting, data, and materials prepared up to the date of termination. The State Librarian shall determine, and pay the Subrecipient for necessary and appropriate expenditures and obligations up to the date of termination which have not been covered by prior installments previously paid to the Subrecipient. Upon such termination, the unused portion of the grant award must be returned to the California State Library within 45 days. If funding has been advanced to the Subrecipient, any unobligated balances, as determined by the State Librarian, shall be returned to the State Library within 45 days of the notice of termination.
- The State Librarian is empowered to review, audit, and inspect the project for compliance with this agreement.
56. Timeline: Time is of the essence to this Agreement. It is mutually agreed between the parties that the grant application and the timeline included therein are part of the Agreement.
57. Unused Funds: At the end-of-term Subrecipient agrees to return any unexpended or unaccounted for funds to the State Library, or to submit a written request for an extension of the award period. Funds will be considered unexpended or unaccounted if they were: (1) not used for their intended purpose, or (2) used inconsistently with the terms of this Agreement.

Funds will also be considered unaccounted for, and must be returned, if the proposal outcomes or deliverables are materially incomplete by the end-of-term or earlier termination, as determined by the State Library in its sole discretion.

58. Waiver of Rights: California State Library shall not be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by California State Library. No delay or omission on the part of California State Library in exercising any rights shall operate as a waiver of such right or any other right. A waiver by California State Library of a provision of this Agreement shall not prejudice or constitute a waiver of California State Library's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by California State Library, nor any course of dealing between California State Library and Subrecipient, shall constitute a waiver of any of California State Library's rights or of any of Subrecipient's obligations as to any future transactions. Whenever the consent of California State Library is required under this Agreement, the granting of such consent by California State Library in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of California State Library.
59. Work Products: Subrecipient shall provide California State Library with copies of all final products identified in the Work Plan and Application. Subrecipient shall also provide the State Library with copies of all public education and advertising material produced pursuant to this Agreement.
60. Workers' Compensation: The State of California will not provide Workers' Compensation insurance for Subrecipient or Subrecipient's employees or contract personnel. If Subrecipient hires employees to perform services required by this Agreement, Subrecipient shall provide Workers' Compensation insurance for them. The Subrecipient is aware of Labor Code Section 3700, which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the Labor Code, and the Subrecipient agrees to comply with such provisions before commencing the performance of the work of this Agreement.



EXHIBIT B: FEDERAL RESTRICTIONS ON THE USE OF LSTA FUNDS

The [Code of Federal Regulations \(CFR\)](#) specifies what expenditures and activities LSTA funding can and cannot support. LSTA awardees are cautioned that they must abide by all regulations when implementing their projects and in using grant funds. Applicants and awardees should contact the State Library at LSTAgrants@library.ca.gov in cases of ambiguity or uncertainty, or with any questions about identifying allowable cost items under Federal procedures.

Unallowable Costs and Restrictions

The following list includes common unallowable costs and restrictions on the use of federal funds. This summary is provided for convenience. It is not exhaustive, and applicants and awardees should not rely solely on the information provided here when developing project budgets, implementing projects, and using grant funds.

Advertising and public relations

Advertising costs are allowable only when incurred for the recruitment of personnel, the procurement of goods and services, the disposal of scrap or surplus materials, and other specific purposes necessary to meet the requirements of the Federal award. Public relations costs are allowable when incurred to communicate with the public and press pertaining to specific activities or accomplishments that result from performance of the Federal award. Costs of advertising and public relations at conventions, meetings or other events, including displays, demonstrations, exhibits, meeting rooms, hospitality suites, and special facilities used in conjunction with shows and special events; and salaries of employees engaged in setting up and displaying exhibits, making demonstrations, and providing briefings are unallowable. Costs of advertising and public relations designed solely to promote the non-Federal entity are unallowable. See electronic code of federal regulations: [Advertising and Public Relations](#)

Advisory councils

Costs incurred by advisory councils or committees are unallowable unless authorized by statute, the Federal awarding agency or as an indirect cost where allocable to Federal awards. See § 200.444 General costs of government, applicable to states, local governments and Indian tribes. See electronic code of federal regulations: [Advisory Councils](#)

Advocacy, lobbying, and associated costs

The cost of certain influencing activities associated with obtaining grants, contracts, cooperative agreements, or loans, is unallowable. Costs of membership in organizations substantially engaged in lobbying are unallowable. See electronic code of federal regulations: [Lobbying](#)

Alcoholic beverages

Costs of alcoholic beverages are unallowable. Code of Federal Regulations: [Alcoholic Beverages](#)

Backfill and salaries or benefits for individuals not directly contributing to the grant-funded project

Costs not integral or directly contributing to the project are not allowable as [direct costs](#). See electronic code of federal regulations: [Direct Costs](#)

Bad debts or other financial costs

Bad debts (debts which have been determined to be uncollectable), including losses (whether actual or estimated) arising from uncollectable accounts and other claims, are unallowable. Related collection costs, and related legal costs, arising from such debts after they have been determined to be uncollectable are also unallowable. Code of Federal Regulations: [Bad Debts](#).

Building, construction, renovation, and permanent installation and/or affixation costs

Building, construction, or renovation costs are unallowable. Permanent installations and affixations are unallowable. See electronic code of federal regulations: [Equipment and Other Capital Expenditures](#), [Rearrangement and Reconversion Costs](#), and [Maintenance and Repair Costs](#)

Collection development purchases not integral to the project and not aligned with programming

Collection development purchases not integral to the project and not aligned with programming are unallowable.

Contributions, donations, honorariums, stipends

Contributions, donations, honorariums, stipends are not allowable. *Wages, salaries, reimbursements, payment for work done, and fees charged by speakers are allowable.*

Costs that are NOT integral to the project, reasonable, and/or necessary

For costs to be considered allowable, they must be integral to the project, reasonable and necessary.

Devices capable of connecting to the internet

Devices capable of connecting to the internet are unallowable for awardees that are not [Children's Internet Protection Act \(CIPA\)](#) compliant.

Entertainment and performances

Costs of entertainment, including amusement, diversion, and social activities, and any costs directly associated with those, such as tickets to shows or sports events, meals, lodging, rentals, transportation, and gratuities are unallowable. See electronic code of federal regulations: [Entertainment](#)

[Equipment](#) not approved by IMLS

All proposed equipment purchases (single item or unit valued at \$5,000 or more) must receive IMLS approval in order to be considered allowable.

Fines and penalties

Costs resulting from non-Federal entity violations of, alleged violations of, or failure to comply with, Federal, state, tribal, local or foreign laws and regulations are unallowable, except when incurred as a result of compliance with specific provisions of the Federal award, or with prior written approval of the Federal awarding agency. See electronic code of federal regulations: [Fines and Penalties](#)

Food and refreshments

Food and refreshments are unallowable unless an approved project activity requires a working meal. Applicants should consult the State Library with questions.

Fundraising

Costs of organized fund-raising, including financial campaigns, solicitation of gifts and bequests, and similar expenses incurred to raise capital or to obtain contributions, are unallowable. See electronic code of federal regulations: [Fundraising and Investment Management Costs](#)

General government expenses

The general costs of government, including services normally provided to the general public, such as fire and police, are unallowable. See electronic code of federal regulations: [General Government Expenses](#)

Gifts, honorarium, stipends, awards, or other incentives

Contributions and donations, including cash, property, and services, that use grant funds and are made by grant recipients to others, regardless of the recipient, are unallowable. See electronic code of federal regulations: [Contributions and Donations](#)

Income from project

Project income, e.g., fees charged for the use of library space in the context of a grant project, or to recover out of pocket project-related costs, or to create products such as

manuals, or for other expenditures directly related to and used for the purposes of the grant and accrued under the conditions of the grant award, are allowable. See electronic code of federal regulations: [Program Income](#) for further information. Awardees must contact their project support team if they anticipate their project generating income.

Losses on other grants (e.g. using one grant to cover excess costs incurred for another grant-funded project)

Any excess of costs over income under any other award or contract of any nature is unallowable. This includes, but is not limited to, the non-Federal entity's contributed portion by reason of cost-sharing agreements or any under-recoveries through negotiation of flat amounts for indirect (F&A) costs. Also, any excess of costs over authorized funding levels transferred from any award or contract to another award or contract is unallowable. All losses are not allowable indirect (F&A) costs and are required to be included in the appropriate indirect cost rate base for allocation of indirect costs. See electronic code of federal regulations: [Losses on Other Awards or Contracts](#)

Memberships, subscriptions, and professional activities

Costs of the grant recipient's memberships in business, technical, and professional organizations are allowable. (NOTE: The State Library's policy is that use of LSTA funds for personal memberships in organizations is not permitted.) Subscriptions to business, professional, and technical periodicals are allowable. See electronic code of federal regulations: [Memberships, Subscriptions, and Professional Activities](#)

Out-of-state travel

The State Library's policy on out-of-state travel is that it is generally not allowed. If a proposed project will include out-of-state travel (e.g., attendance at an out-of-state conference), applicants should consult the State Library before submitting their application in order to determine whether State Library approval is possible.

Per diems

Travel rates, accommodations, and meals are to be reimbursed at actual cost value, not to exceed the organizations approved cost rate or the federal rate at time of travel. Per diem flat rates are not allowable. For example, if the awardee organization has a per diem dinner reimbursement rate of \$23 and the traveler spent \$19 on dinner, the awardee may utilize \$19 in LSTA funding toward the meal cost, not \$23.

Premiums, prizes, incentives, souvenirs, and giveaway items

Promotional items and memorabilia, including models, and souvenirs are unallowable. Giveaway items including, but not limited to, prizes, treats, hygiene kits, and books are unallowable. [See Advertising and Public Relations](#)



EXHIBIT C: LSTA AWARD REQUIREMENTS

A. CIPA Compliance

The Institute of Museum and Library Services establishes guidelines to ensure that the California State Library's implementation of the Children's Internet Protection Act (CIPA) complies with the 2003 decision of the US Supreme Court. The California State Library is required by 20 U.S.C. Section 9134(b)(7) to provide assurance that we will comply with 20 U.S.C. Section 9134(f), which sets out standards relating to Internet Safety for public libraries and public elementary school and secondary school libraries.

Under CIPA, California State Library must assure the Federal Government that no funds will be made available for public libraries and public elementary and secondary school libraries to purchase computers to access the Internet or pay for the direct costs of accessing the Internet unless the libraries have certified that they have Internet safety policies and technology protection measures, e.g., software filtering technology, in place. California State Library must collect certifications from libraries subject to CIPA that apply to the States for Library Services and Technology Act (LSTA) funding. Public libraries and public elementary and secondary school libraries must be in compliance with CIPA to obtain IMLS State Program funding which will be used to purchase computers used to access the Internet or to pay for direct costs associated with accessing the Internet.

The director or the authorized representative of the Subrecipient organization receiving LSTA funding must certify that the library is one of the following:

An individual applicant that is CIPA compliant.

The applicant library, as a public library, a public elementary school library or a public secondary school library, has complied with the requirements of Section 9134(f)(1) of the Library Services and Technology Act.

Representing a group of applicants. Those applicants that are subject to CIPA requirements have certified they are CIPA compliant.

All public libraries, public elementary school libraries, and public secondary school libraries, participating in the application have complied with the requirements of Section 9134(f)(1) of the Library Services and Technology Act. The library submitting this

application has collected Internet Safety Certifications from all other applicants who are subject to CIPA requirements. The library will keep these certifications on file with other application materials, and if awarded funds, with other project records.

Not Subject to CIPA Requirements.

CIPA requirements do not apply because no LSTA funds made available under this grant program will be used to purchase computers that can access the Internet or to pay for direct costs associated with accessing the Internet.

For more information on CIPA, please visit the [Children's Internet Protection Act \(CIPA\) webpage](#) on the Federal Communications Commission's (FCC) website.

B. Contracting Guidance

OMB's [Code of Federal Regulations](#) outlines important regulations surrounding contracts that, as a recipient of LSTA funds, the State Library and its subrecipients must follow.

C. Language Access Services

To remain compliant with [Title VI of the Civil Rights Act of 1964](#), all LSTA funding recipients must take reasonable steps to make LSTA-funded awards accessible to people with limited English proficiency.

These procedures apply to all of California State Library's federally funded programs and activities and extends to all programs and activities conducted by the State Library's federally funded sub-recipients.



EXHIBIT D: CERTIFICATION OF COMPLIANCE FORM

1. **AUTHORIZED REPRESENTATIVE:** I certify that the authorized representative named below is the legally designated representative of the Subrecipient for this Award Agreement and project, and is authorized to receive and expend funds in order to administer this award program.

I certify that all information provided to the California State Library for review in association with this award is correct and complete to the best of my knowledge, and as the authorized representative of the Subrecipient, I commit to the conditions of this award, and I have the legal authority to do so.

I certify that any or all other subrecipients participating in the program have agreed to the terms of the application/grant award, and have entered into an agreement(s) concerning the final disposition of equipment, facilities, and materials purchased for this program from the funds awarded for the activities and services described in the attached, as approved and/or as amended in the application by the California State Librarian.

The authorized representative, on behalf of the Subrecipient, certifies that the Subrecipient will comply with all applicable requirements of all State and Federal laws, regulations, and policies governing this program, to include the requirements listed below in this Certification of Compliance Form.

a. The organization receiving this LSTA award, as listed in the certification section below, and all program staff, agree to comply with the Uniform Guidance for Grants outlined in the [Code of Federal Regulations](#) established by the [United State Office of Management and Budget](#)

b. The organization receiving this LSTA award, as listed in the certification section below, and all program staff, agree to comply with the rules, regulations and guidance provided by the following:

[IMLS LSTA Administration Guidance](#)

[California Code of Regulations](#) established by the [California Office of Administrative Law](#)

The organization receiving this LSTA award, as listed in the certification section below, and all project staff agree, to comply with all state and federal laws, regulations, and policies governing this program, to include the requirements contained in LSTA Award Requirements section of this document.

The authorized representative, on behalf of the Subrecipient, hereby certifies to the California State Library, for an award of funds in the amount \$22,470. This award will provide library services as set forth in the LSTA Service Project Application as approved and/or as amended by the California State Librarian.

2. **STATEMENT OF COMPLIANCE:** Subrecipient has, unless exempted, complied with the non-discrimination program requirements. (Gov. Code §12990 (a-f) and CCR, Title 2, Section 11102).
3. **DRUG-FREE WORKPLACE REQUIREMENTS:** Subrecipient will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:
 - b. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.
 - c. Establish a Drug-Free Awareness Program to inform employees about:
 - i. the dangers of drug abuse in the workplace;
 - ii. the person's or organization's policy of maintaining a drug-free workplace;
 - iii. any available counseling, rehabilitation and employee assistance programs; and,
 - iv. penalties that may be imposed upon employees for drug abuse violations.
 - d. Every employee who works on the proposed Agreement will:
 - i. receive a copy of the company's drug-free workplace policy statement; and,
 - ii. agree to abide by the terms of the company's statement as a condition of employment on the Agreement.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and Subrecipient may be ineligible for award of any future State agreements if the department determines that any of the following has occurred: the Subrecipient has made

false certification or violated the certification by failing to carry out the requirements as noted above. (Gov. Code § 8350 *et. seq.*)

4. **CONFLICT OF INTEREST:** Subrecipient needs to be aware of the following provisions regarding current or former state employees. If Subrecipient has any questions on the status of any person rendering services or involved with the Agreement, the California State Library must be contacted immediately for clarification

Current State Employees (Pub. Contract Code § 10410):

a). No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.

b). No officer or employee shall contract on their own behalf as an independent contractor with any state agency to provide goods or services.

Former State Employees (Pub. Contract Code § 10411):

a). For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.

b). For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to their leaving state service.

If Subrecipient violates any provisions of above paragraphs, such action by Subrecipient shall render this Agreement void. (Pub. Contract Code § 10420).

Members of boards and commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem. (Pub. Contract Code § 10430 (e)).

5. **LABOR CODE/WORKERS' COMPENSATION:** Subrecipient needs to be aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions,

and Subrecipient affirms to comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code § 3700).

6. **AMERICANS WITH DISABILITIES ACT:** Subrecipient assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 *et seq.*)
7. **RESOLUTION:** For awards totaling \$350,000 or more, a county, city, district, or other local public body must provide the State with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into an agreement, authorizing execution of the agreement.
8. **PAYEE DATA RECORD FORM STD. 204:** This form must be completed by all Subrecipients.
9. **NONDISCRIMINATION:**

The authorized representative certifies that the Subrecipient or its Fiscal Agent will comply with the following:

- a. Title VI of the Civil Rights Act of 1964, as amended (42 U.S.C. § 2000 *et seq.*), which prohibits discrimination on the basis of race, color, or national origin;
 - b. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 701 *et seq.*), which prohibits discrimination on the basis of disability (note: IMLS applies the regulations in 45 C.F.R part 1170 in determining compliance with § 504 as it applies to recipients of Federal assistance);
 - c. Title IX of the Education Amendments of 1972, as amended (20 U.S.C. § 1681–83, 1685-86), which prohibits discrimination on the basis of sex in education programs;
 - d. The Age Discrimination in Employment Act of 1975, as amended (42 U.S.C. § 6101 *et seq.*), which prohibits discrimination on the basis of age; and
 - e. The requirements of any other nondiscrimination statute(s) which may apply.
10. **DEBARMENT AND SUSPENSION:**

The authorized representative certifies to the best of their knowledge and belief that neither the Subrecipient nor its Fiscal Agent:

- a. Are presently excluded or disqualified;

- b. Have been convicted within the preceding three years of any of the offenses listed in 2 C.F.R. part 180.800(a) or had a civil judgment rendered against it or them for one of those offenses within that time period; fraud, antitrust, embezzlement, forgery, bribery, tax evasion, making false statements, receiving stolen property, or similar offenses so serious as to affect the integrity of the subrecipient or its fiscal agent.
- c. Are presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses listed in 2 C.F.R. part 180.800(a) and enumerated above.
- d. Have had one or more public transactions (Federal, State, or local) terminated within the preceding three years for cause or default.

11. TRAFFICKING IN PERSONS:

The authorized representative certifies to the best of their knowledge and belief that neither the Subrecipient nor its Fiscal Agent:

- engages in trafficking in persons, procures a commercial sex act, or uses forced labor
- procures a commercial sex act during the period of time that the award is in effect
- uses forced labor in the performance of the grant

12. **FEDERAL DEBT STATUS:** Representative certifies to the best of their knowledge and belief that the Subrecipient is not delinquent in the repayment of any Federal debt.

13. CERTIFICATION REGARDING LOBBYING ACTIVITIES (APPLIES TO APPLICANTS REQUESTING FUNDS IN EXCESS OF \$100,000) (31 U.S.C. § 1352):

- a. No Library Services and Technology Act funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of a Federal contract, the making of a Federal grant, the making of a Federal loan, the entering into of a cooperative agreement, or the extension, continuation, renewal, amendment, or modification of a Federal contract, grant, loan, or cooperative agreement.
- b. No Library Services and Technology Act funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any State agency, Member of the Legislature, an officer or employee of the Legislature, or

an employee of a Member of the Legislature in connection with legislative action through oral or written communication with State legislative officials, or solicitation of others to influence or attempt to influence legislative action.

- c. No Library Services and Technology Act or other federal funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence any officer or employee of any county, district, or city agency, in connection with legislative action through oral or written communication with officials, or solicitation of others to influence or attempt to influence legislative action. LSTA funds will not be used for costs to:
- draft legislation or resolutions
 - travel to meetings of governmental bodies urge passage of legislation or resolutions
 - survey voters regarding passage and drafting of legislation or resolutions
 - pay governmental fees (use fees, ballot filing fees, permits, etc.)

14. DRUG-FREE WORKPLACE:

- a. Continue to provide a drug-free workplace by complying with the requirements in 2 C.F.R. part 3186 (Requirements for Drug-Free Workplace (Financial Assistance)). In particular, the recipient must comply with drug-free workplace requirements in subpart B of 2 C.F.R. part 3186, which adopts the Government-wide implementation (2 C.F.R. part 182) of sections 5152-5158 of the Drug-Free Workplace Act of 1988 (P. L. 100-690, Title V, Subtitle D; 41 U.S.C. §§ 701-707).
- b. This includes, but is not limited to: making a good faith effort, on a continuing basis, to maintain a drug-free workplace; publishing a drug-free workplace statement; establishing a drug-free awareness program for the employees; taking actions concerning employees who are convicted of violating drug statutes in the workplace.

15. **LSTA AWARD REQUIREMENTS:** I have read, understand and agree to comply with the LSTA Award Requirements as outlined in this award packet.

16. **CIPA CERTIFICATION:** The organization receiving this LSTA award, as listed in the certification section below is **(please select one):**

- An individual applicant that is CIPA compliant
- Representing a group of applicants. Those applicants that are subject to CIPA requirements have certified that they are CIPA compliant
- Not subject to CIPA requirements

17. **LANGUAGE ACCESS SERVICES:** The organization receiving this LSTA award, as listed in the certification section below, and all program staff, agree to comply with the language access services requirement as prescribed by Title VI of the Civil Rights Act of 1964.
18. **ACCESSIBILITY:** The organization receiving this LSTA award, as listed in the certification section below, and all program staff, will ensure all LSTA-funded project materials will meet California accessibility standards.

The State is responsible for ensuring that public websites are accessible to both the general public and state employees, including persons with disabilities. Subrecipient shall assist the State in meeting its responsibility. Therefore, all project materials generated by state funded programs must meet the California Accessibility Standards. Additionally, all project materials designed, developed, and maintained shall be in compliance with the California Government Code, sections 7405 and 11135, and the Web Content Accessibility Guidelines 2.0, or a subsequent version, as published by the Web Accessibility Initiative of the World Wide Web Consortium at a minimum Level AA success criteria.

However, if for some reason project material is not generated to be in compliance to meet these standards, please still submit it to the State Library. When submitting the material make sure to note that the material is not accessible by including "NOT ACCESSIBLE" in the file name.

The California State Library reserves the right to post project materials to its website that are in compliance with these standards.

Common, applicable award materials include, but are not limited to:

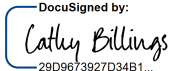
- Project toolkits
- Digital resources
- Publications
- Survey templates
- Project marketing materials

19. **ACKNOWLEDGEMENT:** The organization receiving this LSTA award, as listed in the certification section below, and all program staff, agree to comply with IMLS and California State Library acknowledgement requirements.
20. **ADDITIONAL CERTIFICATIONS:** The authorized representative also certifies that the Subrecipient or its Fiscal Agent will comply with the following:

- all requirements by the Federal-sponsoring agency concerning special requirements of law, program requirements, and other administrative requirements.
- insuring the facilities under its ownership, lease or supervision which shall be utilized in the accomplishment of the project are not listed on the Environmental Protection Agency's (EPA) list of violating facilities and that it will notify the Federal grantor agency of the receipt of any communication from the Director of the EPA Office of Federal Activities indicating that a facility to be used in the project is under consideration for listing by the EPA.
- the flood insurance purchase requirements of Section 102(a) requires, on or after March 2, 1975, the purchase of flood insurance in communities where such insurance is available as a condition for the receipt of any Federal financial assistance for construction or acquisition purposes for use in any area that has been identified by the Secretary of the Department of Housing and Urban Development as an area having special flood hazards. The phrase "Federal financial assistance" includes any form of loan, grant, guaranty, insurance payment, rebate, subsidy, disaster assistance loan or grant, or any other form of direct or indirect Federal assistance.
- assisting the Federal grantor agency in its compliance with Section 106 of the National Historic Preservation Act of 1966 as amended (16 U.S.C. 470), Executive Order 11593, and the Archeological and Historic Preservation Act of 1966 (16 U.S.C. 469a-1 et seq.) by (a) consulting with the State Historic Preservation Officer on the conduct of investigations, as necessary to identify properties listed in or eligible for inclusion in the National Register of Historic Places that are subject to adverse effects (see 36 CFR Part 800.8) by the activity, and notifying the Federal grantor agency of the existence of any such properties, and by (b) complying with all requirements established by the Federal grantor agency to avoid or mitigate adverse effects upon such properties.




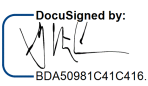
Certification

ORGANIZATION	
Name: City of South Pasadena	Address (official and complete): 1414 Mission Street South Pasadena, CA 91030
PROJECT COORDINATOR	
Name: Alexis Mendoza	
Email: amendoza@southpasadenaca.gov	Phone: 626-403-7325
SUBRECIPIENT AUTHORIZED REPRESENTATIVE	
Name: Cathy Billings	Title: Library Director
Email: cbillings@southpasadenaca.gov	Phone: 626-403-7352
Signature:  <small>29D9673927D34B1...</small>	Date: 8/15/2023



Authorized Representative Signature

In Witness Whereof, This Grant Agreement has been executed by the parties hereto.

ORGANIZATION	
Name: City of South Pasadena	Address: 1414 Mission Street South Pasadena, CA 91030
Authorized Representative	
Signature: 	Date: 8/15/2023
Printed Name of Person Signing: Cathy Billings	Title: Library Director
STATE OF CALIFORNIA	
Agency Name: California State Library	Address: 900 N St. Sacramento, CA 95814
Signature: 	Date: 8/10/2023
Printed Name of Person Signing: Greg Lucas	Title: State Librarian



LSTA Program
FINANCIAL CLAIM
First PAYMENT

Grant Award #:LS-S-23-08

Date: 8/21/2023

Invoice #:LA-S-23-08-01

PO #: 6608

Payee Name: City of South Pasadena
(Legal name of authorized agency to receive, disburse and account for funds*)

Complete Address: 1100 Oxley Street, South Pasadena, CA 91030
Street Address, City, State, Zip Code (Warrant will be mailed to this address)

Amount Claimed: 10,112.00
(Payable Upon Execution of Agreement)

Type of Payment:
 PROGRESS

Grantee Name: City of South Pasadena
(Name on Award Letter and Agreement)

FINAL
 IN FULL


Project Title: Sowing South Pasadena

AUGMENT

For Period From: upon execution to end of grant period

CERTIFICATION

I hereby certify under penalty of perjury: that I am the duly authorized representative of the claimant herein; that this claim is in all respects true, correct and in accordance with law and the terms of the agreement; and that payment has not previously been received for the amount claimed herein.

By 
DocuSigned by:
280807992703401...

(Signature of the Authorized Representative)

Cathy Billings

(Print Name)

Library Director

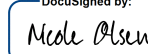
(Title)

*Legal payee name must match the payee's federal tax return. Warrant will be made payable to payee name. Payee discrepancies in name and/or address may cause delay in payment. If you need to change payee name and/or address, please contact Fiscal Services at federalgrants.fiscal@library.ca.gov.

State of California, State Library Fiscal Office

ENY: 2023
PURCHASING AUTHORITY NUMBER: CSL-6120
COA: 5432000
FAIN: LS or N/A

ITEM NO: 6120-211-0890, Chapter 12, Statutes of 2023
REPORTING STRUCTURE: 61202000
PROGRAM #: 5312

By 
DocuSigned by:
1F56133A218942D...

(State Library Representative)

Date 8/21/2023

PAYEE DATA RECORD(Required when receiving payment from the State of California in lieu of IRS W-9 or W-7)
STD 204 (Rev. 03/2021)**Section 1 – Payee Information****NAME** (This is required. Do not leave this line blank. Must match the payee's federal tax return)

City of South Pasadena

BUSINESS NAME, DBA NAME or DISREGARDED SINGLE MEMBER LLC NAME (If different from above)

same as above

MAILING ADDRESS (number, street, apt. or suite no.) (See instructions on Page 2)

1414 Mission Street

CITY, STATE, ZIP CODE

South Pasadena, CA 91030

E-MAIL ADDRESS

cbillings@southpasadenaca.gov

Section 2 – Entity Type**Check one (1) box only that matches the entity type of the Payee listed in Section 1 above.** (See instructions on page 2) **SOLE PROPRIETOR / INDIVIDUAL** **SINGLE MEMBER LLC** *Disregarded Entity owned by an individual* **PARTNERSHIP** **ESTATE OR TRUST****CORPORATION** (see instructions on page 2) **MEDICAL** (e.g., dentistry, chiropractic, etc.) **LEGAL** (e.g., attorney services) **EXEMPT** (e.g., nonprofit) **ALL OTHERS****Section 3 – Tax Identification Number**Enter your Tax Identification Number (TIN) in the appropriate box. The TIN must **match** the name given in Section 1 of this form. Do not provide more than one (1) TIN. The TIN is a 9-digit number. **Note:** Payment will not be processed without a TIN.

- For **Individuals**, enter SSN.
- If you are a **Resident Alien**, and you do not have and are not eligible to get an SSN, enter your ITIN.
- Grantor Trusts (such as a Revocable Living Trust while the grantors are alive) may not have a separate FEIN. Those trusts must enter the individual grantor's SSN.
- For **Sole Proprietor or Single Member LLC (disregarded entity)**, in which the **sole member is an individual**, enter SSN (ITIN if applicable) or FEIN (FTB prefers SSN).
- For **Single Member LLC (disregarded entity)**, in which the **sole member is a business entity**, enter the owner entity's FEIN. Do not use the disregarded entity's FEIN.
- For all other entities including LLC that is taxed as a corporation or partnership, estates/trusts (with FEINs), enter the entity's FEIN.

Social Security Number (SSN) or Individual Tax Identification Number (ITIN)

_____ - _____ - _____

OR**Federal Employer Identification Number (FEIN)**95600079 _____**Section 4 – Payee Residency Status** (See instructions) **CALIFORNIA RESIDENT** – Qualified to do business in California or maintains a permanent place of business in California. **CALIFORNIA NONRESIDENT** – Payments to nonresidents for services may be subject to state income tax withholding. No services performed in California Copy of Franchise Tax Board waiver of state withholding is attached.**Section 5 – Certification****I hereby certify under penalty of perjury that the information provided on this document is true and correct. Should my residency status change, I will promptly notify the state agency below.****NAME OF AUTHORIZED PAYEE REPRESENTATIVE**


Cathy Billings

TITLE

Library Director

E-MAIL ADDRESS

cbillings@southpasadenaca.gov

SIGNATURE**DATE**

8/15/2023

TELEPHONE (include area code)

626-403-7352

Section 6 – Paying State Agency**Please return completed form to:****STATE AGENCY/DEPARTMENT OFFICE**

Ca. State Library

UNIT/SECTION

Admin/Accounting

MAILING ADDRESS

900 N Street

FAX**TELEPHONE** (include area code)

916-603-7157

CITY

Sacramento

STATE

CA

ZIP CODE

95814 9 - 51

E-MAIL ADDRESS

accounting@library.ca.gov

PAYEE DATA RECORD

(Required when receiving payment from the State of California in lieu of IRS W-9 or W-7)
STD 204 (Rev. 03/2021)

GENERAL INSTRUCTIONS

Type or print the information on the Payee Data Record, STD 204 form. Sign, date, and return to the state agency/department office address shown in Section 6. Prompt return of this fully completed form will prevent delays when processing payments.

Information provided in this form will be used by California state agencies/departments to prepare Information Returns (Form 1099).

NOTE: Completion of this form is optional for Government entities, i.e. federal, state, local, and special districts.

A completed Payee Data Record, STD 204 form, is required for all payees (non-governmental entities or individuals) entering into a transaction that may lead to a payment from the state. Each state agency requires a completed, signed, and dated STD 204 on file; therefore, it is possible for you to receive this form from multiple state agencies with which you do business.

Payees who do not wish to complete the STD 204 may elect not to do business with the state. If the payee does not complete the STD 204 and the required payee data is not otherwise provided, payment may be reduced for federal and state backup withholding. Amounts reported on Information Returns (Form 1099) are in accordance with the Internal Revenue Code (IRC) and the California Revenue and Taxation Code (R&TC).

Section 1 – Payee Information

Name – Enter the name that appears on the payee's federal tax return. The name provided shall be the tax liable party and is subject to IRS TIN matching (when applicable).

- Sole Proprietor/Individual/Revocable Trusts – enter the name shown on your federal tax return.
- Single Member Limited Liability Companies (LLCs) that is disregarded as an entity separate from its owner for federal tax purposes - enter the name of the individual or business entity that is tax liable for the business in section 1. Enter the DBA, LLC name, trade, or fictitious name under Business Name.
- Note: for the State of California tax purposes, a Single Member LLC is not disregarded from its owner, even if they may be disregarded at the Federal level.
- Partnerships, Estates/Trusts, or Corporations – enter the entity name as shown on the entity's federal tax return. The name provided in Section 1 must match to the TIN provided in section 3. Enter any DBA, trade, or fictitious business names under Business Name.

Business Name – Enter the business name, DBA name, trade or fictitious name, or disregarded LLC name.

Mailing Address – The mailing address is the address where the payee will receive information returns. Use form STD 205, Payee Data Record Supplement to provide a remittance address if different from the mailing address for information returns, or make subsequent changes to the remittance address.

Section 2 – Entity Type

If the Payee in Section 1 is a(n)...	THEN Select the Box for...
Individual • Sole Proprietorship • Grantor (Revocable Living) Trust disregarded for federal tax purposes	Sole Proprietor/Individual
Limited Liability Company (LLC) owned by an individual and is disregarded for federal tax purposes	Single Member LLC-owned by an individual
Partnerships • Limited Liability Partnerships (LLP) • and, LLC treated as a Partnership	Partnerships
Estate • Trust (other than disregarded Grantor Trust)	Estate or Trust
Corporation that is medical in nature (e.g., medical and healthcare services, physician care, nursery care, dentistry, etc.) • LLC that is to be taxed like a Corporation and is medical in nature	Corporation-Medical
Corporation that is legal in nature (e.g., services of attorneys, arbitrators, notary publics involving legal or law related matters, etc.) • LLC that is to be taxed like a Corporation and is legal in nature	Corporation-Legal
Corporation that qualifies for an Exempt status, including 501(c) 3 and domestic non-profit corporations.	Corporation-Exempt
Corporation that does not meet the qualifications of any of the other corporation types listed above • LLC that is to be taxed as a Corporation and does not meet any of the other corporation types listed above	Corporation-All Other

Section 3 – Tax Identification Number

The State of California requires that all parties entering into business transactions that may lead to payment(s) from the state provide their Taxpayer Identification Number (TIN). The TIN is required by R&TC sections 18646 and 18661 to facilitate tax compliance enforcement activities and preparation of Form 1099 and other information returns as required by the IRC section 6109(a) and R&TC section 18662 and its regulations.

Section 4 – Payee Residency Status

Are you a California resident or nonresident?

- A corporation will be defined as a "resident" if it has a permanent place of business in California or is qualified through the Secretary of State to do business in California.
- A partnership is considered a resident partnership if it has a permanent place of business in California.
- An estate is a resident if the decedent was a California resident at time of death.
- A trust is a resident if at least one trustee is a California resident.
 - For individuals and sole proprietors, the term "resident" includes every individual who is in California for other than a temporary or transitory purpose and any individual domiciled in California who is absent for a temporary or transitory purpose. Generally, an individual who comes to California for a purpose that will extend over a long or indefinite period will be considered a resident. However, an individual who comes to perform a particular contract of short duration will be considered a nonresident.

For information on Nonresident Withholding, contact the Franchise Tax Board at the numbers listed below:

Withholding Services and Compliance Section: 1-888-792-4900
For hearing impaired with TDD, call: 1-800-822-6268

E-mail address: wscs.gen@ftb.ca.gov
Website: www.ftb.ca.gov

Section 5 – Certification

Provide the name, title, email address, signature, and telephone number of individual completing this form and date completed. In the event that a SSN or ITIN is provided, the individual identified as the tax liable party must certify the form. Note: the signee may differ from the tax liable party in this situation if the signee can provide a power of attorney documented for the individual.

Section 6 – Paying State Agency

This section must be completed by the state agency/department requesting the STD 204.

Privacy Statement

Section 7(b) of the Privacy Act of 1974 (Public Law 93-579) requires that any federal, state, or local governmental agency, which requests an individual to disclose their social security account number, shall inform that individual whether that disclosure is mandatory or voluntary, by which statutory or other authority such number is solicited, and what uses will be made of it. It is mandatory to furnish the information requested. Federal law requires that payment for which the requested information is not provided is subject to federal backup withholding and state law imposes noncompliance penalties of up to \$20,000. You have the right to access records containing your personal information, such as your SSN. To exercise that right, please contact the business services unit or the accounts payable unit of the state agency(ies) with which you transact that business.

All questions should be referred to the requesting state agency listed on the front of this form.



City Council Agenda Report

ITEM NO. 10

DATE: February 7, 2024

FROM: Arminé Chaparyan, City Manager *AC*

PREPARED BY: Domenica Megerdichian, Deputy City Manager
Sophia Conchas, Management Intern

SUBJECT: **Second Reading and Adoption of an Ordinance of the City of South Pasadena, California, Amending Section 2.7 of the South Pasadena Municipal Code to Adjust the Compensation of City Council Members Pursuant to and Consistent with Senate Bill 329**

Recommendation

It is recommended that the City Council consider the adoption of an ordinance amending Section 2.7 of the South Pasadena Municipal Code to adjust City Council member compensation consistent with Senate Bill 329.

Executive Summary

The proposed ordinance aims to address Senate Bill 329, which permits the first statewide City Council member pay cap increases in almost 40 years by amending Section 36516 of the Government Code. During the City Council Meeting on January 17, 2024, a proposed ordinance amending section 2.7 of the South Pasadena municipal code was approved in the first reading to adjust the compensation of City Council Members by Senate Bill 329.

Background

The City Council has the authority to establish an ordinance based on Government Code Section 36516, which will determine a salary limit for council members, depending on the city's population. However, the salary cap set in 1984 has not kept up with the inflation rate. SB 329 has been proposed to increase the cap and account for the accumulated cost of living since 1984 to address this issue. The League of California Cities supports this amendment. The proposed ordinance aims to align the council's remuneration with the new monthly salary cap of \$950.

During the City Council Meeting held on January 17, 2024, staff presented the proposed ordinance and answered City Council questions on SB 329. This ordinance contained amendments to section 2.7 of the South Pasadena municipal code. The amendments are as follows:

Consideration of Ordinance Amending City Council Compensation

January 17, 2024

Page 2 of 3

1. Paragraph (c) of Section 2.7 (“Compensation”) of Article II (“Officers and Employees Generally”) of Chapter 2 (“Administration”) of the South Pasadena Municipal Code is hereby amended to read as follows:

“(c) City Councilmember: The compensation for members of the City Council shall be nine hundred and fifty dollars (\$950) per month, and may be adjusted in accordance with state law.”

2. Pursuant to Government Code Section 36516.5, the adjustment in compensation for all City Council members provided by this ordinance shall not take effect until the commencement of the terms of any new City Council members or re-elected City Council members following the general municipal election to be held in November 2024.
3. Severability. If any section subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by any court of competent jurisdiction, or contravened by reason of any preemptive legislation, the remaining sections and/or provisions of this Ordinance shall remain valid. The City Council hereby declares that it would have adopted this Ordinance, and each section, subsection, subdivision, paragraph, sentence, clause or phrase hereof, regardless of the fact that any one or more section(s) or provision(s) may be declared invalid or unconstitutional or contravened via legislation.
4. This ordinance shall take effect thirty (30) days after its final passage, and within fifteen (15) days after its passage, the City Clerk of the City of South Pasadena shall certify to the passage and adoption of this ordinance and to its approval by the Mayor and City Council and shall cause the same to be published in a newspaper in the manner required by law.

During the City Council Meeting held on January 17, 2024, Councilmember Cacciotti proposed a motion, seconded by Mayor Pro Tem Donovan, to move an item for approval. The item received three affirmative votes and one negative vote. The item is brought before City Council tonight for approval and implementation.

Analysis

SB 329 allows City Councils to adjust their compensation to align with the new salary cap. For cities that have a population of less than 35,000 residents, the new salary cap is \$950 a month. Currently, City Council members receive \$300 a month, which was the maximum amount of the previous salary cap that has been in effect since 1984 without any increases due to inflation.

Any increases to council member compensation must be enacted by ordinance and under SB 329, the ordinance must include findings demonstrating the need for the increased compensation.

Consideration of Ordinance Amending City Council Compensation

January 17, 2024

Page 3 of 3

The findings set forth in the proposed ordinance including recitation of the fact that the statewide council salary cap has not been adjusted since 1984; that there has been an approximate 300% increase in the cost of living since 1984; that serving as a member of the City Council requires the expenditure of significant time and work in attending council meetings and other meeting assignments, including regional government body meetings, and attending community events; reviewing and studying agenda reports, legal documents and state legislation that impacts the city; staying informed on current local and state issues; and reviewing financial materials, budgets and reports. More importantly, the findings agree with the Legislature's declaration that increasing the compensation will assist in the creation of opportunities to encourage more diverse City Councils. Specifically, increased compensation can help individuals from across different income levels receive sufficient income from their service to help ensure that they can continue to serve the public and support themselves and their families.

Last, SB 329 did not revise the provisions as to when the adjustment in compensation takes effect. Accordingly, if adopted, this change in compensation will not apply to the current members of the council. The change will be effective until after the general municipal election in November 2024 when new council members are reelected or elected.

Fiscal Impact

If the proposed ordinance is adopted, City Council compensation increase from \$300 to \$950 per month, per member. The impact to General Fund account 101-1010-1011-7000 will be an increase of \$650 monthly (\$7,800 annually) per council member, and \$39,000 total for all five councilpersons. If approved tonight, this change would go into effect for the next City Council election (December 2024). Should a councilmember choose to forgo an increase in their stipend, staff will note that request and facilitate stipends as directed.

Commission Review and Recommendation

This item has not been reviewed by a City Commission or Board.

Attachments:

1. Proposed Ordinance

**THIS PAGE
INTENTIONALLY
LEFT BLANK**

ATTACHMENT 1
Proposed Ordinance

**THIS PAGE
INTENTIONALLY
LEFT BLANK**

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA, AMENDING SECTION 2.7 OF THE SOUTH PASADENA MUNICIPAL CODE TO ADJUST THE COMPENSATION OF CITY COUNCIL MEMBERS PURSUANT TO AND CONSISTENT WITH SENATE BILL 329

WHEREAS, Government Code Section 36516 authorizes general law cities, including the City of South Pasadena, to pay city council members a monthly salary up to a statutory limit based on city population;

WHEREAS, pursuant to South Pasadena Municipal Code Section 2.7(c), the current monthly salary for city council members is three hundred dollars (\$300);

WHEREAS, on June 23, 2023, the Governor signed into law Senate Bill 329 (“SB 329”), which made changes both to the amount of salary council members may receive and changes to the manner in which salary adjustments can be made;

WHEREAS, SB 329 was adopted to “reset” city council salaries to take into account that the salary amounts listed in the Government Code had not been revised since 1984 and thus had not kept pace with inflation. Moreover, in adopting SB 329, the State Legislature found and declared that allowing cities to adjust council member salaries would help city councils become more diverse and would encourage more persons to consider public service as council members because the increased compensation could help individuals from across different income levels receive sufficient income to help ensure that they can continue to serve and support their families;

WHEREAS, the City Council reviewed and discussed the purpose and impacts of SB 329 at its meeting of September 27, 2023 and requested that City staff prepare an ordinance to make the changes pursuant to SB 329 for the City Council’s consideration;

WHEREAS, the City Council now desires to adjust its compensation in accordance with Government Code Section 36516 as amended by SB 329;

THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA DOES ORDAIN AS FOLLOWS:

Section 1. The City Council hereby specifically finds that all of the facts set forth in the recitals of this Ordinance are true and correct and are incorporated herein as if set forth in full.

Section 2. Pursuant to Government Code Section 36516(g)(2), the City Council makes the following findings demonstrating the need for the increased compensation as follows: (i) the statewide compensation schedule for city council members of general law cities, which includes the City of South Pasadena, has not been adjusted since 1984, meaning that city council compensation has not kept pace with inflation; (ii) California has

had an approximate 300% increase in the cost of living since 1984; (iii) the privilege to serve on the city council requires the expenditure of significant time during weekdays and weekends to attend meetings of the City as well as other meeting assignments as well as attend events in the community; (iv) city council service also involves time and work in reviewing staff reports, other agenda reports, legal documents, and state legislation that would impact the city; attending to representative assignments at regional government body meetings; staying informed on current local and state issues; and reviewing financial materials, budgets and reports among the many duties of a council member; and (v) increasing city council compensation will reflect the time and work being performed by members of the city council but more importantly, will create opportunities to assist the city in encouraging that its council become more diverse as stated by the findings of Senate Bill 329 that increased compensation can help individuals from across different income levels receive sufficient income from their service to help ensure that they can continue to serve the public and support themselves and their families.

Section 3. Paragraph (c) of Section 2.7 (“Compensation”) of Article II (“Officers and Employees Generally”) of Chapter 2 (“Administration”) of the South Pasadena Municipal Code is hereby amended to read as follows:

“(c) City Councilmember: The compensation for members of the City Council shall be nine hundred and fifty dollars (\$950) per month, and may be adjusted in accordance with state law.”

Section 4. Pursuant to Government Code Section 36516.5, the adjustment in compensation for all City Council members provided by this ordinance shall not take effect until the commencement of the terms of any new City Council members or re-elected City Council members following the general municipal election to be held in November 2024.

Section 5. Severability. If any section subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by any court of competent jurisdiction, or contravened by reason of any preemptive legislation, the remaining sections and/or provisions of this Ordinance shall remain valid. The City Council hereby declares that it would have adopted this Ordinance, and each section, subsection, subdivision, paragraph, sentence, clause or phrase hereof, regardless of the fact that any one or more section(s) or provision(s) may be declared invalid or unconstitutional or contravened via legislation.

Section 6. This ordinance shall take effect thirty (30) days after its final passage, and within fifteen (15) days after its passage, the City Clerk of the City of South Pasadena shall certify to the passage and adoption of this ordinance and to its approval by the Mayor and City Council and shall cause the same to be published in a newspaper in the manner required by law.

PASSED, APPROVED AND ADOPTED ON this 7th day of February, 2024.

**AYES:
NOES:
ABSENT:
ABSTAIN:**

Evelyn Zneimer, Mayor

ATTEST:

APPROVED AS TO FORM:

Mark Perez, Deputy City Clerk

Roxanne Diaz, City Attorney

**THIS PAGE
INTENTIONALLY
LEFT BLANK**



City Council Agenda Report

ITEM NO. 11

DATE: February 7, 2024

FROM: Arminé Chaparyan, City Manager *AC*

PREPARED BY: Angelica Frausto-Lupo, Community Development Director
Alison Becker, AICP, Deputy Community Development Director
Ben Jarvis, AICP, Interim Senior Planner
Robert (Dean) Flores, Senior Planner

SUBJECT: Consideration of the adoption of an Ordinance to increase the density in the Residential Medium (RM) and Residential High (RH) zones consistent with the adopted 6th Cycle Housing Element.

Recommendation

It is recommended that the City Council consider adoption of the Ordinance on second reading as follows:

- a. **Ordinance No.**
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA, AMENDING CHAPTER 36 (ZONING) OF THE CITY CODE OF THE CITY OF SOUTH PASADENA RELATED TO INCREASING DENSITY IN THE RESIDENTIAL MEDIUM AND RESIDENTIAL HIGH ZONING DISTRICTS, IN COMPLIANCE WITH THE UPDATED GENERAL PLAN AND THE 2021-2029 (6TH CYCLE) HOUSING ELEMENT.

Executive Summary / Background

The adopted Housing Element calls for higher densities in the RM and RH zones. When the new General Plan was adopted in September 2023, the increased RM and RH densities were not adopted. The proposed Zoning Text Amendment (ZTA) (Project) would complete the rezoning contemplated by the Housing Element as envisioned in Program 3.a: Rezone and Redesignate Sites to Meet RHNA. The changes were contemplated in the Housing Element and the potential impacts were analyzed in the Environmental Assessment (EA) prepared for the Housing Element, as well as within the Program Environmental Impact Report (PEIR) prepared for the General Plan Update, Downtown Specific Plan and Housing Element Implementation project.

On January 17, 2024, at the conclusion of the Public Hearing, and after considering public testimony, the staff presentation, and City Council discussion, the City Council, in a 4-0

vote, approved Resolution 7841 to amend the General Plan to allow for up to 30 units per acre in the RM land use designation, and up to 45 units per acre in the RH land use designation. The City Council also introduced and passed to Second Reading an Ordinance amending certain sections of the South Pasadena Municipal Code (SPMC) to increase residential densities in the RM and RH zones. The Ordinance/ZTA would increase the maximum density in the RM zone to 30 dwelling units per acre, and 45 dwelling units per acre in the RH zone. The ZTA also affirmed that sites included in the Housing Element Sites Inventory list (Table VI-50 in the 2021-2029/6th Cycle Housing Element) are not subject to the City's Hillside Development standards, and also included a minor text clean-up to revise the SPMC to reflect the proper Land Use Designation terms.

Public Notification of Agenda Item

A public hearing notice was published on January 5, 2024, in the Pasadena Star News for the first reading of the proposed Ordinance. The public was also made aware of this agenda item through its inclusion in the legally publicly noticed agenda, posted physically at City Hall and also on the City's website.

Fiscal Impact

Upon adoption of the Zone Text Amendment, staff time would be required to implement the updated Zoning Code. Implementation and program follow through costs have been included in the Community Development fiscal year 2023-2024 budget.

Key Performance Indicators and Strategic Plan

This project supports the following priority in the Strategic Plan:

Priority 5: Plan for affordable housing to comply with state mandates and respond to community needs.

Legal Review

The City Attorney has reviewed this item.

Attachments:

1. Ordinance
2. Exhibit A (Zone Text Amendment)
3. Resolution 7841

ATTACHMENT 1
Ordinance

**THIS PAGE
INTENTIONALLY
LEFT BLANK**

**[DRAFT] CITY OF SOUTH PASADENA
ORDINANCE NO. _____**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
SOUTH PASADENA, CALIFORNIA, AMENDING CHAPTER 36
(ZONING) OF THE CITY CODE OF THE CITY OF SOUTH
PASADENA RELATED TO INCREASING DENSITY IN THE
RESIDENTIAL MEDIUM AND RESIDENTIAL HIGH ZONING
DISTRICTS, IN COMPLIANCE WITH THE UPDATED GENERAL
PLAN AND THE 2021-2029 (6TH CYCLE) HOUSING ELEMENT**

WHEREAS, Sections 65300 *et. seq.* of the California Government Code requires each city and county to adopt a comprehensive, long-term, General Plan for the physical development of land within its jurisdiction and Sphere of Influence; and

WHEREAS, Sections 65580 *et. seq.* of the California Government Code requires each city and county to periodically prepare and update its Housing Element in its General Plan. City of South Pasadena received the Regional Housing Needs Allocation (RHNA) numbers from the Southern California Association of Government in 2019 and started to updating the 2021-2029 (6th Cycle) Housing Element; and

WHEREAS, the City of South Pasadena was sued by Californians for Homeownership for non-compliance with State Law for failing to have adopted a compliant Housing Element by October 15, 2021 (*Californians for Homeownership v. City of South Pasadena*), LASC Case Nos. 22STCP01388 & 22STCP01161); and

WHEREAS, the City entered into a Settlement Agreement with Californians for Homeownership to resolve the lawsuit which was adopted by the Court Order as a Stipulated Judgment; and

WHEREAS, on May 30, 2023, the City Council adopted the Environmental Assessment (EA) prepared for the Housing Element and then adopted the Housing Element; and

WHEREAS, on July 24, 2023, the Draft General Plan and Downtown Specific Plan (DTSP) were released for public comments; and

WHEREAS, a Program Environmental Impact Report (PEIR) was prepared for the General Plan Update and DTSP Project, including related Housing Element implementation actions, and the Planning Commission considered the Draft PEIR and after duly noticed Public Hearings adopted Resolution No. P.C. 23-05, recommending the City Council of the City of South Pasadena certify the final PEIR, adopt required findings of fact, and adopt a Mitigation Monitoring and Reporting

Program; adopted Resolution No. P.C. 23-06 recommending the City Council approve the General Plan and DTSP; and adopted Resolution P.C. 23-08 recommending the City Council approve the Zone Text Amendment to implement the General Plan, Housing Element, and DTSP; and

WHEREAS, the City Council considered the Project in a Study Session meeting and duly noticed public hearings and at the conclusion of the Public Hearing adopted Resolution 7832 certifying the PEIR prepared for the project, including a Mitigation Monitoring and Reporting Program and a Statement of Overriding Considerations, Resolution 7833 adopting a new General Plan and Downtown Specific Plan that supported the adopted Housing Element without increased densities in the Residential Medium Intensity and Residential High Intensity land use designations, and introduced for First Reading Ordinance 2379 that implemented the Housing Element “120 Programs” including certain rezoning tasks with the exception of increasing densities in the RM and RH zones; and

WHEREAS, on January 17, 2024, the City Council considered this Ordinance at a duly noticed Public Hearing as prescribed by law, at which time staff and interested persons had an opportunity to, and did, testify either in support or opposition to this matter; and

WHEREAS, all legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. The facts set forth in the recitals of this Ordinance are true and correct.

SECTION 2: Based upon substantial evidence presented, including public testimony and written and oral staff reports, and the environmental documentation, the City Council finds:

- A. All necessary Public Hearings and opportunities for public testimony and comment have been conducted in compliance with applicable law;
- B. That the proposed Zoning Amendment complies with the Housing Goals in the 2021-2029 (6th Cycle) Housing Element and updated General Plan.

SECTION 3. CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) FINDINGS. The City Council finds that the proposed General Plan Amendment and Zoning Text Amendment (Project) are within the scope of the Environmental

Assessment adopted in conjunction with the Housing Element on March 30, 2023, through Resolution 7817. The City Council also finds that potential impacts with the proposed Project were also analyzed under the Final Program Environmental Impact Report (PEIR) that was certified by the City Council on September 27, 2023, through Resolution 7832, and that all tribal consultation required by Senate Bill 18 and Assembly Bill 52 was concluded as part of the PEIR.

SECTION 4: ZONING AMENDMENT FINDINGS. South Pasadena Municipal Code (SPMC) Section 36.620.070(B) stipulates that Zoning Amendments and Zoning Map Amendments may be approved if the following findings are made:

1. *Findings required for all Zoning Code/Map amendments;*
 - a. *The proposed amendment is consistent with the actions, goals, objectives, policies, and programs of the General Plan;*

The proposed ZTA is consistent with the actions, goals, objectives, policies, and programs of the 2021-2029 (6th Cycle) Housing Element that was adopted on May 30, 2023. The Housing Element is one of the elements required by State law. Therefore, adopting the ZTA that implements the policies and programs of the 2021-2029 Housing Element would be consistent with the General Plan. Further, the proposed ZTA supports the following General Plan and Housing Element goals, policies, actions, or programs:

- | | |
|------------------------------|---|
| General Plan Policy P3.6: | <i>Increase the number of affordable housing units to stabilize rents and prices;</i> |
| Housing Element Goal 3.0: | <i>Provide opportunities to increase housing production; and</i> |
| Housing Element Program 3.a: | <i>Rezone and Redesignate Sites to Meet RHNA. (“...increase the allowable zoning within the Medium Density Residential zone to at least 30 dwelling units per acre (du/ac) and to at least 45 du/ac within the High Density Residential zone.”)</i> |

As the proposed Zone Text Amendment is consistent with the General Plan/Housing Element policies, goals, and programs listed above, therefore, the City Council can make this finding in support of the Project.

- b. *The proposed amendment would not be detrimental to the public interest, health, safety, convenience, or general welfare of the City*

The ZTA would not be detrimental to the public interest, health, safety, convenience or general welfare of the City because it would support both the adopted General Plan and the adopted 2021-2029 Housing Element. Furthermore, the proposed ZTA would be in the public interest and would support the general welfare of the City by complying with the Court Order and completing the rezoning contemplated by Housing Element Program 3 a. Therefore, the City Council can make this finding.

2. *The proposed amendment is internally consistent with other applicable provisions of this Zoning Code.*

The proposed ZTA is internally consistent with other applicable provisions of the Zoning Code. While the ZTA would increase densities in the RM and RH zones, all other provisions of the Municipal Code would remain in force. Therefore, the City Council can make this finding.

3. *Additional finding for Zoning Map amendments. The site is physically suitable (including absence of physical constraints, access, compatibility with adjoining land uses, and provision of utilities) for the requested zoning designations and anticipated land uses/projects.*

The Project does not include a Zoning Map Amendment. Therefore, this finding does not apply.

SECTION 5. The City Council hereby amends various sections of Chapter 36 (Zoning) of the City Code of the City of South Pasadena to incorporate the text changes set forth in Exhibit A, attached hereto and incorporated herein by reference, with all sections of Chapter 36 that have no amendments identified in Exhibit A remaining in effect without amendment.

SECTION 6. Severability. If any section subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by any court of competent jurisdiction, or contravened by reason of any preemptive legislation, the remaining sections and/or provisions of this Ordinance shall remain valid. The City Council hereby declares that it would have adopted this Ordinance, and each section, subsection, subdivision, paragraph, sentence, clause or phrase hereof, regardless of the fact that any one or more section(s) or provision(s) may be declared invalid or unconstitutional or contravened via legislation.

SECTION 7. This Ordinance shall take effect thirty (30) days after its final passage, and within fifteen (15) days after its passage, the City Clerk of the City of South Pasadena shall certify to the passage and adoption of this ordinance

and to its approval by the Mayor and City Council and shall cause the same to be published in a newspaper in the manner required by law.

PASSED, APPROVED AND ADOPTED ON this 7th day of February, 2024.

AYES:

NOES:

ABSENT:

ABSTAIN:

Evelyn G. Zneimer, Mayor

ATTEST:

APPROVED AS TO FORM:

Mark Perez, Deputy City Clerk

Roxanne Diaz, City Attorney

CITY OF SOUTH PASADENA
CITY CLERK'S DIVISION
CERTIFICATION OF ORDINANCE

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS
CITY OF SOUTH PASADENA)

I, Mark Perez, Deputy City Clerk of the City of South Pasadena, do hereby certify that Ordinance No. _____, was duly and regularly approved and adopted at a Regular meeting of the City Council on this 7th day of February, 2024, by the following votes as the same appears on file and of record in the Office of the City Clerk.

AYES:

NOES:

ABSENT:

ABSTAIN:

Mark Perez
Deputy City Clerk

ATTACHMENT 2
Exhibit A to the Ordinance
(Zone Text Amendment)

**THIS PAGE
INTENTIONALLY
LEFT BLANK**

EXHIBIT A
City of South Pasadena
Chapter 36 Zoning
Focused Amendments to Various Sections

36.200.020 Zoning Map and Zoning Districts.

TABLE 2-1. ZONING DISTRICTS		
Zoning District Symbol	Zoning District Name	General Plan Land Use Classification Implemented by Zoning District
Residential Districts		
RE	Residential Estate	Very Low Density <u>Intensity</u> Neighborhood
RS	Residential Single Family	Low Density <u>Intensity</u> Neighborhood
RM	Residential Medium Density	Medium Density <u>Intensity</u> Neighborhood
RH	Residential High Density	High Density <u>Intensity</u> Neighborhood

36.220.020 Purposes of Residential Zoning Districts.

C. RM (Residential Medium Density) district. The RM zoning district applies to areas appropriate for a variety of housing types. Typical residential land uses include single-family bungalow courts, courtyard housing, townhomes, duplexes, triplexes, multiplexes, and other attached dwellings on smaller lots. The allowable residential density ranges from 5.1 to ~~14~~ 30 dwelling units per acre. The RM zoning district is consistent with the Medium Density Neighborhood land use designation of the General Plan.

D. RH (Residential High Density) district. The RH zoning district is intended for areas appropriate for high density attached dwelling units, including courtyard housing, townhouses, condominiums, and apartments. The allowable residential density ranges from ~~14.1~~ 30.1 to ~~24~~ 45 dwelling units per acre. The RH zoning district is consistent with the High Density Neighborhood land use designation of the General Plan.

36.220.040 Residential Zoning District General Development Standards.

TABLE 2-3. RESIDENTIAL DISTRICT GENERAL DEVELOPMENT STANDARDS				
	Requirement by Zoning District (1)			
Development Feature	RE	RS	RM	RH
Allowable density	Maximum of 3 du/acre	Maximum of 5 du/acre	5.1 to 14 <u>30</u> du/acre	14.1 <u>30.1</u> to 45 <u>24</u> du/acre

SPMC Division 36.340 Hillside Protection

Paragraph B of South Pasadena Municipal Code Section 36.340.020 (Applicability) shall be amended as follows, with all other provisions of Section 36.340.020 remaining in effect without amendment:

“B. Exceptions. The provisions of Section 36.340.050 (Hillside Project Development Standards) shall not apply to parcels within the AM (Altos de Monterey) overlay zone, which are instead subject to the requirements of Section 36.250.030 (Altos de Monterey (AM) Overlay District). Additionally, Hillside Project Development Standards shall not apply to parcels identified as potential suitable sites for affordable housing as listed in the Housing Element (Table VI-50 for the 2021-2029 (6th Cycle) Housing Element).”

**THIS PAGE
INTENTIONALLY
LEFT BLANK**

ATTACHMENT 3
Resolution 7841
General Plan Amendment
Adopted: January 17, 2024

**THIS PAGE
INTENTIONALLY
LEFT BLANK**

RESOLUTION NO. 7841

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA, ADOPTING A GENERAL PLAN AMENDMENT

WHEREAS, Sections 65300 *et. seq.* of the California Government Code requires each city and county to adopt a comprehensive, long-term, General Plan for the physical development of land within its jurisdiction and Sphere of Influence; and

WHEREAS, Sections 65580 *et. seq.* of the California Government Code requires each city and county to periodically prepare and update its Housing Element in its General Plan. City of South Pasadena received the Regional Housing Needs Allocation (RHNA) numbers from the Southern California Association of Government in 2019 and started to updating the 2021-2029 (6th Cycle) Housing Element; and

WHEREAS, the City of South Pasadena was sued by Californians for Homeownership for non-compliance with State Law for failing to have adopted a compliant Housing Element by October 15, 2021 (*Californians for Homeownership v. City of South Pasadena*), LASC Case Nos. 22STCP01388 & 22STCP01161); and

WHEREAS, the City entered into a Settlement Agreement with Californians for Homeownership to resolve the lawsuit, which was adopted by the Court as a Stipulated Judgement; and

WHEREAS, on May 30, 2023, the City Council adopted the Environmental Assessment (EA) prepared for the Housing Element and then adopted the Housing Element; and

WHEREAS, on July 24, 2023, the Draft General Plan and Downtown Specific Plan (DTSP) were released for public comments; and

WHEREAS, a Program Environmental Impact Report (PEIR) was prepared for the General Plan Update and DTSP Project, including related Housing Element implementation actions, and the Planning Commission considered the Draft PEIR and, after duly noticed Public Hearings adopted Resolution No. P.C. 23-05, recommending the City Council of the City of South Pasadena certify the final PEIR, adopt required findings of fact, and adopt a Mitigation Monitoring and Reporting Program; adopted Resolution No. P.C. 23-06 recommending the City Council approve the General Plan and DTSP; and adopted Resolution P.C. 23-08 recommending the City Council approve a Zone Text Amendment to implement the General Plan, Housing Element, and DTSP; and

WHEREAS, the City Council considered the project at a Study Session and duly noticed public hearings, and at the conclusion of the Public Hearing adopted

Resolution 7832 certifying the PEIR prepared for the project, including a Mitigation Monitoring and Reporting Program and a Statement of Overriding Considerations, Resolution 7833, adopting a new General Plan and Downtown Specific Plan that supported the adopted Housing Element without increased densities in the Residential Medium Intensity and Residential High Intensity land use designations, and introduced for First Reading Ordinance 2379 that implemented the Housing Element “120 Programs” including certain rezoning tasks with the exception of increasing densities in the RM and RH zones; and

WHEREAS, all legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA, DOES HEREBY RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

SECTION 1: The above recitals are hereby declared to be true and correct and are incorporated herein as findings of the South Pasadena City Council.

SECTION 2: Based upon substantial evidence presented to the City Council during the Public Hearing, including public testimony and written and oral staff reports, and the environmental documentation, the City Council finds:

- A. All necessary Public Hearings and opportunities for public testimony and comment have been conducted in compliance with applicable law;
- B. That the environmental impacts of the Project have been adequacy analyzed and addressed, and that the City Council, through this Resolution, adopts and approves the project.

SECTION 3: CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) FINDINGS. The City Council finds that the proposed General Plan Amendment and Zoning Text Amendment (Project) are within the scope of the Environmental Assessment adopted in conjunction with the Housing Element on March 30, 2023, through Resolution 7817. The City Council also finds that potential impacts with the proposed Project were also analyzed under the Final Program Environmental Impact Report (PEIR) that was certified by the City Council on September 27, 2023, through Resolution 7832, and that all tribal consultation required by Senate Bill 18 and Assembly Bill 52 was concluded as part of the PEIR.

SECTION 4: GENERAL PLAN FINDINGS. South Pasadena Municipal Code (SPMC) Section 36.620.070(A) stipulates that a General Plan Amendment may be approved only if certain findings are met:

1. *The proposed amendment is internally consistent with the actions, goals, objectives, policies, and programs of the General Plan;*

The proposed General Plan Amendment is internally consistent with the actions, goals, objectives, policies, and programs of the 2021-2029 (6th Cycle) Housing Element that was adopted on May 30, 2023. Specifically, the project would support the following:

Housing Element Goal 3.0: *Provide opportunities to increase housing production.*

Housing Element Program 3.a: *Rezone and Redesignate Sites to Meet RHNA. (“...increase the allowable zoning within the Medium Density Residential zone to at least 30 dwelling units per acre (du/ac) and to at least 45 du/ac within the High Density Residential zone.”)*

The Housing Element is one of the elements required by State law. Adopting a General Plan Amendment that implements the policies and programs of the 2021-2029 Housing Element would make the documents internally consistent and would support the City's goals to plan for more housing opportunities. Therefore, the City Council can make this finding in support of the Project.

- 2. The proposed amendment would not be detrimental to the public interest, health, safety, convenience or general welfare of the City;*

The General Plan Amendment would not be detrimental to the public interest, health, safety, convenience or general welfare of the City because it would achieve internal consistency with the adopted 2021-2029 Housing Element. The General Plan Amendment would also satisfy the requirements of the Court Order and completing the rezoning contemplated by Housing Element Program 3 a. Therefore, the City Council can make this finding in support of the Project.

- 3. If applicable, the site is physically suitable (including absence of physical constraints, access, compatibility with adjoining land uses, and provision of utilities) for the requested/anticipated project.*

The General Plan Amendment would apply to all land in the City located in the Residential Medium Intensity and Residential High Intensity (and the corresponding RM and RH zones), in an effort to implement the policies and programs of the 2021-2029 Housing Element and to support the production of housing. RM and RH areas affected by the proposed GPA are served by applicable utilities and have adequate site access. Any development that may occur would be subject to the City's development standards and review process, taking into account the unique aspects of specific development sites. As the proposed GPA supports the adopted Housing Element, and as any future development would require separate approval including adherence to all development codes, the City Council can make this finding.

As stated above, the City Council can make all of the necessary findings listed in SPMC Chapter 36.620.070(A) to adopt the General Plan Amendment.

SECTION 5: Based upon the foregoing, the City Council:

- A. Adopts the General Plan Amendment, thereby making the General Plan internally consistent with the adopted 2021-2029 Housing Element. Specifically, the General Plan Amendment includes the following changes to General Plan, Part B, Chapter 3, Subsection D (Planning Designations):

“Medium Intensity: This land use classification permits attached housing types, such as courtyard housing, townhomes, bungalow court, and multiplexes, including single-family homes on smaller lots.

Scale: House-scale. Attached, semi-detached, and detached buildings.

Intensity: Max ~~14~~ 30 units/acre.

Height: 1-3 stories.

High Intensity: This land use classification permits multi-family residential development. It is intended to identify and conserve existing concentrations of such development in the city. These areas are characterized by multi-story apartments and condominiums.

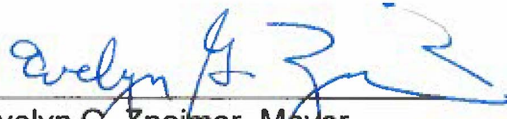
Scale: House-scale and some block-scale buildings. Attached, semi-detached, and detached buildings.

Intensity: Max ~~24~~ 45 units/acre.

Height: 1-4 stories.”


SECTION 6: This Resolution shall take effect immediately upon its adoption and after the close of the statute of limitations under the California Environmental Quality Act.

PASSED, APPROVED AND ADOPTED ON this 17th day January, 2024.



Evelyn G. Zneimer, Mayor

ATTEST:



Mark Perez, Deputy City Clerk
(seal)

APPROVED AS TO FORM:



Roxanne Diaz, City Attorney

I HEREBY CERTIFY the foregoing Resolution No. 7841 was duly adopted by the City Council of the City of South Pasadena, California, at a regular meeting held on the 17th day of January 2024, by the following vote:

AYES: Cacciotti, Donovan, Primuth, Mayor Zneimer

NOES: None

ABSENT: Braun

ABSTAIN: None



Mark Perez, Deputy City Clerk
(seal)

**THIS PAGE
INTENTIONALLY
LEFT BLANK**



City Council Agenda Report

ITEM NO. 12

DATE: February 7, 2024

FROM: Arminé Chaparyan, City Manager *AC*

PREPARED BY: Brian Solinsky, Chief of Police

SUBJECT: **Consideration of Modification of the Urban Area Security Initiative (UASI) 2021 Grant Award in the Amount of \$44,369 from Virtual Reality Training Simulator to Flock Safety, Inc. Automated License Plate Reader (ALPR) Cameras**

Recommendation

It is recommended that the City Council amend the current appropriation of \$44,369 in account 274-4010-4019-8520-000 for Flock Safety, Inc. ALPR cameras instead of virtual reality training simulators.

Background

On May 4, 2022, City staff brought the UASI 2021 homeland security grant before the City Council for acceptance. The Police Department had initially submitted an application for that grant period for a virtual reality training simulator. The Department's request was approved by the Department of Homeland Security and the award was granted in the form of a reimbursement grant. The City Council approved the acceptance of the award, along with:

- Authorization of the City Manager or designee to accept the grant award of \$44,369 from the 2021 Urban Area Security Initiative to reflect in the Homeland Security Grant revenue account 274-0000-0000-5036-000; and
- Authorization of the City Manager or designee to execute the UASI 2021 Sub-award Agreement and related documents to purchase equipment that supports regional homeland security goal.

The Council also approved the appropriation of \$44,369 to account 274-4010-4019-8520-000 for the virtual reality training simulator. After the acceptance of the award, Department staff conducted further research into Virtual Reality simulators on the market and was unable to find one that fit the Department's needs in terms of affordability and useful, realistic scenarios. Department staff then determined that the grant award would be most useful if modified for other technology that supports regional homeland security goals. A modification request was submitted to amend the award from a virtual reality training simulator to ALPR cameras in order to satisfy the grant requirement of the award being used for regional homeland security needs. The modification request was approved approximately one year later, in late 2023.

Analysis

In November 2022, City Council approved a two-year contract for the lease of 13 Flock Safety, Inc, ALPR cameras to be placed at 13 entry points into the City. ALPR cameras are intended to solely capture objective data of vehicles, including the license plate (full, partial, and temporary) and vehicle make/model/color. The cameras do not capture vehicle occupants, video, or audio. The data captured by the cameras is compared against databases containing vehicle information associated with criminal investigations, missing persons, Amber or Silver alerts, etc. Since the cameras can only read license plates, the technology removes possibility of bias, and can improve policing practices and build trust within the community. Several neighboring agencies, including San Marino, Alhambra, Temple City, Arcadia, and Pasadena also have Flock Safety, Inc. ALPR cameras, and data can be shared amongst the agencies. As part of the discussion, it was indicated that there was interest in potentially having cameras placed among City entrances and exits, major intersections, the business district, and some residential areas. The table below outlines the number of Flock hits for wanted/stolen vehicles, Amber alerts, etc. the Department has received since installation in April 2023.

Time Period	Flock Hits (Wanted Vehicle, Stolen Vehicle, etc.)
April 2023-December 2023	141

As part of the grant modification request, Police Department staff indicated 14 additional ALPR camera locations at which the cameras could be placed, and environmental effect reports were submitted as part of the modification request.

Tonight, staff is asking the City Council to approve the modification for the UASI 21 grant award from a virtual reality training simulator to ALPR cameras. Once the modification is approved, the Department expects to have the new cameras installed within approximately four weeks.

Proposed locations for the 14 additional cameras are as follows:

- 1) Fair Oaks (northbound) at Columbia
- 2) Fair Oaks at 110 Freeway (On-ramp)
- 3) Fremont Ave at Columbia (northbound)
- 4) Fremont Ave at Alhambra Rd (southbound)
- 5) Orange Grove at Columbia (northbound)
- 6) Orange Grove /110 Freeway (On-ramp)
- 7) Pasadena Ave (WB) at Arroyo Verde
- 8) Huntington Dr at Garfield Ave (westbound)
- 9) Huntington Dr at Alhambra Rd (southbound)
- 10) Fair Oaks at Monterey Rd (northbound)
- 11) Via Del Rey at Monterey (southbound)
- 12) Mission at Meridian (eastbound)
- 13) Huntington at Fair Oaks (eastbound)
- 14) Fremont at Monterey (eastbound)

Fiscal Impact

The City of South Pasadena will receive a reimbursable grant award in the amount of \$44,369 from UASI for the 2021 grant cycle, which will cover the first year of the two-year lease for ALPR cameras. The cameras are leased property, and the agreement can be terminated should the grant award not be renewed in the future. No Department or General Funds are being requested or utilized in completing this project.

Key Performance Indicators and Strategic Plan

This item is in line with the Strategic Plan priority 6d outlining the improvement of technology.

Commission Review and Recommendation

This item was/was not reviewed by the Public Safety Commission.

**THIS PAGE
INTENTIONALLY
LEFT BLANK**



City Council Agenda Report

ITEM NO. 13

DATE: February 7, 2024
FROM: Evelyn G. Zneimer, Mayor
PREPARED BY: Mark Perez, Deputy City Clerk
SUBJECT: **Consideration of Appointments and Reappointments to City Boards, Commissions, and Committees**

Recommendation

It is recommended by Mayor Zneimer that the City Council appoint the following to City Boards, Commissions, and Committees:

1. Minsun Meeker to the Library Board of Trustees to a full-term ending December 31, 2026;

It is recommended by Mayor Zneimer that the City Council re-appoint the following to City Boards, Commissions, and Committees for a full-term ending December 31, 2026:

1. Amitabh Barthakur to the Planning Commission.
2. Annalee A. Andres to the Public Arts Commission.

Background

At the January 17, 2024, City Council meeting, the City Council directed staff to continue the appointment of the Library Board of Trustees member to the February 7, 2024, City Council meeting to allow for further deliberation on the recommended appointment. Furthermore, the appointments made to the Planning and Public Arts Commission have respectfully declined their appointments. Therefore, the Mayor has provided alternative appointments to the Planning and Public Arts Commission.

Discussion

The South Pasadena Municipal Code (SPMC) Section 2.23(a) states that, "Unless otherwise specified in this article, all boards and commissions shall consist of five adult members, all board and commission members to be appointed by the mayor of the city with at least three affirmative votes of the city council." Vacancies other than by expiration of a term shall be filled by the mayor, with approval of the city council, for the unexpired portion of the term SPMC Section 2.26(a). The term of office for commissions is three years for a full term, running from January 1 through December 31 SPMC Section 2.25(a).

The City has continued community outreach to solicit applications to fill these and other advisory body vacancies. Existing unscheduled vacancies and vacancies occurring in 2024 have been posted on the City's website consistent with the Maddy Act. For residents interested in serving on a City advisory body, the application is available on the City website or in the City Clerk's Office.

Fiscal Impact

Cost for onboarding, training, and conducting commission meetings have been accounted for in department budgets.



City Council Agenda Report

ITEM NO. 14

DATE: February 7, 2024

FROM: Arminé Chaparyan, City Manager *AC*

PREPARED BY: Luis Frausto, Management Services Director
Tiara Solorzano, Management Assistant

SUBJECT: **Consideration of Approval of City Council Meeting Minutes for December 06, 2023**

Recommendation

It is recommended that the City Council consider the approval of the minutes for the Regular Meeting on December 06, 2023.

Executive Summary

Attached for the City Council's consideration and approval are meeting minutes for various dates as listed on the agenda and hereby included as attachments to this staff report.

Background

The City Clerk's Division is responsible for producing meeting minutes for the City Council meetings. Meeting minutes are used as the official record of the actions taken by the City at the direction of the City Council.

Key Performance Indicators and Strategic Plan

This item aligns with the Management Services Department's Key Performance Indicator to provide quick access to information and accountability, ensuring public transparency.

Fiscal Impact

There is no fiscal impact anticipated as Division staff is facilitating the work related to this project.

Attachments:

1. December 06, 2023, Regular City Council Meeting Minutes

**THIS PAGE
INTENTIONALLY
LEFT BLANK**

ATTACHMENT

December 06, 2023, Regular City Council Meeting Minutes

**THIS PAGE
INTENTIONALLY
LEFT BLANK**



**CITY OF SOUTH PASADENA
CITY COUNCIL - REGULAR MEETING**

MINUTES

WEDNESDAY, DECEMBER 06, 2023, AT 7:00 P.M.

CALL TO ORDER:

The Regular Meeting of the South Pasadena City Council was called to order by Mayor Primuth on Wednesday, December 06, 2023, at 7:21 P.M. The City Council Chambers are located at 1424 Mission Street, South Pasadena, California.

ROLL CALL:

PRESENT

Mayor	Jon Primuth
Mayor Pro Tem	Evelyn G. Zneimer
Councilmember	Jack Donovan
Councilmember	Michael A. Cacciotti
Councilmember	Janet Braun

ABSENT

None.

Lucila Urzula, Deputy City Clerk, announced a quorum.

CITY STAFF PRESENT:

Arminé Chaparyan, City Manager; Roxanne Diaz, City Attorney; Mark Perez, Deputy City Clerk were present at Roll Call. Other staff members presented reports or responded to questions as indicated in the minutes.

PLEDGE OF ALLEGIANCE

The Flag Salute was led by Councilmember Braun.

CLOSED SESSION ANNOUNCEMENTS

1. CLOSED SESSION ANNOUNCEMENTS

A. CONFERENCE WITH LEGAL COUNSEL: ANTICIPATED LITIGATION (INITIATING)

(Government Code Section 54945.9(d)(4))

Number of Potential Cases: 1

City Attorney Roxanne Diaz stated that no reportable action was taken during closed session.

PUBLIC COMMENT

2. Public Comment – General (Non-Agenda Items)

In Person Comments:

Peter Giulioni spoke regarding the Finance Commission.

Anna McCool spoke regarding air purifiers at our local schools. (Corsi-Rosenthal Box)

Angela Shang spoke regarding an upcoming show at the San Gabriel Mission Playhouse.

Zoom Comments:

None.

PRESENTATION

3. SPTOR RAFFLE DRAWING

Steve Inzuza and Alan Vlacich conducted the raffle.

Winners:

1. Laura Farbur
2. Steven and Estella Chang
3. Chris Cabin

4. SOCAL EDISON INFRASTRUCTURE PROJECT

Southern California Edison representative Jeannette Soriano gave a presentation on the City Hall Electrification Infrastructure Project.

CHANGES TO THE AGENDA

5. REORDERING OF, ADDITIONS, OR DELETIONS TO THE AGENDA

None.

CONSENT CALENDAR

Mayor Pro Tem Zneimer requested to pull Item Nos. 7, 9, 14, and 15 for separate discussion. Councilmember Braun requested to pull Item No. 8 for separate discussion. A motion was made by Councilmember Cacciotti and seconded by Councilmember Braun to approve Item Nos. 6, 10, 11, 12, and 13 of the consent calendar as modified by the Additional Documents. The motion carried 5-0, by the following vote:

- AYES:** Braun, Cacciotti, Donovan, Zneimer, Mayor Primuth
- NOES:** None.
- ABSENT:** None.
- ABSTAINED:** None.

6. APPROVAL OF PREPAID WARRANTS IN THE AMOUNT OF \$12,749.20; GENERAL CITY WARRANTS IN THE AMOUNT OF \$814,491.08; ONLINE PAYMENTS IN THE AMOUNT OF \$37,031.69; VOIDS IN THE AMOUNT OF (\$1,247.78); PAYROLL IN THE AMOUNT OF \$855,295.28

Recommendation

It is recommended that the City Council approve the Warrants as presented.

A motion was made to approve the recommendation on the Consent Calendar.

7. MONTHLY INVESTMENT REPORTS FOR SEPTEMBER 2023

Recommendation

It is recommended that the City Council receive and file the Monthly Investment Report for September 2023.

Hsiulee Tran, Deputy Finance Director/Controller gave a presentation and responded to questions from the City Council.

COUNCIL MOTION AND ACTION:

Mayor Pro Tem Zneimer requested to pull Item No. 7 for separate discussion. A motion was made by Mayor Pro Tem Zneimer and seconded by Councilmember Cacciotti to approve Item No. 7. The motion carried 5-0, by the following vote:

- AYES:** Braun, Cacciotti, Donovan, Zneimer, Mayor Primuth
- NOES:** None.
- ABSENT:** None.
- ABSTAINED:** None.

8. JULY 2023 – SEPTEMBER 2023 BUDGET UPDATE

Recommendation

Staff recommends that the City Council receive and file the July 2023 – September 2023 Budget Update Report.

COUNCIL MOTION AND ACTION:

Councilmember Braun requested to pull item no. 8 for separate discussion. A motion was made by Councilmember Braun and seconded by Councilmember Cacciotti to receive and file Item No. 8. The motion carried 5-0, by the following vote:

- AYES:** Braun, Cacciotti, Donovan, Zneimer, Mayor Primuth
- NOES:** None.
- ABSENT:** None.
- ABSTAINED:** None.

9. RECEIVE AND FILE THE 2022 – 2023 LIBRARY SPECIAL TAX ANNUAL REPORT

Recommendation

It is recommended that the City Council receive and file a report on the Fiscal Year 2022 – 2023 Library Special Tax as required by the State of California Local Agency Special Tax and Bond Accountability Act.

Cathy Billings, Library Director gave a presentation and responded to questions from the City Council.

COUNCIL MOTION AND ACTION:

Mayor Pro Tem Zneimer requested to pull item no. 9 for separate discussion. A motion was made by Mayor Pro Tem Zneimer and seconded by Councilmember Cacciotti to approve Item No. 9. The motion carried 5-0, by the following vote:

- AYES:** Braun, Cacciotti, Donovan, Zneimer, Mayor Primuth
- NOES:** None.
- ABSENT:** None.
- ABSTAINED:** None.

10. CONSIDERATION OF DECLARING CERTAIN CITY PROPERTY AS SURPLUS AND DIRECT STAFF TO DISPOSE OF 2016 FORD E450 AND 2012 VPG MV-1 THROUGH THE CITY’S AUTHORIZED AUCTION VENDOR

Recommendation

It is recommended that the City Council declare a 2016 Ford E450 CNG bus and a 2012 VPG MV-1 CNG van from the Community Services Department as surplus property, and direct staff to dispose of the items in accordance with South Pasadena Municipal Code Section 2.99 – 29 and City’s Disposal of Surplus Property, through the City’s authorized auction vendor.

A motion was made to approve recommendation on the Consent Calendar.

11. CONSIDER THE APPROPRIATION OF \$571,000 RECEIVED FROM THE STATE OF CALIFORNIA AS REIMBURSEMENT FOR THE DEPARTMENT’S COMPUTER – AIDED DISPATCH AND RECORDS MANAGEMENT SYSTEM COST

Recommendation

It is recommended that the City Council consider approving an appropriation of \$571,000 received from the State of California to the Police Department’s fiscal year 2023-2024 operating budget for reimbursement of the cost of the Department’s Computer-Aided Dispatch and Records Management System (CAD/RMS) into the COPS Grants account 272-4010-4018-8520-000 Police State Grants – Equipment AB 3229.

A motion was made to approve recommendation on the Consent Calendar.

12. CONSIDERATION OF APPROVAL OF A REAPPROPRIATION OF THE STATE AND LOCAL FISCAL RECOVERY FUNDS FOR THE FUNDING OF PURCHASE ORDER NO. 23358 WITH ACORN TECHNOLOGY SERVICES FOR THE IMPLEMENTATION AND MIGRATION SUPPORT OF MICROSOFT OFFICE 365

Recommendation

It is recommended that the City Council consider approving an appropriation of \$34,420 in State and Local Fiscal Recovery Funds to Account No. 206-2030-2032-8170-000 (State and Local Fiscal Recovery Funds – Professional Services) to fund Purchase Order No. 23358 with Acorn Technology Services for the implementation and migration support of Microsoft Office 365.

A motion was made to approve recommendation on the Consent Calendar.

13. CONSIDERATION OF APPROVAL OF CITY COUNCIL MEETING MINUTES FOR SEPTEMBER 27, 2023 AND OCTOBER 04, 2023

Recommendation

It is recommended that the City Council consider the approval of the minutes for the Special and Regular Meetings of September 27, 2023 and October 04, 2023.

A motion was made to approve recommendation on the Consent Calendar.

14. CONSIDERATION OF A PURCHASE OF AN ASPHALT REPAIR VEHICLE FOR THE PUBLIC WORKS DEPARTMENT IN THE AMOUNT OF \$420,952 FROM BERGKAMP PAVEMENT PRESERVATION SOLUTIONS UTILIZING THE HOUSTON GALVESTON AREA COUNCIL OF GOVERNMENTS (H-GAC) COOPERATIVE PURCHASING PROGRAM

Recommendation

It is recommended that the City Council consider:

1. Approving the purchase of a FP5 Flameless Pothole Patcher asphalt repair vehicle from Bergkamp Pavement Preservation Solutions (Bergkamp) in the amount of \$420,952, including taxes and fees; and approve the use of the H-GAC Cooperative purchasing program for the procurement pursuant to Municipal Code Section 2.99-29(19) and the City's Purchasing Policy;
2. Appropriating \$60,952 from the Water Enterprise Fund into Public Works Water Distribution Vehicles and Equipment Account No. 500-6010-6710-8540-000 to partially fund the purchase of the vehicle; and
3. Appropriating \$60,000 from the Measure M Local Return Fund into a new Public Works Measure M Vehicles and Equipment Account No. 236-6010-6011-8540-000 to partially fund the purchase of the vehicle.

Ted Gerber, Public Works Director gave a presentation and responded to questions from the City Council.

COUNCIL MOTION AND ACTION:

Mayor Pro Tem Zneimer requested to pull item no. 14 for separate discussion. A motion was made by Mayor Pro Tem Zneimer and seconded by Councilmember Cacciotti to approve Item No. 14 as amended by the additional document. The motion carried 5-0, by the following vote:

- AYES:** Braun, Cacciotti, Donovan, Zneimer, Mayor Primuth
- NOES:** None.
- ABSENT:** None.
- ABSTAINED:** None.

15. CONSIDERATION OF APPROVAL OF TASK ORDERS WITH ULTRASYSTEMS, NINYO & MOORE, & SCEI TEC FOR ENVIRONMENTAL, GEOTECHNICAL, AND PRELIMINARY DESIGN REPORTS FOR THE HUNTINGTON DRIVE REGIONAL GREEN STREET STORMWATER PROJECT

Recommendation

It is recommended that the City Council consider approving:

1. A Task Order under an existing Master On-Call Professional Services Agreement with UltraSystems Environmental, Inc. to provide an environmental initial study for the Huntington Drive Regional Green Street Stormwater Project in the amount of \$86,298.00, inclusive of \$82,188.80 in fees and a 5% contingency of \$4,109.20; and
2. A Task Order under an existing Master On-Call Professional Services Agreement with Ninyo & Moore to provide geotechnical evaluation for the Huntington Drive Regional Green Street Stormwater Project in the amount of \$116,952.00, inclusive of \$113,545.00 in fees and a 3% contingency of \$3,407.00; and
3. A Task Order under an existing Master On-Call Professional Services Agreement with SEITec, Inc. to provide funding application support and a preliminary design report for the Huntington Drive Regional Green Street Stormwater Project in the amount of \$132,634.00, inclusive of \$126,318.14 in fees and a 5% contingency of \$6,315.86.

Ted Gerber, Public Works Director gave a presentation and responded to questions from the City Council.

COUNCIL MOTION AND ACTION:

Mayor Pro Tem Zneimer requested to pull item no. 15 for separate discussion. A motion was made by Mayor Pro Tem Zneimer and seconded by Councilmember Cacciotti to approve Item No. 15. The motion carried 5-0, by the following vote:

AYES: Braun, Cacciotti, Donovan, Zneimer, Mayor Primuth
NOES: None.
ABSENT: None.
ABSTAINED: None.

ACTION/DISCUSSION

16. CONSIDERATION OF AUTHORIZING THE CITY’S PARTICIPATION IN THE SAN GABRIEL VALLEY COUNCIL OF GOVERNMENT’S REGIONAL APPLICATION FOR THE CALRECYCLE SB 1383 LOCAL ASSISTANCE GRANT PROGRAM

Recommendation

It is recommended that the City Council:

1. Provide direction on the use of funds from the first round of the CalRecycle Senate Bill 1383 Local Assistance Grant Program; and
2. Authorize the City Manager to execute a Letter of Authorization to allow the San Gabriel Valley Council of Government to apply for the second round of the CalRecycle Senate Bill 1383 Local Assistance Grant Program on behalf of the City.

Ted Gerber, Public Works Director gave a presentation and responded to questions from the City Council.

In-Person Comments:

None.

Zoom Comments:

None.

COUNCIL MOTION AND ACTION:

A motion was made by Councilmember Cacciotti and seconded by Mayor Pro Tem Zneimer to approve Item No. 16. The motion carried 5-0, by the following vote:

AYES: Braun, Cacciotti, Donovan, Zneimer, Mayor Primuth
NOES: None.
ABSENT: None.
ABSTAINED: None.

17. CONSIDER THE ACCEPTANCE OF TRANSFORMATIVE TRANSPORTATION STRATEGIES & MOBILITY SOLUTIONS PROGRAM OPPORTUNITY GRANT AWARD FROM THE SOUTH COAST AQMD IN THE AMOUNT OF \$499,789 FOR THE CITY ELECTRIFICATION PROJECT

Recommendation

It is recommended that the City Council:

1. Provide direction on the use of funds from the first round of the CalRecycle Senate Bill 1383 Local Assistance Grant Program; and
2. Authorize the City Manager to execute a Letter of Authorization to allow the San Gabriel Valley Council of Government to apply for the second round of the CalRecycle Senate Bill 1383 Local Assistance Grant Program on behalf of the City.

In-Person Comments:

None.

Zoom Comments:

None.

Ted Gerber, Public Works Director gave a presentation and responded to questions from the City Council.

Sergeant Anthony Abdalla responded to questions from the City Council.

COUNCIL MOTION AND ACTION:

A motion was made by Councilmember Cacciotti and seconded by Councilmember Donovan to approve Item No. 17. The motion carried 5-0, by the following vote:

- AYES:** Braun, Cacciotti, Donovan, Zneimer, Mayor Primuth
- NOES:** None.
- ABSENT:** None.
- ABSTAINED:** None.

PUBLIC COMMENT – CONTINUED

18. CONTINUED PUBLIC COMMENT - GENERAL

None.

COMMUNICATIONS

19. COUNCILMEMBERS COMMUNICATIONS

Councilmember Braun inquired on what is the current policy regarding the naming of benches, trees, etc. within the city.

City Manager Chaparyan clarified that there is a written policy on the naming of benches, trees, etc. within the city.

The City Council directed staff to bring the naming policy before the council for discussion at a later meeting date.

Councilmember Braun requested that staff look into sidewalk repair programs. City Manager Chaparyan clarified that the sidewalk repair programs would be included in the strategic plan discussion and that staff would be seeking council input.

Mayor Pro Tem Zneimer had no comments.

Councilmember Donovan had no comments.

Councilmember Cacciotti spoke regarding his attendance at a recent San Gabriel Valley Council of Governments meeting. He highlighted his attendance at the Holy Family Giving Bank Thanksgiving event. He praised the Mobile Crisis Outreach Team on their work with the public. He attended the San Gabriel Valley Council Merry Mingle event, where an individual from the Chinese Women’s Business Association donated 100 blankets to the San Gabriel Valley Council of Governments. He highlighted the tiger run which he participated in in place of Mayor Primuth. He highlighted his attendance at a recent fundraiser and San Gabriel Valley Council of Governments meeting.

Mayor Primuth thanked Community Services, City Clerk’s Division and the City Manager’s office for their work on State of the City. He supports Councilmember Braun’s request for staff to look into sidewalk repair programs. He stated that he would like the City Attorney’s input on the potential liability associated with sidewalk issues. He went on to highlight his upcoming meetings at the South Pasadena Tournament of Roses Coffee event, Clean Power Alliance meeting, the Arroyo Verdugo JPA meeting, and the Youth and Government Legislative Bill Night.

20. CITY MANAGER COMMUNICATIONS

None.

ADJOURNMENT

There being no further matters, Mayor Primuth adjourned the meeting of the City Council at 9:07 P.M., to the next Regular City Council meeting scheduled on Wednesday, December 20, 2023.

Respectfully submitted:

Mark Perez
Deputy City Clerk

APPROVED

Evelyn G. Zneimer
Mayor

Attest:

Mark Perez
Deputy City Clerk

Approved at City Council Meeting:

**THIS PAGE
INTENTIONALLY
LEFT BLANK**



City Council Agenda Report

ITEM NO. 15

DATE: February 7, 2024

FROM: Arminé Chaparyan, City Manager *AC*

PREPARED BY: Luis Frausto, Management Services Director

SUBJECT: **Consideration of Approving an Agreement with Public Sector Personnel Consultants for Phase II of the Citywide Classification and Compensation Study**

Recommendation

It is recommended that the City Council consider:

1. Approving an agreement with Public Sector Personnel Consultants (PSPC) for Phase II of the Citywide Classification and Compensation Study for a total amount not to exceed \$63,000; and
2. Authorize the City Manager to enter into any subsequent amendments, at the discretion of the City Manager, as long as the compensation for this agreement is not increased.

Executive Summary

In June 2023, the City engaged Public Sector Personnel Consultants (PSPC) for Phase I of a comprehensive classification and compensation study. The Phase I focus was on reviewing and updating the classification structure for all City positions, including updating class specifications and drafting a Classification Plan Review. Phase II, the compensation study, will offer a thorough compensation analysis and assist in developing an optimal compensation strategy for the City, considering available financial resources and potential fiscal impacts. Funding is available in the Department budget for this contract award, and no further funding is being requested at this time.

Background and Analysis

In June 2023, the City issued a Purchase Order for Phase I of the Classification and Compensation Study. A classification and compensation plan is crucial for an effective human resources system, serving as a foundational framework for City staff positions. This framework encompasses the creation and maintenance of classification systems, compensation structures, and related policies and procedures for career development and pay practices. Regular classification and compensation studies are best practices for cities to adapt to changes in operations, organizational structures, and staffing, which impact the nature and classification of employees' work. With rising employee turnover, assessing competitiveness in compensation in the marketplace is vital. The study's findings will guide strategies to rectify classification issues and provide guidance regarding employee compensation, thereby assisting the City's capacity to attract and retain a skilled workforce.

The consultant has recently completed a review of classifications and made preliminary recommendations for classifications, titles, and benchmarks. Human Resources staff is reviewing the recommendations.

Phase II work relates to the compensation study, which will include salary data elements such as:

- Salary grade/step or open range salary plan structure
- Salary range structured in terms of Minimum, Midpoint, and Maximum
- City-supported benefits such as health insurance premiums and pension contributions
- Paid time off, skill pay, certification pay, longevity, flexible work, telework

Phase II of the study involves a detailed compensation analysis, including various salary data elements like salary structures and benefits. Benchmark classifications, crucial for fair and equitable compensation among job classifications in relation to one another to address salary compaction, will be identified. These benchmarks help to guide the recommended salary adjustments, if any, to the City Council for their review. Without benchmarks, compensation plans can become distorted. Finally, the study will compare the City's salary structures with those of similar public entities, providing a basis for the consideration of informed adjustments and a transition plan (i.e. determining next steps), including timelines, budget impact, and funding requirements.

The comprehensive classification and compensation study is a tool for upcoming labor negotiations with employee labor associations. As the City prepares to engage in these negotiations at the end of 2024, with contracts expiring in 2025, the study will provide data and insights. It will inform and provide additional data regarding compensation to help balance the discussions. The data offers a clear, objective understanding of current market trends, compensation, and classification standards. This information is important for developing mutually beneficial agreements that align with both the City's fiscal responsibilities and the expectations of its workforce.

Fiscal Impact

To date, the costs incurred and paid for, for Phase I of the study, is \$30,000. No additional appropriation is required for this agreement. The Management Services Department has sufficient funds for the services under this agreement. Management Services will work with the Finance Department to complete inter-departmental transfers as allowed by the City's Finance policies.

Key Performance Indicators and Strategic Plan

This agreement aligns with the Management Services Department's Key Performance Indicators and the City's Strategic Plan, which is committed to support and promote the employee experience by increasing retention and reducing employee turnover.

Attachment: Professional Services Agreement

ATTACHMENT 1
Professional Services Agreement

**THIS PAGE
INTENTIONALLY
LEFT BLANK**

**PROFESSIONAL SERVICES AGREEMENT
FOR CONSULTANT SERVICES**

(City of South Pasadena / Public Sector Personnel Consultants)

1. IDENTIFICATION

This PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is entered into by and between the CITY OF SOUTH PASADENA, a California municipal corporation (“City”), and PUBLIC SECTOR PERSONNEL CONSULTANTS (PSPC) (“Consultant”).

2. RECITALS

- 2.1. City has determined that it requires the following professional services from a consultant: Compensation survey and analysis, also referred to a Compensation study.
- 2.2. Consultant represents that it is fully qualified to perform such professional services by virtue of its experience and the training, education and expertise of its principals and employees. Consultant further represents that it is willing to accept responsibility for performing such services in accordance with the terms and conditions set forth in this Agreement.
- 2.3. Consultant represents that it has no known relationships with third parties, City Council members, or employees of City which would (1) present a conflict of interest with the rendering of services under this Agreement under Government Code Section 1090, the Political Reform Act (Government Code Section 81000 *et seq.*), or other applicable law, (2) prevent Consultant from performing the terms of this Agreement, or (3) present a significant opportunity for the disclosure of confidential information.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, City and Consultant agree as follows:

3. DEFINITIONS

- 3.1. “Scope of Services”: Compensation survey and analysis, most commonly referred to as Compensation study, proposal to City attached hereto Exhibit A and incorporated herein by this reference.
- 3.2. “Agreement Administrator”: The Agreement Administrator for this project is Luis Frausto, Management Services Director. The Agreement Administrator shall be the principal point of contact at the City for this project. All services under this Agreement shall be performed at the request of the Agreement Administrator. The Agreement Administrator will establish the timetable for completion of services and any interim milestones. City reserves the right to change this designation upon written notice to Consultant

- 3.3. “Approved Fee Schedule”: Consultant’s compensation rates are set forth in the fee schedule attached hereto as Exhibit B and incorporated herein by this reference. This fee schedule shall remain in effect for the duration of this Agreement unless modified in writing by mutual agreement of the parties.
- 3.4. “Maximum Amount”: The highest total compensation and costs payable to Consultant by City under this Agreement. The Maximum Amount under this Agreement is Sixty-Three Thousand Dollars (\$63,000).
- 3.5. “Commencement Date”: February 6, 2024
- 3.6. “Termination Date”: Until determined to be complete by the City of South Pasadena Management Services Director.

4. TERM

The term of this Agreement shall commence at 12:00 a.m. on the Commencement Date and shall expire at 11:59 p.m. on the Termination Date unless extended by written agreement of the parties or terminated earlier under Section 18 (“Termination”) below. Consultant may request extensions of time to perform the services required hereunder. Such extensions shall be effective if authorized in advance by City in writing and incorporated in written amendments to this Agreement.

5. CONSULTANT’S DUTIES

- 5.1. **Services.** Consultant shall perform the services identified in the Scope of Services. City shall have the right to request, in writing, changes in the Scope of Services. Any such changes mutually agreed upon by the parties, and any corresponding increase or decrease in compensation, shall be incorporated by written amendment to this Agreement.
- 5.2. **Coordination with City.** In performing services under this Agreement, Consultant shall coordinate all contact with City through its Agreement Administrator.
- 5.3. **Budgetary Notification.** Consultant shall notify the Agreement Administrator, in writing, when fees and expenses incurred under this Agreement have reached eighty percent (80%) of the Maximum Amount. Consultant shall concurrently inform the Agreement Administrator, in writing, of Consultant’s estimate of total expenditures required to complete its current assignments before proceeding, when the remaining work on such assignments would exceed the Maximum Amount.
- 5.4. **Business License.** Consultant shall obtain and maintain in force a City business license for the duration of this Agreement.

///

///

- 5.5. **Professional Standards.** Consultant shall perform all work to the standards of Consultant's profession and in a manner reasonably satisfactory to City. Consultant shall keep itself fully informed of and in compliance with all local, state, and federal laws, rules, and regulations in any manner affecting the performance of this Agreement, including all Cal/OSHA requirements, the conflict of interest provisions of Government Code § 1090 and the Political Reform Act (Government Code § 81000 et seq.).
- 5.6. **Avoid Conflicts.** During the term of this Agreement, Consultant shall not perform any work for another person or entity for whom Consultant was not working at the Commencement Date if such work would present a conflict interfering with performance under this Agreement. However, City may consent in writing to Consultant's performance of such work.
- 5.7. **Appropriate Personnel.** Consultant has, or will secure at its own expense, all personnel required to perform the services identified in the Scope of Services. All such services shall be performed by Consultant or under its supervision, and all personnel engaged in the work shall be qualified to perform such services. Tina Lopez, Human Resources & Risk Manager shall be Consultant's project administrator and shall have direct responsibility for management of Consultant's performance under this Agreement. No change shall be made in Consultant's project administrator without City's prior written consent.
- 5.8. **Substitution of Personnel.** Any persons named in the proposal or Scope of Services constitutes a promise to the City that those persons will perform and coordinate their respective services under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence upon written approval of City. If City and Consultant cannot agree as to the substitution of key personnel, City may terminate this Agreement for cause.
- 5.9. **Permits and Approvals.** Consultant shall obtain, at its sole cost and expense, all permits and regulatory approvals necessary for Consultant's performance of this Agreement. This includes, but shall not be limited to, professional licenses, encroachment permits and building and safety permits and inspections.
- 5.10. **Notification of Organizational Changes.** Consultant shall notify the Agreement Administrator, in writing, of any change in name, ownership or control of Consultant's firm or of any subcontractor. Change of ownership or control of Consultant's firm may require an amendment to this Agreement.
- 5.11. **Records.** Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to City under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to Consultant under this Agreement. All such documents shall be made available for inspection, audit, and/or copying at any time during regular

business hours, upon oral or written request of City. In addition, pursuant to Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars, all such documents and this Agreement shall be subject to the examination and audit of the State Auditor, at the request of City or as part of any audit of City, for a period of three (3) years after final payment under this Agreement.

6. SUBCONTRACTING

- 6.1. **General Prohibition.** This Agreement covers professional services of a specific and unique nature. Except as otherwise provided herein, Consultant shall not assign or transfer its interest in this Agreement or subcontract any services to be performed without amending this Agreement.
- 6.2. **Consultant Responsible.** Consultant shall be responsible to City for all services to be performed under this Agreement.
- 6.3. **Identification in Fee Schedule.** All subcontractors shall be specifically listed and their billing rates identified in the Approved Fee Schedule, Exhibit B. Any changes must be approved by the Agreement Administrator in writing as an amendment to this Agreement.
- 6.4. **Compensation for Subcontractors.** City shall pay Consultant for work performed by its subcontractors, if any, only at Consultant's actual cost plus an approved mark-up as set forth in the Approved Fee Schedule, Exhibit B. Consultant shall be liable and accountable for any and all payments, compensation, and federal and state taxes to all subcontractors performing services under this Agreement. City shall not be liable for any payment, compensation, or federal and state taxes for any subcontractors.

7. COMPENSATION

- 7.1. **General.** City agrees to compensate Consultant for the services provided under this Agreement, and Consultant agrees to accept payment in accordance with the Fee Schedule in full satisfaction for such services. Compensation shall not exceed the Maximum Amount. Consultant shall not be reimbursed for any expenses unless provided for in this Agreement or authorized in writing by City in advance.
- 7.2. **Invoices.** Consultant shall submit to City an invoice, on a monthly basis or as otherwise agreed to by the Agreement Administrator, for services performed pursuant to this Agreement. Each invoice shall identify the Maximum Amount, the services rendered during the billing period, the amount due for the invoice, and the total amount previously invoiced. All labor charges shall be itemized by employee name and classification/position with the firm, the corresponding hourly rate, the hours worked, a description of each labor charge, and the total amount due for labor charges.

- 7.3. **Taxes.** City shall not withhold applicable taxes or other payroll deductions from payments made to Consultant except as otherwise required by law. Consultant shall be solely responsible for calculating, withholding, and paying all taxes.
- 7.4. **Disputes.** The parties agree to meet and confer at mutually agreeable times to resolve any disputed amounts contained in an invoice submitted by Consultant.
- 7.5. **Additional Work.** Consultant shall not be reimbursed for any expenses incurred for work performed outside the Scope of Services unless prior written approval is given by the City through a fully executed written amendment. Consultant shall not undertake any such work without prior written approval of the City.
- 7.6. **City Satisfaction as Precondition to Payment.** Notwithstanding any other terms of this Agreement, no payments shall be made to Consultant until City is satisfied that the services are satisfactory.
- 7.7. **Right to Withhold Payments.** If Consultant fails to provide a deposit or promptly satisfy an indemnity obligation described in Section 11, City shall have the right to withhold payments under this Agreement to offset that amount.

8. PREVAILING WAGES

Consultant is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., (“Prevailing Wage Laws”), which require the payment of prevailing wage rates and the performance of other requirements on certain “public works” and “maintenance” projects. Consultant shall defend, indemnify, and hold the City, its elected officials, officers, employees, and agents free and harmless from any claim or liability arising out of any failure or alleged failure of Consultant to comply with the Prevailing Wage Laws.

9. OWNERSHIP OF WRITTEN PRODUCTS

All reports, documents or other written material (“written products” herein) developed by Consultant in the performance of this Agreement shall be and remain the property of City without restriction or limitation upon its use or dissemination by City except as provided by law. Consultant may take and retain copies of such written products as desired, but no such written products shall be the subject of a copyright application by Consultant.

10. RELATIONSHIP OF PARTIES

- 10.1. **General.** Consultant is, and shall at all times remain as to City, a wholly independent contractor.

- 10.2. **No Agent Authority.** Consultant shall have no power to incur any debt, obligation, or liability on behalf of City or otherwise to act on behalf of City as an agent. Neither City nor any of its agents shall have control over the conduct of Consultant or any of Consultant's employees, except as set forth in this Agreement. Consultant shall not represent that it is, or that any of its agents or employees are, in any manner employees of City.
- 10.3. **Independent Contractor Status.** Under no circumstances shall Consultant or its employees look to the City as an employer. Consultant shall not be entitled to any benefits. City makes no representation as to the effect of this independent contractor relationship on Consultant's previously earned California Public Employees Retirement System ("CalPERS") retirement benefits, if any, and Consultant specifically assumes the responsibility for making such a determination. Consultant shall be responsible for all reports and obligations including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation, and other applicable federal and state taxes.
- 10.4. **Indemnification of CalPERS Determination.** In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement claims or is determined by a court of competent jurisdiction or CalPERS to be eligible for enrollment in CalPERS as an employee of the City, Consultant shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for CalPERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

11. INDEMNIFICATION

- 11.1 **Definitions.** For purposes of this Section 11, "Consultant" shall include Consultant, its officers, employees, servants, agents, or subcontractors, or anyone directly or indirectly employed by either Consultant or its subcontractors, in the performance of this Agreement. "City" shall include City, its officers, agents, employees and volunteers.
- 11.2 **Consultant to Indemnify City.** To the fullest extent permitted by law, Consultant shall indemnify, hold harmless, and defend City from and against any and all claims, losses, costs or expenses for any personal injury or property damage arising out of or in connection with Consultant's alleged negligence, recklessness or willful misconduct or other wrongful acts, errors or omissions of Consultant or failure to comply with any provision in this Agreement.
- 11.3 **Scope of Indemnity.** Personal injury shall include injury or damage due to death or injury to any person, whether physical, emotional, consequential or otherwise, Property damage shall include injury to any personal or real property. Consultant shall not be required to indemnify City for such loss or damage as is caused by the sole active negligence or willful misconduct of the City.
- 11.4 **Attorneys Fees.** Such costs and expenses shall include reasonable attorneys' fees for counsel of City's choice, expert fees and all other costs and fees of litigation.

Consultant shall not be entitled to any refund of attorneys' fees, defense costs or expenses in the event that it is adjudicated to have been non-negligent.

- 11.5 **Defense Deposit.** The City may request a deposit for defense costs from Consultant with respect to a claim. If the City requests a defense deposit, Consultant shall provide it within 15 days of the request.
- 11.6 **Waiver of Statutory Immunity.** The obligations of Consultant under this Section 11 are not limited by the provisions of any workers' compensation act or similar act. Consultant expressly waives its statutory immunity under such statutes or laws as to City.
- 11.7 **Indemnification by Subcontractors.** Consultant agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this Section 11 from each and every subcontractor or any other person or entity involved in the performance of this Agreement on Consultant's behalf.
- 11.8 **Insurance Not a Substitute.** City does not waive any indemnity rights by accepting any insurance policy or certificate required pursuant to this Agreement. Consultant's indemnification obligations apply regardless of whether or not any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost or expense.

12. INSURANCE

- 12.1. **Insurance Required.** Consultant shall maintain insurance as described in this section and shall require all of its subcontractors, consultants, and other agents to do the same. Approval of the insurance by the City shall not relieve or decrease any liability of Consultant Any requirement for insurance to be maintained after completion of the work shall survive this Agreement.
- 12.2. **Documentation of Insurance.** City will not execute this agreement until it has received a complete set of all required documentation of insurance coverage. However, failure to obtain the required documents prior to the work beginning shall not waive the Consultant's obligation to provide them. Consultant shall file with City:
- Certificate of Insurance, indicating companies acceptable to City, with a Best's Rating of no less than A:VII showing. The Certificate of Insurance must include the following reference: Compensation Study
 - Documentation of Best's rating acceptable to the City.
 - Original endorsements effecting coverage for all policies required by this Agreement.
 - City reserves the right to obtain a full certified copy of any Insurance policy and endorsements. Failure to exercise this right shall not constitute a waiver of the right to exercise later.

12.3. **Coverage Amounts.** Insurance coverage shall be at least in the following minimum amounts:

- Professional Liability Insurance: \$2,000,000 per occurrence,
\$2,000,000 aggregate

- General Liability:
 - General Aggregate: \$2,000,000
 - Products Comp/Op Aggregate \$2,000,000
 - Personal & Advertising Injury \$2,000,000
 - Each Occurrence \$2,000,000
 - Fire Damage (any one fire) \$ 100,000
 - Medical Expense (any 1 person) \$ 10,000

- Workers' Compensation:
 - Workers' Compensation Statutory Limits
 - EL Each Accident \$1,000,000
 - EL Disease - Policy Limit \$1,000,000
 - EL Disease - Each Employee \$1,000,000

- Automobile Liability
 - Any vehicle, combined single limit \$1,000,000

Any available insurance proceeds broader than or in excess of the specified minimum insurance coverage requirements or limits shall be available to the additional insured. Furthermore, the requirements for coverage and limits shall be the greater of (1) the minimum coverage and limits specified in this Agreement, or (2) the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the named insured

12.4. **General Liability Insurance.** Commercial General Liability Insurance shall be no less broad than ISO form CG 00 01. Coverage must be on a standard Occurrence form. Claims-Made, modified, limited or restricted Occurrence forms are not acceptable.

12.5. **Worker's Compensation Insurance.** Consultant is aware of the provisions of Section 3700 of the Labor Code which requires every employer to carry Workers' Compensation (or to undertake equivalent self-insurance), and Consultant will comply with such provisions before commencing the performance of the work of this Agreement. If such insurance is underwritten by any agency other than the State Compensation Fund, such agency shall be a company authorized to do business in the State of California.

12.6. **Automobile Liability Insurance.** Covered vehicles shall include owned if any, non-owned, and hired automobiles and, trucks.

- 12.7. **Professional Liability Insurance or Errors & Omissions Coverage.** The deductible or self-insured retention may not exceed \$50,000. If the insurance is on a Claims-Made basis, the retroactive date shall be no later than the commencement of the work. Coverage shall be continued for two years after the completion of the work by one of the following: (1) renewal of the existing policy; (2) an extended reporting period endorsement; or (3) replacement insurance with a retroactive date no later than the commencement of the work under this Agreement.
- 12.8. **Claims-Made Policies.** If any of the required policies provide coverage on a claims-made basis the Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work. Claims-Made Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the Consultant must purchase “extended reporting” coverage for a minimum of five (5) years after completion of contract work.
- 12.9. **Additional Insured Endorsements.** The City, its City Council, Commissions, officers, and employees of South Pasadena must be endorsed as an additional insured for each policy required herein, other than Professional Errors and Omissions and Worker’s Compensation, for liability arising out of ongoing and completed operations by or on behalf of the Consultant. Consultant’s insurance policies shall be primary as respects any claims related to or as the result of the Consultant’s work. Any insurance, pooled coverage or self-insurance maintained by the City, its elected or appointed officials, directors, officers, agents, employees, volunteers, or consultants shall be non-contributory. All endorsements shall be signed by a person authorized by the insurer to bind coverage on its behalf. General liability coverage can be provided using an endorsement to the Consultant’s insurance at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10 and CG 20 37.
- 12.10. **Failure to Maintain Coverage.** In the event any policy is canceled prior to the completion of the project and the Consultant does not furnish a new certificate of insurance prior to cancellation, City has the right, but not the duty, to obtain the required insurance and deduct the premium(s) from any amounts due the Consultant under this Agreement. Failure of the Consultant to maintain the insurance required by this Agreement, or to comply with any of the requirements of this section, shall constitute a material breach of this Agreement.
- 12.11. **Notices.** Contractor shall provide immediate written notice if (1) any of the required insurance policies is terminated; (2) the limits of any of the required policies are reduced; (3) or the deductible or self-insured retention is increased. Consultant shall provide no less than 30 days’ notice of any cancellation or material change to policies required by this Agreement. Consultant shall provide proof that cancelled or expired policies of insurance have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two weeks prior to the expiration of the coverages. The name and address for Additional Insured

Endorsements, Certificates of Insurance and Notices of Cancellation is: City of South Pasadena, Attn: Tina Lopez, Human Resources & Risk Manager, South Pasadena, CA 91030.

- 12.12. **Consultant's Insurance Primary.** The insurance provided by Consultant, including all endorsements, shall be primary to any coverage available to City. Any insurance or self-insurance maintained by City and/or its officers, employees, agents or volunteers, shall be in excess of Consultant's insurance and shall not contribute with it.
- 12.13. **Waiver of Subrogation.** Consultant hereby waives all rights of subrogation against the City. Consultant shall additionally waive such rights either by endorsement to each policy or provide proof of such waiver in the policy itself.
- 12.14. **Report of Claims to City.** Consultant shall report to the City, in addition to the Consultant's insurer, any and all insurance claims submitted to Consultant's insurer in connection with the services under this Agreement.
- 12.15. **Premium Payments and Deductibles.** Consultant must disclose all deductibles and self-insured retention amounts to the City. The City may require the Consultant to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within retention amounts. Ultimately, City must approve all such amounts prior to execution of this Agreement.

City has no obligation to pay any premiums, assessments, or deductibles under any policy required in this Agreement. Consultant shall be responsible for all premiums and deductibles in all of Consultant's insurance policies. The amount of deductibles for insurance coverage required herein are subject to City's approval.

- 12.16. **Duty to Defend and Indemnify.** Consultant's duties to defend and indemnify City under this Agreement shall not be limited by the foregoing insurance requirements and shall survive the expiration of this Agreement.

13. MUTUAL COOPERATION

- 13.1. **City Cooperation in Performance.** City shall provide Consultant with all pertinent data, documents and other requested information as is reasonably available for the proper performance of Consultant's services under this Agreement.
- 13.2. **Consultant Cooperation in Defense of Claims.** If any claim or action is brought against City relating to Consultant's performance in connection with this Agreement, Consultant shall render any reasonable assistance that City may require in the defense of that claim or action.

///

///

14. NOTICES

Any notices, bills, invoices, or reports required by this Agreement shall be deemed received on: (i) the day of delivery if delivered by hand, facsimile or overnight courier service during Consultant's and City's regular business hours; or (ii) on the third business day following deposit in the United States mail if delivered by mail, postage prepaid, to the addresses listed below (or to such other addresses as the parties may, from time to time, designate in writing).

If to City

Luis Frausto, Management Services
Director
City of South Pasadena
1414 Mission Street
South Pasadena, CA 91030
Telephone: (626) 403-7234
Facsimile: (626) 403-7241

If to Consultant

Matthew Weatherly, President
Public Sector Personnel Consultants, Inc.
2824 N. Power Road, #113-486
Mesa, AZ 85215
Telephone: (480) 947-6164

With courtesy copy to:

Roxanne Diaz, Esq.
South Pasadena City Attorney
Richards Watson Gerson
350 South Grand Avenue, 37th Floor
Telephone: (213) 626-8484
Facsimile: (213) 626-0078

15. SURVIVING COVENANTS

The parties agree that the covenants contained in paragraph 5.11 (Records), paragraph 10.4 (Indemnification of CalPERS Determination), Section 11 (Indemnity), paragraph 12.8 (Claims-Made Policies), paragraph 13.2 (Consultant Cooperation in Defense of Claims), and paragraph 18.1 (Confidentiality) of this Agreement shall survive the expiration or termination of this Agreement, subject to the provisions and limitations of this Agreement and all otherwise applicable statutes of limitations and repose.

16. TERMINATION

- 16.1. **City Termination.** City may terminate this Agreement for any reason on five calendar days' written notice to Consultant. Consultant agrees to cease all work under this Agreement on or before the effective date of any notice of termination. All City data, documents, objects, materials or other tangible things shall be returned to City upon the termination or expiration of this Agreement.

- 16.2. **Consultant Termination.** Consultant may terminate this Agreement for a material breach of this Agreement upon 30 days' notice.
- 16.3. **Compensation Following Termination.** Upon termination, Consultant shall be paid based on the work satisfactorily performed at the time of termination. In no event shall Consultant be entitled to receive more than the amount that would be paid to Consultant for the full performance of the services required by this Agreement. The City shall have the benefit of such work as may have been completed up to the time of such termination.
- 16.4. **Remedies.** City retains any and all available legal and equitable remedies for Consultant's breach of this Agreement.

17. INTERPRETATION OF AGREEMENT

- 17.1. **Governing Law.** This Agreement shall be governed and construed in accordance with the laws of the State of California.
- 17.2. **Integration of Exhibits.** All documents referenced as exhibits in this Agreement are hereby incorporated into this Agreement. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of any document incorporated herein by reference, the provisions of this Agreement shall prevail. This instrument contains the entire Agreement between City and Consultant with respect to the transactions contemplated herein. No other prior oral or written agreements are binding upon the parties. Amendments hereto or deviations herefrom shall be effective and binding only if made in writing and executed on by City and Consultant.
- 17.3. **Headings.** The headings and captions appearing at the commencement of the sections hereof, and in any paragraph thereof, are descriptive only and for convenience in reference to this Agreement. Should there be any conflict between such heading, and the section or paragraph thereof at the head of which it appears, the language of the section or paragraph shall control and govern in the construction of this Agreement.
- 17.4. **Pronouns.** Masculine or feminine pronouns shall be substituted for the neuter form and vice versa, and the plural shall be substituted for the singular form and vice versa, in any place or places herein in which the context requires such substitution(s).
- 17.5. **Severability.** If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, then such term or provision shall be amended to, and solely to the extent necessary to, cure such invalidity or unenforceability, and shall be enforceable in its amended form. In such event, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

- 17.6. **No Presumption Against Drafter.** Each party had an opportunity to consult with an attorney in reviewing and drafting this agreement. Any uncertainty or ambiguity shall not be construed for or against any party based on attribution of drafting to any party.

18. GENERAL PROVISIONS

- 18.1. **Confidentiality.** All data, documents, discussion, or other information developed or received by Consultant for performance of this Agreement are deemed confidential and Consultant shall not disclose it without prior written consent by City. City shall grant such consent if disclosure is legally required. All City data shall be returned to City upon the termination or expiration of this Agreement.
- 18.2. **Conflicts of Interest.** Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. Consultant further agrees to file, or shall cause its employees or subcontractor to file, a Statement of Economic Interest with the City's Filing Officer if required under state law in the performance of the services. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer, or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.
- 18.3. **Non-assignment.** Consultant shall not delegate, transfer, subcontract or assign its duties or rights hereunder, either in whole or in part, without City's prior written consent, and any attempt to do so shall be void and of no effect. City shall not be obligated or liable under this Agreement to any party other than Consultant.
- 18.4. **Binding on Successors.** This Agreement shall be binding on the successors and assigns of the parties.
- 18.5. **No Third-Party Beneficiaries.** Except as expressly stated herein, there is no intended third-party beneficiary of any right or obligation assumed by the parties.
- 18.6. **Time of the Essence.** Time is of the essence for each and every provision of this Agreement.
- 18.7. **Non-Discrimination.** Consultant shall not discriminate against any employee or applicant for employment because of race, sex (including pregnancy, childbirth, or related medical condition), creed, national origin, color, disability as defined by law, disabled veteran status, Vietnam veteran status, religion, age (40 and above), medical condition (cancer-related), marital status, ancestry, or sexual orientation. Employment actions to which this provision applies shall include, but not be limited to, the

following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; or in terms, conditions or privileges of employment, and selection for training. Consultant agrees to post in conspicuous places, available to employees and applicants for employment, the provisions of this nondiscrimination clause.

- 18.8. **Waiver.** No provision, covenant, or condition of this Agreement shall be deemed to have been waived by City or Consultant unless in writing signed by one authorized to bind the party asserted to have consented to the waiver. The waiver by City or Consultant of any breach of any provision, covenant, or condition of this Agreement shall not be deemed to be a waiver of any subsequent breach of the same or any other provision, covenant, or condition.
- 18.9. **Excused Failure to Perform.** Consultant shall not be liable for any failure to perform if Consultant presents acceptable evidence, in City’s sole judgment, that such failure was due to causes beyond the control and without the fault or negligence of Consultant.
- 18.10. **Remedies Non-Exclusive.** Each right, power and remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise shall be cumulative and shall be in addition to every other right, power, or remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise. The exercise, the commencement of the exercise, or the forbearance from the exercise by any party of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by such party of any or all of such other rights, powers or remedies.
- 18.11. **Attorneys’ Fees.** If legal action shall be necessary to enforce any term, covenant or condition contained in this Agreement, the prevailing party shall be entitled to an award of reasonable attorneys’ fees and costs expended in the action.
- 18.12. **Venue.** The venue for any litigation shall be Los Angeles County, California and Consultant hereby consents to jurisdiction in Los Angeles County for purposes of resolving any dispute or enforcing any obligation arising under this Agreement.

TO EFFECTUATE THIS AGREEMENT, the parties have caused their duly authorized representatives to execute this Agreement on the dates set forth below.

///
///
///
///
///

“City”
CITY OF SOUTH PASADENA

“Consultant”
PUBLIC SECTOR PERSONNEL
CONSULTANTS (PSPC)

By: _____
Signature

By: _____
Signature

Printed: _____

Printed: _____

Title: _____

Title: _____

Date: _____

Date: _____

Attest:

By: _____
Mark Perez
Deputy City Clerk

Date: _____

Approved as to form:

By: _____
Roxanne Diaz, City Attorney

Date: _____

EXHIBIT A

SCOPE

A. SCOPE OF THE PROJECT

Total compensation survey and competitiveness analysis; salary range recommendations; fiscal impact estimates and multiple implementation scenarios; updated classification and compensation plan and classification and compensation plan implementation support for all included employees in all job classifications.

B. COMPENSATION SURVEY AND ANALYSIS

1. City Involvement in Compensation Plan Development

We will obtain policy direction from the City Council, Human Resources staff, and/or City Officials on the following key components of the salary plan development process:

- Comparator Employer Selection
- Benchmark Job Class Selection
- Compensation Competitiveness Policy
- Salary Structure Selection
- Job Evaluation Method-Salary Plan Linkage
- Draft Compensation Plan Review / Critique
- Total Compensation Points for Analysis
- Project Implementation Plan

2. Comprehensive Compensation Survey

We will collect the complete pay plans from each of the City's comparators and build a custom survey database to ensure accuracy and completeness, unique to the City's job classifications.

- a. **Data Collection Protocol** will be developed in consultation with the City's project leaders to determine which salary data elements to include, such as:

Total Compensation Information (to be finalized with City Project Team / for approval)

- Salary grade/step or open range salary plan structure
 - Salary range structure Minimum, Midpoint, and Maximum
 - City-supported benefits such as health insurance premiums and pension contributions
 - Paid time off, add pay, certification pay, longevity, flexible work, telework
- b. **Benchmark Job Selection** will be made by identifying City job classes common to its employment competitive public and private employers in the immediate area and throughout the region or State, clearly identifiable, and representative of standard occupational job groups.

- c. **Comparator Employers Identification or Confirmation** will be made in partnership with City staff, or per agreed upon lists from bargaining, and/or by research and input from PSPC.
- d. Compensation Data Collection will be made by one or more of the following methods:
 - Pre-survey contact with the selected comparator employers to solicit participation in the City's compensation survey(s)
 - Extraction from the pay plans of designated public employers.
 - Customized salary and total compensation and benefits survey requests for local governments and other public employers, distributed by mail, fax, and e-mail.
 - As desired, additional data extraction from established salary surveys and commercial survey sources such as Watson Wyatt, ERi, etc.
- e. Data Quality Control includes editing data for accuracy and proper matching to the City's survey benchmark jobs, and phone/fax/E-mail follow-ups for data clarification and to obtain comparators' benchmark job descriptions.

3. Prevailing Rates Calculation

We will consolidate the compensation data from all sources, enter the information into the EZ COMP™ program, and compute the prevailing rates, inclusive of cost-of-living differentials, as the statistical mean of the survey data for each benchmark job class. Data will be projected forward from the date of collection to a common date relating to the City's salary plan year by the annual Prevailing Rate Increase Factor {PRI} applicable at that time.

4. Compensation Competitiveness Comparison

We will provide the City with charts comparing its current salary structures to those of the selected public and private comparator employers. We will calculate the extent that the City's offerings vary from the prevailing rates and practices of other relevant employers.

C. PAY PLAN DEVELOPMENT

a. Compensation Competitiveness Policy

We will assist the City to select a compensation competitiveness policy which best fits its compensation strategy and financial resources, by providing fiscal impact estimates at various percentage relationships to the prevailing rates.

b. Salary Plan Structure Development

We will review the City's current wage plans and 1) utilize the City's current wage plan structures to identify internally equitable and externally competitive salary ranges for each City job class or 2) prepare alternative salary range structures and

schedules for the City to select the best fit for its competitiveness strategy, with these optional criteria:

- Method of administration, i.e.: measured job performance, longevity, or skill
- Width of the salary ranges, grades, or broad bands, from Minimum to Maximum
- Varying salary range widths for FLSA non-exempt or exempt positions
- Open salary ranges for pay-for-performance or variable compensation plan
- If steps within the salary ranges, number of steps, percentage separation
- Number of salary ranges, grades, or broad bands in the salary schedule
- Percentage of separation between salary ranges, grades or broad bands
- Recognition for longevity, unique assignments, and special skill requirements

c. Salary Range Assignment Development

We will assign each job classification to a salary range in the City's current or selected new salary structure on the basis of a combination of factors, including:

- the prevailing rates for the benchmark job classes
- its current relationship to similar or occupationally related job classes
- the 15% guideline for salary range separation between sequential job classes the 25% guideline for salary separation of a department head job class

d. Implementation Plan Development

We will consult with the Human Resources and Project Team on a plan for transition to the recommended plan, including a timetable for the principal activities, employee communication, impact on budget processes, and estimates of required financial

D. REPORTS AND PRESENTATIONS

1. Draft and Final Report Preparation

We will provide the City's project leader(s) with a draft of our report for review and critique, including the classification plan, compensation market data, salary comparison tables, fiscal estimates, salary range listings, and implementation procedures. We will incorporate their critique into the development of a final report summarizing the project's findings, recommendations, and detailed description of the City's updated position classification and compensation plans.

2. Final Report Presentations

We will conduct a workshop or formal presentation of our final report and recommendations to the Human Resources staff, City Officials, and employees.

3. EZ COMP™ Program Installation

We can install our EZ COMP™ program and project files on one of the Human Resources Department's computers and provide training to key staff in the maintenance and update of the classification and compensation plan.

4. Implementation Warranty

To ensure effective implementation of the new plan, we will analyze, evaluate, and provide a salary range recommendation for any new or changed job class, at no cost to the City for one year.

EXHIBIT B
COST PROPOSAL

A. PROJECT COST ESTIMATE

We estimate that the project's total cost, including all fees for professional services reimbursement for out-of-pocket expenses, ***will not exceed*** the indicated amounts.

Major Project Components

- Kick off Meetings, Employee Briefings **\$3,000**
- Total Compensation Survey **\$50,000**
- From Surveys, Compensation Plan, Draft Reviews, Final Presentations **\$10,000**

Base Cost: \$63,000



City Council Agenda Report

ITEM NO. 16

DATE: February 7, 2024

FROM: Arminé Chaparyan, City Manager *AC*

PREPARED BY: Luis Frausto, Management Services Department Director

SUBJECT: **Consideration of Approval of the Second Amendment to the Agreement with Acorn Technology Services for Information Technology Support Services for Additional Services at a cost of \$354,400, for a New Total Not-To-Exceed Amount of \$661,208**

Recommendation

It is recommended that the City Council approve the Second Amendment to the Agreement with Acorn Technology in an amount of \$354,400 for implementation of the City's network upgrade initiatives, and for a new total not-to-exceed amount of \$661,208.

Executive Summary

The City has several network upgrade initiatives it has or is currently implementing. The requested amendment is for additional services related to those upgrades. Those additional services are being provided by the City's current information technology support services provider, Acorn Technology. Specifically, the proposed Second Amendment is for network hardware upgrades and other technology support services, such as the recent phone system upgrade. No additional budget appropriation is being requested as there are sufficient funds available in the IT budget already approved by the City Council, and this adjustment is a one-time cost. The City's contract with the vendor is set to expire in the Fall, and the Department will be releasing a Request for Proposals to solicit bids for a new award of contract in the coming weeks.

Background

The City has a professional services agreement with Acorn Technology Corporation (Acorn) for IT services. While the City's relationship with Acorn began in 2014, the current agreement for ongoing information technology services (24/7/365 help desk support, desktop technician support, network administration, system administration, maintenance, etc.) is for a three-year term that began on July 1, 2021 and will end on June 24, 2024 ("Agreement"), and the agreement provides for two one-year contract renewal options. The Agreement was amended in May 2023 for a small increase in annual compensation, in order to properly reflect the current services provided by Acorn to the City. These day-to-day IT management and support services are provided on a flat fee basis of \$306,808 per year.

The Agreement also provides for additional services not covered as part of the ongoing services at a pre-established hourly rate. The additional services requested under this Second Amendment is pursuant to those hourly rates, which range from \$90 to \$125 an hour. Those hourly rates have remained the same since 2021.

Analysis

An amendment is requested for the provision of additional services in an amount not to exceed \$354,400, a one-time cost. This cost request is to compensate Acorn for the professional services it has already provided to-date, as well as additional services required for the implementation of network hardware upgrades in the 2023-2024 Fiscal Year. The projects to be funded with the proposed second amendment consist of the following:

- Server Operating Systems Rebuild
- Azure Migration to Cloud Based Services
- Network Replacements of End-of-Life Equipment
- VoIP Implementation Assistance
- Antivirus/ Cybersecurity Software Implementation
- Secure Sockets Layer (SSL) Certification Renewal
- Software Licenses Renewals
- Microsoft Teams Setup

The services required are essential network upgrades required for the various IT infrastructure projects. The continuation of these additional services will ensure there are no network disruptions, and reduces the risk of IT system failures. These network hardware upgrades were required in order to implement and enhance the City's information technology systems. This work advanced several critical projects and have improved the efficiency and reliability of the City's IT infrastructure, which impacts both internal operations and the delivery of services to the community.

City staff has been satisfied with Acorn's customer service and expertise, and recommends that the City Council approve this amendment that has facilitated the network upgrade projects within the City's IT infrastructure.

It should be noted that the current agreement is set to expire on June 30, 2024, and staff plans to issue a Request for Proposal in the upcoming months to ensure the City is receiving high-quality IT support.

Fiscal Impact

No additional appropriation is required for this contract amendment. The Management Services Department has sufficient appropriated funds for these services. This proposed amendment will be funded through a combination of budgeted Information Technology funds, as well as Capital Improvement Project (CIP) funds budgeted for the new phone system.

Amendment to Agreement with Acorn
February 7, 2024
Page 3 of 3

Key Performance Indicators and Strategic Plan

This item aligns with Strategic Plan priorities “6d” Improve Technology. The City is underway with several significant technology improvement projects and is working closely with Acorn to implement them successfully.

Commission Review and Recommendation

This item was not reviewed by a commission or board.

Attachment: Proposed Second Amendment

**THIS PAGE
INTENTIONALLY
LEFT BLANK**

ATTACHMENT 1
Proposed Second Amendment

**THIS PAGE
INTENTIONALLY
LEFT BLANK**

**SECOND AMENDMENT TO THE
PROFESSIONAL SERVICES AGREEMENT WITH ACORN TECHNOLOGY
SERVICES FOR ADDITIONAL SERVICES**

THIS SECOND AMENDMENT (“Amendment”) is made on this 7th day of February 2024, by and between the CITY OF SOUTH PASADENA (“CITY”) and ACORN TECHNOLOGY SERVICES. (“CONSULTANT”).

RECITALS

WHEREAS, on April 21, 2021, the CITY and CONSULTANT entered into a Professional Services Agreement (“Agreement”) for CONSULTANT to perform management of information technology services and support; and

WHEREAS, on May 17, 2023, the Agreement was amended to properly reflect the costs incurred by the City from the Consultant and therefore the total annual amount was modified to an amount not to exceed \$306,808 annually for information technology services and support (collectively “Agreement”); and

WHEREAS, the Agreement permits the City to request additional services not otherwise provided for in the Agreement at an established hourly rate; and

WHEREAS, the City desires to obtain additional services from Consultant for certain network hardware upgrade projects in order to implement and complete the City’s IT initiatives (“Additional Services”) in an amount not to exceed \$354,400;

NOW THEREFORE, THE CITY AND THE CONSULTANT AGREE AS FOLLOWS:

Section 1. Section 3.4 of the Agreement entitled “Compensation” is hereby amended to read as follows:

““Compensation”: The total annual compensation and costs payable to Consultant by City for the Services rendered pursuant to this Agreement, shall be in the amount not to exceed of Three Hundred and Six Thousand Eight Hundred and Eight Dollars \$306,808 annually. For the Additional Services described in the Second Amendment to the Agreement that are requested by the City and set forth in a change order, the City shall compensate Consultant for such services pursuant to the hourly rates set forth in the Agreement, not to exceed a maximum amount of Three Hundred and Fifty-Four Thousand Four Hundred Dollars (\$354,400). Such

Additional Services shall be provided to City by Consultant pursuant to the terms of the Agreement.”

Section 2. All other terms, conditions, and provisions of the Agreement to the extent not modified by this Amendment, shall remain in full force and effect.

“City”
City of South Pasadena

“Consultant”
Acorn Technology Services

By: _____
Signature

By: _____
Signature

Printed: Arminé Chaparyan

Printed: Mickey McGuire

Title: City Manager

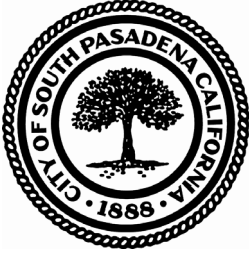
Title: Consultant

Attest:

By: _____
Mark Perez , Deputy City Clerk

Approved as to form:

By: _____
Roxanne Diaz, City Attorney



City Council Agenda Report

ITEM NO. 17

DATE: February 7, 2024

FROM: Evelyn G. Zneimer, Mayor

PREPARED BY: Luis Frausto, Management Services Director

SUBJECT: **Consideration of Approval of Mayor's List of City Council Liaison and Regional Group Appointments**

Recommendation

It is recommended that the City Council:

1. Approve the Mayor's list of City Council Liaison and Regional Group Appointments to various commissions, boards, and committees; and
2. Adopt a Resolution, superseding Resolution No. 7812, appointing delegates, representatives, and alternates as official representatives of the City of South Pasadena.

Executive Summary

This is a list of appointments made by the Mayor for the City Council Liaison and Regional Group lists.

Background

At the beginning of every Mayoral term, appointments are made to various commissions, boards, committees, and regional groups for the calendar year. The majority of the appointments are recommended by the Mayor for Council approval; however, several agencies and organizations do require City Council action by resolution. In addition, some appointments are voted by the regional group and are listed on the Mayor's appointment list for informational purposes only.

Analysis

The Mayor has submitted her list of City Council Liaison and Regional Group Appointments to the City Clerk's Division. This is a routine annual item that requires approval by the City Council.

Fiscal Impact

Expenses for attending regional meetings are budgeted on an annual basis in the City Council budget.

Attachments:

1. List of Proposed City Council Liaison & Regional Group Appointments
2. Resolution

**THIS PAGE
INTENTIONALLY
LEFT BLANK**

ATTACHMENT


List of Proposed City Council Liaison & Regional Group Appointments

**THIS PAGE
INTENTIONALLY
LEFT BLANK**



Liaison and Regional Group Appointments
Evelyn G. Zneimer, Mayor
February 7, 2024 to December 2024

City Commissions, Boards, and Committees	Appointed Liaison
Cultural Heritage Commission	Donovan
Community Services Commission	Donovan
Design Review Board	Cacciotti
Finance Commission	Braun
Fourth of July – Festival of Balloons Committee <i>*Pivoted to staff and volunteers in 2023</i>	No Council Liaison
Mobility and Transportation Infrastructure Commission	Zneimer
Library Board of Trustees	Primuth
Natural Resources and Environmental Commission	Cacciotti
Planning Commission	Primuth
Public Art Commission	Braun
Public Safety Commission	Braun
Public Works Commission	Zneimer
South Pasadena Tournament of Roses Committee	Zneimer
Ad Hoc/Committees and other assignments	Appointed Liaisons
Ad Hoc Committee: SB 381 Implementation Committee & Legislative Fix of SB 381 Sale of CalTrans Properties	Primuth and Braun
Ad Hoc Committee: City Council and South Pasadena Unified School District	Primuth and Donovan
Ad Hoc Committee: Mission-Meridian Village Subcommittee (08/14/2013)	Donovan
Representative: South Pasadena Chamber of Commerce – Legislative	Primuth
Representative: South Pasadena Chamber of Commerce – Economic Development	Braun
Representative: South Pasadena Chamber of Commerce – Chamber Board	City Manager/Deputy City Manager
Ad Hoc Committee: Library (12/20/2023)	Braun and Zneimer
Metro Gold Line Technical Advisory Committee (TAC)	City Manager and Tamara Binns
City Council Sub Committee: Economic Development	Braun and Zneimer

Regional Groups – Appointment by City	Appointed Liaison	Alternate(s)
 Arroyo Verdugo Communities Joint Powers Authority Governing Board	Primuth	Cacciotti
California Contract Cities Legislative Committee	Primuth	Donovan

Liaison and Regional Group Appointments

	Foothill Employment and Training Consortium Policy Board	Zneimer	Braun
	Los Angeles County City Selection Committee	Zneimer (always Mayor)	Cacciotti
📄 ★ Δ	Los Angeles County Sanitation Districts, Board of Directors, District 16	Zneimer (always Mayor)	Donovan
	CalCities, Los Angeles Division and Annual Conference	Braun	Primuth
📄 ❖ Δ	Metro Gold Line Phase II Joint Powers Authority (JPA)	Cacciotti	Primuth
📄 ❖	Metro Gold Line Construction Authority	Mendel Thompson, Glendora Mayor	Paul Leon, Ontario Mayor
📄 ❖ Δ	San Gabriel Valley Council of Governments Governing Board	Zneimer	Braun
📄 ❖ Δ	Southern California Association of Governments General Assembly	Cacciotti	Braun
📄 ❖ Δ	San Gabriel Valley Mosquito and Vector Control District	Robert S. Joe (Resident) (expires 12/31/2025)	Donovan
📄 ❖	Clean Power Alliance	Donovan	Diana Mahmud (resident) and Arpy Kasparian (staff)
Regional Groups –Appointment by Regional Group		Appointed Liaison	Alternate(s)
📄 Δ 📄	Arroyo Verdugo Communities Joint Powers Authority Appointed Representative to the Southern California Association of Governments (SCAG) Policy Committee (TC)	Zneimer	Donovan
📄 📄	Santa Monica Mountains Conservancy Advisory Committee	Cacciotti	Zneimer
📄 📄 Δ	South Coast Air Quality Management District San Gabriel Valley Board Member	Cacciotti	TBD
	Metro San Gabriel Valley Service Council	John Harrington, San Gabriel Mayor	N/A

- 📄 Requires FPPC Form
- ❖ Council vote
- ★ Board Member is current Mayor; Alternate is appointed by Mayor
- 📄 Voted by Regional Group
- Δ Stipend

ATTACHMENT
Resolution

**THIS PAGE
INTENTIONALLY
LEFT BLANK**

RESOLUTION NO. XXXX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA, APPOINTING DELEGATES, REPRESENTATIVES, AND ALTERNATES AS OFFICIAL REPRESENTATIVES OF THE CITY OF SOUTH PASADENA, SUPERSEDING RESOLUTION NO. 7812

WHEREAS, the City Council of the City of South Pasadena (City) at its regular meeting of December 20, 2023, reorganized as follows: Evelyn G. Zneimer, Mayor; Jack Donovan, Mayor Pro Tem; Jon Primuth, Councilmember; Janet Braun, Councilmember; and Michael Cacciotti, Councilmember; and

WHEREAS, with the reorganization, the Mayor and the City Council make appointments to various agencies and organizations for the Mayoral term; and

WHEREAS, several agencies and organizations require that the City Council formally approve its official delegates, representatives, and alternates to represent the City.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. The City Council of the City of South Pasadena does hereby confirm and appoint the following persons as Governing Board Representative and alternate member of the **SAN GABRIEL VALLEY COUNCIL OF GOVERNMENTS** for the term indicated:

Governing Board Representative	Alternate	Term
Mayor Zneimer	Councilmember Braun	2024

SECTION 2. The City Council of the City of South Pasadena does hereby confirm and appoint the following persons as delegate and alternate member of the **LEAGUE OF CALIFORNIA CITIES, LOS ANGELES DIVISION** for the term indicated:

Delegate	Alternate	Term
Councilmember Braun	Councilmember Primuth	2024

SECTION 3. The City Council of the City of South Pasadena does hereby confirm and appoint the following persons as board member and alternate board member of the **LOS ANGELES COUNTY SANITATION DISTRICTS BOARD OF DIRECTORS, DISTRICT 16** for the term indicated:

Board Member	Alternate	Term
Mayor Zneimer	Mayor Pro Tem Donovan	2024

SECTION 4. The City Council of the City of South Pasadena does hereby confirm and appoint the following persons as delegate and alternate member of the **METRO GOLD LINE PHASE II JOINT POWERS AUTHORITY BOARD** for the term indicated:

Delegate	Alternate	Term
Councilmember Cacciotti	Councilmember Primuth	2024

SECTION 5. The City Council of the City of South Pasadena does hereby confirm and appoint the following persons as delegate and alternate member of the **ARROYO VERDUGO COMMUNITIES JOINT POWERS AUTHORITY** for the term indicated:

Delegate	Alternate	Term
Councilmember Primuth	Councilmember Cacciotti	2024

SECTION 6. The City Council of the City of South Pasadena does hereby confirm and appoint the following persons as delegate and alternate member of the **SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS GENERAL ASSEMBLY** for the term indicated:

Delegate	Alternate	Term
Councilmember Cacciotti	Councilmember Braun	2024

SECTION 7. The City Council of the City of South Pasadena does hereby confirm and appoint the following person as delegate member of the **SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT** for the term indicated:

Delegate	Alternate	Term
Robert S. Joe (Community Member)	Mayor Pro Tem Donovan	2024

SECTION 8. The City Council of the City of South Pasadena does hereby confirm and appoint the following person as delegate member of the **CLEAN POWER ALLIANCE** for the term indicated:

Delegate	Alternate	Term
Mayor Pro Tem Donovan	Diana Mahmud (Community Member) and Arpy Kasparian (Staff)	2024

SECTION 9. The City Council of the City of South Pasadena does hereby confirm and appoint the following person as delegate member of the **FOOTHILL EMPLOYMENT AND TRAINING CONSORTIUM POLICY BOARD** for the term indicated:

Delegate	Alternate	Term
Mayor Zneimer	Councilmember Braun	2024

SECTION 10. Pursuant to the appointments made above, the City Council of the City of South Pasadena does hereby adopt the completed Form 806 of the Fair Political Practices Commission, and directs staff to take all other actions necessary to comply with the requirements of any applicable laws and regulations.

SECTION 11. The City Council declares that this resolution supersedes Resolution No.7812, which represented the previous appointment of delegates, representatives, and alternates as official representatives of the City of South Pasadena.

SECTION 12. The City Clerk of the City of South Pasadena shall certify to the passage and adoption of this resolution and its approval by the City Council and shall cause the same to be listed in the records of the City.

PASSED, APPROVED AND ADOPTED on this 7th day of February, 2024.

Evelyn G. Zneimer, Mayor

ATTEST:

APPROVED AS TO FORM:

Mark Perez, Deputy City Clerk

Roxanne Diaz, City Attorney

I HEREBY CERTIFY Resolution No. XXXX was duly adopted by the City Council of the City of South Pasadena, California, at a regular meeting held on the 7th day of February, 2024 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

Mark Perez, Deputy City Clerk

**THIS PAGE
INTENTIONALLY
LEFT BLANK**



City Council Agenda Report

ITEM NO. 18

DATE: February 7, 2024

FROM: Arminé Chaparyan, City Manager *BKM for AC*

PREPARED BY: Sheila Pautsch, Community Services Director

SUBJECT: **Consideration of a Purchase of Two 2022 Lightning Electric Transit Eight Passenger Vans for Dial-A-Ride in the Amount of \$393,881 from National Auto Fleet Group with Proposition A Local Return Funds and Utilizing the Sourcewell Cooperative Purchasing Program**

Recommendation

It is recommended that the City Council:

1. Appropriate \$393,881 from Proposition A Local Return Fund to the Community Services Proposition A Automotive Equipment Account No. 205-8030-8024-8540 to fund the procurement of two 2022 Lightning Electric Transit Eight Passenger Vans;
2. Authorize the use of the Sourcewell Cooperative Purchasing Program for the procurement of two 2022 Lightning Electric Transit Eight Passenger Vans from National Auto Fleet Group, pursuant to Section 2.99-19(19) and the City's Purchasing Policy;
3. Award a contract and associated purchase order to National Auto Fleet Group in the amount of \$393,881 for the purchase of two 2022 Lightning Electric Transit Eight Passenger vans; and
4. Declare the 2012 CNG MV1 (Vehicle #78 -Vin # 523MF1B65CM101646) as a surplus.

Executive Summary

Staff is requesting approval for the purchase of two vehicles for the Community Services Department's Transit Division (Division) for the Dial A Ride Program, and surplus one of the vehicles as it has exceeded its useful life benchmark. This consideration is fully funded by Proposition A funds and does not request any General Fund monies.

Background

In an effort to reduce costs, improve efficiencies, and ensure the City advances the goals and objectives in the 2020 Climate Action Plan (CAP) and City's Strategic Plan, the Community Services Department is proposing to purchase two Plug-in electric vehicles (PEV's) from National Auto Fleet Group (NAFG) to replace the remaining Certified Natural

Appropriate Funds and Award Contract to National Auto Fleet Group in the Amount of \$393,881

February 7, 2024

Page 2 of 4

Gas (CNG) vehicles. It is well established that PEV's substantially reduce energy and maintenance costs of fleet operations while simultaneously eliminating Greenhouse Gas Emissions (GHG). Transitioning to an all-PEV fleet now will significantly advance the City towards the primary goal of achieving GHG emissions targets by 2030.

The Division receives annual funding support through Los Angeles County Metropolitan Transportation Authority (Metro) Proposition A Local Return Program. Monies from Proposition A will be allocated for the purchase of the two new 2022 electric eight (8) passenger vans. Since 2013, the Division has consistently updated its fleet. Overall, staff has successfully removed all gasoline-fueled buses. The fleet is currently comprised of two CNG fuel vehicles and two PEV's sixteen (16) passenger vans.

Analysis

The Dial-A-Ride Program offers low-cost rides to seniors and disabled residents. Currently, the Transit Division owns and maintains four vehicles in its fleet. There are two buses and two vans used for everyday transportation of seniors to and from medical appointments, and other excursions within the jurisdiction of the City. Special trips are also scheduled to various museums and gardens such as the Huntington Library, Descanso Gardens, Los Angeles County Arboretum, and the Wrigley Mansion. Moreover, the buses are used to transport seniors to luncheons at the War Memorial Building and other special events and trips provided in collaboration with the Senior Services Division.

In addition to supporting the City's Climate Action Plan, the purchase of a PEV van will provide stability in quality of service, as well as decrease the cost of maintenance expended by the Division on an annual basis. Although upfront capital costs are higher for electric battery buses, the total cost of ownership is expected to be lower than a Diesel or CNG bus due to high efficiencies, lower fuel cost, and reduced maintenance.

In terms of procurement, South Pasadena Municipal Code's Section 2.99-29(19) and the City's Purchasing Policy permit the City to engage in cooperative procurement. This allows the City to adopt another public agency's competitive bidding process for its acquisitions.

Sourcwell was created as a cooperative purchasing programs that bring together state purchasing officials from across the United States to solicit and award competitive bids collectively. The Sourcwell Cooperative Purchasing Program offers public sector agencies numerous benefits through cooperative purchasing. Leveraging cooperative master purchasing agreements enables cities to capitalize on the combined buying strength of several entities, achieving superior pricing and contract terms. This efficient system minimizes administrative burdens, guarantees uniform quality and standards, and speeds up procurement. This ensures cities can quickly access vital goods and services with fiscal prudence. Often referred to as "piggy-back agreements", these arrangements allow one agency to benefit from the pricing of another agency's competitively bid contract. Accordingly, the City intends to adopt the pricing and terms specified in the

Appropriate Funds and Award Contract to National Auto Fleet Group in the Amount of \$393,881
 February 7, 2024
 Page 3 of 4

Sourcewell Cooperative Purchasing Program. Through Sourcewell, NAFG will be the vendor from which the City will purchase these vehicles.

Dial-A-Ride fleet currently has two larger vehicles that hold sixteen passengers. The first is a 2017 Phoenix PEV that was purchased in 2016. The second is a 2021 Phoenix PEV that was purchased in 2021 and was delivered on January 30, 2023. The remaining one vehicle in the fleet is a 2014 VPG (Vehicle Production Group) MV1. The MV1 is a Certified Natural Gas Vehicle. Based on what is listed on the Department of Transportation's website, the MV1s have exceeded their useful life bench marker of five years. Staff is recommending retaining one MV1 as a backup vehicle.

Make/Model & Year	Van #	Passenger	Type	Mileage	Surplus
2012 VPG MV1	78	4	CNG	79,133	Yes
2014 VPG MV1	79	4	CNG	64,569	No
2017 Phoenix Plug-in Vehicle	80	16	Electric	38,235	No
2021 Phoenix Plug-in Vehicle	81	16	Electric	10,152	No

Alternatives

City Council may also consider the following alternatives to this recommendation or any others they may discuss as a part of this report:

1. Maintain the status quo and not purchase buses;
2. Look at purchasing smaller vehicles; or
3. Purchase two larger-sized vans.

Fiscal Impact

The fiscal impact for FY 23/24 would require the appropriation of \$393,881 from Proposition A to Account No. 205-8030-8024-8540, for the purchase of two eight-passenger ADA-compliant PEVs. An application has been submitted but not approved for the Hybrid and Zero Emissions and Bus Vouchered Program (HVIP). If the HVIP is approved, the City will receive a rebate of \$90,000. No General Fund monies are being used for this project.

Key Performance Indicators and Strategic Plan

This item is in line with the Community Services Department Key Performance Indicators for pursuing the electrification of the city fleet as identified in the Fiscal Year 2023-2024 Budget, or under Environmental/Climate Action as Adopted in the 2021-2026 Strategic Plan.

Commission Review and Recommendation

This matter was not reviewed by a Commission.

Attachments:

Appropriate Funds and Award Contract to National Auto Fleet Group in the Amount of \$393,881

February 7, 2024

Page 4 of 4

1. Quote from National Auto Fleet Group
2. Sourcewell Contract with National Auto Fleet Group
3. Municipal Code Section 2.99-29(19) and Corresponding Purchasing Policy

ATTACHMENT 1
Quote from National Auto Fleet Group

**THIS PAGE
INTENTIONALLY
LEFT BLANK**



Quote Date: 12/28/23

Agency: City of South Pasadena

Contact: Sheila Pautsch

Address 1102 Oxley St.

Address South Pasadena, CA 91030

Phone: (626) 403-7362

Email spautsch@southpasadenaca.gov

National Auto Fleet Group is pleased to submit the following quotation for your consideration:

Qty	Line Item	Option #	Description	Unit Price	Extended
2			Transit, 2022, Cargo Van, 10,360 GVWR with Step, Lightning Provided, US 130 Mile Range	\$130,000.00	\$ 260,000.00
2			Transit 350HD 7A1-2WC ADA Up fit as per spec sheet and floor plan	\$ 59,948.00	\$ 119,896.00
2			Lightning Analytics - 3 Year Subscription	\$1,995.00	\$ 3,990.00
1			Half day Driver and Fleet Manager Training	\$ 2,995.00	\$ 2,995.00
Subtotal				\$ 194,938.00	\$ 386,881.00
Sales Tax 10.25 %				\$ 19,981.15	\$ 39,962.29
Tire Fee				\$ 8.75	\$ 17.50
DMV Fees (approx)				\$ 150.00	\$ 300.00
HVIP Voucher				\$ (45,000.00)	\$ (90,000.00)
Delivery (non taxable) Subject to change				\$ 3,500.00	\$ 7,000.00
TOTAL PURCHASE ORDER AMOUNT				\$ 173,577.90	\$ 344,160.79

Notes: Deposit Due: **\$78,776.20**

This vehicle(s) is available under the Sourcwell (Formerly Known as NJPA) **Contract 091521-NAF**

Terms: Net 30

Quoted by: **Joshua Jerome**

Yesenia Covarubias, Fleet Manager (626) 457-5590
1601 W Main St. Alhambra, CA 91801

Sign Here _____

ATTACHMENT 2
Sourcewell Contract with National Auto Fleet Group

**Solicitation Number: RFP #091521****CONTRACT**

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and 72 Hour LLC dba: National Auto Fleet Group, 490 Auto Center Drive, Watsonville, CA 95076 (Supplier).

Sourcewell is a State of Minnesota local government unit and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to government entities. Participation is open to eligible federal, state/province, and municipal governmental entities, higher education, K-12 education, nonprofit, tribal government, and other public entities located in the United States and Canada. Sourcewell issued a public solicitation for Automobiles, SUVs, Vans, and Light Trucks with Related Equipment and Accessories from which Supplier was awarded a contract.

Supplier desires to contract with Sourcewell to provide equipment, products, or services to Sourcewell and the entities that access Sourcewell's cooperative purchasing contracts (Participating Entities).

1. TERM OF CONTRACT

- A. **EFFECTIVE DATE.** This Contract is effective upon the date of the final signature below.
- B. **EXPIRATION DATE AND EXTENSION.** This Contract expires November 8, 2025, unless it is cancelled sooner pursuant to Article 22. This Contract may be extended one additional year upon the request of Sourcewell and written agreement by Supplier.
- C. **SURVIVAL OF TERMS.** Notwithstanding any expiration or termination of this Contract, all payment obligations incurred prior to expiration or termination will survive, as will the following: Articles 11 through 14 survive the expiration or cancellation of this Contract. All rights will cease upon expiration or termination of this Contract.

2. EQUIPMENT, PRODUCTS, OR SERVICES

- A. **EQUIPMENT, PRODUCTS, OR SERVICES.** Supplier will provide the Equipment, Products, or Services as stated in its Proposal submitted under the Solicitation Number listed above.

Supplier's Equipment, Products, or Services Proposal (Proposal) is attached and incorporated into this Contract.

All Equipment and Products provided under this Contract must be new and the current model. Supplier may offer close-out or refurbished Equipment or Products if they are clearly indicated in Supplier's product and pricing list. Unless agreed to by the Participating Entities in advance, Equipment or Products must be delivered as operational to the Participating Entity's site.

This Contract offers an indefinite quantity of sales, and while substantial volume is anticipated, sales and sales volume are not guaranteed.

B. **WARRANTY.** Supplier warrants that all Equipment, Products, and Services furnished are free from liens and encumbrances, and are free from defects in design, materials, and workmanship. In addition, Supplier warrants the Equipment, Products, and Services are suitable for and will perform in accordance with the ordinary use for which they are intended. Supplier's dealers and distributors must agree to assist the Participating Entity in reaching a resolution in any dispute over warranty terms with the manufacturer. Any manufacturer's warranty that extends beyond the expiration of the Supplier's warranty will be passed on to the Participating Entity.

C. **DEALERS, DISTRIBUTORS, AND/OR RESELLERS.** Upon Contract execution and throughout the Contract term, Supplier must provide to Sourcewell a current means to validate or authenticate Supplier's authorized dealers, distributors, or resellers relative to the Equipment, Products, and Services offered under this Contract, which will be incorporated into this Contract by reference. It is the Supplier's responsibility to ensure Sourcewell receives the most current information.

3. PRICING

All Equipment, Products, or Services under this Contract will be priced at or below the price stated in Supplier's Proposal.

When providing pricing quotes to Participating Entities, all pricing quoted must reflect a Participating Entity's total cost of acquisition. This means that the quoted cost is for delivered Equipment, Products, and Services that are operational for their intended purpose, and includes all costs to the Participating Entity's requested delivery location.

Regardless of the payment method chosen by the Participating Entity, the total cost associated with any purchase option of the Equipment, Products, or Services must always be disclosed in the pricing quote to the applicable Participating Entity at the time of purchase.

A. **SHIPPING AND SHIPPING COSTS.** All delivered Equipment and Products must be properly packaged. Damaged Equipment and Products may be rejected. If the damage is not readily apparent at the time of delivery, Supplier must permit the Equipment and Products to be

returned within a reasonable time at no cost to Sourcewell or its Participating Entities. Participating Entities reserve the right to inspect the Equipment and Products at a reasonable time after delivery where circumstances or conditions prevent effective inspection of the Equipment and Products at the time of delivery. In the event of the delivery of nonconforming Equipment and Products, the Participating Entity will notify the Supplier as soon as possible and the Supplier will replace nonconforming Equipment and Products with conforming Equipment and Products that are acceptable to the Participating Entity.

Supplier must arrange for and pay for the return shipment on Equipment and Products that arrive in a defective or inoperable condition.

Sourcewell may declare the Supplier in breach of this Contract if the Supplier intentionally delivers substandard or inferior Equipment or Products.

B. SALES TAX. Each Participating Entity is responsible for supplying the Supplier with valid tax-exemption certification(s). When ordering, a Participating Entity must indicate if it is a tax-exempt entity.

C. HOT LIST PRICING. At any time during this Contract, Supplier may offer a specific selection of Equipment, Products, or Services at discounts greater than those listed in the Contract. When Supplier determines it will offer Hot List Pricing, it must be submitted electronically to Sourcewell in a line-item format. Equipment, Products, or Services may be added or removed from the Hot List at any time through a Sourcewell Price and Product Change Form as defined in Article 4 below.

Hot List program and pricing may also be used to discount and liquidate close-out and discontinued Equipment and Products as long as those close-out and discontinued items are clearly identified as such. Current ordering process and administrative fees apply. Hot List Pricing must be published and made available to all Participating Entities.

4. PRODUCT AND PRICING CHANGE REQUESTS

Supplier may request Equipment, Product, or Service changes, additions, or deletions at any time. All requests must be made in writing by submitting a signed Sourcewell Price and Product Change Request Form to the assigned Sourcewell Supplier Development Administrator. This approved form is available from the assigned Sourcewell Supplier Development Administrator. At a minimum, the request must:

- Identify the applicable Sourcewell contract number;
- Clearly specify the requested change;
- Provide sufficient detail to justify the requested change;

- Individually list all Equipment, Products, or Services affected by the requested change, along with the requested change (e.g., addition, deletion, price change); and
- Include a complete restatement of pricing documentation in Microsoft Excel with the effective date of the modified pricing, or product addition or deletion. The new pricing restatement must include all Equipment, Products, and Services offered, even for those items where pricing remains unchanged.

A fully executed Sourcewell Price and Product Change Request Form will become an amendment to this Contract and will be incorporated by reference.

5. PARTICIPATION, CONTRACT ACCESS, AND PARTICIPATING ENTITY REQUIREMENTS

A. PARTICIPATION. Sourcewell's cooperative contracts are available and open to public and nonprofit entities across the United States and Canada; such as federal, state/province, municipal, K-12 and higher education, tribal government, and other public entities.

The benefits of this Contract should be available to all Participating Entities that can legally access the Equipment, Products, or Services under this Contract. A Participating Entity's authority to access this Contract is determined through its cooperative purchasing, interlocal, or joint powers laws. Any entity accessing benefits of this Contract will be considered a Service Member of Sourcewell during such time of access. Supplier understands that a Participating Entity's use of this Contract is at the Participating Entity's sole convenience and Participating Entities reserve the right to obtain like Equipment, Products, or Services from any other source.

Supplier is responsible for familiarizing its sales and service forces with Sourcewell contract use eligibility requirements and documentation and will encourage potential participating entities to join Sourcewell. Sourcewell reserves the right to add and remove Participating Entities to its roster during the term of this Contract.

B. PUBLIC FACILITIES. Supplier's employees may be required to perform work at government-owned facilities, including schools. Supplier's employees and agents must conduct themselves in a professional manner while on the premises, and in accordance with Participating Entity policies and procedures, and all applicable laws.

6. PARTICIPATING ENTITY USE AND PURCHASING

A. ORDERS AND PAYMENT. To access the contracted Equipment, Products, or Services under this Contract, a Participating Entity must clearly indicate to Supplier that it intends to access this Contract; however, order flow and procedure will be developed jointly between Sourcewell and Supplier. Typically, a Participating Entity will issue an order directly to Supplier or its authorized subsidiary, distributor, dealer, or reseller. If a Participating Entity issues a purchase order, it may use its own forms, but the purchase order should clearly note the applicable Sourcewell

contract number. All Participating Entity orders under this Contract must be issued prior to expiration or cancellation of this Contract; however, Supplier performance, Participating Entity payment obligations, and any applicable warranty periods or other Supplier or Participating Entity obligations may extend beyond the term of this Contract.

Supplier's acceptable forms of payment are included in its attached Proposal. Participating Entities will be solely responsible for payment and Sourcewell will have no liability for any unpaid invoice of any Participating Entity.

B. **ADDITIONAL TERMS AND CONDITIONS/PARTICIPATING ADDENDUM.** Additional terms and conditions to a purchase order, or other required transaction documentation, may be negotiated between a Participating Entity and Supplier, such as job or industry-specific requirements, legal requirements (e.g., affirmative action or immigration status requirements), or specific local policy requirements. Some Participating Entities may require the use of a Participating Addendum; the terms of which will be negotiated directly between the Participating Entity and the Supplier. Any negotiated additional terms and conditions must never be less favorable to the Participating Entity than what is contained in this Contract.

C. **SPECIALIZED SERVICE REQUIREMENTS.** In the event that the Participating Entity requires service or specialized performance requirements not addressed in this Contract (such as e-commerce specifications, specialized delivery requirements, or other specifications and requirements), the Participating Entity and the Supplier may enter into a separate, standalone agreement, apart from this Contract. Sourcewell, including its agents and employees, will not be made a party to a claim for breach of such agreement.

D. **TERMINATION OF ORDERS.** Participating Entities may terminate an order, in whole or in part, immediately upon notice to Supplier in the event of any of the following events:

1. The Participating Entity fails to receive funding or appropriation from its governing body at levels sufficient to pay for the equipment, products, or services to be purchased; or
2. Federal, state, or provincial laws or regulations prohibit the purchase or change the Participating Entity's requirements.

E. **GOVERNING LAW AND VENUE.** The governing law and venue for any action related to a Participating Entity's order will be determined by the Participating Entity making the purchase.

7. CUSTOMER SERVICE

A. **PRIMARY ACCOUNT REPRESENTATIVE.** Supplier will assign an Account Representative to Sourcewell for this Contract and must provide prompt notice to Sourcewell if that person is changed. The Account Representative will be responsible for:

- Maintenance and management of this Contract;
- Timely response to all Sourcwell and Participating Entity inquiries; and
- Business reviews to Sourcwell and Participating Entities, if applicable.

B. BUSINESS REVIEWS. Supplier must perform a minimum of one business review with Sourcwell per contract year. The business review will cover sales to Participating Entities, pricing and contract terms, administrative fees, sales data reports, supply issues, customer issues, and any other necessary information.

8. REPORT ON CONTRACT SALES ACTIVITY AND ADMINISTRATIVE FEE PAYMENT

A. CONTRACT SALES ACTIVITY REPORT. Each calendar quarter, Supplier must provide a contract sales activity report (Report) to the Sourcwell Supplier Development Administrator assigned to this Contract. Reports are due no later than 45 days after the end of each calendar quarter. A Report must be provided regardless of the number or amount of sales during that quarter (i.e., if there are no sales, Supplier must submit a report indicating no sales were made).

The Report must contain the following fields:

- Participating Entity Name (e.g., City of Staples Highway Department);
- Participating Entity Physical Street Address;
- Participating Entity City;
- Participating Entity State/Province;
- Participating Entity Zip/Postal Code;
- Participating Entity Contact Name;
- Participating Entity Contact Email Address;
- Participating Entity Contact Telephone Number;
- Sourcwell Assigned Entity/Participating Entity Number;
- Item Purchased Description;
- Item Purchased Price;
- Sourcwell Administrative Fee Applied; and
- Date Purchase was invoiced/sale was recognized as revenue by Supplier.

B. ADMINISTRATIVE FEE. In consideration for the support and services provided by Sourcwell, the Supplier will pay an administrative fee to Sourcwell on all Equipment, Products, and Services provided to Participating Entities. The Administrative Fee must be included in, and not added to, the pricing. Supplier may not charge Participating Entities more than the contracted price to offset the Administrative Fee.

The Supplier will submit payment to Sourcwell for the percentage of administrative fee stated in the Proposal multiplied by the total sales of all Equipment, Products, and Services purchased

by Participating Entities under this Contract during each calendar quarter. Payments should note the Supplier's name and Sourcewell-assigned contract number in the memo; and must be mailed to the address above "Attn: Accounts Receivable" or remitted electronically to Sourcewell's banking institution per Sourcewell's Finance department instructions. Payments must be received no later than 45 calendar days after the end of each calendar quarter.

Supplier agrees to cooperate with Sourcewell in auditing transactions under this Contract to ensure that the administrative fee is paid on all items purchased under this Contract.

In the event the Supplier is delinquent in any undisputed administrative fees, Sourcewell reserves the right to cancel this Contract and reject any proposal submitted by the Supplier in any subsequent solicitation. In the event this Contract is cancelled by either party prior to the Contract's expiration date, the administrative fee payment will be due no more than 30 days from the cancellation date.

9. AUTHORIZED REPRESENTATIVE

Sourcewell's Authorized Representative is its Chief Procurement Officer.

Supplier's Authorized Representative is the person named in the Supplier's Proposal. If Supplier's Authorized Representative changes at any time during this Contract, Supplier must promptly notify Sourcewell in writing.

10. AUDIT, ASSIGNMENT, AMENDMENTS, WAIVER, AND CONTRACT COMPLETE

A. **AUDIT.** Pursuant to Minnesota Statutes Section 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices relevant to this Agreement are subject to examination by Sourcewell or the Minnesota State Auditor for a minimum of six years from the end of this Contract. This clause extends to Participating Entities as it relates to business conducted by that Participating Entity under this Contract.

B. **ASSIGNMENT.** Neither party may assign or otherwise transfer its rights or obligations under this Contract without the prior written consent of the other party and a fully executed assignment agreement. Such consent will not be unreasonably withheld. Any prohibited assignment will be invalid.

C. **AMENDMENTS.** Any amendment to this Contract must be in writing and will not be effective until it has been duly executed by the parties.

D. **WAIVER.** Failure by either party to take action or assert any right under this Contract will not be deemed a waiver of such right in the event of the continuation or repetition of the circumstances giving rise to such right. Any such waiver must be in writing and signed by the parties.

E. **CONTRACT COMPLETE.** This Contract represents the complete agreement between the parties. No other understanding regarding this Contract, whether written or oral, may be used to bind either party. For any conflict between the attached Proposal and the terms set out in Articles 1-22 of this Contract, the terms of Articles 1-22 will govern.

F. **RELATIONSHIP OF THE PARTIES.** The relationship of the parties is one of independent contractors, each free to exercise judgment and discretion with regard to the conduct of their respective businesses. This Contract does not create a partnership, joint venture, or any other relationship such as master-servant, or principal-agent.

11. INDEMNITY AND HOLD HARMLESS

Supplier must indemnify, defend, save, and hold Sourcewell and its Participating Entities, including their agents and employees, harmless from any claims or causes of action, including attorneys' fees incurred by Sourcewell or its Participating Entities, arising out of any act or omission in the performance of this Contract by the Supplier or its agents or employees; this indemnification includes injury or death to person(s) or property alleged to have been caused by some defect in the Equipment, Products, or Services under this Contract to the extent the Equipment, Product, or Service has been used according to its specifications. Sourcewell's responsibility will be governed by the State of Minnesota's Tort Liability Act (Minnesota Statutes Chapter 466) and other applicable law.

12. GOVERNMENT DATA PRACTICES

Supplier and Sourcewell must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by or provided to Sourcewell under this Contract and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Supplier under this Contract.

13. INTELLECTUAL PROPERTY, PUBLICITY, MARKETING, AND ENDORSEMENT

A. INTELLECTUAL PROPERTY

1. *Grant of License.* During the term of this Contract:
 - a. Sourcewell grants to Supplier a royalty-free, worldwide, non-exclusive right and license to use the trademark(s) provided to Supplier by Sourcewell in advertising and promotional materials for the purpose of marketing Sourcewell's relationship with Supplier.
 - b. Supplier grants to Sourcewell a royalty-free, worldwide, non-exclusive right and license to use Supplier's trademarks in advertising and promotional materials for the purpose of marketing Supplier's relationship with Sourcewell.
2. *Limited Right of Sublicense.* The right and license granted herein includes a limited right of each party to grant sublicenses to their respective subsidiaries, distributors, dealers,

resellers, marketing representatives, and agents (collectively “Permitted Sublicensees”) in advertising and promotional materials for the purpose of marketing the Parties’ relationship to Participating Entities. Any sublicense granted will be subject to the terms and conditions of this Article. Each party will be responsible for any breach of this Article by any of their respective sublicensees.

3. Use; Quality Control.

- a. Neither party may alter the other party’s trademarks from the form provided and must comply with removal requests as to specific uses of its trademarks or logos.
- b. Each party agrees to use, and to cause its Permitted Sublicensees to use, the other party’s trademarks only in good faith and in a dignified manner consistent with such party’s use of the trademarks. Upon written notice to the breaching party, the breaching party has 30 days of the date of the written notice to cure the breach or the license will be terminated.

4. As applicable, Supplier agrees to indemnify and hold harmless Sourcewell and its Participating Entities against any and all suits, claims, judgments, and costs instituted or recovered against Sourcewell or Participating Entities by any person on account of the use of any Equipment or Products by Sourcewell or its Participating Entities supplied by Supplier in violation of applicable patent or copyright laws.

5. Termination. Upon the termination of this Contract for any reason, each party, including Permitted Sublicensees, will have 30 days to remove all Trademarks from signage, websites, and the like bearing the other party’s name or logo (excepting Sourcewell’s pre-printed catalog of suppliers which may be used until the next printing). Supplier must return all marketing and promotional materials, including signage, provided by Sourcewell, or dispose of it according to Sourcewell’s written directions.

B. **PUBLICITY.** Any publicity regarding the subject matter of this Contract must not be released without prior written approval from the Authorized Representatives. Publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Supplier individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Contract.

C. **MARKETING.** Any direct advertising, marketing, or offers with Participating Entities must be approved by Sourcewell. Send all approval requests to the Sourcewell Supplier Development Administrator assigned to this Contract.

D. **ENDORSEMENT.** The Supplier must not claim that Sourcewell endorses its Equipment, Products, or Services.

14. GOVERNING LAW, JURISDICTION, AND VENUE

The substantive and procedural laws of the State of Minnesota will govern this Contract. Venue for all legal proceedings arising out of this Contract, or its breach, must be in the appropriate state court in Todd County, Minnesota or federal court in Fergus Falls, Minnesota.

15. FORCE MAJEURE

Neither party to this Contract will be held responsible for delay or default caused by acts of God or other conditions that are beyond that party's reasonable control. A party defaulting under this provision must provide the other party prompt written notice of the default.

16. SEVERABILITY

If any provision of this Contract is found by a court of competent jurisdiction to be illegal, unenforceable, or void then both parties will be relieved from all obligations arising from that provision. If the remainder of this Contract is capable of being performed, it will not be affected by such determination or finding and must be fully performed.

17. PERFORMANCE, DEFAULT, AND REMEDIES

A. **PERFORMANCE.** During the term of this Contract, the parties will monitor performance and address unresolved contract issues as follows:

1. *Notification.* The parties must promptly notify each other of any known dispute and work in good faith to resolve such dispute within a reasonable period of time. If necessary, Sourcewell and the Supplier will jointly develop a short briefing document that describes the issue(s), relevant impact, and positions of both parties.
2. *Escalation.* If parties are unable to resolve the issue in a timely manner, as specified above, either Sourcewell or Supplier may escalate the resolution of the issue to a higher level of management. The Supplier will have 30 calendar days to cure an outstanding issue.
3. *Performance while Dispute is Pending.* Notwithstanding the existence of a dispute, the Supplier must continue without delay to carry out all of its responsibilities under the Contract that are not affected by the dispute. If the Supplier fails to continue without delay to perform its responsibilities under the Contract, in the accomplishment of all undisputed work, the Supplier will bear any additional costs incurred by Sourcewell and/or its Participating Entities as a result of such failure to proceed.

B. **DEFAULT AND REMEDIES.** Either of the following constitutes cause to declare this Contract, or any Participating Entity order under this Contract, in default:

1. Nonperformance of contractual requirements, or
2. A material breach of any term or condition of this Contract.

The party claiming default must provide written notice of the default, with 30 calendar days to cure the default. Time allowed for cure will not diminish or eliminate any liability for liquidated or other damages. If the default remains after the opportunity for cure, the non-defaulting party may:

- Exercise any remedy provided by law or equity, or
- Terminate the Contract or any portion thereof, including any orders issued against the Contract.

18. INSURANCE

A. REQUIREMENTS. At its own expense, Supplier must maintain insurance policy(ies) in effect at all times during the performance of this Contract with insurance company(ies) licensed or authorized to do business in the State of Minnesota having an "AM BEST" rating of A- or better, with coverage and limits of insurance not less than the following:

1. *Workers' Compensation and Employer's Liability.*

Workers' Compensation: As required by any applicable law or regulation.

Employer's Liability Insurance: must be provided in amounts not less than listed below:

Minimum limits:

\$500,000 each accident for bodily injury by accident

\$500,000 policy limit for bodily injury by disease

\$500,000 each employee for bodily injury by disease

2. *Commercial General Liability Insurance.* Supplier will maintain insurance covering its operations, with coverage on an occurrence basis, and must be subject to terms no less broad than the Insurance Services Office ("ISO") Commercial General Liability Form CG0001 (2001 or newer edition), or equivalent. At a minimum, coverage must include liability arising from premises, operations, bodily injury and property damage, independent contractors, products-completed operations including construction defect, contractual liability, blanket contractual liability, and personal injury and advertising injury. All required limits, terms and conditions of coverage must be maintained during the term of this Contract.

Minimum Limits:

\$1,000,000 each occurrence Bodily Injury and Property Damage

\$1,000,000 Personal and Advertising Injury

\$2,000,000 aggregate for Products-Completed operations

\$2,000,000 general aggregate

3. *Commercial Automobile Liability Insurance.* During the term of this Contract, Supplier will maintain insurance covering all owned, hired, and non-owned automobiles in limits of liability not less than indicated below. The coverage must be subject to terms

no less broad than ISO Business Auto Coverage Form CA 0001 (2010 edition or newer), or equivalent.

Minimum Limits:

\$1,000,000 each accident, combined single limit

4. *Umbrella Insurance*. During the term of this Contract, Supplier will maintain umbrella coverage over Employer's Liability, Commercial General Liability, and Commercial Automobile.

Minimum Limits:

\$2,000,000

5. *Network Security and Privacy Liability Insurance*. During the term of this Contract, Supplier will maintain coverage for network security and privacy liability. The coverage may be endorsed on another form of liability coverage or written on a standalone policy. The insurance must cover claims which may arise from failure of Supplier's security resulting in, but not limited to, computer attacks, unauthorized access, disclosure of not public data – including but not limited to, confidential or private information, transmission of a computer virus, or denial of service.

Minimum limits:

\$2,000,000 per occurrence

\$2,000,000 annual aggregate

Failure of Supplier to maintain the required insurance will constitute a material breach entitling Sourcewell to immediately terminate this Contract for default.

B. CERTIFICATES OF INSURANCE. Prior to commencing under this Contract, Supplier must furnish to Sourcewell a certificate of insurance, as evidence of the insurance required under this Contract. Prior to expiration of the policy(ies), renewal certificates must be mailed to Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or sent to the Sourcewell Supplier Development Administrator assigned to this Contract. The certificates must be signed by a person authorized by the insurer(s) to bind coverage on their behalf.

Failure to request certificates of insurance by Sourcewell, or failure of Supplier to provide certificates of insurance, in no way limits or relieves Supplier of its duties and responsibilities in this Contract.

C. ADDITIONAL INSURED ENDORSEMENT AND PRIMARY AND NON-CONTRIBUTORY INSURANCE CLAUSE. Supplier agrees to list Sourcewell and its Participating Entities, including their officers, agents, and employees, as an additional insured under the Supplier's commercial general liability insurance policy with respect to liability arising out of activities, "operations," or "work" performed by or on behalf of Supplier, and products and completed operations of Supplier. The policy provision(s) or endorsement(s) must further provide that coverage is

primary and not excess over or contributory with any other valid, applicable, and collectible insurance or self-insurance in force for the additional insureds.

D. **WAIVER OF SUBROGATION.** Supplier waives and must require (by endorsement or otherwise) all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the insurance policies required by this Contract or other insurance applicable to the Supplier or its subcontractors. The waiver must apply to all deductibles and/or self-insured retentions applicable to the required or any other insurance maintained by the Supplier or its subcontractors. Where permitted by law, Supplier must require similar written express waivers of subrogation and insurance clauses from each of its subcontractors.

E. **UMBRELLA/EXCESS LIABILITY/SELF-INSURED RETENTION.** The limits required by this Contract can be met by either providing a primary policy or in combination with umbrella/excess liability policy(ies), or self-insured retention.

19. COMPLIANCE

A. **LAWS AND REGULATIONS.** All Equipment, Products, or Services provided under this Contract must comply fully with applicable federal laws and regulations, and with the laws in the states and provinces in which the Equipment, Products, or Services are sold.

B. **LICENSES.** Supplier must maintain a valid and current status on all required federal, state/provincial, and local licenses, bonds, and permits required for the operation of the business that the Supplier conducts with Sourcewell and Participating Entities.

20. BANKRUPTCY, DEBARMENT, OR SUSPENSION CERTIFICATION

Supplier certifies and warrants that it is not in bankruptcy or that it has previously disclosed in writing certain information to Sourcewell related to bankruptcy actions. If at any time during this Contract Supplier declares bankruptcy, Supplier must immediately notify Sourcewell in writing.

Supplier certifies and warrants that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Supplier certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this Contract. Supplier further warrants that it will provide immediate written notice to Sourcewell if this certification changes at any time.

21. PROVISIONS FOR NON-UNITED STATES FEDERAL ENTITY PROCUREMENTS UNDER UNITED STATES FEDERAL AWARDS OR OTHER AWARDS

Participating Entities that use United States federal grant or FEMA funds to purchase goods or services from this Contract may be subject to additional requirements including the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 C.F.R. § 200. Participating Entities may have additional requirements based on specific funding source terms or conditions. Within this Article, all references to “federal” should be interpreted to mean the United States federal government. The following list only applies when a Participating Entity accesses Supplier’s Equipment, Products, or Services with United States federal funds.

A. **EQUAL EMPLOYMENT OPPORTUNITY.** Except as otherwise provided under 41 C.F.R. § 60, all contracts that meet the definition of “federally assisted construction contract” in 41 C.F.R. § 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. §60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 C.F.R. §, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 C.F.R. § 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.” The equal opportunity clause is incorporated herein by reference.

B. **DAVIS-BACON ACT, AS AMENDED (40 U.S.C. § 3141-3148).** When required by federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. § 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 C.F.R. § 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-federal entity must report all suspected or reported violations to the federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations (29 C.F.R. § 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-federal entity must report all suspected or reported violations to the federal awarding agency. Supplier must be in compliance with all applicable Davis-Bacon Act provisions.

C. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. § 3701-3708). Where applicable, all contracts awarded by the non-federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. § 5). Under 40 U.S.C. § 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence. This provision is hereby incorporated by reference into this Contract. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

D. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT. If the federal award meets the definition of “funding agreement” under 37 C.F.R. § 401.2(a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 C.F.R. § 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

E. CLEAN AIR ACT (42 U.S.C. § 7401-7671Q.) AND THE FEDERAL WATER POLLUTION CONTROL ACT (33 U.S.C. § 1251-1387). Contracts and subgrants of amounts in excess of \$150,000 require the non-federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. § 7401- 7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA). Supplier certifies that during the term of this Contract will comply with applicable requirements as referenced above.

F. DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689). A contract award (see 2 C.F.R. § 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. §180 that implement Executive Orders 12549 (3 C.F.R. § 1986 Comp., p. 189) and 12689 (3 C.F.R. § 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names

of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. Supplier certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

G. BYRD ANTI-LOBBYING AMENDMENT, AS AMENDED (31 U.S.C. § 1352). Suppliers must file any required certifications. Suppliers must not have used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Suppliers must disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the non-federal award. Suppliers must file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).

H. RECORD RETENTION REQUIREMENTS. To the extent applicable, Supplier must comply with the record retention requirements detailed in 2 C.F.R. § 200.333. The Supplier further certifies that it will retain all records as required by 2 C.F.R. § 200.333 for a period of 3 years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

I. ENERGY POLICY AND CONSERVATION ACT COMPLIANCE. To the extent applicable, Supplier must comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

J. BUY AMERICAN PROVISIONS COMPLIANCE. To the extent applicable, Supplier must comply with all applicable provisions of the Buy American Act. Purchases made in accordance with the Buy American Act must follow the applicable procurement rules calling for free and open competition.

K. ACCESS TO RECORDS (2 C.F.R. § 200.336). Supplier agrees that duly authorized representatives of a federal agency must have access to any books, documents, papers and records of Supplier that are directly pertinent to Supplier's discharge of its obligations under this Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to Supplier's personnel for the purpose of interview and discussion relating to such documents.

L. PROCUREMENT OF RECOVERED MATERIALS (2 C.F.R. § 200.322). A non-federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation

and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. § 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

M. FEDERAL SEAL(S), LOGOS, AND FLAGS. The Supplier not use the seal(s), logos, crests, or reproductions of flags or likenesses of Federal agency officials without specific pre-approval.

N. NO OBLIGATION BY FEDERAL GOVERNMENT. The U.S. federal government is not a party to this Contract or any purchase by an Participating Entity and is not subject to any obligations or liabilities to the Participating Entity, Supplier, or any other party pertaining to any matter resulting from the Contract or any purchase by an authorized user.

O. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS. The Contractor acknowledges that 31 U.S.C. 38 (Administrative Remedies for False Claims and Statements) applies to the Supplier's actions pertaining to this Contract or any purchase by a Participating Entity.

P. FEDERAL DEBT. The Supplier certifies that it is non-delinquent in its repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowance, and benefit overpayments.

Q. CONFLICTS OF INTEREST. The Supplier must notify the U.S. Office of General Services, Sourcewell, and Participating Entity as soon as possible if this Contract or any aspect related to the anticipated work under this Contract raises an actual or potential conflict of interest (as described in 2 C.F.R. Part 200). The Supplier must explain the actual or potential conflict in writing in sufficient detail so that the U.S. Office of General Services, Sourcewell, and Participating Entity are able to assess the actual or potential conflict; and provide any additional information as necessary or requested.

R. U.S. EXECUTIVE ORDER 13224. The Supplier, and its subcontractors, must comply with U.S. Executive Order 13224 and U.S. Laws that prohibit transactions with and provision of resources and support to individuals and organizations associated with terrorism.

S. PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT. To the extent applicable, Supplier certifies that during the term of this Contract it will comply with applicable requirements of 2 C.F.R. § 200.216.

T. DOMESTIC PREFERENCES FOR PROCUREMENTS. To the extent applicable, Supplier certifies that during the term of this Contract will comply with applicable requirements of 2 C.F.R. § 200.322.

22. CANCELLATION

Sourcwell or Supplier may cancel this Contract at any time, with or without cause, upon 60 days' written notice to the other party. However, Sourcwell may cancel this Contract immediately upon discovery of a material defect in any certification made in Supplier's Proposal. Cancellation of this Contract does not relieve either party of financial, product, or service obligations incurred or accrued prior to cancellation.

Sourcwell

72 Hour LLC dba: National Auto
Fleet Group

DocuSigned by:
Jeremy Schwartz
By: C0FD2A139D06489...
Jeremy Schwartz
Title: Chief Procurement Officer
11/4/2021 | 1:28 PM CDT
Date: _____

DocuSigned by:
Jesse Cooper
By: FACBB5730C1E467...
Jesse Cooper
Title: Fleet Manager
11/4/2021 | 10:46 AM CDT
Date: _____

Approved:

DocuSigned by:
Chad Coquette
By: 7E42B8F817A64CC...
Chad Coquette
Title: Executive Director/CEO
11/4/2021 | 1:34 PM CDT
Date: _____

RFP 091521 - Automobiles, SUVs, Vans, and Light Trucks with Related Equipment and Accessories

Vendor Details

Company Name: 72 HOUR LLC
Does your company conduct business under any other name? If yes, please state: National Auto Fleet Group
Address: 490 Auto Center Drive
Watsonville, CA 95076
Contact: Jesse Cooper
Email: Jcooper@nationalautofleetgroup.com
Phone: 951-440-0585
Fax: 831-840-8497
HST#: 263297677

Submission Details

Created On: Tuesday August 24, 2021 16:34:10
Submitted On: Tuesday September 14, 2021 14:10:21
Submitted By: Jesse Cooper
Email: Jcooper@nationalautofleetgroup.com
Transaction #: d2e890de-e761-4f47-9b23-bef3d512bd76
Submitter's IP Address: 76.81.241.2

Specifications

Table 1: Proposer Identity & Authorized Representatives

General Instructions (applies to all Tables) Sourcwell prefers a brief but thorough response to each question. Do not merely attach additional documents to your response without also providing a substantive response. Do not leave answers blank; respond "N/A" if the question does not apply to you (preferably with an explanation).

Line Item	Question	Response *
1	Proposer Legal Name (one legal entity only): (In the event of award, will execute the resulting contract as "Supplier")	72 Hour LLC
2	Identify all subsidiary entities of the Proposer whose equipment, products, or services are included in the Proposal.	WCAF, LLC WCDJR, LLC Alan Jay Automotive Inc
3	Identify all applicable assumed names or DBA names of the Proposer or Proposer's subsidiaries in Line 1 or Line 2 above.	NAFG has numerous subsidiaries and DBA's including but not limited to: National Auto Fleet Group, Chevrolet of Watsonville, Watsonville Ford Watsonville CDJR Watsonville Fleet Group Alan Jay Chrysler Jeep Inc Alan Jay Chevrolet, Cadillac Alan Jay Buick, GMC Alan Jay Auto Outlet Clewiston Motor Company, Inc Alan Jay Chrysler Dodge Ram Jeep Alan Jay Lincoln Alan Jay Ford Alan Jay Nissan Alan Jay Toyota
4	Proposer Physical Address:	490 Auto Center Drive Watsonville, CA 95076
5	Proposer website address (or addresses):	www.NationalAutoFleetGroup.com
6	Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the "Proposer's Assurance of Compliance" on behalf of the Proposer and, in the event of award, will be expected to execute the resulting contract):	Jesse Cooper Fleet Manager 1-855-289-6572 490 Auto Center Drive Watsonville, CA 95076 Jcooper@nationalautofleetgroup.com
7	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Jesse Cooper Fleet Manager 1-855-289-6572 490 Auto Center Drive Watsonville, CA 95076 Jcooper@nationalautofleetgroup.com
8	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	Clarke Cooper Fleet Manger 1-855-289-6572 490 Auto Center Drive Watsonville, CA 95076 ClarkeCooper@watsonvillefleetgroup.com

Table 2: Company Information and Financial Strength

Line Item	Question	Response *
-----------	----------	------------

9	Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested equipment, products or services.	<p>National Auto Fleet Group started as a new division of 72 Hour LLC, in the summer of 2010 in the heart of Southern California. We began our network with a single automobile dealership and have now grown our network to encompass numerous dealerships located in and outside of California.</p> <p>We stand by providing opportunities for advancement by hiring and promoting from within our organization. Many of the Fleet Managers who started with us in 2010 are still with us today.</p> <p>Through the years, we have evolved and adapted to the new technology driven trends that are revolutionizing the automotive industry today. However, our brand's fundamental core values have remained unchanged – We are committed to do right for the members. If we take care of them, they will in return take care of us.</p> <p>National Auto Fleet Group's operational blueprint and business philosophy has always been the "4 RIGHT's" for every member: We deliver the RIGHT vehicle, at the RIGHT time, to the RIGHT place at the RIGHT price.</p> <p>The integrity of our business stems on our deep family roots in the automotive industry. We are and always will be family owned and operated with our future generations already in their infant stages today. We are committed to pioneering our industry for decades to come.</p>
10	What are your company's expectations in the event of an award?	<p>If awarded, this would be our 5th Sourcewell Contract and we would execute as such. We will continue to serve your members and provide them with excellent customer service while continuing to advance customer satisfaction. Along with implementing new business growth strategies that will ultimately launch us into new heights once again.</p> <p>Furthermore, we will launch our Partner Program detailed in the attached "marketing Plan Compressed" Zip file. This next generation application will give members the power to select upfitters they would like NAFG to partner with in providing satisfactory quotes and service. We see tremendous value in building out these mutually beneficial partnerships, so we can provide 100% satisfactory turnkey solutions to the members.</p>
11	Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response.	<p>To demonstrate NAFG's financial strength and stability, we have uploaded Bank Commitment letters under the Financial Strength Section of the online application. We have a direct line of credit of \$52,000,00.00 that we are currently utilizing with our current and past Sourcewell Contracts. However, this number is not capped as we have the freedom to extend the cap to accommodate the revolving needs of the members.</p> <p>Referenced below is a short register of some of our market success from awarded government contracts that encompass over \$140,000,000.00 worth of products and goods under our current Sourcewell Contract.</p> <p>A. City of San Diego, CA \$ 72,000,000 contract under our Sourcewell Contract 120716-NAF.</p> <p>B. City of San Diego, CA \$ 55,400,000 contract under our Sourcewell Contract 081716-NAF.</p> <p>C. Government Fleet Article Highlighting our transaction with the City of San Diego, CA procuring over 100 Police vehicles through NAFG Sourcewell Contract 120716-NAF.</p> <p>D. City of Los Angeles World Airports, CA Contract for \$ 24,003,500 under Sourcewell Contract 120716-NAF for the procurement of 400 vehicles.</p> <p>E. City of Los Angeles Harbor, CA Contract Extension to \$ 4,500,000 contract under Sourcewell Contract 120716-NAF.</p> <p>F. City of Los Angeles Harbor, CA Contract for \$1,500,000 under our Sourcewell Contract 120716-NAF.</p> <p>G. City of Los Angeles Harbor, CA Renewal for another \$ 1,500,000 under Sourcewell Contract Class 6, 7 and 8 Contract 081716-NAF.</p> <p>H. City of Costa Mesa, CA Contract \$1,023,220 under our Sourcewell Contract 120716-NAF.</p> <p>I. Blanket Contracts with the State of Maryland, MD off our current Class 6, 7 and 8 Chassis Contract 081716-NAF.</p> <p>J. Blanket Contracts with the State of Maryland, MD off our Current Sourcewell Contract 120716-NAF.</p> <p>We have also attached our Commitment Letter's for unparalleled support from leading nationally recognized upfit suppliers such as The Knapheide Manufacturing Company. Along with regional suppliers such as Brand FX and Phenix Truck Body located in Southern California serve as regional support locations, whom we often work alongside to fulfill all member needs with past, present, and future orders with NAFG.</p> <p>Included are also Upfitter Recommendation letters to illustrate how National Auto Fleet Group has taken a proactive interest in building mutually beneficial relationship with our upfitters. Mutuality and reciprocity relationships between body companies and our dealer's are two of the key components that help members receive what they need in a smooth and efficient fashion.</p> <p>In addition, the adoption of our Class 6, 7, and 8 Contract from Anne Arundel County in the state of Maryland is as an example of how National Auto Fleet Group attracts and retains new clients by demonstrating to them there's a better and more efficient way of finding turnkey solutions.</p> <p>Lastly, we have attached supporting documents that help emphasize and exemplify our growth since our first awarded Sourcewell Contract in 2012. We sincerely hope it helps portray our commitment to building lifelong rapport and trust with our partner upfitters and members.</p>
12	What is your US market share for the solutions that you are proposing?	. Of our respective brands and OEM's we represent, the US market share is estimated to be 60 – 75%.
13	What is your Canadian market share for the solutions that you are proposing?	It is difficult to estimate the market share for the brands and OEM's we represent, however we estimate that it should be the same 60 -75 % of the US share.
14	Has your business ever petitioned for bankruptcy protection? If so, explain in detail.	No.

15	<p>How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer whichever question (either a) or b) just below) best applies to your organization.</p> <p>a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned?</p> <p>b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party?</p>	<p>National Auto Fleet Group is a dealer network best categorized as "A" - Distributer/Dealer/Reseller and Dealer Partner for (15) OEM Manufacturers including Ford Motor Company, Chevrolet, RAM, GMC, Buick, Chrysler, Dodge, Jeep, Toyota, Nissan, KIA, BMW, Honda, Cadillac and Volkswagen, All orders are placed with the franchised dealer and ultimately titled directly to the member. All appropriate certification certificates and authorized DMV/Factory licenses may be found in the "Related Certification" section uploaded to this RFP. It should be noted we do not sell used equipment to members.</p>
16	<p>If applicable, provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP.</p>	<p>Required licenses include a Dealer's License, a Franchise issued by the Manufacture, a Department of Motor Vehicles License, as well as a Reseller's permit license. All which NAFG and Dealer Partner's hold. Please review our attachment documents in section "Related Certification" for licenses that we either solely own or are jointly owned by our partner dealers that pertain to this RFP. A list of all our licenses are below, some of which may not pertain to class 1-3 but to class 4-8.</p> <p>CA Certificate of Good Standing 200824810190 State of Florida License Certificates: VF/1000974/4 VF/1000950/1 VF/1046516/1 VF/1024619/2 VF/1024619/1 VF/1018615/1 VF/1021891/1 VF/1000974/3 VF/1105916/1 VF/1020705/1 VF/1000969/1 CA State Seller's Permit 101-135239 CA State Seller's Permit 245364864-00001 Department of Motor Vehicle, Vehicle Dealer/ License Number 97772 Department of Motor Vehicle, Vehicle Dealer License Number 97771 Department of Motor Vehicle, Vehicle Dealer License Number 43609 Bureau of Automotive repair Registration # ARD00296319 123120 CA State Seller's Permit 232781952-00001 City of Watsonville Business License Number 1792 City of Watsonville Business License Number 4358 Fictitious Business Names from Santa Cruz County for National Auto Fleet Group FBN: 2017-0000138 California General Resale Certificate Dun & Bradstreet Number: 023680653 Government of The District of Columbia Certificate Government of the District of Columbia Tax Registration # 7815888160711 City of Los Angeles Tax Registration Government of The District of Columbia CLEAN HANDS CERTIFICATION San Diego Freightliner Seller's Permit Commonwealth of Virginia State Corporation Commission Certificate State of Maryland Good Standing Certificate Kansas Department of Revenue for Kansas City Peterbilt New Jersey Department of Treasury Registration Certificate New Jersey Business Registration Notice of Compliance of the Canton City Codified Ordinance Employee Information Report for the State of New Jersey State of Maryland New Sales and Use tax License CA State Seller's Permit 98-037902 00006 South Carolina Department of Motor Vehicles License Number 36133 State of South Carolina Retail License Commonwealth of Kentucky Vehicle Dealer License 1583 20 100 State of West Virginia Dealer License Commonwealth of Kentucky Vehicle Dealer License 1581 20 036 State of Tennessee Vehicle Dealer License</p>
17	<p>Provide all "Suspension or Debarment" information that has applied to your organization during the past ten years.</p>	<p>Not Applicable, none.</p>

Table 3: Industry Recognition & Marketplace Success

Line Item	Question	Response *
18	Describe any relevant industry awards or recognition that your company has received in the past five years	National Auto Fleet Group's received its most prestigious award for Top Placement within Ford Motor Company as the leading dealership in Government Sales. In addition, our Chevrolet brand was highly ranked and honored 4/5 consecutive years by General Motors.
19	What percentage of your sales are to the governmental sector in the past three years	Within our fleet division, 90% of our contracts within the past three years have been with government accounts.
20	What percentage of your sales are to the education sector in the past three years	Within the past 3 years 90% of our sales have been to government accounts, 20% of which are within the education sector.
21	List any state, provincial, or cooperative purchasing contracts that you hold. What is the annual sales volume for each of these contracts over the past three years?	We hold the State of California contract with volumes from 200 to 500 units a year over the past three years. In addition, our Sourcwell Contract's 091219, 081716 and 120716 that we have maintained over the past three years has sold combined north of 400 million of Combined Quarterly Sales.
22	List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years?	National Auto Fleet Group's focus lies on the Sourcwell Contract. NAFG holds no other GSA contract, Standing Offers, or Supply Arrangements other than the State of California contract. Our annual sales volume is estimated to be north of \$200 million.

Table 4: References/Testimonials

Line Item 23. Supply reference information from three customers who are eligible to be Sourcwell participating entities.

Entity Name *	Contact Name *	Phone Number *
Port of Los Angeles, CA	Mr. Dave Comer	310-72-3794
County of Venture, CA	Mr. Jorge Brilla	805-672-2044
City of Austin, TX	Mr. Matt Sager	512-978-2637
County of San Joaquin, CA	Mr. David Myers	209-468-9745
City of Palo Alto, CA	Ms. Danitra Bahlman	650-496-5920

Table 5: Top Five Government or Education Customers

Line Item 24. Provide a list of your top five government, education, or non-profit customers (entity name is optional), including entity type, the state or province the entity is located in, scope of the project(s), size of transaction(s), and dollar volumes from the past three years.

Entity Name	Entity Type *	State / Province *	Scope of Work *	Size of Transactions *	Dollar Volume Past Three Years *
City of Austin	Government	Texas - TX	Purchaser	10-15 Vehicles at once, Vans and SUVs	Over 1M
Los Angeles Department of Water and Power	Government	California - CA	Purchaser	Over 120 Vehicles, Vans and SUVs	Over 3M
Port of Los Angeles	Government	California - CA	Purchaser	Over 80 Trucks, Vans and SUVs	Over 2M
Anne Arundel County	Government	Maryland - MD	Purchaser	Over 40 Trucks, Vans and SUVs	Over 1M
City of San Diego	Government	California - CA	Purchaser	Over 500 Trucks, Vans, SUV'	Over 15M

Table 6: Ability to Sell and Deliver Service

Describe your company's capability to meet the needs of Sourcwell participating entities across the US and Canada, as applicable. Your response should address in detail at least the following areas: locations of your network of sales and service providers, the number of workers (full-time equivalents) involved in each sector, whether these workers are your direct employees (or employees of a third party), and any overlap between the sales and service functions.

Line Item	Question	Response *
25	Sales force.	<p>Our sales force consists of direct and an indirect sales force. Our direct sales force consists of direct employees and partner dealers, which exceeds an employee count of 300 personnel both full time and part time. Many of our sales force are spread across the US and we leverage our relationships with our larger class dealerships to service the members lower class vehicle needs as well. A cross sales force. These individuals help support our dealerships and NAFG Fleet Division directly. On the other hand, our indirect sales force made up of upfitters and partner suppliers consists of over 100 personnel with our partner network and sales force growing annually.</p> <p>With both direct and indirect sales force staff working together, NAFG has been able to successfully grow, maintain and service the demand of the members. As the number of your members grow, we will continuously welcome more staff to not only meet customer demand, but also to exceed customer expectations.</p>

26	Dealer network or other distribution methods.	<p>Our franchise network in Canada and the U.S. is fortunately second to none. Our 15 proposed OEMS previously mentioned, all of which have established a presence nationwide with factory stores strategically placed where all members can receive service and complete warranty repairs with their respective products.</p> <p>Simple put the North American and Canadian automobile supply chain network is one of the best in the world. Of the 15 brands we represent, the OEMs have put in place a dealer network across all 50 states that will allow us to best serve all members.</p>	*
27	Service force.	<p>The 15 manufactures we represent have thousands of service locations that would be easily accessible to all your members. Service centers and warranty repair facilities for all 15 OEMs are ample and ready to help service our members and their needs. However, Alaska and Hawaii may be exceptions as they may have farther distances between franchises where members can utilize the repair services.</p>	*
28	Describe the ordering process. If orders will be handled by distributors, dealers or others, explain the respective roles of the Proposer and others.	<p>The member may order their vehicles by navigating to our website, www.NationalAutoFleetGroup.com and going through the step-by-step process to generate an online quote or by calling one of our representatives at 855-289-6572 or by sending NAFG an email at Fleet@NationalAutoFleetGroup.com. Orders are then processed directly to the manufacturer who will work to supply the vehicle to the ship-to location for upfitting or end user desired delivery location.</p>	*
29	Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises.	<p>To best demonstrate our Customer Service program, kindly reference the ZIP file "Member Walk Through" that is attached in the Additional Documents folder. Please begin with and review in order that is explained below:</p> <p>How Members Can Get Quotes Online: A member can obtain most quotes by visiting our website www.NationalAutoFleetGroup.com where a simple one step form is needed for registration. This is to protect the price information from nonmembers. Once a member registers they will receive an automated welcome email with a demo video on how to use our site. Members will gain access to there very own dashboard which will house all there quotes in one safe secure login. Member's can select which brand they are looking for and model year. Our site shows all the categories the brand offers such as: Cars, Vans, SUV's Trucks and Chassis Cabs. Members will then be able to drill down for the right selection by picking from the filter menu of what cab there looking for (Regular, Extended or Crew) to 2 wheel or 4 wheel drive down to the bed length there looking for. All factory options are then presented for the member to select from, this will show all current factory orderable options, taking the guess work out for the member. Once a member selects a desire build, they will see there Sourcewell Price report showing the MSRP, there contract price, the saving in real dollars and as a percentage. In the PDF example you can see a saving of \$ 9,175.96 of 22.345% to the member showing a significant savings. Members then can chose to add extra's to there order like extra keys' service manuals, sales tax and even request an upfit to be added to there quote. Lastly they will be given a complete turn key quote package to print which will include there customized Quote ID, Description and Specifications of what they build.</p> <p>How Members and Upfitters can Partner with NAFG: Our dedicated website www.NAFGPartner.com was built to accommodate the member who would like a certain upfitter to upfit there vehicles. It was also built for upfitters to have a place to go where they can find information on how to partner with NAFG to better serve there local members.</p> <p>Example of A Member with Upfit Quote: This is an example of how we use our Cab Chassis and combine them with an upfit to provide a turnkey solution for the member in a simple to follow format.</p> <p>ETA System for Members Walk Through: This is where members can easily come to our website, the same website they built there chassis on and track there order like they would a UPS package. We have a very simple display on our homepage "Track your order" where members can enter one of the following: Purchase Order Number, Quote ID, Upfit Quote ID or vin to easily see there in the process there particular order is in.</p> <p>Courtesy Confirmation Explained: After NAFG receives an order from a Member, we always like to send them a Courtesy Confirmation. This is were the member will double check some particulars on there order like, Color, Quantity, Upfit and Specification's are all correct before order placement. We also like to ask for title information at this point so we can help process the paperwork at delivery promptly.</p> <p>Factory Order Cut Off Notices: Here is were we like to highlight were members can access any upcoming factory order cut off dates. We walk them through the process step by step to ensure everyone knows the upcoming order cut off date, we even print this information (if known at the time) right on the cover page of there quotes.</p> <p>Validation Walk Through Example: To demonstrate a price validation, we show what a member would see when they build a truck on our site. At check out the member would see the Total Configured MSRP of \$ 35,730.00, A Sourcewell Price of \$ 27,331.68, Total Saving of \$ 8,398.32 or 23.505% for a 2020 F-250 followed by the pricing page which shows the Minimum Discount of at least 18.50%. As you see we provided an additional 5% discount on top of the 18.50% contract discount. This would be the case in most instances.</p>	*
30	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in the United States.	<p>Our willingness and ability to service members nationwide is unparalleled. We have dedicated staff 5 days a week, from 7am to 7pm standing by ready to assist any member help find the best solution for there needs even if helping assist them to the best Sourcewell Contract that could be a solution. We have a dedicated live chat feature on our online quote generating website in case any member has any trouble at all in building there quotes. NAFG has established a chain of suppliers who are at the ready to serve if called upon by any member. We are here to help.</p>	*
31	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	<p>We are willing and eager to soon extend our business model and network into Canada. We believe partnering with local Canadian based dealer groups is key to success in the Canadian market. NAFG's competitive pricing as well as a simple US Dollar to Canadian conversation will help NAFG expand into the Canadian market for participating Sourcewell members.</p>	*
32	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract.	<p>National Auto Fleet Group will handle servicing 100% of all geographic areas located in the United States. Although it is unclear what unseen obstacles we may face in Canada, NAFG is committed to building the same model to service Canada and providing the same level of customer satisfaction, service, and care as in the United States.</p>	*

33	Identify any Sourcewell participating entity sectors (i.e., government, education, not-for-profit) that you will NOT be fully serving through the proposed contract. Explain in detail. For example, does your company have only a regional presence, or do other cooperative purchasing contracts limit your ability to promote another contract?	NAFG will continue to service all Sourcewell Members through our 24 hour a day, 7 days a week online portal with the exclusion of Non-Profits. Unfortunately, Non-Profits are often not eligible for the same discount's government entities are qualified for. However, Non-Profits are subject to a different pricing program and will be evaluated on a case to case basis.
34	Define any specific contract requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	The only possible logistical constraints we may face is the shipping constraints for shipments arriving in Alaska, Hawaii and US Territories. For example, we often provide members in Alaska or Hawaii with vehicles that often have upfits. To circumvent this potential issue, members allow us to add these extra shipping and port costs to their quotes.

Table 7: Marketing Plan

Line Item	Question	Response *
35	Describe your marketing strategy for promoting this contract opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.	<p>National Auto Fleet Group encompasses a variety of marketing strategies to promote our products and services to streamline the vehicle purchasing process for government entities. Below are a few strategies used to serve as the gateway between our business and public agencies.</p> <p>Website and Inbound Marketing: The creation of a professional customer-focused website is one of our main features to market our products and services. The NAFG website encourages our members to interact and browse through products offered along with pricing and information about National Auto Fleet Group. Inbound marketing is created when potential members are directed to the company website. With this method, we are able to not only connect with members but to put the purchasing ability into the hands of each member. Our inbound marketing strategy attracts members by creating valuable content and experiences tailored to the needs of each individual. Examples include email campaign flyers on our products, informative and how-to videos, social media and engaging members with top-notch customer service to build brand awareness.</p> <p>Email Marketing: One of the main strategies used to engage current and potential members is Email Marketing. Our emails include different types of flyers that consist of information of the Sourcewell contract, promoting manufacturer brands, holiday themed flyers, discounts offered to first time buyers, important cutoff date reminders and upcoming products and events.</p> <p>The use of marketing campaigns plays a major role in enhancing the growth of our client database. Emails are a big part of our daily lives due to government agency employees utilizing emails as their main source of communication. We use campaigner.com as the emailing platform to reach our target members. Videos and descriptive images are used on all flyers and are compatible with a desktop or mobile device. Messages are short and to the point with links leading to the Sourcewell and NAFG homepage. The Campaigner email system allows the ability to track email activity based on open rate, unsubscribes and link clicks which is beneficial to understanding email effectiveness.</p> <p>Once potential members are directed to our website, they are welcomed with a wide range of options to explore an array of our products and services. They are able to register to become a member, view pricing, explore available in-stock vehicles, view how-to-videos, build a vehicle online to request an immediate quote or use our live chat assistant or call/email for live support.</p> <p>Face to Face Marketing Strategies: This strategy has proven to be successful in generating leads and creating lasting relationships by developing genuine connections with prospective members. National Auto Fleet Group attends several trades shows per year to engage members and put a face to the company. This in person meeting aids to build the brand by nurturing relationships between members and other vendors associated through the process. Trade shows attended include GFX, IAPPO, NIGP, ACT, CAPPO, and CASBO throughout the United States.</p> <p>NAFG has many opportunities to make in person presentations to propose products, services offered and to answer any questions potential members may have. These PowerPoint Presentations include topics on NAFG/Sourcewell process, how to facilitate the vehicle purchasing without bidding, informational videos, and the brands and services we provide. These meetings have been held at local cities, counties, school districts, water districts and ports.</p> <p>Relationship Marketing is a vital strategy used in building and maintaining long-term relationships practiced by National Auto Fleet Group on a daily basis.</p> <p>NAFG strives to create a positive and supportive connection with members by providing personalized and responsive customer service practices. The sales team has worked tirelessly to focus on providing outstanding customer support to create a powerful rapport with existing and new members. By going above and beyond, they have enhanced existing relationships and executed customer loyalty with repeat businesses. They strive to deviate from the "Car Salesperson" mentality which is 100% sales driven to a more product and customer service approach by instilling a sense of confidence in our clients. The goal is to regularly assist clients and address any needs and concerns even after the purchase has occurred. The strive to focus on solution selling vs. product selling develops into a mutually beneficial agreement for members and the business.</p> <p>Below are a few examples on successful relationship marketing from our Fleet Department:</p> <p>We had a member call in to request financing/lease options for a truck needed through our National Auto Fleet Group/Sourcewell vehicle contract. I contacted another Sourcewell vendor, Matt Geiselhart from NCL Gov Capital and he was happy to assist with a financing quote. The member also requested to trade in a current vehicle in their fleet and was directed to Govdeals for assistance in removing the outdated unit through an auction. The member was able to utilize three Sourcewell contracts to complete his transaction which simplified the entire process. The member was very satisfied with the amount of care and ease through his experience and became a repeat customer. By utilizing a cross-selling strategy, National Auto Fleet Group became his one stop shop to fulfill all fleet vehicle purchasing needs.</p> <p>"I had a member call in desperate to obtain a new truck because an employee had gotten into a serious accident and had the truck totaled. Due to covid restrictions, most manufacturers are currently experiencing microchip shortages which relays to production delays at the factory. We were able to direct buyer to our in-stock inventory on the NAFG website and member was ecstatic to locate truck to meet their needs. Instead of having to wait 30 weeks to receive the new vehicle, member was able to obtain the new truck within 3 weeks."</p>

"I once had a member contact us two years after purchasing a vehicle from us. They had a malfunction with the liftgate on the box truck which caused a logistical nightmare. I was able to contact one of our body vendors that upfitted the lift gate installation and a service technician was able to go onsite to resolve the liftgate issue at no additional cost. The member was very impressed with the quality of our customer service even after purchase. "

"I had a member request a ¾ ton truck pricing but was unsure about their budget at the time. I took the time to go through each option with the client to provide a Sourcewell pricing quote through multiple manufacturers from Ram, Chevrolet and Ford. This empowered the member to have multiple pricing options for review to align with their budget as well as eliminating the need to shop anywhere else. "

"We work with many body companies to assist customers with the body upfitting process. One of our members called in a request to expedite a particular vehicle that was held up at one of their local body upfitters. I contacted the body company representative and put in a request to expedite the upfitting per request of the member. The body company was able to comply with the request and delivery was made sooner than expected."

Word-of-Mouth Marketing: The positive quality of service has led to more sales based on previous customers' impressions on their experience. NAFG's goal is to provide exemplary customer service throughout the entire purchasing process to encourage repeat business and advocate services to other members. NAFG has been fortunate to experience multiple instances of leads generated based solely on word-of-mouth marketing through our existing customers.

Cross-promotion: National Auto Fleet Group is currently collaborating with another Sourcewell Vendor, NCL Government Capital to promote each other's products and services. NCL Government Capital specializes in providing competitive equipment financing programs for municipalities and public education entities across the United States. As a team, NCL and NAFG produced a variety of marketing materials such as videos, flyers and info graphs to promote purchasing and leasing opportunities.

Hoglund Bus Company is another cross-promotion vendor NAFG had the opportunity to create a partnership with. Flyers were created to advertise Chassis from NAFG along with a variety of bus bodies from Hoglund Bus Company.

With cross-promotion, companies exchange knowledge and provide endorsements on websites, social media, and email campaigns. This strategy creates an influx of new leads, brand awareness, increased sales and recurrence of customers. National Auto Fleet Group will continue to create new partnerships and facilitate more cross-promotion opportunities in the near future to provide turnkey solutions for a variety of vehicle purchasing needs.

Coming in 2022, National Auto Fleet Group will be launching a NAFG Partner Website to further increase business growth. The website www.nafgpartner.com is expected to launch next year in 2022. The site encourages body upfitting companies throughout the United States to partner up with NAFG to become a preferred member. The benefits of becoming a preferred member include endorsements on website and social media avenues along with word-of-mouth referral for clients with upfitting needs. Our dedicated public relations representative will conduct phone and in person meetings to discuss the advantages of partnering up with NAFG, therefore generating more cross-promotion opportunities.

Members from government agencies are encouraged to go on the site to search for local body upfitting companies they are interested in working with. As a prerequisite in becoming a preferred vendor, they are required to advertise NAFG and the Sourcewell contract on their business website and refer their clients to purchase their cab/chassis needs through NAFG. This establishes a partnership that will generate increased sales all around. We are still currently building the website and interacting with body companies across the United States that would be interested in partnering up with NAFG.

<p>36</p>	<p>Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.</p>	<p>Social media plays a crucial element in the way people communicate and connect with each other. LinkedIn is the go-to platform used by NAFG as it offers a variety of ways to expand our network by locating and connecting with relevant professionals in the industry. National Auto Fleet Group has utilized LinkedIn to engage current and potential members through personalized messages and posts. Personalized messages include thanking them for registering on site as well as directing them to on our link to the website, LinkedIn, YouTube, Facebook and Instagram company pages. The goal is to unite with people already on our database as well as people that would benefit from our products and services. Current flyers or messages about our company are also posted on the LinkedIn site to generate and attract more business. Time is also spent on reading posts from connections and observe any needs that National Auto Fleet Group may assist with.</p> <p>National Auto Fleet Group has begun utilizing video marketing strategies to further promote and market products by engaging on social media channels and email flyers. Programs such as Vimeo, Video Scribe, Cartoon Animator, Adobe Animate, Illustrate, Captive, Photoshop and Movavi Video Editor Plus are employed to edit and create videos to assist in endorsing our company. The following videos were recently created by our marketing department along with outside video production companies:</p> <p>Explainer Video: The first video created was a 90 second explainer video about National Auto Fleet Group that used animated characters to visualize our products and services along with information on the Sourcewell awarded contract. The video has been incorporated into all our weekly email flyers and social media platforms as an informative video on our products and how to purchase vehicles off Sourcewell Government Contract.</p> <p>How To Videos: National Auto Fleet Group has also created step-by-step How-To videos on the process to purchase both Light Duty and Heavy-Duty vehicles off the contract.</p> <p>In Stock Vehicles: This video showcases our in-stock vehicles available and the process of requesting a quote.</p> <p>ETA Tracking System: This video was created to not only introduce but to encourage clients to self-track their vehicle status.</p> <p>Holiday Themed Videos: These amusing videos were created to celebrate the holidays and add humor and lightness to our company and products sold.</p> <p>Cross Promotion Video: This video markets our relationship with NCL Government Capital and Sourcewell to endorse EV vehicles.</p> <p>Videos for social media: Mini videos were created to advertise new vehicles available, pricing and cutoff date reminders.</p> <p>NAFG has recently introduced a newly built live chat feature on our website for customer convenience as well as improving customer service. Visitors have access to chat with a live sales representative 24 hours a day, 7 days a week. With this feature potential customers are provided with another avenue for assistance in addition to emailing and phone calls. The benefits of a live chat option include quicker response time to assist buyers in reaching a purchasing decision and answer their questions.</p> <p>Improving customer service will also lead to increased sales, customer loyalty and engagement. Many studies have shown a strong correlation between live chat and increase in conversion rates. Potential clients appreciate having their questions answered in real-time when trying to build a vehicle quote online and allowing the user to multi-task different projects.</p>
<p>37</p>	<p>In your view, what is Sourcewell's role in promoting contracts arising out of this RFP? How will you integrate a Sourcewell-awarded contract into your sales process?</p>	<p>Sourcewell's mission states: "Our commitment to service and exceeding client expectations." This statement integrates with our relationship marketing strategy with our commitment to go above and beyond for all our members. Sourcewell is a trusted brand that government entities can rely on to access a wide variety of products and services for their everyday needs. With over 40 years of partnerships and relationship building, they are the glue that connects government, education, and nonprofit agencies to companies of all sizes to offer turnkey solutions to their needs.</p> <p>Sourcewell is also a reliable resource for vendors by not only connecting with potential prospects but by providing valuable marketing materials readily available for download on their website. Resources and tools provided include flyers, vendor training videos along with compliance information.</p> <p>The Sourcewell brand integrates a thorough documentation review of all vendors prior to awarding their cooperative contracts to ensure products and services are from reputable vendors. The brand provides a sense of legitimacy of our company name and members recognize that products and services are from reliable sources that will meet their needs.</p> <p>Sourcewell's aim is to simplify the purchasing and procurement process of government entities by eliminating the costly bidding procedure. The process of researching the right vendor is not only stressful and time-consuming but can be expensive as well. Sourcewell has completed the bidding for government entities which simplifies the overall purchasing process by providing access to competitively bid contracts procured by a government agency.</p> <p>Sourcewell has provided NAFG with overwhelming opportunities to work with government agencies across the United States. The Sourcewell name represents a high standard of integrity and ethics which is a dynamic National Auto Fleet Group is proud to be part of. Sourcewell members have access to a contract that is more flexible than the standard bidding process. Sourcewell is an organization that aids government entities to stay competitive without the frustrations and issues involved with the traditional bidding process. This contract can be customized to meet the unique needs of each client. The sales team has incorporated not only this standard of integrity in their sales practice ensuring clients' purchasing needs will always be met. The cost savings and stress-free nature of the cooperative contracts favors that of the traditional bidding process. It enables vendors to work with qualifying government entities in a more efficient manner. We vow to maintain these levels of standards across the board throughout all departments within the company.</p>

38	Are your products or services available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	<p>Our website provides a hands-on empowering approach to ordering vehicles online. Clients can search through many vehicles makes and models with the ability to customize a vehicle tailored to their specific needs of their agency. A personalized quote with pricing can be available in as little as 5 minutes depending on the complexity of the vehicle. If upfitting is needed, the buyer can list the details of the up-fit while building their vehicle on our website to receive a complete quote or a sales representative can be reached through phone, email or our new live chat feature built on our website.</p> <p>We have recently created and uploaded a "How-To Videos" section on the homepage of our website which highlights a step-by-step process on how to build an online quote. This informative video demonstrates how to navigate the website in how to generate a vehicle quote with or without upfitting options. It begins by explaining how to register on our website as a member and then details on how to select vehicle model and type and the factory options needed.</p> <p>Once a customized quote is built, clients have the option to finalize the sales transaction by submitting a purchase order to our sales team via email. This gives complete autonomy to the client to purchase vehicles without the need to speak to a sales rep. If assistance is needed, they can contact sales through email, live chat or phone.</p> <p>If assistance is required to build a quote, our sales rep is also available to walk a client through the e-procurement process step by step. This ensures someone is available to answer any questions if needed and empowering the client to make any future purchases on their own. Clients may also call or email the needs of the company and receive a customized vehicle quote.</p>
----	---	--

Table 8: Value-Added Attributes

Line Item	Question	Response *
39	Describe any product, equipment, maintenance, or operator training programs that you offer to Sourcewell participating entities. Include details, such as whether training is standard or optional, who provides training, and any costs that apply.	National Auto Fleet Group extends any and all product, equipment, maintenance and operating programs provided by the Manufacturer directly to Sourcewell participating entities during the quoting process. The manufacturer will provide quotes to the member based on the vehicles class and size, and geographic location. NAFG will always pass these quotes onto members and treat them like an upfit to the vehicle.
40	Describe any technological advances that your proposed products or services offer.	Technological accomplishments by Manufactures like Ford Motor Company and General Motors serve members by keeping many models available for members to choose from. Additionally, NAFG allows members the ability to choose to electrify their vehicle by opting into the Motive Power Systems we can still help supply this kind of an upfit. For more information, we have attached the product and pricing information within the "Upfits Available" and "All 15 Manufactures" ZIP files under the supporting documents portion of the application.
41	Describe any "green" initiatives that relate to your company or to your products or services, and include a list of the certifying agency for each.	. National Auto Fleet Group helped create the Climate Mayor Purchasing Collaborative by partnering with over 400 Mayors nationwide. This initiative was created for the benefit of members who wanted to create and sustain an all-electric fleet. We offer 100% purely electric vehicles your members to choose from. Some popular models include the Chevrolet Bolt, Ford Fusion, Ford Mustang Mach-E, as well as Ford's all electric F-150. We are confident that as more OEM's continue to manufacture new electric vehicles, we will provide them for members to select from. More information about this initiative can be found at www.Driveevfleet.org
42	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the equipment or products included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	NAFG has the California Air Resource Board (CARB) Certificate as well as the Ford Qualified Vehicle Modifier Certificate on file with some of our partner suppliers and upfitters hold these certifications and these certifications help illustrate how each vehicle conserves energy and remains energy efficient.
43	Describe any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or hub partners have obtained. Upload documentation of certification (as applicable) in the document upload section of your response.	NAFG holds a current partnership with many suppliers some of which are veteran owned such as Pacific Truck Body located in CA. Our Ford, Chevrolet and Ram,Jeep,Dodge,Chrysler stores are jointly owned and operated by Minorities.
44	What unique attributes does your company, your products, or your services offer to Sourcewell participating entities? What makes your proposed solutions unique in your industry as it applies to Sourcewell participating entities?	. National Auto Fleet Group was not only built on dedication and hard work, but also through quantifiable metrics that directly measure the results of our efforts to ensure real goals are being measured and met. Through measuring results, NAFG takes responsibility in ensuring we deliver only the best customer care to your members. NAFG offers members 24 hour website access to customer support to personally walk members through any questions they may have. No matter what the issue may be, we always think outside the box to help members find a solution.

Table 9A: Warranty

Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure. You may upload representative samples of your warranty materials (if applicable) in the document upload section of your response in addition to responding to the questions below.

Line Item	Question	Response *
45	Do your warranties cover all products, parts, and labor?	Each of the 15 manufactures we represent cover their own products, parts, and labor. All warranty information may be found in our attachments under the ZIP File "All 15 Manufactures".
46	Do your warranties impose usage restrictions or other limitations that adversely affect coverage?	Prior to purchase, members should be aware of each manufacturer's restrictions. Such as improper use of the vehicle may result in disqualification of coverage under the OEM's warranty. An example of this may be an F-350 being used for a police related pursuit, which may void certain warranties. Although, we always welcome and encourage members to contact us for their particular warranty coverage.
47	Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?	In some cases, manufacturers will tow a member's vehicle to the nearest warranty repair facility in case of a breakdown and cover expenses, but prior approval is required.
48	Are there any geographic regions of the United States or Canada (as applicable) for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell participating entities in these regions be provided service for warranty repair?	This may vary from manufacturer to manufacturer. Thus, we encourage members to call in prior to purchase and inquire about their specific region and how their warranty repairs will be covered with their manufacturer.
49	Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?	All warranties are typically passed on to the original equipment manufacturer and any upfit warranty will be passed on to the upfitter to perform.
50	What are your proposed exchange and return programs and policies?	If a member changes their mind, NAFG will quickly make every effort to change or cancel the order with the factory. However, once the manufacturer begins producing the vehicle, there are no changes, exchanges, or refunds available. The order is then deemed non-cancellable. This includes any upfit equipment an upfitter has ordered for the unit.
51	Describe any service contract options for the items included in your proposal.	NAFG offers any and all manufacturer service contracts for all members. There are several parameters in which a service contract may be customizable. These customized service contracts will be treated as add factory options and following the same discount schedule provided in the pricing file.

Table 9B: Performance Standards or Guarantees

Describe in detail your performance standards or guarantees, including conditions and requirements to qualify, claims procedure, and overall structure. You may upload representative samples of your performance materials (if applicable) in the document upload section of your response in addition to responding to the questions below.

Line Item	Question	Response *
52	Describe any performance standards or guarantees that apply to your services	The only guarantee we can ever provide is the guarantee that we will treat and help every member that contacts with respect, integrity and professionalism.
53	Describe any service standards or guarantees that apply to your services (policies, metrics, KPIs, etc.)	NAFG and staff uphold high standards with how we provide service to the members, not only holding each other accountable but by embracing member feedback of how we can improve. Then we act upon it and implement improvements.

Table 10: Payment Terms and Financing Options

Line Item	Question	Response *
54	Describe your payment terms and accepted payment methods?	Standard payment terms are Net 20, with a 10 – day grace period.
55	Describe any leasing or financing options available for use by educational or governmental entities.	. In order to provide leasing or financing options, NAFG has partnered with National Cooperative Leasing to offer leasing terms for Sourcewell members for all NAFG quotes under the Sourcewell contract. For further review, we have attached a PDF called "NCL Sample Lease" in the "Member Walk Through" Zip file.
56	Describe any standard transaction documents that you propose to use in connection with an awarded contract (order forms, terms and conditions, service level agreements, etc.). Upload a sample of each (as applicable) in the document upload section of your response.	National Auto Fleet Group's transaction process (Purchase Order) is closely tracked, well documented, and neatly organized to monitor each transaction performed through our Sourcewell Contract. This way, NAFG may produce swift and accurate quarterly reporting.
57	Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell participating entities for using this process?	Yes, NAFG accepts up to \$2,500 per vehicle. However, any dollar amount higher than \$2,500 will require a P-card/ Credit Card transactional fee that would be passed onto the member

Table 11: Pricing and Delivery

Provide detailed pricing information in the questions that follow below. Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract as described in the RFP, the template Contract, and the Sourcwell Price and Product Change Request Form.

Line Item	Question	Response *
58	Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcwell discounted price) on all of the items that you want Sourcwell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. Upload your pricing materials (if applicable) in the document upload section of your response.	National Auto Fleet Group is offering Line-Item Discounts Off Manufacture Suggested Retail Price for 15 manufacturers that is detailed in the Price File. NAFG will also offer any Upfits to be added to any and all vehicles' that members wish to add. Details are located on the Price Summary Page in the Price File.
59	Quantify the pricing discount represented by the pricing proposal in this response. For example, if the pricing in your response represents a percentage discount from MSRP or list, state the percentage or percentage range.	NAFG has an provided offerings from 15 Brands/OEMS and there respective percentage off vary and are detailed in the "Price File" zip Each Manufacture Range is detailed in the tabs below, here is an overview Chevrolet from -.077 to 24.45 % Ford Motor Company from -5.19 to 23.31 % GMC from 6.14 to 22.45 % Ram from 4.99 to 14.23 % Dodge from 3.09 to 9.96 % Jeep from 1.38 to 4.17 % Chrysler from 1.65 to 4.55 % Toyota from .03 to 8.98 % Honda from 1.34 to 4.9 % Nissan from -.085 to 14.61 % Buick from 2.36 to6.08 Kia from .69 to 8.39 % BMW from 3.8 to 4.77 % Cadillac from 4.22 to 6.77 % Volkswagen from 2.17 to 2.46 %
60	Describe any quantity or volume discounts or rebate programs that you offer.	If clients are considering an order of 150 or more units, we encourage members to contact us for any additional discounted quotes.
61	Propose a method of facilitating "sourced" products or related services, which may be referred to as "open market" items or "nonstandard options". For example, you may supply such items "at cost" or "at cost plus a percentage," or you may supply a quote for each such request.	"Open Market" products or "Sourced Goods" will be considered and treated as regular upfits. However, they may be quoted up to a 10% mark up, if applicable.
62	Identify any element of the total cost of acquisition that is NOT included in the pricing submitted with your response. This includes all additional charges associated with a purchase that are not directly identified as freight or shipping charges. For example, list costs for items like pre-delivery inspection, installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.	All considerations have already been taken into account in its entirety. The Price Summary Page and Price Table contained in the price file includes all considered costs. Although if a member requested a specialized quote for a unique situation that requires special training, direction, or installation, the additional costs would be added as a part of the upfit and then included inside the member's quote.
63	If freight, delivery, or shipping is an additional cost to the Sourcwell participating entity, describe in detail the complete freight, shipping, and delivery program.	All manufactures charge a standard "Factory Destination Charge". However, that is separate from the freight/destination cost that members may incur to ship a vehicle to and from an installer, if applicable. These subsequent locational movements may bare additional freight costs that will be outlined within the members quote for their review prior to purchase.
64	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	Freight, shipping, and delivery terms among these regions sometimes carry additional logistical charges for added ferry, port and driver costs from both to and from the mainland. These added costs will be disclosed on the quote for members to review and approve prior to purchase.
65	Describe any unique distribution and/or delivery methods or options offered in your proposal.	National Auto Fleet Group already has a well-established Automobile Franchise Distribution Network that allows for swift and relatively seamless delivery to members and their end users.

Table 12: Pricing Offered

Line Item	The Pricing Offered in this Proposal is: *	Comments
66	c. better than the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.	NAFG Strives to offer the best overall value to the member with each and every quote.

Table 13: Audit and Administrative Fee

Line Item	Question	Response *
67	Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcewell. This process includes ensuring that Sourcewell participating entities obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcewell. Provide sufficient detail to support your ability to report quarterly sales to Sourcewell as described in the Contract template.	Sourcewell participating members are able to obtain proper pricing directly from our website, where they are able to use our user-friendly design to build and price their vehicles. The NAFG is updated daily to reflect updated manufacturer MSRP information. Our system will provide members with an accurate quote 99.99% of the time. In addition, NAFG has a stream line and organized process that calculates administrative fees and allows NAFG to give a turnaround time of 15 – 30 days for quarterly reports.
68	If you are awarded a contract, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the contract.	One of the internal metrics NAFG uses to track and measure success with the Sourcewell Contract is maintained through our website. Our website keeps a detailed log of quotes that members are generating. We oversee and keep track of how many quotes are being generated and which quotes are met with a purchase order. Every month we evaluate our sales indicators and closely monitor the volume and frequency of sales. One example is by evaluating which members are purchasing from our platform – new members or frequent members to ensure we are growing our member base. We use these metrics to measure our projected growth rate and work to exceed our expectations.
69	Identify a proposed administrative fee that you will pay to Sourcewell for facilitating, managing, and promoting the Sourcewell Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See the RFP and template Contract for additional details.)	NAFG will submit \$ 300 per vehicle purchased through NAFG and \$ 200 per vehicle purchased through our partner dealer Alan Jay Automotive. For the purpose of an admin fee there are no other partner dealer groups considered.

Table 14A: Depth and Breadth of Offered Equipment Products and Services

Line Item	Question	Response *
70	Provide a detailed description of the equipment, products, and services that you are offering in your proposal.	NAFG has provided a "Model Roll Out" Charts in the "Price File" zip, but of the 15 manufacturers we represent, they have over 100 makes and models for members to choose from that range from Class 1-3 and supporting Class 4 Cab and Chassis trucks. NAFG's platforms can add any upfit of their choosing, ranging from toolboxes to Line Mechanic Bodies. Any and all upfits can be added to any one of our vehicles through one of our upfit partner suppliers or by an upfit supplier of the members choosing. NAFG and the supplier will work together to supply members with turnkey quotes.
71	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	National Auto Fleet Group lists the makes and models of all 15 manufacturers we represent under the ZIP File "All 15 Manufactures". These 15 OEMs make up over 100 combined makes, models, and engine combinations for members to select from along with several subtitle "Upfits" detailed for members in the price file.

Table 14B: Depth and Breadth of Offered Equipment Products and Services

Indicate below if the listed types or classes of equipment, products, and services are offered within your proposal. Provide additional comments in the text box provided, as necessary.

Line Item	Category or Type	Offered *	Comments
72	Automobiles	<input checked="" type="radio"/> Yes <input type="radio"/> No	15 Manufacturers totaling well above 700 makes and models
73	Sport Utility Vehicles	<input checked="" type="radio"/> Yes <input type="radio"/> No	15 Manufacturers totaling well above 700 makes and models
74	Vans	<input checked="" type="radio"/> Yes <input type="radio"/> No	15 Manufacturers totaling well above 700 makes and models
75	Trucks	<input checked="" type="radio"/> Yes <input type="radio"/> No	15 Manufacturers totaling well above 700 makes and models
76	Vehicles described in Lines 72-75 above for Public Safety applications	<input checked="" type="radio"/> Yes <input type="radio"/> No	15 Manufacturers totaling well above 700 makes and models
77	Conventional internal combustion models	<input checked="" type="radio"/> Yes <input type="radio"/> No	15 Manufacturers totaling well above 700 makes and models
78	Natural gas or propane autogas, hybrid, or alternative fuel models	<input checked="" type="radio"/> Yes <input type="radio"/> No	15 Manufacturers totaling well above 700 makes and models
79	Electric powered models	<input checked="" type="radio"/> Yes <input type="radio"/> No	15 Manufacturers totaling well above 700 makes and models

Table 15: Exceptions to Terms, Conditions, or Specifications Form

Line Item 80. NOTICE: To identify any exception, or to request any modification, to the Sourcwell template Contract terms, conditions, or specifications, a Proposer must submit the exception or requested modification on the **Exceptions to Terms, Conditions, or Specifications Form** immediately below. The contract section, the specific text addressed by the exception or requested modification, and the proposed modification must be identified in detail. Proposer's exceptions and proposed modifications are subject to review and approval of Sourcwell and will not automatically be included in the contract.

Contract Section	Term, Condition, or Specification	Exception or Proposed Modification

Documents**Ensure your submission document(s) conforms to the following:**

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.
2. Documents should NOT have a security password, as Sourcwell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcwell.
3. Sourcwell may reject any response where any document(s) cannot be opened and viewed by Sourcwell.
4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding to. For example, if responding to the Marketing Plan category save the document as "Marketing Plan."

- [Pricing](#) - NAFG Price File for Bid 091521.zip - Monday September 13, 2021 19:29:27
- [Financial Strength and Stability](#) - Market Success and Financial Stability.zip - Monday September 13, 2021 19:30:12
- [Marketing Plan/Samples](#) - Marketing Plan Compressed.zip - Tuesday September 14, 2021 11:38:30
- [WMBE/MBE/SBE or Related Certificates](#) - Insurance and Related Documents.zip - Tuesday September 14, 2021 11:40:18
- [Warranty Information](#) - Warranties RFP 091521.zip - Tuesday September 14, 2021 11:40:36
- [Standard Transaction Document Samples](#) - Standard Transaction.zip - Monday September 13, 2021 19:54:48
- [Upload Additional Document](#) - ALL 15 Makes and Upfits.zip - Tuesday September 14, 2021 11:35:54

Addenda, Terms and Conditions

PROPOSER AFFIDAVIT AND ASSURANCE OF COMPLIANCE

I certify that I am the authorized representative of the Proposer submitting the foregoing Proposal with the legal authority to bind the Proposer to this Affidavit and Assurance of Compliance:

1. The Proposer is submitting this Proposal under its full and complete legal name, and the Proposer legally exists in good standing in the jurisdiction of its residence.
2. The Proposer warrants that the information provided in this Proposal is true, correct, and reliable for purposes of evaluation for contract award.
3. The Proposer, including any person assisting with the creation of this Proposal, has arrived at this Proposal independently and the Proposal has been created without colluding with any other person, company, or parties that have or will submit a proposal under this solicitation; and the Proposal has in all respects been created fairly without any fraud or dishonesty. The Proposer has not directly or indirectly entered into any agreement or arrangement with any person or business in an effort to influence any part of this solicitation or operations of a resulting contract; and the Proposer has not taken any action in restraint of free trade or competitiveness in connection with this solicitation. Additionally, if Proposer has worked with a consultant on the Proposal, the consultant (an individual or a company) has not assisted any other entity that has submitted or will submit a proposal for this solicitation.
4. To the best of its knowledge and belief, and except as otherwise disclosed in the Proposal, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest. An organizational conflict of interest exists when a vendor has an unfair competitive advantage or the vendor's objectivity in performing the contract is, or might be, impaired.
5. The contents of the Proposal have not been communicated by the Proposer or its employees or agents to any person not an employee or legally authorized agent of the Proposer and will not be communicated to any such persons prior to Due Date of this solicitation.
6. If awarded a contract, the Proposer will provide to Sourcewell Participating Entities the equipment, products, and services in accordance with the terms, conditions, and scope of a resulting contract.
7. The Proposer possesses, or will possess before delivering any equipment, products, or services, all applicable licenses or certifications necessary to deliver such equipment, products, or services under any resulting contract.
8. The Proposer agrees to deliver equipment, products, and services through valid contracts, purchase orders, or means that are acceptable to Sourcewell Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to Sourcewell Members under an awarded Contract.
9. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.
10. The Proposer understands that Sourcewell will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statutes Section 13.591, subdivision 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals become public data. Minnesota Statutes Section 13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.
11. Proposer its employees, agents, and subcontractors are not:
 1. Included on the "Specially Designated Nationals and Blocked Persons" list maintained by the Office of Foreign Assets Control of the United States Department of the Treasury found at: <https://www.treasury.gov/ofac/downloads/sdnlist.pdf>;
 2. Included on the government-wide exclusions lists in the United States System for Award Management found at: <https://sam.gov/SAM/>; or
 3. Presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this solicitation.

By checking this box I acknowledge that I am bound by the terms of the Proposer's Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. - Jesse Cooper, Fleet Manager, 72 Hour LLC

The Proposer declares that there is an actual or potential Conflict of Interest relating to the preparation of its submission, and/or the Proposer foresees an actual or potential Conflict of Interest in performing the contractual obligations contemplated in the bid.

Yes No

The Bidder acknowledges and agrees that the addendum/addenda below form part of the Bid Document.

Check the box in the column "I have reviewed this addendum" below to acknowledge each of the addenda.

File Name	I have reviewed the below addendum and attachments (if applicable)	Pages
Addendum_6_Autos_SUVs_Vans_Trucks_RFP_091521 Wed September 8 2021 06:27 PM	<input checked="" type="checkbox"/>	1
Addendum_5_Autos_SUVs_Vans_Trucks_RFP_091521 Tue September 7 2021 07:28 PM	<input checked="" type="checkbox"/>	2
Addendum_4_Autos_SUVs_Vans_Trucks_RFP_091521 Thu August 26 2021 05:55 PM	<input checked="" type="checkbox"/>	1
Addendum_3_Autos_SUVs_Vans_Trucks_RFP_091521 Mon August 23 2021 09:47 AM	<input checked="" type="checkbox"/>	1
Addendum_2_Autos_SUVs_Vans_Trucks_RFP_091521 Sun August 8 2021 09:02 PM	<input checked="" type="checkbox"/>	1
Addendum_1_Autos_SUVs_Vans_Trucks_RFP_091521 Thu August 5 2021 03:58 PM	<input checked="" type="checkbox"/>	1

ATTACHMENT 3
Municipal Code Section 2.99-29(19) and
Corresponding Purchasing Policy

**THIS PAGE
INTENTIONALLY
LEFT BLANK**

it makes sense to do so. In any event, using departments should keep records of prospective bidders who contact the City to specifically request being included on a bidder's list for future business opportunities. The department should review and update the bidder's list annually.

Note: Given the City's participation in CUPCCAA, the Public Works Department is *required* to establish and maintain lists of qualified contractors, identified by category of work, and provide notice to them of bidding opportunities for construction projects.

Recordkeeping

Using departments must retain bid documents in accordance with the City's records retention schedule.

Competitive Bidding Solution (E-Procurement)

As part of the City's efforts to continually evaluate processes and procedures for efficiency improvements, Finance Department staff will partner with the City Clerk and other staff members to assess e-procurement solutions to determine whether such a system should be procured for administering competitive bidding processes. Any such system shall adhere to the purchasing requirements specified in this document.

F. Purchasing Related Programs, Procedures and Requirements

This section of the manual includes information on purchasing-related programs and procedures.

Purchase Requisition and Purchase Order Required

Unless procured by City-issued purchasing card, all purchases of goods and services greater than \$2,500 require the submittal of a properly completed purchase requisition form and approval of a purchase order by the Purchasing Agent. Purchasing agent shall develop workflow processes.

Use of Blanket Purchase Orders

Blanket purchase orders are term contracts (usually for one year) for goods and/or services that can be purchased as needed throughout the year, as opposed to purchase orders that are used for one-time purchases. Blanket purchase orders are typically used for operational supplies such as hand tools, equipment, parts for equipment, etc., but can also be evaluated for other supplies that are required by using departments.

Local Vendor Purchasing Preference

Purchases from South Pasadena vendors are strongly encouraged where competitive prices and quality are apparent. When general funds are used for a purchase, local (in-city) vendors will be given a five percent preference of the quoted price. The cost of doing business in the City of South Pasadena is acknowledged to be considerably higher compared to the cost of doing business outside of the city. As further rationale for local preference is that one percent of the sales tax on most acquisitions returns to the City General Fund as revenue, effectively reducing the procurement cost.

Cooperative Procurements ("Piggybacking")

The use of cooperative purchasing programs is encouraged as a way to obtain goods and/or services by aggregating volume, securing value pricing and reducing administrative overhead. Cooperative purchasing methods generally include the use of another public entity's (local or state) competitive bidding process to establish a contract with that agency's awardee (also known as "piggybacking").

Additionally, there are numerous regional and national purchasing cooperatives that offer cost free memberships to access databases of available goods and/or services. Examples of state contracts and purchasing cooperatives include:

- [California Multiple Award Schedules \(CMAS\)](#) of the Department of General Services (DGS),
- [OMNIA Partners, Public Sector](#) (formerly U.S. Communities),
- [Sourcewell](#) (formerly National Joint Partners Alliance),
- [NASPO ValuePoint](#) (formerly WSCA-NASPO, or the Western States Contracting Alliance-National Association of State Procurement Officials), and
- [nppgov](#) (national cooperative based in Seattle, WA)

Non-competitive Procurements

Non-competitive procurements represent purchases made without competitive bidding where it may otherwise be required. Examples of such procurements are provided below.

- Sole source. A sole source procurement represents a purchase that can only be obtained from a single source.
- Single source. A single source procurement represents a purchase that can be obtained from more than one source, but a decision is made to source the purchase based on compelling factors such as price/value, degree of specialization or technical expertise, or product standardization.
- Cooperative procurements. Cooperative purchases leverage competitive bidding conducted by another agency, as specified above.

The City Manager or designee may authorize the purchase of goods and services up to \$30,000 without competitive bidding if it is in the best interest of the City. The purchasing department must provide a written description explaining why competitive bidding is not in the City's best interest. Sourced purchases of goods and services greater than \$30,000 must be approved by the City Council.

When submitting a purchase requisition for a sourced purchase, using departments must provide a written justification that explains why the procurement cannot be competitively bid.

Procuring Goods or Services During Emergencies

Emergency events that pose threats to life or property may require immediate purchases without complying with competitive bidding or other policy requirements. Requirements for making purchases in emergency situations are contained in [Articles XI \(Purchasing\) and XIII \(Awarding Public Works Contracts\)](#) (<https://www.codepublishing.com/CA/SouthPasadena/#!/SouthPasadena02.html>). Emergency contracts may be subject to Public Contract Code Section 1102 and 22050.

Note: During declared disasters where the City may seek reimbursement from the Federal Emergency Management Agency (FEMA), many purchases must be procured using competitive bidding methods as established by the granting agency.

Environmentally Preferable Purchasing

In seeking to encourage the preservation and improvement of the environment, the City is establishing an Environmentally Preferable Purchasing Policy (EPP). The overall objective of the EPP is to help ensure that City purchases:

Procedures Prohibited. Purchases of supplies, materials, equipment or services shall not be split into smaller orders or components for the purpose of avoiding competitive bidding or more rigorous purchase procedures.

(17) Equipment Leasing Agreements.

(a) As used in this section:

1. "Leasing of nonpurchasable equipment" means equipment which is available through "lease only" plans;
2. "Leasing purchasable equipment" means equipment which can be acquired through "lease with option to purchase" type plans;

(b) Equipment Leasing. Leasing of purchasable or nonpurchasable equipment shall be in accordance with subsections (7), (8), (9), (10) and/or (19) of this section.

(18) Maintenance Agreements.

(a) As used in this section, "maintenance agreements" means agreements with maintenance service providers for the maintenance of city equipment in good operating condition subject to terms and conditions agreeable to both the provider and the city.

(b) Maintenance agreements shall be signed or terminated before agreement expiration by the purchasing agent with prior approval of the department head responsible for the equipment.

(19) Noncompetitive Procurements. Nothing contained in this section shall prohibit procurement made by sole source, single source, or cooperative procurement methods as addressed through and in accordance with the purchasing policy, where competitive bidding may otherwise be required.

(20) Library Books and Periodicals. The city librarian may purchase library books, periodicals, audiovisual, CD-ROM, and electronic format materials in accordance with the budget approved by the city council.

(21) Nothing contained in this section shall prohibit the city from purchasing supplies, services or equipment, without complying with the herein bidding procedure, from a supplier who offers the same or better price, terms and/or conditions as the supplier previously offered as the lowest responsible bidder under competitive procurement conducted by another city or public agency; provided, that the competitive procurement process of the other agency meets

**THIS PAGE
INTENTIONALLY
LEFT BLANK**



City Council Agenda Report

ITEM NO. 19

DATE: February 7, 2024

FROM: Arminé Chaparyan, City Manager *AC*

PREPARED BY: Domenica Megerdichian, Deputy City Manager

SUBJECT: **Consideration of Renegotiation of the Terms of the Five-Year Agreement with the South Pasadena Chamber of Commerce for the Operation of the South Pasadena Farmers' Market**

Recommendation

It is recommended that the City Council review and consider a request of the South Pasadena Chamber of Commerce (Chamber) to renegotiate financial terms related to gross revenue percentages paid to the City by the Farmers' Market, and provide direction to staff.

Executive Summary

The South Pasadena Farmers' Market is a certified Farmers' market operated in accordance with the California Code of Regulations, Title 3, Division 3, Chapter 1, Subchapter 4, Articles 6.5, Direct Marketing ("Direct Marketing Regulations"). The South Pasadena Chamber of Commerce (Chamber) has successfully operated the Farmer's Market since 2010. The last agreement for the operation of the Farmers' Market was entered into April 20, 2022, for a period of five years, set to expire on June 30, 2027.

Background

The South Pasadena Chamber of Commerce has been operating the South Pasadena certified Farmers Market for almost 15 years, which brings a great benefit to our community in providing access to fresh produce, food vendors, and a sense of community that is a draw for residents and visitors alike. The management of the local Farmers Market has been a lucrative endeavor, and the Chamber states that this was a major funding source to support the 2023 Eclectic Event, which may not be the case moving forward.

This agreement provides the City the programming, as well as a 7% gross receipts benefit (5% right-of-way fee and 2% Capital Improvement Program generator):

- 2022-2023 fiscal year: \$24,777
- 2021-2022 fiscal year: \$24,189
- 2020-2021 fiscal year: \$16,327 (lower due to Covid)

The Chamber of Commerce hires a market operator to manage the market, and works with the City's Public Works, Police and City Manager's Office to review and approve traffic control plans, and address any traffic or safety concerns related to the weekly market. The Chamber is responsible to ensure oversight and compliance with Los Angeles County Public Health requirements for food handling, restroom access and hand/ware washing, and has been able to meet these requirements with a long-standing agreement with nearby businesses, as well as the Iron Works Facility (City-owned, leased to the South Pasadena Preservation Foundation, SPPF).

An agreement between the Chamber and the SPPF regarding use of the facility to support the Farmers Market for restroom use and market close-out operations ended and went month-to-month in Fall 2021, and the access and agreement for use of the facility ended in July 2022. The SPPF and the Chamber have not been able to come to an agreement on the use of the facility to support the Farmers Market to-date. The City has also been on a month-to-month agreement with the SPPF on the lease of the facility since Fall 2022, and continues negotiations on the facility use for a new agreement, which may incorporate some Farmers Market support elements.

Also, a few months ago, City staff was apprised that the SPPF had been bearing the utility cost for both the Museum facility, and the costs associated with powering the Farmers Market outlets. In negotiations and discussions with SPPF Board Members and the City Council, staff is committed to making the SPPF whole of these costs, once an agreement has been executed, and on an ongoing basis, utilizing the 7% fees paid by the Chamber to the City.

Analysis

Since the end of the agreement, the Chamber has been utilizing nearby businesses as well as incorporating the weekly rental of portable toilets, into the ongoing costs of the Market, at a rate of \$550 per week (\$410 portable restrooms, \$140-150 businesses). The Chamber states that this is a 65% increase to the cost of these items to the Chamber/ Farmers Market, and suggests an impact to future programming and events, such as the Eclectic Music Festival.

At this time, the Chamber is requesting that the City Council consider reduction of the 7% gross receipts provision in the existing five-year agreement, to make up for the increased cost of restrooms to support the Farmers Market.

Fiscal Impact

According to the current Agreement, the South Pasadena Chamber of Commerce will pay the City a total sum equal to 7% of gross revenues which includes payments made to the Chamber of Commerce by vendors or derived through sponsorships and special events associated with operation of the South Pasadena Farmers' Market. The 7% of gross revenues includes 5% of gross revenues for use of the right-of-way, and 2% of gross revenues received by the Chamber of Commerce are placed in the City's Capital

Improvement Account. These revenues are to be paid to the City within 15 days after the close of each quarter.

The Chamber of Commerce pays the City about \$24,000 annually through this cumulative 7% gross receipts, and any decrease in this percentage will impact those revenues to the City. Additionally, the City holds an annual financial agreement with the Chamber of Commerce for economic development activities and events, which is negotiated on an annual basis; the financial benefit to the Chamber for FY 2023-24 is \$128,500. Any change to the 7% gross revenues paid to the City and retained by the Chamber will result in a change to the overall financial benefit to the Chamber.

Attachments:

1. Memo from South Pasadena Farmers Market
2. 2022-2027 Agreement for Farmers Market Operation

**THIS PAGE
INTENTIONALLY
LEFT BLANK**

ATTACHMENT 1
Chamber of Commerce Proposal


**THIS PAGE
INTENTIONALLY
LEFT BLANK**

South Pasadena Farmers' Market

laurie southpasadena.net <laurie@southpasadena.net>

Tue 11/14/2023 1:56 PM

To:Armine Chaparyan <achaparyan@southpasadenaca.gov>;Domenica Megerdichian <dmegerdichian@southpasadenaca.gov>;
Evelyn Zneimer <ezneimer@southpasadenaca.gov>
Cc:Jason Mak <jasonmak@gmail.com>

 2 attachments (60 KB)

Brief timeline.docx; Visitor Center Concept Memo.doc;

Hello Arminé, Dom and Evelyn,

As you know, on June 29, 2023, the South Pasadena Preservation Foundation sent an email to the South Pasadena Chamber of Commerce stating that SPPF would no longer "be able to extend the provision of" the museum facility for the weekly Farmers' Market operation, including the restrooms, use of the building for Market close-out operations and storage. The Chamber began renting portable toilets on a weekly basis for the patrons, farmers and staff of the Market. In addition, we made arrangements to use a nearby business space for the close-out process. The Chamber has made multiple attempts, directly and through City staff, to communicate with SPPF to discuss and resolve the issues and claims. Attached is a very brief summary of the correspondence between SPPF and the Chamber. Not included are numerous individual e-mails, phone calls, conversations and meetings with City Council and City staff, Chamber Board members, SPPF Board members, and others, all with the goal of discussing the situation to resolve it in a manner that is respectful and agreeable to all parties. The Chamber has not received any responses from SPPF with any substance or progress to move along this conversation.

As you know, the Chamber was awarded the Farmers' Market contract to 'keep it local', since any revenue generated by the Chamber would be put right back into the community by increasing the services that the Chamber could provide to benefit the businesses. As an example, the Chamber was able to produce and present the 2023 Eclectic Music Festival & Arts Crawl, in large part due to the Farmers' Market (and the event being paused for 2 years due to Covid). This will not be the case moving forward.

The Chamber remits a percentage of the gross income from the Market to the City each quarter; 5% as a Right-of-Way fee, 2% as a CIP fee. For the last few years, this has totaled:

2022-2023 fiscal year: \$24,777

2021-2022 fiscal year: \$24,189

2020-2021 fiscal year: \$16,327 (lower due to Covid restrictions)

The weekly cost to rent the portable toilets is \$410.00. The cost to the local business for the use of their space is approximately \$150.00 per week. This totals \$550 per week, 65% higher than what the Chamber had been paying, and nearly double the original rental rate proposed by SPPF. In addition to the additional weekly cost, the market close-out is currently being performed outside, under a pop-up canopy tent. This situation is very unsafe for the farmers as well as staff. To provide a space that is not out in the open and a little safer, as well as being out of the elements, the chamber will be incurring additional expenses to retrofit a space to suit the needs of this close-out process.

Thank you for your work since June to resolve this matter; we appreciate the work that the City staff has done to encourage meetings and conversations between SPPF and the Chamber. The Market is now entering it's 'slow season', when market attendance and revenue are lower. If there is a particularly rainy season (as predicted for this winter), the Market will be further impacted financially. At this time, the Chamber would like some guidance and assistance from the City. Ideally, the Chamber would like to resume the use of the Museum for all Farmers' Market operations, including the use of the restrooms. However, it seems apparent at this time that SPPF is not willing to work to resolve this in a reasonable amount of time. We ask that the city consider reducing the 7% fee

to help offset the additional cost of operating the Market. In addition, the Chamber would like the city to consider an idea for a Visitor Center that would serve multiple purposes for the community and be a benefit to the City. (see attached). This Visitor Center idea could be implemented whether or not SPPF and the Chamber come to an amicable agreement.

Thank you, we are available should you have any questions.

Warm Regards,

Laurie Wheeler
President/CEO
South Pasadena Chamber of Commerce

South Pasadena Chamber of Commerce

Memo to: Arminé Chaparyan, City Manager, Domenica Megerdichian, Deputy City Manager, Sheila Pautsch, Community Services Director
CC: Jason Mak, Chair of the Board, South Pasadena Chamber of Commerce
Date: October 25, 2023
From: Laurie Wheeler
Subject: Visitor Center Concept and Idea

Chamber Mission Statement

The Mission of the South Pasadena Chamber of Commerce is to partner with businesses to support, promote and advocate for their interests. It also connects and builds relationships and attract people and businesses to South Pasadena.

The Board of Directors of the South Pasadena Chamber of Commerce would like to present an idea/concept to the City for consideration. This idea came about as the Chamber has been discussing and exploring alternatives to the use of the South Pasadena Historical Museum for Farmers' Market operations.

The concept:

A Visitor Center would be constructed at the southwest corner of City Property adjacent to the Metro A Line South Pasadena Station, basically, behind the existing museum footprint. The building would be an annex to the existing museum, and be a single level structure that opens onto the lawn area. It would include restroom facilities, office and conference space. Many events and activities take place in that area, and its location immediately adjacent to the train station makes it very convenient for visitors.

Currently, this area is not visible from the street, and, as such, attracts a wide variety of activities and people that want to hide from view. The Visitor Center building would remove that hidden area, while providing a center for the community to gather.

The Center would house several functions, including:

- A lobby/foyer area that could serve as a general informational center for visitors, guests, residents – anyone looking for information. (The current Chamber office serves as one location for this purpose – there are local business cards and flyers, public transit information and timetables, copies of the South Pasadena Review, etc. at the Chamber office for the public, and staff to answer questions in person and on the phone that visitors might have.)
- Office and storage space for the Chamber of Commerce
- Meeting space that could be shared by local groups (school groups, local non-profit organizations, etc.)
- Farmers' Market operations and close-out
- SPARC could curate a gallery space, which would provide public art, showcase local talent as well as hosting art exhibitions, readings, and other art-related events
- Storage area for Farmers' Market equipment and supplies

**THIS PAGE
INTENTIONALLY
LEFT BLANK**

ATTACHMENT 2
Farmers' Market Agreement

**THIS PAGE
INTENTIONALLY
LEFT BLANK**

**AGREEMENT FOR OPERATION
OF
SOUTH PASADENA FARMERS' MARKET**

THIS AGREEMENT ("Agreement") is made this 20th day of April, 2022 by and between the CITY OF SOUTH PASADENA ("City") and SOUTH PASADENA CHAMBER OF COMMERCE ("Chamber").

1. CHAMBER'S OBLIGATION. In exchange for the use of the City right-of-way and City's approval of Chamber's operation of a farmers' market in the City, Chamber agrees to hold and supervise the SOUTH PASADENA FARMERS' MARKET ("Market") and to perform during the term of this Agreement, the tasks, obligations and services set forth in the body of this agreement and in the "Proposal" attached to and incorporated into this Agreement as Exhibit A (the "Proposal"). In addition, the Chamber will conduct, through the Market, a minimum of five (5) family-oriented events per year including but not limited to holiday themed activities and summer programming. Should there be a conflict between the obligations set forth in the Proposal and those included in the body of this Agreement, the provisions in the body of this Agreement shall take precedence.
2. TERM OF AGREEMENT. This Agreement shall have a term commencing on April 20, 2022 and terminating on June 30, 2027.
3. FAMILIARITY WITH WORK. By execution of this Agreement, Chamber warrants that
 - (1) The Chamber has successfully operated the Market since June 2010, and
 - (2) It carefully considered how the Market should be operated, and
 - (3) It fully understands the difficulties and restrictions attending the operation of the Market under this Agreement, and
 - (4) It has proven it has technical competency and capacity to operate the Market according to all local, state and federal laws.
4. PAYMENT FOR APPROVAL AND USE OF RIGHT-OF-WAY. Chamber shall pay to City a total sum equal to 7% of gross revenues (payments made to the Chamber by vendors or derived through sponsorships and special events associated with the operation of the South Pasadena Farmers' Market) received by Chamber for the operation of the Market ("Fee"), payable on quarterly basis to City for the use of City right-of-way and approval for the operation of the Market. Said fee shall be payable in two amounts as follows:

- a. Chamber shall pay to City a sum equal to 5% of gross revenues received by Chamber for the operation of the Market and the payment shall be due fifteen (15) calendar days after each quarter.
 - b. Chamber shall also pay to City an additional sum equal to 2% of gross revenues received by Chamber for the operation of the Market, to be placed in a "Capital Improvement Fund" commencing with the first quarter of the Agreement. The payment shall also be due fifteen (15) calendar days after each quarter.
5. CAPITAL IMPROVEMENT ACCOUNT. The Chamber shall submit 2% of the revenues derived from the Market as indicated in Section 4(b) herein to the City's Capital Improvement Account. Said account shall be managed by the City and decisions on how the fund is to be expended shall remain the sole discretion of the City with advisory input from the Chamber.
6. TIME FOR PERFORMANCE. Chamber shall not perform any work under this Agreement until Chamber furnishes proof of insurance as required under Paragraph "9" of this Agreement.
7. DESIGNATED ONSITE MANAGER. Chamber hereby designates Carole Gallegos as the Chamber's current Onsite Manager, and said Manager shall be responsible for the Market operation and coordination with the City. Market operation shall be actually performed by, or shall be immediately supervised by, the Onsite Manager. Any change in the designated Onsite Manager must be approved by the City Manager of City.
8. HOLD HARMLESS; INDEMNIFICATION. Chamber hereby agrees to protect, indemnify and hold City and its employees, officers and servants free and harmless from any and all losses, claims, liens, demands and causes of action of every kind and character including, but not limited to, the amounts of judgment, interests, court costs, legal fees and other expenses incurred by the City arising in favor of any party, including claims, liens, debts, personal injuries, including employees of the City, death or damages to property (including property of the City) and without limitation by enumeration, all other claims or demands of every character occurring or arising directly out of the negligent acts, recklessness or willful misconduct of Chamber in the operation of the Market. This provision is not intended to create any cause of action in favor of any third party against Chamber or the City or to enlarge in any way the Chamber's liability but is intended solely to provide for indemnification of the City for liability for damages or injuries to third persons or property arising from Chamber's negligent operation hereunder.

9. **INSURANCE.** Chamber shall procure and maintain at all times during the term of this Agreement insurance as set forth in Exhibit "B" attached hereto. Proof of insurance shall consist of a Certificate of Insurance provided on IOS-CGL form No. CG 00 01 11 85 or 88 executed by Chamber's insurer and in a form approved by, the City's City Attorney.
10. **LICENSES, PERMITS, AND FEES.** Chamber shall obtain a City of South Pasadena Business License and any and all other permits and licenses required for the services to be performed under this Agreement.
11. **ASSIGNMENT.** This Agreement, the approvals granted by this Agreement and/or the operation of the Market may not be assigned. Any attempt by Chamber to assign this Agreement, the approvals granted by this Agreement and/or the operation of the Market without written approval of City is prohibited and shall be null and void.
12. **FARMERS AND VENDORS.** Chamber agrees to the following with regard to the Farmers and Vendors that participate in the operation of the Market:
 - a. The Chamber will assist the City in ensuring that all Farmers and Vendors comply with the City's business license requirements, retail tax regulations and health code provisions; and
 - b. The ratio of Farmers (fresh produce and other certified agricultural products) to Vendors (packaged food and hot food) at each Market event shall be a Maximum of 80% Farmers to 20% Vendors, and a minimum of 50% Farmers to 50% Vendors.
 - c. The Chamber has worked to increase the number of quality farmers and certified producers. The current percentage of booth space occupied by agricultural products is 60%. The Chamber is agreeable to looking at further diversifying the variety and offerings at the Farmers' Market, as availability of seasons produce and products allow.
13. **OPERATIONS.** Chamber agrees to take full responsibility for the following operational obligations:
 - a. Certified Farmers' Market. Chamber shall ensure that the South Pasadena Farmers' Market maintains its status as a "Certified Farmers' Market."
 - b. Day, Time and Location. The Market shall continue to operate on every Thursday and open to the public between the hours of 4:00 p.m. and 8:00 p.m. during Spring/Summer seasons and 4:00 p.m. and 7:00 p.m. during Winter/Fall seasons, with a setup time between 2:00 p.m. and 4:00 p.m. and a breakdown time between

8:00 p.m. and 10:00 p.m. Footprint of the Market shall remain the same and cannot be altered unless approved by City staff and City Council. The Market shall continue to operate on El Centro Street, between Mound Ave. and the Gold Line Stop and on Meridian Ave. between El Centro Street and Mission Street.

- c. Parking. The Chamber will work with the City's Public Works Department in reviewing the previously approved event Parking Management Plan. The Chamber will post signage to the parking lot, as well as host updated parking information on the Farmers' Market website to help manage traffic and parking impacts for the event. The Chamber will continue to direct farmers, vendors and participants in locating and utilizing the off-street parking lots in the area, including the parking available at 1020 El Centro and on Meridian and Fairview. The Chamber will continue promotion of using the Gold Line. Information on the Market's parking options will be added to the Farmers' Market website, including use of the City's parking maps to maximize the use of public parking areas.
- d. Street Closures and Site Layout. The Chamber shall be fully responsible to implement the City Approved street-closure plan. In addition, the Chamber shall ensure that all safety regulations are complied with including, but not limited to, compliance with fire lane requirements.
- e. Electrical. The Chamber shall provide connection to electrical service for the Farmers and Vendors participating in the Market, commencing with the first Market operation under this Agreement. The Chamber's payments to City pursuant to Paragraph 4 shall be inclusive of any Chamber electric utility costs.
- f. Trash. The Chamber will coordinate with nearby businesses and the City Trash Collector to ensure that all trash generated by the Market operation is thoroughly cleaned up and disposed of properly. The Chamber will ensure that Farmers and Vendors comply with the ban on Polystyrene (Styrofoam), and City Ordinance No. 2269 prohibiting the use of single-use plastic bags.
- g. Restrooms. The Chamber will make arrangements for access to sufficient restroom facilities for farmers, vendors and participants through the Heritage Museum and other viable locations within the footprint of the Market. Chamber will monitor restroom needs, and temporary restrooms may be utilized in warmer months, when Market attendance and length of visits (including related picnicking and general community gatherings) typically increase. In the event

that additional restrooms are deemed necessary, the Chamber will communicate and work with the City on addressing the need.

- h. Intellectual Property Rights. Logos and any other form of creative media referring to the South Pasadena Farmers' Market shall remain the property of the City during and after should the agreement be terminated.
- i. Compliance with Health Guidelines. The Chamber shall comply with health regulations and guidelines issues by the Los Angeles County Department of Public Health considering the ongoing COVID-19 pandemic that began in 2020. The Chamber will ensure to continue making necessary adjustments and modifications to components of the market including selecting specific vendors, coordinating the safe layout of booths with social distance guidelines, limitation of Market hours if needed, staffing adjustments, and restrictions on gatherings and events.
- j. Duty to Notify. In operating the Market, the Chamber shall notify the City of any dangerous condition of public property of when it becomes aware.

- 14. **RECORDS AND INSPECTIONS**. Chamber shall maintain full and accurate financial records with respect to all Market operations covered under this Agreement. City shall have free access at all reasonable times to such records, and the right to examine and audit the same and to make transcripts therefrom, and to inspect all program data, documents, proceedings and activities. Chamber shall maintain an up-to-date list of key personnel and telephone numbers for emergency contact after normal business hours.
- 15. **REPORTS**. On or before April 15th of each year, following the commencement of this Agreement, the Chamber, at its own expense, shall furnish to City a certified financial report of the Market operations. In addition, the Chamber shall furnish City with quarterly financial updates of the Market operation with the payment of the quarterly Fee to City and shall include a financial report of Market Operations in its annual report to the City. In addition, from time to time, the City may request certain added procedures for examination and reports of financial and statistical information concerning the Market.
- 16. **AUDIT OR EXAMINATION**. Chamber shall keep all records of funds received from the Market and make them accessible for audit or examination for a period of three years after final payments are issued and other pending matters.

17. NOTICES. All notices given or required to be given pursuant to this Agreement shall be in writing and may be given by personal delivery or by mail. Notice sent by mail shall be addressed as follows:

City: Arminé Chaparyan, City Manager
City of South Pasadena
1414 Mission Street
South Pasadena, CA 91030
(626) 403-7210

Chamber: Laurie Wheeler, Executive Director
South Pasadena Chamber of Commerce
1121 Mission Street
South Pasadena, CA 91030
(626) 441-2339

If the name of the principal representative designated to receive the notices, demands or communications, or the address of such person, is changed, written notice shall be given within five (5) working days of said changes.

18. APPLICABLE LAWS, CODES AND REGULATIONS. Chamber shall perform all services described in accordance with all applicable laws, codes and regulations required by all authorities having jurisdiction over the Services.
19. NON-DISCRIMINATION. In the performance of this Agreement, Chamber shall not discriminate against any employee, subcontractor, operator or applicant for employment because of race, color, creed, religion, sex, marital status, national origin, ancestry, age physical or mental handicap, medical condition, or sexual orientation. Chamber will take affirmative action to ensure that subcontractors, operators and applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition, or sexual orientation.
20. MODIFICATION OF AGREEMENT. This Agreement may not be modified, nor may any of the terms, provisions or conditions be modified or waived or otherwise affected, except by a written amendment signed by all parties.
21. WAIVER. Iff at any time one party shall waive any term, provision or condition of this Agreement, either before or after any breach thereof, no party shall thereafter be deemed to have consented to any future failure of full performance hereunder.

22. COVENANTS AND CONDITIONS. Each term and each provision of this Agreement to be performed by Chamber shall be construed to be both a covenant and a condition.
23. RIGHT TO TERMINATE. City and/or Chamber may terminate this Agreement at any time, with or without cause, in its sole discretion, with ninety (90) days written notice.
24. GOVERNING LAW. This Agreement shall be governed by and construed in accordance with laws of the State of California. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in the County of Los Angeles. In the event of litigation in a U.S. District Court, exclusive venue shall lie in the Central District of California.
25. LITIGATION FEES. Should litigation arise out of this Agreement for the performance thereof, the court shall award costs and expenses, including attorney's fees, to the prevailing party. In awarding attorney's fees, the court shall not be bound by any court fee schedule but shall award the full amount of costs, expenses and attorney's fees paid and/or incurred in good faith. "Prevailing Party" shall mean the party that obtains a favorable and final judgment or order from a court of law described in paragraph "24." This paragraph shall not apply and litigation fees shall not be awarded based on an order or otherwise final judgment that results from the parties' mutual settlement, arbitration, or mediation of the dispute.
26. SEVERABILITY. If any provision of this agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions nevertheless will continue in full force and effect without being impaired or invalidated in any way.
27. FORCE MAJEURE. The respective duties and obligations of the parties hereunder shall be suspended while and so long as performance hereto is prevented or impeded by strikes, disturbances, riots, fire, severe weather, government action, war acts, acts of God, or any other cause similar or dissimilar to the foregoing which are beyond the control of the party from whom the affected performance was due.
28. INTEGRATED AGREEMENT. This Agreement, together with Exhibits "A," and "B" supersede any and all other agreements, either oral or in writing, between the parties with respect to the subject matter herein. Each party to this Agreement acknowledges that no representation by any party, which is not embodied herein, nor any other agreement; statement or promise not contained in this Agreement shall be valid and binding. Any modification of the Agreement shall be effective only if it is in writing and signed by all parties.

Dated: 7/14/2022

“CITY”
By: DocuSigned by:
Armine Chaparyan
B6F60358A0F24D7...
Arminé Chaparyan
City Manager

Dated: 7/18/2022

“CHAMBER”
By: DocuSigned by:
Andrew Berk
34D32100AB4F480...
Andrew Berk
Chair, Board of Directors

APPROVED AS TO FORM:
DocuSigned by:
Andrew Jared
0E08AF20002B451...
Andrew Jared
City Attorney

EXHIBIT "A"
PROPOSAL

EXHIBIT "B" INSURANCE REQUIREMENTS

Additional Insured Status: The Chamber shall obtain, maintain, and keep in full force throughout the duration of the term of the Agreement, liability insurance covering the Chamber and, with the exception of Professional Liability Insurance, designating City including its elected or appointed officials, directors, officers, agents, employees, volunteers, or Chambers, as additional insured against any and all claims resulting in injury or damage to persons or property (both real and personal) caused by any aspect of the Chamber's work or operations in amounts no less than the following and with such deductibles as are ordinary and reasonable in keeping with industry standards. It shall be stated, in the Additional Insured Endorsement, that the Chamber's insurance policies shall be primary as respects any claims related to or as the result of the Chamber's work. Any insurance, pooled coverage or self-insurance maintained by the City, its elected or appointed officials, directors, officers, agents, employees, volunteers, or Chambers shall be non-contributory. General liability coverage can be provided in the form of an endorsement to the Chamber's insurance (at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10 and CG 20 37 forms if later revisions used).

Primary Coverage: For any claims related to this contract, the Chamber's insurance coverage shall be primary insurance as respects the City, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Chamber's insurance and shall not contribute with it.

Professional Liability Insurance	\$2,000,000/\$4,000,000
----------------------------------	-------------------------

General Liability:

a. General Aggregate	\$2,000,000
b. Products Comp/Op Aggregate	\$2,000,000
c. Personal & Advertising Injury	\$1,000,000
d. Each Occurrence	\$1,000,000
e. Fire Damage (any one fire)	\$ 50,000
f. Medical Expense (any one person)	\$ 5,000

Workers' Compensation:

a. Workers' Compensation	Statutory Limits
b. EL Each Accident	\$1,000,000
c. EL Disease - Policy Limit	\$1,000,000
d. EL Disease - Each Employee	\$1,000,000

Automobile Liability

- a. Any vehicle, combined single limit \$1,000,000

Notice of Cancellation: Each insurance policy required above shall state that coverage shall not be canceled, except with notice to the City. The Chamber shall provide thirty (30) days advance notice to City in the event of material changes or cancellation of any coverage. Certificates of insurance and additional insured endorsements shall be furnished to City thirty (30) days prior to the effective date of this Agreement. Refusal to submit such certificates shall constitute a material breach of this Agreement entitling City to any and all remedies at law or in equity, including termination of this Agreement. If proof of insurance required under this Agreement is not delivered as required or if such insurance is canceled and not adequately replaced, City shall have the right but not the duty to obtain replacement insurance and to charge the Chamber for any premium due for such coverage. City has the option to deduct any such premium from the sums due to the Chamber.

Waiver of Subrogation: Chamber hereby grants to City a waiver of any right to subrogation which any insurer of said Chamber may acquire against the City by virtue of the payment of any loss under such insurance. Chamber agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer.

Deductibles and Self-Insured Retentions: Any deductibles or self-insured retentions must be declared to and approved by the City. The City may require the Chamber to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

Acceptability of Insurers: Insurance is to be placed with insurers authorized and admitted to write insurance in California and with a current A.M. Best's rating of A-:VII or better. Acceptance of insurance from a carrier with a rating lower than A-:VII is subject to approval by City's Risk Manager. Chamber shall immediately advise City of any litigation that may affect these insurance policies.

Claims Made Policies:

If any of the required policies provide coverage on a claims-made basis:

1. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
2. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work.
3. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the Chamber must purchase "extended reporting" coverage for a minimum of five (5) years after completion of contract work.

Verification of Coverage: Chamber shall furnish the City with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the City before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Chamber's obligation to provide them. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

Subcontractors: Chamber shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Contractor shall ensure that City is an additional insured on insurance required from subcontractors.

Special Risks or Circumstances: Entity reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Nothing in this section shall construed to as limiting in any way, the indemnification provision contained in this Agreement, or the extent to which Chamber may be held responsible for payments of damages to persons or property.



City Council Agenda Report

ITEM NO. 20

DATE: February 7, 2024

FROM: Arminé Chaparyan, City Manager *AC*

PREPARED BY: John Downs, Finance Director

SUBJECT: **Presentation of the Annual Comprehensive Financial Report (ACFR) for Fiscal Year Ending June 30, 2023**

Recommendation

Staff recommends that the City Council receive and file the annual audit reports for the year ended June 30, 2023.

Background

After the close of each fiscal year, the Finance Department is responsible for the preparation and publication of the City's Annual Comprehensive Finance Report (ACFR) following an independent, certified audit. The goal of the financial audit and report is to provide users with a reasonable assurance that the information presented in the statements is accurate and timely.

The ACFR presents information on the status of the City's financial affairs, first on a citywide basis (Government-Wide Financial Statements) in which all the City activities are reported as governmental activities and business-type activities. A second set of statements (Fund Financial Statements) report separately the activities of all City Funds.

The ACFR is organized into three primary sections:

1. Introductory Section – includes the Finance Director's Letter of Transmittal, List of Principal Officials, and the Organization Chart.
2. Financial Section – includes the Independent Auditors' Report, Management's Discussion and Analysis, and the general purpose financial statements, consisting of the combined financial statements, notes to the financial statements, and supplemental statements.
3. Statistical Section – includes comparative information on pertinent City data, such as expenditures, revenues, assessed valuations, tax levies, demographic data, and performance measurements.

The ACFR is important for a number of reasons:

- The ACFR is utilized by the investment community, including bond buyers, underwriters, bond issuers, and credit rating agencies.
- It serves as a public information tool in the form of a comprehensive presentation of all of the City's financial activities.
- Due to a standardized format, the ACFR serves as a tool to provide a meaningful comparison to similar data for other cities.

The Annual Comprehensive Finance Report (ACFR) is a complete set of financial statements that summarizes the City's financial position for the Fiscal Year. The report is prepared annually by city staff, and audited by an independent auditing firm, with the purpose of providing a reasonable assurance from an independent source that the information is reliable.

The audit-related items provided within this report include:

1. City of South Pasadena – Annual Comprehensive Financial Report (ACFR)
2. Independent Auditor's Report – Government Auditing Standards
3. FY 2022-23 SAS 114 Letter
4. Management Letter

The audit for 2023 was recently completed by Rogers, Anderson, Malody & Scott, LLP (RAMS), in January 2024. The auditors rendered an unmodified opinion, which is the highest and optimal opinion issued by independent auditors.

Overall, the City's total net position increased by \$7,855,773 over the prior year, due to larger increases in revenues from charges for services, operating contributions and grants, property and other taxes, as well as uses of money and property than increases in expenses in General Government, Community Development and Public Works.

Discussion/Analysis

For FY 2022-23, RAMS performed an independent audit to determine that the financial statements are fairly presented and free from material misstatement. The independent auditor concluded there was reasonable basis for rendering an unmodified opinion, and that City's financial statements are fairly presented in conformity with Generally Accepted Accounting Principles (GAAP).

In the FY 2021-2022 ACFR, the City had three findings, two material findings and one Significant Deficiency. The Material Weakness findings related to the timely preparation of "Bank Reconciliations" and the "Accounting and Management of Capital Assets". The Significant Deficiency related to the City's "Year-End Closing Process". Two of these findings have dropped off from the previous year.

In finalizing the 2022-23 ACFR, the auditors listed out two material findings and concluded that the City has successfully addressed several of the prior year's findings, relating to

finding 2022-002 “Material Weakness – Accounting and Management of Capital Assets” and finding 2022-003 “Significant Deficiency – Year-End Closing Process”. However, a new finding related to the timely reporting of EMMA submissions related to the City’s Bond Covenants was noted. Finance Department staff will be working diligently to address and correct the weaknesses and deficiencies, and focus on meeting industry best practices to resolve all findings.

Listed below are financial highlights for FY 2022-23:

- The assets of the City exceeded liabilities at the close of the most recent fiscal year by \$119,478,678.
- At the close of the current fiscal year, the City’s governmental funds reported combined fund balances of \$41,184,299, an increase of \$1,501,510. Of that amount, \$16,915,922 (or approximately 41%) of total fund balances is the unassigned fund balance of the General Fund, and represents the fund balance available for spending at the City’s discretion.
- At the end of the fiscal year, the total General Fund balance is \$23,676,136, while as previously mentioned, the emergency reserve fund balance (unassigned) for the General Fund was \$19,050,705, or 49% the General Fund expenditures.

There are two primary citywide financial statements: Statement of Net Position and the Statement of Activities. Similar to a balance sheet in private sector accounting, the Statement of Net Position presents the City’s overall financial position at a specific point in time – in the City’s case, this is as of the last day of the fiscal year (June 30, 2023).

The Statement of Activities is similar to the income statement, presenting the City’s results of operations over a period of time.

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$ 56,205,463	\$ 48,147,358	\$ 41,062,712	\$ 32,651,303	\$ 97,268,175	\$ 80,798,661
Capital assets, net	56,286,150	56,780,684	84,548,150	86,761,153	140,834,300	143,541,837
Total assets	<u>112,491,613</u>	<u>104,928,042</u>	<u>125,610,862</u>	<u>119,412,456</u>	<u>238,102,475</u>	<u>224,340,498</u>
Deferred outflow of resources	21,745,356	17,238,038	6,543,874	6,454,058	28,289,230	23,692,096
Long-term liabilities	55,214,017	41,192,563	62,665,598	58,215,895	117,879,615	99,408,458
Other liabilities	14,450,070	9,754,672	4,013,535	4,070,213	18,463,605	13,824,885
Total liabilities	<u>69,664,087</u>	<u>50,947,235</u>	<u>66,679,133</u>	<u>62,286,108</u>	<u>136,343,220</u>	<u>113,233,343</u>
Deferred inflow of resources	9,545,040	21,247,803	1,024,767	1,928,543	10,569,807	23,176,346
Net investment in capital assets	55,139,529	56,780,684	29,984,714	36,060,721	85,124,243	92,841,405
Restricted	14,896,784	13,615,668	164,055	158,464	15,060,839	13,774,132
Unrestricted	(15,008,471)	(20,425,310)	34,302,067	25,432,678	19,293,596	5,007,368
Total net position	<u>\$ 55,027,842</u>	<u>\$ 49,971,042</u>	<u>\$ 64,450,836</u>	<u>\$ 61,651,863</u>	<u>\$ 119,478,678</u>	<u>\$ 111,622,905</u>

The table above presents a summarized version of the City's Statement of Net Position for FY 2022-23, and a comparison to the previous fiscal year. Net position may serve as a useful indicator of a government's financial position. For South Pasadena, assets exceeded liabilities by \$119,478,678 at the close of the fiscal year. This represents an increase of \$7,855,773, or 7%, from the prior year. This increase is primarily due to increase in unrestricted investments.

Net investment in capital assets of \$85,124,243 are by far the largest portion of the City's net position, and reflects its investment in non-liquid capital assets (e.g. land, infrastructure, buildings, and equipment). The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. The second portion of the City net position, \$15,060,839, represents special revenue resources that are subject to external restrictions on how they may be used.

Governmental activities net position increased by \$5,056,800, due to larger increases in revenues from charges for services, operating contributions and grants, property and other taxes as well as uses of money and property than increases in expenses in General Government, Community Development and Public Works.

The City's net investment in capital assets for its governmental activities and business-type activities as of June 30, 2023, amounts to \$56,286,150 and \$84,548,150 (net of accumulated depreciation), a decline of \$494,534 and \$2,213,003, respectively. This investment in capital assets includes land, buildings, park improvements, roadways, vehicles, computer equipment, furniture, other equipment, and construction in progress.

The City maintains an Insurance Fund which accounts for insurance premiums, third party administration cost as well as settlement cost related to General Liability and Worker's Compensation claims. The ending net position increased by \$1,866,590 due to insurance cost recoveries related to prior years.

The City paid \$1,304,637 in insurance premiums for General Liabilities, \$702,982, Worker's Compensation, \$485,862, Property Program \$100,299, Cyber Liability Program \$9,937 and Employee Assistance Program of \$5,646. Settlement claims of \$1,361,184 for general liabilities and \$603,317 for Worker's Compensation claims.

Workers' compensation and General Liability claims incurred prior to July 1, 2014 were covered through the City's participation in the California Joint Powers Insurance Authority (CJPIA). The City paid a one-time \$1,489,285 for retrospective adjustments for settled Worker's Compensation and General Liability Claims from cases from 2013-14 and older that were settled by the Authority from fiscal years 2013-14 through 2021-22.

Business activities net position increased by \$2,798,973 over the prior year mainly due to charges for services.

Annual Comprehensive Financial Report for Fiscal Year Ending June 30, 2023
 February 7, 2024
 Page 5 of 6

City of South Pasadena Change in Net Position For the Years Ended June 30, 2023 and 2022						
	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Program revenues:						
Charges for services	\$ 11,058,943	\$ 8,114,870	\$ 15,415,646	\$ 16,075,073	\$ 26,474,589	\$ 24,189,943
Operating contributions and grants	6,010,569	4,263,342	-	-	6,010,569	4,263,342
Capital contributions and grants	1,316,896	923,772	-	-	1,316,896	923,772
General revenues:						
Property taxes	18,728,374	17,906,070	-	-	18,728,374	17,906,070
Other taxes	12,996,439	11,807,082	-	-	12,996,439	11,807,082
Use of money and property	745,160	(466,697)	133,523	(360,030)	878,683	(826,727)
Other	72,011	266,540	21,945	9,317,881	93,956	9,584,421
Total revenues	<u>50,928,392</u>	<u>42,814,979</u>	<u>15,571,114</u>	<u>25,032,924</u>	<u>66,499,506</u>	<u>67,847,903</u>
Expenses:						
General government	14,558,524	12,798,257	-	-	14,558,524	12,798,257
Public safety	17,246,487	17,075,166	-	-	17,246,487	17,075,166
Community development	3,661,544	2,672,653	-	-	3,661,544	2,672,653
Community services	4,682,762	5,219,387	-	-	4,682,762	5,219,387
Public works	6,302,312	4,604,333	-	-	6,302,312	4,604,333
Water	-	-	9,517,654	7,283,972	9,517,654	7,283,972
Sewer	-	-	1,285,403	(107,647)	1,285,403	(107,647)
Arroyo Seco Golf Course	-	-	1,389,047	1,314,725	1,389,047	1,314,725
Total expenses	<u>46,451,629</u>	<u>42,369,796</u>	<u>12,192,104</u>	<u>8,491,050</u>	<u>58,643,733</u>	<u>50,860,846</u>
Income before transfers	<u>4,476,763</u>	<u>445,183</u>	<u>3,379,010</u>	<u>16,541,874</u>	<u>7,855,773</u>	<u>16,987,057</u>
Increase in net position	5,056,800	445,183	2,798,973	16,541,874	7,855,773	16,987,057
Net position, beginning, as restated	49,971,042	49,525,859	61,651,863	45,109,989	111,622,905	94,635,848
Net position, ending	<u>\$ 55,027,842</u>	<u>\$ 49,971,042</u>	<u>\$ 64,450,836</u>	<u>\$ 61,651,863</u>	<u>\$ 119,478,678</u>	<u>\$ 111,622,905</u>

The 2023 ACFR was presented and reviewed by the City’s Finance Commission on January 24, 2024. After deliberation and discussion for clarification points, the Commission voted to receive and file the document subject to revisions to the Management Discussion & Analysis (MD&A) and to several notes within the ACFR. The revised document is presented to the City Council tonight.

Fiscal Impact

There is no cost associated with the presentation of this report. The cost of completing the audit through RAMS is a budgeted line item within the Finance Department budget.

Commission Review and Recommendation

The 2023 ACFR was presented and reviewed by the Finance Commission on January 24, 2024. RAMS made a presentation of the document, touch on the previous and current findings, touch on the marked improvements on timeline in completing the audit, as well as the improvements across the board in the department and work flows, and answer Commission questions. After deliberation and discussion for clarification points, the Commission voted to receive and file the document subject to revisions to the Management Discussion & Analysis (MD&A) and to several notes within the ACFR, and directed Vice Chair Rossi and Commissioner Quade to work directly with Finance Director Downs on the review and consideration of certain questions, concerns, or information provided by the audit. The Commission subcommittee met with staff on Monday, January 29, and had a productive review meeting and discussion. Minor revisions to the notes and the MD&A are expected, following the direction by the Commission, and the staff and

auditors are working on those revisions. Staff will post and share the revised versions of documents as soon as they are available.

Key Performance Indicators and Strategic Plan

This item is in line with the Finance Department's Key Performance Indicator. The audit commenced in November 2023 with the completion of the audit in January 2024.

Attachments:

1. [FY 2022-23 Annual Comprehensive Financial Report \(available on City Website, hard copy to City Council and Finance Commission, and limited distribution in Council Chambers\)](#)
2. FY 2022-23 Internal Control Report and Response
3. FY 2022-23 SAS 114 Letter

ATTACHMENT 1

FY 2022-23 Annual Comprehensive Financial Report
(available on City Website, hard copy to City Council
and Finance Commission, and limited distribution in
Council Chambers)

[https://www.southpasadenaca.gov/home/showpublish
eddocument/34303](https://www.southpasadenaca.gov/home/showpublish
eddocument/34303)

**THIS PAGE
INTENTIONALLY
LEFT BLANK**

ATTACHMENT 2
FY 2022-23 Internal Control Report and Response

**THIS PAGE
INTENTIONALLY
LEFT BLANK**



735 E. Carnegie Dr. Suite 100
San Bernardino, CA 92408
909 889 0871 T
909 889 5361 F
ramscca.net

**REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

PARTNERS

Terry P. Shea, CPA
Scott W. Manno, CPA, CGMA
Leena Shanbhag, CPA, MST, CGMA
Bradferd A. Welebir, CPA, MBA, CGMA
Jenny W. Liu, CPA, MST
Gardenya Duran, CPA, CGMA
Brianna Schultz, CPA, CGMA
Brenda L. Odle, CPA, MST (Partner Emeritus)

Independent Auditor's Report

To the Honorable City Council
City of South Pasadena

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of South Pasadena (the City) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated January 17, 2024.

MANAGERS / STAFF

Seong-Hyea Lee, CPA, MBA
Evelyn Morentin-Barcena, CPA
Veronica Hernandez, CPA
Laura Arvizu, CPA
John Maldonado, CPA, MSA
Julia Rodriguez Fuentes, CPA, MSA
Demi Hite, CPA
Jeffrey McKennan, CPA

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

MEMBERS

American Institute of
Certified Public Accountants

*PCPS The AICPA Alliance
for CPA Firms*

*Governmental Audit
Quality Center*

California Society of
Certified Public Accountants



Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying *Schedule of Findings and Responses* as item 2023-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards*, and which is described in the accompanying *Schedule of Findings and Responses* as item 2023-002.

City's Response to Findings

The City's response to the findings identified in our audit is described in the accompanying *Schedule of Findings and Responses*. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino, California
January 17, 2024

Schedule of Findings and Responses

Finding 2023-001 Material Weakness – Bank Reconciliations (previously reported as Finding 2022-001)

Criteria

Bank reconciliations should be prepared, reviewed and approved in a timely manner.

Condition and Context

During our audit, we noted that reconciliations of bank statements to the general ledger for various accounts were not reviewed and approved in a timely manner.

Cause

The City did not have controls in place to ensure the review and approval of bank reconciliations were performed in a timely manner.

Effect

Most of the problems encountered within the area of cash can be avoided if a proper system of checks and balances is incorporated into the City's procedures.

Recommendation

We recommend that all of the bank accounts be reconciled monthly to the general ledger and that all unusual reconciling items be promptly investigated and adjusted with adequate explanations and that the review and approval of the reconciliations be promptly conducted. This is a repeat finding from the prior year, and although we observed progress toward correcting this item, it was not sufficient to fully remove the finding.

Views of Responsible Officials and Planned Corrective Actions

See accompanying "Corrective Action Plan".

Finding 2023-002 Material Weakness – Noncompliance with Debt Reporting

Criteria

In order to maintain compliance with bond requirements, annual filings must be made in a timely manner to Electronic Municipal Market Access (EMMA).

Condition and Context

During the audit, we noted reporting of continuing disclosure on the Tax Allocation Bonds, Series 2000 had not been submitted to Electronic Municipal Market Access (EMMA) agency in a timely manner.

Cause

Due to the delay of financial reporting and issuance of the June 30, 2020 financial statements, the City fell out of compliance with the requirements noted above.

Schedule of Findings and Responses

Effect

The City is not in compliance with bond reporting requirements.

Recommendation

We recommend the City prioritize timely financial reporting in the future to allow for timely reporting to EMMA. This is a repeat finding from the prior year, and although we observed some progress toward correcting this item, it was not sufficient to fully remove the finding.

Views of Responsible Officials and Planned Corrective Actions

See accompanying "Corrective Action Plan".



CITY OF SOUTH PASADENA

CITY CLERK DIVISION

1414 MISSION STREET, SOUTH PASADENA, CA 91030

TEL: (626) 403-7210 • FAX: (626) 403-7211

WWW.SOUTHPASADENACA.GOV

Corrective Action Plan

Finding 2023-001 Material Weakness – Bank Reconciliations (previously reported as Finding 2022-001)

Corrective Action: Management agrees with the recommendation and has made bank reconciliation a top priority. The new accountant is primarily focused on resolving outstanding bank reconciliations. Currently, a two-month delay exists due to recent staff turnover. However, as the accountant adjusts and refines the process, it is anticipated that the bank reconciliations will be updated promptly.

Proposed Completion Date: Management anticipates having the bank reconciliations completed through February 2024 up to date by March 2024.

Finding 2023-002 Material Weakness – Noncompliance with Debt Reporting

Corrective Action: Management agrees with the recommendation and will ensure swift financial reporting for timely EMMA submissions in the future. The delay in financial reporting and financial statement issuance, caused by staff turnover, was proactively communicated to the municipal advisors.

Proposed Completion Date: Management commits to delivering the financial reports to the appropriate parties by the due date.

John Downs
Finance Director



**THIS PAGE
INTENTIONALLY
LEFT BLANK**

ATTACHMENT 3
FY 2022-23 SAS 114 Letter

**THIS PAGE
INTENTIONALLY
LEFT BLANK**



735 E. Carnegie Dr. Suite 100
San Bernardino, CA 92408
909 889 0871 T
909 889 5361 F
ramscca.net

PARTNERS

Terry P. Shea, CPA
Scott W. Manno, CPA, CGMA
Leena Shanbhag, CPA, MST, CGMA
Bradferd A. Welebir, CPA, MBA, CGMA
Jenny W. Liu, CPA, MST
Gardenya Duran, CPA, CGMA
Brianna Schultz, CPA, CGMA
Brenda L. Odle, CPA, MST (Partner Emeritus)

MANAGERS / STAFF

Seong-Hyea Lee, CPA, MBA
Evelyn Morentin-Barcena, CPA
Veronica Hernandez, CPA
Laura Arvizu, CPA
John Maldonado, CPA, MSA
Julia Rodriguez Fuentes, CPA, MSA
Demi Hite, CPA
Jeffrey McKennan, CPA

MEMBERS

American Institute of
Certified Public Accountants

*PCPS The AICPA Alliance
for CPA Firms*

*Governmental Audit
Quality Center*

California Society of
Certified Public Accountants

To the Honorable City Council
City of South Pasadena

We have audited the financial statements of the City of South Pasadena (the City) as of and for the year ended June 30, 2023, and have issued our report thereon dated January 17, 2024. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated May 9, 2023, our responsibility, as described by professional standards, is to form and express opinions about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City’s internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the City solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our findings regarding significant control deficiencies and material weaknesses over financial reporting and material noncompliance and other matters noted during our audit in a separate letter to you dated January 17, 2024.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.



Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, and our firm, have complied with all relevant ethical requirements regarding independence.

Significant Risk Identified

We have identified the possibility of the following significant risks:

Management's override of internal controls over financial reporting: Management override of internal controls is the intervention by management in handling financial information and making decisions contrary to internal control policy.

Revenue recognition: Revenue recognition is a generally accepted accounting principle that refers to the conditions under which an entity can recognize a transaction as revenue. Auditing standards indicate that recognizing revenue is a presumed fraud risk and usually classified as a significant risk in most audits.

These significant risks are presumptive in most audits and merit attention by the auditors due to the direct impact over financial reporting and internal control processes. Although identified as significant risks, we noted no matters of management override of controls or deviations from generally accepted accounting principles which caused us to modify our audit procedures or any related matters which are required to be communicated to those charged with governance due to these identified risks.

Qualitative Aspects of the City's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the City is included in Note 1 to the financial statements. The City adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITA), during 2023. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are:

- Management's estimate of the fair value of investments is based on information provided by financial institutions. We evaluated the key factors and assumptions used to develop the fair value of investments and determined that it is reasonable in relation to the basic financial statements taken as a whole.

- Management's estimate of depreciation expense is based on the useful lives of acquired assets. We evaluated the key factors and assumptions used to develop depreciation expense in determining that it is reasonable in relation to the financial statements taken as a whole.
- Management's estimate of the net pension liability and other post-employment benefits liability and related deferred inflows and outflows are based on actuarial reports provided by independent actuaries. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the statements taken as a whole.
- Management's estimate of leases receivable, deferred inflows of resources related to leases, and lease/SBITA amortization is based on present value calculations using certain terms and assumptions in the lease agreements in accordance with generally accepted accounting principles. Management's estimate of lease/SBITA liabilities, right-to-use assets, and asset amortization is based on present value calculations using certain terms and assumptions in the lease agreements and estimated useful lives of assets in accordance with generally accepted accounting principles. We evaluated the key factors and assumptions used to develop the lease related estimates in determining that it is reasonable in relation to the financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the City's financial statements relate to:

- The disclosure of fair value of investments in the basic financial statements represents amounts susceptible to market fluctuations.
- The disclosure of accumulated depreciation in the basic financial statements is based on estimated useful lives which could differ from actual useful lives of each capitalized item.
- The disclosure of net pension liability and other post-employment benefits liability and related deferred inflows and outflows in the basic financial statements is based on actuarial assumptions. Actual future liabilities may vary from disclosed estimates.
- The disclosure of leases receivable, deferred inflows of resources related to leases, lease/SBITA amortization, leases/SBITA liabilities, right-to-use assets, and asset amortization in the basic financial statements is based on certain terms and assumptions in the lease agreements which could differ from actual amounts.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. Management has corrected all such misstatements.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. The attached Schedule A summarizes material misstatements that we identified as a result of our audit procedures that were brought to the attention of, and corrected by, management.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the City's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated January 17, 2024.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the City, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the City, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the City's auditors.

Other Information Included in Annual Reports

Pursuant to professional standards, our responsibility as auditors for other information, whether financial or nonfinancial, included in the City's annual reports, does not extend beyond the information identified in the audit report, and we are not required to perform any procedures to corroborate such other information. However, in accordance with such standards:

We applied certain limited procedures to the required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the combining and individual non-major fund financial statements and the budgetary comparison schedules, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on introductory and statistical sections, which accompany the financial statements but are not RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

This report is intended solely for the information and use of the Honorable City Council and management of the City and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino, California
January 17, 2024

Client: **CIT0011 - City of South Pasadena**
Engagement: **2023 - City of South Pasadena**
Period Ending: **6/30/2023**
Trial Balance: **TB Database - All Funds**
Workpaper: **3700.01 - Combined Journal Entries Report**
Fund Level: **All**
Index: **All**

Schedule A

Account	Description	Debit	Credit
Adjusting Journal Entries JE # 305			
To reverse the PY FV adjustment for LAIF.			
101-0000-0000-1035-000	LAIF - Fair Market Value	200,599.17	
101-0000-0000-4805-000	Unrealized Gain / Loss		200,599.17
Total		200,599.17	200,599.17
Adjusting Journal Entries JE # 309			
To recognize ARPA expenditures for FY22/23.			
206-0000-0000-2600-000	Unearned Revenue	1,118,655.33	
206-0000-0000-5073-000	Federal Grant - ARPA		1,118,655.33
Total		1,118,655.33	1,118,655.33
Adjusting Journal Entries JE # 311			
To reverse the prepaid payroll entry.			
101-4010-4011-7000-000	Salaries - Permanent	21,677.01	
101-4010-4011-7010-000	Salaries - Temp / Part	788.66	
101-4010-4011-7020-000	Overtime	5,100.52	
101-4010-4011-7040-000	Holiday	2,788.96	
101-4010-4011-7045-000	Overtime - Special Detail	848.21	
101-4010-4011-7060-000	IOD - Safety	2,227.78	
101-4010-4011-7100-000	Retirement	4,400.06	
101-4010-4011-7108-000	Deferred Compensation	333.46	
101-4010-4011-7110-000	Workers Compensation	1,190.67	
101-4010-4011-7160-000	Life Insurance	1.18	
101-4010-4011-7170-000	FICA - Medicare	468.82	
101-4010-4011-7180-000	Uniform Allowance	249.16	
101-5010-5011-7000-000	Salaries - Permanent	11,813.12	
101-5010-5011-7020-000	Overtime	6,524.05	
101-5010-5011-7030-000	Overtime - Flsa	159.94	
101-5010-5011-7040-000	Holiday	1,024.56	
101-5010-5011-7045-000	Overtime - Special Detail	332.50	
101-5010-5011-7060-000	IOD - Safety	588.26	
101-5010-5011-7100-000	Retirement	2,549.21	
101-5010-5011-7108-000	Deferred Compensation	205.27	
101-5010-5011-7110-000	Workers Compensation	1,607.50	
101-5010-5011-7160-000	Life Insurance	2.36	
101-5010-5011-7170-000	FICA - Medicare	289.10	
101-5010-5011-7180-000	Uniform Allowance	84.03	
500-6010-6710-7000-000	Salaries - Permanent	3,012.80	
500-6010-6710-7020-000	Overtime	146.19	
500-6010-6710-7100-000	Retirement	282.29	
500-6010-6710-7108-000	Deferred Compensation	31.59	
500-6010-6710-7110-000	Workers Compensation	99.35	
500-6010-6710-7160-000	Life Insurance	0.19	
500-6010-6710-7170-000	FICA - Medicare	45.81	
500-6010-6711-7000-000	Salaries - Permanent	1,738.31	
500-6010-6711-7020-000	Overtime	247.54	
500-6010-6711-7040-000	Holiday	50.05	
500-6010-6711-7100-000	Retirement	198.99	
500-6010-6711-7108-000	Deferred Compensation	20.79	
500-6010-6711-7110-000	Workers Compensation	81.87	
500-6010-6711-7130-000	Group Health Insurance	42.86	
500-6010-6711-7170-000	FICA - Medicare	30.14	

101-0000-0000-1450-000	Prepaid Expenses		65,254.39
500-0000-0000-1450-000	Prepaid Expenses		6,028.77
Total		71,283.16	71,283.16

Adjusting Journal Entries JE # 312

To record the accrued payroll.

101-2010-2011-7000-000	Salaries - Permanent	20,475.50
101-2010-2011-7020-000	Overtime	534.87
101-2010-2011-7100-000	Retirement	2,062.79
101-2010-2011-7108-000	Deferred Compensation	210.12
101-2010-2011-7110-000	Workers Compensation	234.25
101-2010-2011-7160-000	Life Insurance	5.49
101-2010-2011-7170-000	FICA - Medicare	304.65
101-2030-2031-7000-000	Salaries Permanent	10,492.97
101-2030-2031-7010-000	Salaries - Temp / Part	7,893.74
101-2030-2031-7100-000	Retirement	1,024.71
101-2030-2031-7108-000	Deferred Compensation	104.92
101-2030-2031-7110-000	Workers Compensation	219.09
101-2030-2031-7160-000	Life Insurance	5.38
101-2030-2031-7170-000	FICA - Medicare	266.60
101-2030-2033-7000-000	Salaries - Permanent	2,431.79
101-2030-2033-7100-000	Retirement	188.71
101-2030-2033-7108-000	Deferred Compensation	24.32
101-2030-2033-7110-000	Workers Compensation	26.41
101-2030-2033-7160-000	Life Insurance	7.07
101-2030-2033-7170-000	FICA - Medicare	35.26
101-3010-3011-7000-000	Salaries - Permanent	12,069.67
101-3010-3011-7020-000	Overtime	667.58
101-3010-3011-7100-000	Retirement	985.75
101-3010-3011-7108-000	Deferred Compensation	127.35
101-3010-3011-7110-000	Workers Compensation	122.70
101-3010-3011-7160-000	Life Insurance	3.55
101-3010-3011-7170-000	FICA - Medicare	184.68
101-4010-4011-7000-000	Salaries - Permanent	130,061.97
101-4010-4011-7010-000	Salaries - Temp / Part	4,731.97
101-4010-4011-7020-000	Overtime	30,603.12
101-4010-4011-7040-000	Holiday	16,733.79
101-4010-4011-7045-000	Overtime - Special Detail	5,089.29
101-4010-4011-7060-000	IOD - Safety	13,366.68
101-4010-4011-7100-000	Retirement	26,400.39
101-4010-4011-7108-000	Deferred Compensation	2,000.79
101-4010-4011-7110-000	Workers Compensation	7,144.00
101-4010-4011-7160-000	Life Insurance	7.07
101-4010-4011-7170-000	FICA - Medicare	2,812.95
101-4010-4011-7180-000	Uniform Allowance	1,494.95
101-5010-5011-7000-000	Salaries - Permanent	70,878.74
101-5010-5011-7020-000	Overtime	39,144.28
101-5010-5011-7030-000	Overtime - Flsa	959.67
101-5010-5011-7040-000	Holiday	6,147.36
101-5010-5011-7045-000	Overtime - Special Detail	1,995.00
101-5010-5011-7060-000	IOD - Safety	3,529.59
101-5010-5011-7100-000	Retirement	15,295.23
101-5010-5011-7108-000	Deferred Compensation	1,231.59
101-5010-5011-7110-000	Workers Compensation	9,644.99
101-5010-5011-7160-000	Life Insurance	14.14
101-5010-5011-7170-000	FICA - Medicare	1,734.63
101-5010-5011-7180-000	Uniform Allowance	504.19
101-6010-6011-7000-000	Salaries - Permanent	13,133.35
101-6010-6011-7010-000	Salaries - Temp / Part	716.50
101-6010-6011-7020-000	Overtime	329.85
101-6010-6011-7100-000	Retirement	1,272.43
101-6010-6011-7108-000	Deferred Compensation	134.64
101-6010-6011-7110-000	Workers Compensation	167.62
101-6010-6011-7160-000	Life Insurance	0.57

101-6010-6011-7170-000	FICA - Medicare	250.03
101-6010-6015-7000-000	Salaries - Permanent	1,441.28
101-6010-6015-7020-000	Overtime	50.11
101-6010-6015-7100-000	Retirement	157.98
101-6010-6015-7108-000	Deferred Compensation	14.91
101-6010-6015-7110-000	Workers Compensation	16.36
101-6010-6015-7170-000	FICA - Medicare	21.63
101-6010-6410-7000-000	Salaries - Permanent	3,205.84
101-6010-6410-7020-000	Overtime	136.05
101-6010-6410-7100-000	Retirement	342.57
101-6010-6410-7108-000	Deferred Compensation	33.42
101-6010-6410-7110-000	Workers Compensation	85.02
101-6010-6410-7160-000	Life Insurance	0.58
101-6010-6410-7170-000	FICA - Medicare	48.45
101-6010-6601-7000-000	Salaries - Permanent	6,992.61
101-6010-6601-7020-000	Overtime	1,045.50
101-6010-6601-7040-000	Holiday Pay	256.04
101-6010-6601-7100-000	Retirement	702.58
101-6010-6601-7108-000	Deferred Compensation	82.94
101-6010-6601-7110-000	Workers Compensation	278.64
101-6010-6601-7160-000	Life Insurance	0.57
101-6010-6601-7170-000	FICA - Medicare	120.26
101-7010-7011-7000-000	Salaries - Permanent	33,449.85
101-7010-7011-7010-000	Salaries - Temp / Part	1,047.09
101-7010-7011-7100-000	Retirement	3,246.48
101-7010-7011-7108-000	Deferred Compensation	334.50
101-7010-7011-7110-000	Workers Compensation	388.52
101-7010-7011-7160-000	Life Insurance	17.36
101-7010-7011-7170-000	FICA - Medicare	565.11
101-8010-8011-7000-000	Salaries - Permanent	27,110.90
101-8010-8011-7010-000	Salaries - Temp / Part	11,224.99
101-8010-8011-7100-000	Retirement	2,892.28
101-8010-8011-7108-000	Deferred Compensation	271.11
101-8010-8011-7110-000	Workers Compensation	468.46
101-8010-8011-7160-000	Life Insurance	11.57
101-8010-8011-7170-000	FICA - Medicare	1,106.55
101-8030-8021-7000-000	Salaries - Regular Employees	2,433.37
101-8030-8021-7010-000	Salaries - Temp / Part	6,661.46
101-8030-8021-7100-000	Retirement	461.23
101-8030-8021-7108-000	Deferred Compensation	24.33
101-8030-8021-7110-000	Workers Compensation Ins.	98.76
101-8030-8021-7170-000	FICA - Medicare	308.77
101-8030-8031-7000-000	Salaries - Permanent	5,270.02
101-8030-8031-7100-000	Retirement	611.85
101-8030-8031-7108-000	Deferred Compensation	52.71
101-8030-8031-7110-000	Workers Compensation	59.96
101-8030-8031-7170-000	FICA - Medicare	76.41
101-8030-8032-7000-000	Salaries - Permanent	501.39
101-8030-8032-7010-000	Salaries - Temp / Part	22,826.07
101-8030-8032-7100-000	Retirement	341.86
101-8030-8032-7108-000	Deferred Compensation	44.06
101-8030-8032-7110-000	Workers Compensation	259.24
101-8030-8032-7170-000	FICA - Medicare	1,510.82
205-2010-2210-7000-000	Salaries - Regular Employees	465.63
205-2010-2210-7100-000	Retirement	54.06
205-2010-2210-7108-000	Deferred Compensation	4.65
205-2010-2210-7110-000	Workers Compensation Ins.	5.06
205-2010-2210-7170-000	FICA - Medicare	6.75
205-8030-8024-7000-000	Salaries - Permanent	644.73
205-8030-8024-7100-000	Retirement	74.85
205-8030-8024-7108-000	Deferred Compensation	6.45
205-8030-8024-7110-000	Workers Compensation	7.00
205-8030-8024-7170-000	FICA - Medicare	9.34
205-8030-8025-7000-000	Salaries - Permanent	5,813.85
205-8030-8025-7010-000	Salaries - Temp / Part	2,080.54

205-8030-8025-7100-000	Retirement	743.91
205-8030-8025-7108-000	Deferred Compensation	58.14
205-8030-8025-7110-000	Workers Compensation	93.91
205-8030-8025-7170-000	FICA - Medicare	172.70
207-2010-2260-7000-000	Salaries - Permanent	214.91
207-2010-2260-7100-000	Retirement	24.95
207-2010-2260-7108-000	Deferred Compensation	2.15
207-2010-2260-7110-000	Workers Compensation	2.33
207-2010-2260-7170-000	FICA - Medicare	3.12
207-8030-8025-7000-000	Salaries - Regular Employees	5,342.70
207-8030-8025-7100-000	Retirement	451.86
207-8030-8025-7108-000	Deferred Compensation	53.43
207-8030-8025-7110-000	Workers Compensation Ins.	61.07
207-8030-8025-7170-000	FICA - Medicare	77.47
210-6010-6501-7000-000	Salaries - Permanent	14,128.59
210-6010-6501-7020-000	Overtime	809.37
210-6010-6501-7100-000	Retirement	1,414.90
210-6010-6501-7108-000	Deferred Compensation	149.38
210-6010-6501-7110-000	Workers Compensation	343.92
210-6010-6501-7160-000	Life Insurance	3.07
210-6010-6501-7170-000	FICA - Medicare	216.53
215-6010-6201-7000-000	Salaries - Permanent	373.51
215-6010-6201-7100-000	Retirement	35.97
215-6010-6201-7108-000	Deferred Compensation	3.73
215-6010-6201-7110-000	Workers Compensation	4.63
215-6010-6201-7170-000	FICA - Medicare	5.43
215-6010-6310-7000-000	Salaries - Permanent	1,827.51
215-6010-6310-7020-000	Overtime	163.95
215-6010-6310-7100-000	Retirement	205.23
215-6010-6310-7108-000	Deferred Compensation	19.92
215-6010-6310-7110-000	Workers Compensation	67.77
215-6010-6310-7170-000	FICA - Medicare	28.87
230-6010-6116-7000-000	Salaries - Permanent	19,788.12
230-6010-6116-7020-000	Overtime	1,790.37
230-6010-6116-7100-000	Retirement	1,695.77
230-6010-6116-7108-000	Deferred Compensation	215.81
230-6010-6116-7110-000	Workers Compensation	675.85
230-6010-6116-7160-000	Life Insurance	12.15
230-6010-6116-7170-000	FICA - Medicare	312.93
233-6010-6011-7000-000	Salaries - Permanent	1,829.67
233-6010-6011-7100-000	Retirement	141.98
233-6010-6011-7108-000	Deferred Compensation	18.30
233-6010-6011-7110-000	Workers Compensation	19.86
233-6010-6011-7170-000	FICA - Medicare	26.53
236-6010-6011-7000-000	Salaries - Permanent	1,829.67
236-6010-6011-7100-000	Retirement	141.99
236-6010-6011-7108-000	Deferred Compensation	18.29
236-6010-6011-7110-000	Workers Compensation	19.88
236-6010-6011-7170-000	FICA - Medicare	26.53
239-6010-6011-7000-000	Salaries - Permanent	1,139.65
239-6010-6011-7020-000	Overtime	5.97
239-6010-6011-7100-000	Retirement	109.00
239-6010-6011-7108-000	Deferred Compensation	11.48
239-6010-6011-7110-000	Workers Compensation	12.42
239-6010-6011-7160-000	Life Insurance	0.29
239-6010-6011-7170-000	FICA - Medicare	16.59
500-3010-3012-7000-000	Salaries - Permanent	6,662.49
500-3010-3012-7020-000	Overtime	296.94
500-3010-3012-7100-000	Retirement	561.27
500-3010-3012-7108-000	Deferred Compensation	69.62
500-3010-3012-7110-000	Workers Compensation	49.83
500-3010-3012-7160-000	Life Insurance	3.17
500-3010-3012-7170-000	FICA - Medicare	100.92
500-6010-6710-7000-000	Salaries - Permanent	18,076.79
500-6010-6710-7020-000	Overtime	877.12

500-6010-6710-7100-000	Retirement	1,693.77	
500-6010-6710-7108-000	Deferred Compensation	189.53	
500-6010-6710-7110-000	Workers Compensation	596.10	
500-6010-6710-7160-000	Life Insurance	1.17	
500-6010-6710-7170-000	FICA - Medicare	274.85	
500-6010-6711-7000-000	Salaries - Permanent	10,429.85	
500-6010-6711-7020-000	Overtime	1,485.26	
500-6010-6711-7040-000	Holiday	300.32	
500-6010-6711-7100-000	Retirement	1,193.91	
500-6010-6711-7108-000	Deferred Compensation	124.71	
500-6010-6711-7110-000	Workers Compensation	491.25	
500-6010-6711-7130-000	Group Health Insurance	257.14	
500-6010-6711-7170-000	FICA - Medicare	180.85	
503-6010-6713-7000-000	Salaries - Permanent	1,124.16	
503-6010-6713-7020-000	Overtime	25.05	
503-6010-6713-7100-000	Retirement	101.71	
503-6010-6713-7108-000	Deferred Compensation	11.48	
503-6010-6713-7110-000	Workers Compensation	14.35	
503-6010-6713-7170-000	FICA - Medicare	16.68	
101-0000-0000-2300-000	Accrued Payroll Payable		606,951.71
205-0000-0000-2300-000	Accrued Payroll Payable		10,241.57
207-0000-0000-2300-000	Accrued Payroll Payable		6,233.99
210-0000-0000-2300-000	Accrued Payroll Payable		17,065.76
215-0000-0000-2300-000	Accrued Payroll Payable		2,736.52
230-0000-0000-2300-000	Accrued Payroll Payable		24,491.00
233-0000-0000-2300-000	Accrued Payroll Payable		2,036.34
236-0000-0000-2300-000	Accrued Payroll Payable		2,036.36
239-0000-0000-2300-000	Accrued Payroll Payable		1,295.40
500-0000-0000-2300-000	Accrued Payroll Payable		43,916.86
503-0000-0000-2300-000	Accrued Payroll Payable		1,293.43
Total		718,298.94	718,298.94

Adjusting Journal Entries JE # 314

To post the prior period adjustment for business-

210-0000-0000-9999-000	Depreciation Expense	1,341,288.94	
500-0000-0000-9999-000	Depreciation Expense	2,237,885.00	
210-0000-0000-3200-000	Fund Balance - Undesignated		1,341,288.94
500-0000-0000-3200-000	Fund Balance - Undesignated		2,237,885.00
Total		3,579,173.94	3,579,173.94

Adjusting Journal Entries JE # 316

To correct the SLFRF Fund net income as an

101-0000-0000-1000-000	Cash & Cash Equivalents	52,982.01	
206-2030-2032-8170-000	Professional Service	52,982.01	
101-2030-2032-8334-000	Subscription Finan Principal		52,982.01
206-0000-0000-1000-000	Cash & Cash Equivalents		52,982.01
Total		105,964.02	105,964.02

Adjusting Journal Entries JE # 318

To remove the CERBT activity as it is already

110-0000-0000-4802-000	Gain / Loss on Investments	73,737.41	
110-3010-3011-8453	OPEB - General Government	399,528.31	
110-3010-3011-8454	OPEB - Public Safety	741,981.15	
110-0000-0000-1020-000	Investments		1,214,260.13
110-3010-3011-8170-000	Professional Services		986.74
Total		1,215,246.87	1,215,246.87

Adjusting Journal Entries JE # 319

Proposed entry to correct a voided check that

274-4010-4019-8520-000	Machinery & Equipment	62,680.00	
274-0000-0000-2100-000	Accounts Payable		62,680.00

Total	62,680.00	62,680.00
--------------	------------------	------------------

Adjusting Journal Entries JE # 321
To post PBC JE's

101-0000-0000-2230-000	FICA Payable	14.88	
101-0000-0000-4230-002	Utility Tax - Electric	53,903.85	
101-0000-0000-4230-003	Utility Tax - Gas	160.60	
101-0000-0000-4230-004	Utility Tax - Telephone	36,469.46	
101-0000-0000-4230-006	Utility Tax - Cable	21,948.92	
101-0000-0000-5505-000	Miscellaneous	22,428.06	
101-6010-6011-8100-000	Vehicle Maintenance	641.83	
101-6010-6011-8100-000	Vehicle Maintenance	1,299.08	
101-6010-6601-8100-000	Vehicle Maintenance	2,762.20	
101-6010-6601-8100-000	Vehicle Maintenance	560.00	
215-6010-6201-8100-000	Vehicle Maintenance	186.67	
215-6010-6310-8100-000	Vehicle Maintenance	150.61	
101-0000-0000-1114-000	Accounts Receivable - Misc.		112,482.83
101-0000-0000-2100-000	Accounts Payable		5,263.11
101-0000-0000-2210-000	Federal Withholding Payable		22,129.89
101-0000-0000-2220-000	State Withholding Payable		313.05
215-0000-0000-2100-000	Accounts Payable		337.28
Total		140,526.16	140,526.16
	Total Adjusting Journal Entries	7,212,427.59	7,212,427.59



CITY OF SOUTH PASADENA

FINANCE DEPARTMENT

1414 MISSION STREET, SOUTH PASADENA, CA 91030

TEL: (626) 403-7250 • FAX: (626) 403-7251

WWW.SOUTHPASADENACA.GOV

January 17, 2024

Rogers, Anderson, Malody & Scott, LLP
735 E. Carnegie Drive, Suite 100
San Bernardino, CA 92408

This representation letter is provided in connection with your audit of the financial statements of the City of South Pasadena (the City) as of June 30, 2023, and for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions on whether the basic financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows, where applicable, of the various opinion units of the City in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of January 17, 2024:

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated May 9, 2023, for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with U.S. GAAP.
2. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
4. We acknowledge our responsibility for compliance with the laws, regulations, and provisions of contracts and grant agreements.
5. We have reviewed, approved, and taken responsibility for the financial statements and related notes.
6. We have a process to track the status of audit findings and recommendations.

7. We have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
8. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
9. All related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
10. All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
11. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
12. All component units, as well as joint ventures with an equity interest, are included and other joint ventures and related organizations are properly disclosed.
13. All funds and activities are properly classified.
14. All funds that meet the quantitative criteria in GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus* as amended, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
15. All components of net position, nonspendable fund balance, and restricted, committed, assigned, and unassigned fund balance are properly classified and, if applicable, approved.
16. Our policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position/fund balance are available is appropriately disclosed and net position/fund balance is properly recognized under the policy.
17. All revenues within the statement of activities have been properly classified as program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
18. All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
19. All interfund and intra-entity transactions and balances have been properly classified and reported.
20. Special items and extraordinary items have been properly classified and reported, if applicable.
21. Deposit and investment risks have been properly and fully disclosed.
22. Capital assets, including infrastructure assets, are properly capitalized, reported, and if applicable, depreciated.
23. All required supplementary information is measured and presented within the prescribed guidelines.
24. With regard to investments and other instruments reported at fair value:
 - a. The underlying assumptions are reasonable and they appropriately reflect management's intent and ability to carry out its stated courses of action.
 - b. The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
 - c. The disclosures related to fair values are complete, adequate, and in accordance with U.S. GAAP.
 - d. There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.
25. With respect to nonattest services, including assistance in preparing the financial statements, we have performed the following:
 - a. Made all management decisions and performed all management functions;

- b. Assigned a competent individual to oversee the services;
- c. Evaluated the adequacy of the services performed;
- d. Evaluated and accepted responsibility for the result of the service performed; and
- e. Established and maintained internal controls, including monitoring ongoing activities.

Information Provided

1. We have provided you with:
 - a. Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, meeting minutes, and other matters;
 - b. Additional information that you have requested from us for the purpose of the audit; and
 - c. Unrestricted access to persons within the City from whom you determined it necessary to obtain audit evidence.
2. The financial statements and any other information included in the annual report are consistent with one another, and the other information does not contain any material misstatements.
3. All transactions have been recorded in the accounting records and are reflected in the financial statements.
4. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
5. We have provided to you our analysis of the City's ability to continue as a going concern, including significant conditions and events present, and if necessary, our analysis of management's plans, and our ability to achieve those plans.
6. We have no knowledge of any fraud or suspected fraud that affects the City and involves—
 - a. Management;
 - b. Employees who have significant roles in internal control; or
 - c. Others where the fraud could have a material effect on the financial statements.
7. We have no knowledge of any allegations of fraud, or suspected fraud, affecting the City's financial statements communicated by employees, former employees, vendors, regulators, or others.
8. We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
9. We have disclosed to you the identity of the City's related parties and all the related party relationships and transactions of which we are aware.
10. There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
11. The City has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
12. We have disclosed to you all guarantees, whether written or oral, under which the City is contingently liable.
13. We have disclosed to you all nonexchange financial guarantees, under which we are obligated and have declared liabilities and disclosed properly in accordance with GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, for those guarantees where it is more likely than not that the entity will make a payment on any guarantee.
14. We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB Statement No. 62 (GASB-62), *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic

- areas for which events could occur that would significantly disrupt normal finances within the next year.
15. We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
 16. There are no:
 - a. Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
 - b. Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with financial reporting standards.
 - c. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by financial reporting standards.
 - d. Continuing disclosure consent decree agreements or filings with the Securities and Exchange Commission and we have filed updates on a timely basis in accordance with the agreements (Rule 240, 15c2-12).
 17. The City has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
 18. We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
 19. With respect to the supplementary information, as listed in the table of contents of the financial statements:
 - a. We acknowledge our responsibility for presenting the supplementary information in accordance with accounting principles generally accepted in the United States of America and we believe the supplementary information, including its form and content, is fairly presented in accordance with applicable criteria.
 - b. We believe the Supplementary Information, including its form and content, is fairly presented in accordance with the applicable criteria.
 - c. The methods of measurement or presentation have not changed from those used in the prior period and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the Supplementary Information.
 - d. When the supplementary information is not presented with the audited financial statements, management will make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance by the City of the supplementary information and the auditor's report thereon.
 - e. We acknowledge our responsibility to include the auditor's report on the supplementary information in any document containing the supplementary information and that indicates the auditor reported on such supplementary information.
 - f. We acknowledge our responsibility to present the supplementary information with the audited financial statements or, if the supplementary information will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance by the City of the supplementary information and the auditor's report thereon.
 20. With respect to the required supplementary information, as listed in the table of contents of the accompanying the financial statements:
 - a. We acknowledge our responsibility for the presentation of the required supplementary information (RSI) in accordance with U.S. GAAP.
 - b. We believe the RSI, including its form and content, is measured and fairly presented in accordance with U.S. GAAP.

- c. The methods of measurement or presentation have not changed from those used in the prior period.
- 21. We agree with the findings of specialists in evaluating the GASB 68 accounting report and have adequately considered the qualifications of the specialist in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give or cause any instructions to be given to specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the specialists.
- 22. We believe that the actuarial assumptions and methods used to measure pension and other postemployment benefit liabilities and costs for financial accounting purposes are appropriate in the circumstances.
- 23. There have been no changes or updates to legal information disclosed to you by our attorney(s) since the date of such legal response and now.

Signature: 
Title: Finance Director



City Council Agenda Report

ITEM NO. 21

DATE: February 7, 2024

FROM: Arminé Chaparyan, City Manager *DVM for AC*

PREPARED BY: Roxanne Diaz, City Attorney

SUBJECT: **Consideration of Entering Into and Approving the Execution of Six Purchase and Sale Agreements with the State of California, Department of Transportation for the Purchase of Six Unoccupied Historic Properties (1131 Columbia Street, 216 Fairview Avenue, 217 Fremont Avenue, 225 Fremont Avenue, 1002, 1008 Hope Street and 726 Meridian Avenue and 1707 Meridian Avenue)**

Recommendation

It is recommended that the City Council consider entering into and approving the execution of six purchase and sale agreements with the State of California, Department of Transportation for the purchase of six unoccupied historic properties in the form negotiated and finalized by the City Attorney and the City Manager, and authorize the City Manager to take all actions necessary to open escrow, including the payment of the deposit required under the agreements.

Executive Summary

Pursuant to Government Code Section 54239.4 (commonly referred to as "SB 381") and the implementing regulations, the California Department of Transportation ("Caltrans") has offered to the City certain unoccupied historic surplus properties for purchase. On January 26, 2024, Caltrans Staff forwarded to the City six purchase and sale agreements for the following properties: (i) 1131 Columbia Street; (ii) 216 Fairview Avenue; (iii) 217 Fremont Avenue; (iv) 225 Fremont Avenue; (v) 1002, 1008 Hope Street and 726 Meridian Avenue; and (vi) 1707 Meridian Avenue (collectively "Historic Surplus Properties").

Background and Analysis

In July 2022, the City transmitted to Caltrans a letter of interest to purchase the Historic Surplus Properties. As stated above, Caltrans has sent the City six purchase and sale agreements, which are included as Attachment 1 to this report.

The purchase and use of the Historic Surplus Properties are governed by SB 381 and the implementing regulations. As required by SB 381, the sales price for these properties is the original acquisition price with no adjustment for inflation as show in the chart below:

Purchase and Sale Agreements of Unoccupied Caltrans Historic Surplus Properties

February 7, 2024

Page 2 of 3

Property Address	Sales Price
1131 Columbia Street	\$62,500
216 Fairview Avenue	\$24,000
217 Fremont Avenue	\$43,600
225 Fremont Avenue	\$47,400
1002, 1008 Hope Street and 726 Meridian Avenue	\$31,100
1707 Meridian Avenue	\$19,600

Under Government Code Section 54239.4(b)(1), the Surplus Historic Properties can be resold at fair market value in their “as-is” condition. The City is required to use the sale proceeds to finance the production or acquisition of three affordable housing units for every one historic property sold. The City has identified three parcels at the southeast corner of El Centro Street and Mound Avenue that can be developed for affordable housing to satisfy this requirement. City staff recently released a Request for Proposals for Affordable Housing Development proposals and is currently is reviewing the responses received.

With respect to the sale of the Historic Surplus Properties, the intent of City Staff is to market these properties during the escrow period so that the City’s purchase of the properties is concurrent with their sale to third party purchasers. The escrow period is 120 days and the City Council previously approved the services of a broker and real estate team to assist City Staff in this endeavor.

The Purchase and Sale Agreements require a \$1,000 deposit into escrow that is non-refundable should escrow not close. After the full execution of the agreements, there is a 60-day “Inspection Period” to allow the City to conduct any additional tests, inspections, etc., as the City deems appropriate. Notwithstanding, the agreements are clear that the City takes the Historic Surplus Properties “as is” without any warranties or representations regarding their condition. Staff is requesting that if the City Council is inclined to move forward, that its approval of the agreements is in the form negotiated and finalized by the City Attorney and the City Manager in order to allow the City Attorney’s office to work with Caltrans on any revisions or clarifications to the agreements. In addition, Staff is requesting authorization to the City Manager to take all actions necessary to open escrow, including the payment of the \$1,000 deposit for each property.

Fiscal Impact

The current fiscal impact is \$6,000 for the deposit on Historic Surplus Properties. The total purchase price of all six properties is \$228,200 less the \$6,000 deposit for a total of \$228,200. Funding is available in the City Manager’s Contract Services Account number 101-2010-2011-8180-000. As stated above, the intent is the purchase the properties and concurrently sell the properties to third party purchases.

Key Performance Indicators and Strategic Plan

These items align with the City's Strategic Plan, related to Housing which is to continue working on the purchase and sale of the unoccupied Caltrans homes.

Attachment: Purchase and Sale Agreements

**THIS PAGE
INTENTIONALLY
LEFT BLANK**

ATTACHMENT
Purchase and Sale Agreements

**THIS PAGE
INTENTIONALLY
LEFT BLANK**

STATE ROUTE 710 SALES PROGRAM PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT ("**Agreement**") is entered into as of January 26th, 2024 by and between the State of California, Department of Transportation ("**Caltrans**") and the City of South Pasadena, ("**Purchaser**"), a Municipal Corporation.

Recitals

- A. Caltrans owns the real property located in Los Angeles County, California commonly known as: 216 Fairview Ave, South Pasadena, CA 91030 and more particularly described as set forth in Exhibit "A", respectively, attached hereto ("**Property**").
- B. The parties wish to provide terms and conditions for Purchaser's purchase of the Property from Caltrans. The State Route 710 Sales Program described in Government Code section 54235 et seq. (the "**Act**") and Title 21 Public Works Division 2 Department of Transportation, Chapter 9.5 (the "**Regulations**") provide for the offering of State-owned, surplus residential properties to the City of South Pasadena at the Minimum Sales Price pursuant to 21 CCR § 1484.3, for the purpose of providing affordable housing to low and moderate-income households. Purchaser and Caltrans acknowledge the Property is subject to the terms of this Agreement, the aforementioned law and regulations, and the Declaration of Covenants, Conditions, and Restrictions (**CC&Rs**), as defined below, to be recorded against the Property upon the close of escrow hereunder.

NOW, THEREFORE, in consideration of the foregoing premises, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

SECTION 1. PURCHASE AND SALE

1.01 Purchase and Sale. Caltrans shall sell the Property to Purchaser, and Purchaser shall purchase the Property from Caltrans pursuant to the terms, limitations and conditions stated in this Agreement in accordance with the Act, the Regulations and other applicable laws, rules, and regulations (collectively, "**Applicable Laws**").

1.02 Conditions Precedent to Effectiveness. This Agreement shall not become effective unless and until all the following conditions precedent are satisfied on or before the thirtieth (30th) calendar day from the date Caltrans' sends this Agreement to Purchaser:

- A. Purchaser shall have: (1) executed and returned two original executed counterparts of this Agreement via certified mail, return receipt requested, to Caltrans and sent a copy thereof to the Escrow Holder, and (2) deposited with Escrow Holder the entire Down Payment contemplated by Section 2.02(A) below;

- B. Caltrans thereafter executes this Agreement and delivers a fully executed copy hereof to Escrow Holder; and

A failure of any such conditions to timely occur shall, without further notice or action, result in the full and immediate termination of any offer, obligation, liability or agreement of Caltrans to or with Purchaser or any other person with respect to the Property, whether hereunder or otherwise, immediately upon the expiration of such 30-day period, and Caltrans shall thereafter be free to offer, market and sell the Property to other persons, or otherwise dispose of the same, as Caltrans may, in its sole and absolute discretion determine.

1.03 Information/Prior Due Diligence. Purchaser hereby expressly acknowledges and agrees:

- A. that it is a sophisticated real estate purchaser and/or investor;
- B. that it is fully familiar with and understands the Applicable Laws and the CC&Rs, and the risks and obligations associated therewith and imposed on Purchaser and on the Property thereby, including the purchase thereof under this Agreement, and has had the same explained to it by its independent legal counsel and other advisors;
- C. that during the Inspection Period permitted under this Agreement: (A) Purchaser will have full access to the Property and all documents, data, reports and information related thereto requested by Purchaser, and will have the opportunity to undertake and perform any and all additional due diligence, investigation, surveys, reports and studies, with respect thereto, including without limitation the current and past physical and environmental condition of the Property, the condition of title thereto, the compliance thereof with any applicable building codes, permits, approvals, agreements or encumbrances affecting the same (including Applicable Laws), the value thereof, the use, operation, management or occupancy thereof and/or the suitability for Purchaser's intended use thereof, and all other matters referenced in Section 9 below, and (B) Purchaser has obtained any and all financing commitments necessary or desirable to purchase, repair and/or rehabilitate the Property; and
- D. that with the aid of such independent experts, contractors, consultants, advisors and professionals (including independent legal counsel and accountants) that it deems necessary, appropriate or desirable, Purchaser will, prior to the Closing Date hereof, evaluate and assess the Property and conduct such independent inquiry, feasibility investigation, inspections and due diligence with respect thereto as Purchaser and/or its advisors deem necessary, advisable or desirable, and will fully and unconditionally approve of and satisfy itself as to the same. As a result, there shall be no further access to the Property except as set forth in this Agreement and no further feasibility, inspection or similar rights or contingencies with respect to the purchase of the Property.
- E. Notwithstanding anything herein to the contrary, until the date that is sixty (60)

days after the execution of this Agreement (Inspection Period), upon reasonable notice but without any contingencies hereunder, Purchaser may access the Property and conduct non-invasive inspection, investigations, tests, observations, inquiries and studies as Purchaser deems appropriate. Purchaser shall promptly pay all expenses arising out of such inspections and other work on or about the Property prior to the Closing Date and shall not allow any mechanic's or materialmen's liens to be recorded on the Property (or promptly cause to be removed or bonded over any such liens if recorded on the Property). Purchaser shall promptly repair any damage to the Property caused by Purchaser's investigations. Purchaser shall coordinate with Caltrans any entry on the Property, execute a waiver and indemnity in the form customarily required by Caltrans prior to entry on Caltrans' property and follow applicable health and safety protocols as reasonably required by Caltrans. Following such period, upon Caltrans' reasonable consent and conditions, Purchaser may obtain access to the Property for a limited number of entries.

- F. Purchaser shall promptly notify Caltrans during the Inspection Period of any matters discovered in its review of the Property that would cause Purchaser to terminate this Agreement. If within ten days of such notice, Caltrans notifies Purchaser in writing that it will cure such matters prior to Closing, then Caltrans shall have the opportunity to cure such matters prior to the Closing Date. Purchaser has the right to terminate if Caltrans does not agree to cure or if the cure is not completed prior to the Closing Date. Upon any such termination, Escrow Holder shall remit the deposit to Purchaser.

SECTION 2. PURCHASE PRICE

2.01 Purchase Price. The purchase price for the Property shall be Twenty-Four Thousand Dollars and Zero Cents (\$24,000.00) (the "**Purchase Price**").

2.02 Payment. The Purchase Price shall be paid by Purchaser in cash, lawful money of the United States as set forth below, time being of the essence thereof:

- A. **Deposit.** Immediately upon the execution of this Agreement, Purchaser shall deposit with Escrow Holder the sum of **One Thousand Dollars (\$1,000.00)** (the "**Deposit**") in the form of a cashier's check, wire transfer or other immediately available funds. The entire Deposit shall be applicable to the Purchase Price, without interest, shall be non-refundable except as may be expressly set forth in this Agreement, and shall constitute liquidated damages to Caltrans in the event of Purchaser's default in acquiring the Property. Time is of the essence in making the Deposit into escrow, and as provided above is a condition precedent to the effectiveness of this Agreement.
- B. **Cash at Close.** One (1) day prior to the close of Escrow (or by 1:00 p.m. of the close of escrow for funds delivered by wire transfer) the Purchaser shall deposit

the balance of the Purchase Price in the amount of Twenty-three Thousand Dollars and Zero Cents (\$23,000.00) (the “**Cash Balance**”) with Escrow Holder in the form of a cashier’s check, wire transfer or other immediately available funds for delivery to Caltrans upon close of escrow hereunder.

2.03 Acknowledgement. [Deleted.]

2.04 No Seller Financing. Purchaser acknowledges this Agreement is not a financing agreement and neither Caltrans nor any other governmental agency or department has at any time made any representations, warranties, promises or undertakings, express or implied, to provide any financing or other assistance with respect to all or any portion of the Purchase Price or any other obligations of Purchaser hereunder or with respect to the Property, or with respect to any repair, rehabilitation, updating or other activity contemplated by Purchaser with respect thereto. Purchaser has performed all due diligence regarding obtaining funding and/or financing with respect to the Property, including the purchase thereof hereunder, as provided in Section 1.03 above, and has satisfied itself as to the same.

2.05 Change in Financial Condition. If either: (i) Purchaser ultimately fails to secure funds for the Purchase Price in the timeframe specified herein, or (ii) the financial condition of the Purchaser changes prior to Close of Escrow so that it is unable to purchase the Property, then in either such event Purchaser shall be in default under this Agreement and Caltrans shall be entitled to exercise its rights and remedies pursuant to Section 12.02 below.

2.06 Bonds, Taxes and Assessments. Subject to the specific proration provisions set forth in Section 3.05 below, all real property taxes, supplemental taxes, special taxes, bonds and/ or assessments which are liens on or levied with respect to the Property shall be assumed by Purchaser at close of escrow without reduction of or adjustment to the Purchase Price.

SECTION 3. ESCROW

3.01 Opening. The purchase and sale of the Property shall be consummated by means of Escrow No. _____ (a single escrow) which has been opened with _____ Title Company, _____, Suite _____, CA _____ Attn: _____ Escrow Officer, email: _____, Phone: (____) ____-____, Fax (____) ____-____ (“**Title Company**” or “**Escrow Holder**”).

3.02 Closing. The closing shall occur upon the recording of the Director's Deed for the Property, and shall occur when the conditions set forth in Article 5 below have all been satisfied or waived, and the conditions set forth in Government Code Section 54239.4(b)(1)(D) have been satisfied, but in no event later than **5:00 pm** _____, **2024** [the one hundred twentieth (120th) calendar day after the full execution of this Agreement]; provided, however, Caltrans shall, upon receipt of

written request prior to such date, grant a one-time thirty (30) calendar day extension to close escrow, (such date, as may be extended, being the “**Closing Date**”).

If at any time prior to the Closing Date, the Property becomes occupied, whether legally or illegally, Caltrans shall notify the Purchaser and Purchaser shall have 30 days to decide whether to proceed with the purchase of the Property. If the 30 days falls outside the Closing Date, the Closing Date shall be extended 10 days past the 30-day expiration. If Purchaser declines to proceed with the purchase of the Property due to the legal or illegal occupation of the Property, this Agreement shall terminate pursuant to the terms hereof. Upon any such termination, Escrow Holder shall remit the deposit to Purchaser.

3.03 Instructions. This Agreement shall to the extent applicable, also act as escrow instructions. The parties agree to execute any additional escrow instructions required by the Escrow Holder provided the same shall be consistent with the terms of this Agreement and shall provide that as between the parties, in the event there are any inconsistencies between such supplemental instructions and this Agreement, the terms of this Agreement shall prevail. Escrow Holder is hereby designated the “real estate reporting person” for purposes of Section 6045 of the Internal Revenue Code of 1986, as amended, and Treasury Reg. 1.6045-4, and any instructions or settlement statements prepared by Escrow Holder shall so provide. Escrow Holder shall be responsible for filing any Form 1099-S with the Internal Revenue Service.

3.04 Costs. Charges and expenses incurred in connection with the closing hereunder shall be borne by the parties as follows:

- A. Purchaser shall pay all: (A) escrow fees, (B) recording fees, (C) transfer taxes, (D) title insurance premiums and fees (whether for ALTA or CLTA coverage), endorsement coverage and survey costs, and (E) any other real estate transaction fees involved in this transaction;
- B. If applicable, Purchaser shall pay for and obtain any city/county required inspections and/or occupancy permits, whether required for closing the sale/escrow transaction or not. Caltrans shall provide Purchaser access to the Property as necessary to comply with this provision; and
- C. Each party shall bear their own legal, tax and professional fees and costs.

3.05 Prorations. All real property taxes, special taxes, assessments, bonds, and all other similar charges imposed or levied upon the Property by any governmental agency or special district, organization or body and any other obligations related to the Property shall be prorated at close as of the Closing Date. With respect to any prorations based upon an estimation, if and when the tax, assessment or other charge related thereto is segregated by the appropriate agency or other persons, within fifteen (15) days thereof, the parties shall adjust said prorations, as necessary, based on such final segregation and pay any such adjustment to the appropriate party. The provisions of this Section 3.05 shall survive the close of escrow and the delivery and recordation of the Director's Deed and CC&Rs hereunder.

3.06 Escrow Deposits. On or before the Closing Date, the parties shall make the following deposits into Escrow:

A. **By Caltrans.** At least one (1) business day prior to such closing, Caltrans shall deposit the following documents with Escrow Holder:

(i) an original **Director's Deed** for the Property duly executed by Caltrans and properly acknowledged and otherwise in recordable form, to be recorded in the Official Records of Los Angeles County, California against the Property described therein at close;

(ii) a counterpart original of the **CC&Rs** for the Property duly executed by Caltrans, and the Monitoring Entity properly acknowledged and otherwise in recordable form to be recorded in the Official Records of Los Angeles County, California against the Property described therein at close immediately following the recordation of the Director's Deed for the Property and prior to any financing obtained by Purchaser and to any other encumbrances or agreements being recorded at close with respect to such Property;

(iii) such Non-Foreign Affidavits pursuant to Sections 1445 and/or 7701 of the Internal Revenue Code, as amended, and such California Form 590s pursuant to applicable sections of the California Revenue and Taxation Code, as necessary to comply with such laws and close escrow hereunder, each in form and content reasonably satisfactory to Purchaser and Caltrans;

(iv) such other agreements or documents reasonably necessary from Caltrans to close escrow as may be expressly provided for herein.

B. **By Purchaser.** At least one (1) business day prior to such closing, Purchaser shall deposit the following funds and documents with Escrow Holder:

(i) the **Cash Balance** as provided in Subsection 2.02(b) above;

(ii) a counterpart original of the **CC&Rs** for the Property executed by Purchaser, properly acknowledged and otherwise in recordable form to be recorded in the Official Records of Los Angeles County, California against the Property described therein at close immediately following the recordation of the Director's Deed for such Property and prior to any financing obtained by Purchaser and to any other encumbrances or agreements being recorded at close with respect to such Property;

(iii) all other sums due from Purchaser as provided herein, including without limitation Purchaser's share of closing costs under Section 3.04 above, in the form

of wire transfer or other immediately available funds;

(iv) to the extent Purchaser is an entity, certified copies of Purchaser's organizational documents and/or other entity resolutions or other authorizing documents authorizing the execution and delivery of this Agreement and the other documents and agreements contemplated herein, the consummation of all transactions contemplated hereby, and authorizing those persons signing on behalf of Purchaser to bind Purchaser; and

(v) such other agreements, documents, or funds reasonably necessary from Purchaser to close escrow as provided for herein.

3.07 Cancelling Escrow. Caltrans may unilaterally cancel escrow if Purchaser fails to comply with Section 3.06(b) and/or Purchaser defaults after opening escrow but before close of escrow and such failure to comply or default is not remedied or cured within three (3) business days of Caltrans providing notice to Purchaser of such failure or default.

SECTION 4. AGREEMENTS

4.01 California Transportation Commission Approval and Governing Body Approval. Purchaser understands and agrees that Caltrans' obligation to sell and convey the Property to Purchaser hereunder is subject to Caltrans first obtaining the written approval of the California Transportation Commission ("**CTC**") to this Agreement and the sale of the Property hereunder prior to the Closing Date (the "**CTC Approval**"). In the event the CTC fails to approve the sale, all monies deposited into escrow hereunder by Purchaser will be refunded without interest. Caltrans makes no representations, assurances, or warranties, express or implied, concerning the CTC's timely or ultimate approval of this sale.

If applicable, Caltrans understands and agrees that, despite any provision in this Agreement to the contrary, Purchaser's obligation to purchase and accept the Property from Caltrans hereunder is subject to Purchaser first obtaining the written approval of its governing body to this Agreement and the purchase of the Property hereunder prior to the Closing Date. In the event the governing body fails to approve the sale, all monies deposited into escrow hereunder by Purchaser shall be refunded without interest. Purchaser makes no representations, assurances, or warranties, express or implied, concerning the timely or ultimate approval of this sale by its governing body.

4.02 Leases. [Deleted.]

4.03 Covenants, Conditions and Restrictions. Purchaser acknowledges the purchase of the Property shall be subject to a declaration of covenants, conditions, and restrictions as required by Government Code section 54235 et seq. and the Regulations and agrees that Purchaser and its successors in interest shall be bound by the same. Therefore, prior

to close, the parties hereto shall execute a Declaration of Covenants, Conditions and Restrictions agreement in substantially the form of **Exhibit "C"** attached hereto (the "**CC&Rs**") with respect to the Property, which shall, among other things impose certain ongoing restrictions on the use and occupancy of such Property, as well as imposing various limitations on the subsequent resale of such Property both as to whom it may be sold and the amount of equity or other compensation the Purchaser is entitled to retain upon such subsequent transfer. The CC&Rs shall be recorded immediately following the recordation of the Director's Deed for such Property and shall not be subordinated to any financing obtained by Purchaser with respect to such Property or any other agreements recorded against or otherwise first affecting the Property at close of escrow, except as authorized by the CC&Rs. After recordation, the original recorded CC&Rs for the Property shall be returned (mailed) by the Recorder's Office directly to Caltrans, who shall retain possession thereof. The CC&Rs shall constitute covenants and equitable servitudes that run with the land and shall bind Purchaser and all subsequent owners, lessees, occupants, lenders, encumbrancers, and others holding any interest in, lien on or claim to the Property. Purchaser agrees not to challenge or attempt to terminate, limit, or otherwise alter or amend the CC&Rs. The agreements of Purchaser under this Section 4.03 shall survive the close of escrow and the delivery and recordation of the Director's Deed and the CC&Rs hereunder.

4.04 Title.

- A. **Generally.** Purchaser understands and agrees that the right, title, and interest in the Property to be conveyed hereunder shall not exceed that currently vested in Caltrans (after taking into account any and all rights that may be reserved by Caltrans pursuant to the Director's Deed, the CC&Rs or any other agreement contained in or contemplated by this Agreement related to such Property), and that Caltrans will furnish no policy of title insurance with respect to the sale of the Property hereunder. If a policy of title insurance, endorsement or survey coverage is desired, Purchaser may obtain the same at Purchaser's sole expense, provided, however, in no event or circumstance shall obtaining any such title, endorsement or survey coverage) constitute any basis for extending the Closing Date contemplated hereunder. No later than ten business days prior to the expiration of the Inspection Period, Purchaser shall notify Caltrans in writing of its objection to any matter in the preliminary title report or on a survey. Caltrans shall have five business days to notify Purchaser of its election to cure the matter or not, and the absence of any notice shall be deemed an election not to cure the matter. Purchaser shall have the right to terminate this Agreement prior to the expiration of the Inspection Period if Caltrans does not agree to cure such matter, or if Caltrans agrees to but fails to cure the matter on or prior to Closing, then Purchaser shall have the right to terminate at such time. Upon any such termination, Escrow Holder shall remit the deposit to Purchaser.
- B. **Permitted Encumbrances.** At close of escrow hereunder the Property shall be conveyed to Purchaser by a Director's Deed in substantially the form of **Exhibit "A"** hereto (a "**Director's Deed**"), with title to the Property being subject to all of the following exceptions and matters (collectively, the "**Permitted Exceptions**"): (1) a lien to secure payment of real estate taxes, supplemental taxes, and special

taxes, bonds and assessments; (2) any reservations or limitations contained in the Director's Deed or any prior deed(s) relating to the Property; (3) the CC&Rs; (4) all title exceptions and other matters shown in the preliminary report for such Property other than any items Caltrans has agreed to cure; (5) any and all other matters apparent from a physical inspection thereof and/or that might be revealed by a survey other than any items Caltrans has agreed to cure; and (6) all other matters created by or with the consent or knowledge of Purchaser, or otherwise disclosed or contemplated in this Agreement. Caltrans shall not have, and does not assume, any liability or obligation whatsoever for any encumbrances or other title matters affecting the Property, or the amendment, removal, or other disposition thereof, provided, however, Caltrans agrees not to encumber the Property or enter into any leases, licenses, and other occupancy agreements with respect to the Property ("Leases") during the Escrow Period without the consent of Purchaser.

4.05 Operation during Escrow Period. During the period commencing with the effectiveness of this Agreement until the close of escrow hereunder or termination of this Agreement, Caltrans will continue to operate the Property in substantially the same manner as operated as of the date of this Agreement and will not do, cause, or allow anything to be done with respect to the Property that would materially change, alter or modify the current operation of the Property as a vacant property without the prior written consent of Purchaser, which consent shall not be unreasonably withheld or delayed; provided, however, Caltrans shall not under any circumstances be responsible for or have any obligation or liability with respect to any such change, alteration or modification to the extent the same is caused by any tenant or occupant of a Property or any other person without Caltrans' consent or knowledge, or to the extent the same is otherwise beyond Caltrans' reasonable control. Additionally, notwithstanding the foregoing, Caltrans shall be entitled, at its election and without notice to or obtaining the consent of Purchaser, to take any and all actions and make any and all decisions with respect to the Property as Caltrans deems necessary or desirable, in its sole and absolute discretion, in addressing any emergency relating to the Property or the safety of any occupant thereof, making a Property compliant with applicable laws, and/or keeping and maintaining a Property in a safe and habitable condition.

4.06 Purchaser's Agreements. With respect to the period prior to the close of escrow Purchaser acknowledges and agrees as follows:

- A. **No Changes.** Purchaser shall have no right to take any action with respect to the Property, including, without limitation changing, renewing or terminating any zoning designations, permits, approvals, certificates or other entitlements related thereto (or applying for any such new matters), giving any notices with respect to or otherwise amending or terminating any Leases related thereto, or making or undertaking any repairs, alterations or additions to the Property and/or any improvements located thereon, in each case without the prior written consent of Caltrans, which may be conditioned or withheld in Caltrans' sole and absolute discretion.
- B. **Restrictions.** Purchaser shall not use or take any actions, or permit or suffer its

agents, employees, contractors or consultants (collectively, “**Agents**”) to use or take actions, with respect to the Property in a manner which would in any way: (i) interfere with any activities thereon, or the use or occupancy thereof; (ii) constitute a nuisance or result in waste; (iii) result in the cancellation of any insurance being maintained by or on behalf of Caltrans or any tenants, in the increase in the premiums for any such insurance or in the increase of any of Caltrans’ other costs; or (iv) damage any improvements or personalty located thereon.

- C. **Compliance with Laws Generally.** Purchaser and its Agents shall not enter any Property, nor shall they take any action with respect thereto (or permit or suffer anything to be done in, on or about the Property) which will in any manner violate any title conditions, maps, entitlements, permits, consents, agreements, Leases or any laws, ordinances, governmental rules or regulations now or hereafter in effect with respect thereto and/or the conduct of any activities thereon by Caltrans or any occupants.
- D. **Liens.** Purchaser shall at all times keep the Property and Caltrans free from any liens and claims arising out of any and all actions taken, work and labor performed, materials or services furnished and/or damages or personal injuries caused by or on behalf of Purchaser in connection with any activity of Purchaser and/or its Agents with respect to the Property, whether occurring prior to or after the date hereof. Caltrans may require Purchaser to post, at Purchaser’s sole cost and expense, a lien release bond or other undertaking, statutory or otherwise, in such amount as necessary to properly bond around any claim filed against Caltrans and/or the Property with respect to such activities (occurring prior to the close of escrow) of Purchaser or its Agents. The bonding obligations of Purchaser under this Subsection 4.06(d) shall be absolute and unconditional and shall survive the close of escrow and the delivery and recordation of the Director’s Deed and CC&Rs hereunder and/or the expiration, revocation, or termination of this Agreement.
- E. **Compliance with the Act & Regulations.** Purchaser shall at all times comply with the requirements of the Act and the Regulations.

SECTION 5. CONDITIONS TO CLOSE

5.01 Conditions to Purchaser’s Obligation to Close. The matters set forth in this Section 5.01 are conditions precedent to the close of escrow by Purchaser as contemplated in this Agreement, and the same may be declared satisfied or waived by Purchaser. In the event any such condition fails to be satisfied in accordance with the terms hereof through no fault of either party, Purchaser shall have the option of either: (i) waiving such condition and proceeding to close without adjustment of the Purchase Price or any of the other terms of this Agreement, or (ii) terminating this Agreement, in which case the Deposit shall be refunded to Purchaser without interest, and neither party shall have any further rights, liabilities or obligations hereunder except paying their respective share of escrow costs incurred up to such date and observing those obligations expressly stated herein as surviving the termination of this Agreement.

- A. **Title.** At closing, the Property shall be conveyed to the Purchaser pursuant to a Director's Deed subject to all the Permitted Exceptions applicable to such Property as contemplated by Section 4.04 hereof.
- B. **CTC Approval and Governing Body Approval.** By the Closing Date, the CTC Approval shall and any governing body approval (if applicable) have been unconditionally obtained as contemplated by Section 4.01 hereof.
- C. **Documents and Funds.** By the Closing Date, the escrow deposits referenced in Section 3.06(a) above shall have all been made by Caltrans, and the Escrow Holder shall be irrevocably committed to record the Director's Deed in the Official Records of Los Angeles County, California.
- D. **Representations/Covenants.** At close: (i) all the representations of Caltrans contained in this Agreement shall be materially true and correct, and (ii) Caltrans shall have materially complied with its covenants contained in this Agreement.

5.02 Conditions to Caltrans' Obligation to Close. The matters set forth in this Section 5.02 are conditions precedent to the close of escrow by Caltrans as contemplated in this Agreement, and the same may be declared satisfied or waived by Caltrans. In the event any such condition fails to be satisfied in accordance with the terms hereof through no fault of either party, Caltrans shall have the option of either: (i) waiving such condition and proceeding to close without adjustment of the Purchase Price or any of the other terms of this Agreement, or (ii) terminating this Agreement, in which case the Deposit shall be refunded to Purchaser without interest, and neither party shall have any further rights, liabilities or obligations hereunder except paying their respective share of escrow costs incurred up to such date and observing those obligations expressly stated herein as surviving the termination of this Agreement.

- A. **Balance of Purchase Price.** By the Closing Date, Purchaser shall have deposited the entire Cash Balance of the Purchase Price with Escrow Holder as provided in Section 2.02(b) hereof.
- B. **CTC Approval.** By the Closing Date, the CTC Approval shall have been unconditionally obtained as contemplated by Section 4.01 hereof.
- C. **Documents and Funds.** By the Closing Date, the escrow deposits referenced in Section 3.06(b) above shall have all been made by Purchaser and Escrow Holder shall be irrevocably committed to:
 - (i) disburse the Cash Balance to Caltrans,
 - (ii) record the Director's Deed, and CC&Rs immediately thereafter as contemplated herein, in the Official Records of Los Angeles County, California, and
 - (iii) deliver to Caltrans a fully executed counterpart original any other appropriate documents as contemplated by Section 3.06(b).
- D. **Representations/Covenants.** At close: (i) all the representations of Purchaser contained in this Agreement shall be materially true and correct, and (ii) Purchaser shall have materially complied with its covenants contained in this Agreement.

SECTION 6. POSSESSION

Possession of the Property shall be delivered to Purchaser on the Closing Date subject to the Permitted Exceptions applicable to the Property.

SECTION 7. BROKERS

7.01 Caltrans. Caltrans has retained **Veterans Realty Group** to act as a Consultant in connection with the sale of the Property hereunder, and any compensation due to **Veterans Realty Group** in connection with the transactions contemplated by this Agreement shall be paid by Caltrans.

7.02 No Other Brokers. Except for Caltrans' retention of **Veterans Realty Group** above, each party hereby represents and warrants to the other party that no broker, finder, real estate agent or other person has been retained by it or is entitled to any commission, finder's fee or other compensation resulting from any action on its part with respect to the sale of the Property to Purchaser. Purchaser and Caltrans each agree to indemnify, defend, and hold the other and the Property harmless from and against any real estate brokerage commissions or finder's fees, and all costs and expenses (including attorneys' fees and costs) of investigating and defending any such claims, payable or alleged to be payable to any other persons in connection with this Agreement which such indemnifying party may have engaged or is claimed or alleged to have engaged. This section does not prohibit Purchaser from obtaining a broker at his/her own expense. The representations, warranties, indemnification, and other obligations set forth in this Section 7.02 shall survive the close of escrow and the delivery and recordation of the Director's Deed and the CC&Rs and/or the expiration, revocation, or termination of this Agreement.

SECTION 8. REPRESENTATIONS & WARRANTIES

8.01 By Caltrans. Caltrans hereby makes the following representations and warranties to Purchaser:

- A. Authority. Subject to obtaining the CTC Approval, Caltrans has all requisite power and authority to enter into, deliver and perform this Agreement and all the other agreements contemplated herein and to be executed in connection herewith, and the person(s) executing this Agreement and all other agreements contemplated herein on behalf of Caltrans have been properly authorized to sign on behalf of and bind Caltrans in connection with performing the transactions contemplated herein.
- B. Binding. Subject to obtaining the CTC Approval, this Agreement and all documents to be executed by Caltrans as provided herein, as of the date of execution shall, subject to the operation of any bankruptcy or similar laws, be the legal, valid and binding obligations of Caltrans.
- C. Information. Except as otherwise set forth in this Agreement, Caltrans has no actual

or constructive knowledge of any information affecting the Property that had, has or would have a material effect on Purchaser's ability to use and operate the Property as contemplated by Purchaser. Caltrans has provided to Purchaser all material and factual information requested by the Purchaser and/or as required by law concerning the Property that is in Caltrans' possession, custody and control.

- D. Compliance with the Act and Regulations: Caltrans conduct in this sales transaction has been in compliance with the Act and corresponding Regulations.
- E. Claims. There is no claim, action, suit, arbitration, proceeding (including condemnation proceedings) or any investigation by or before any court or arbitration body, any governmental, administrative or regulatory authority, or any other body pending or, to Caltrans's knowledge, threatened with respect to the Property (collectively, "Allegations"). Caltrans is not aware of any basis or reason for any such Allegations. There is no order, judgment or decree of any court or arbitration body, any governmental, administrative or regulatory authority, or any other body, against Caltrans with respect to the Property or the sales transaction contemplated by this Agreement.
- F. No Violation. Neither the execution and delivery of this Agreement, nor the performance by Caltrans of the sales transaction contemplated hereby, will contravene, conflict with, or result in a breach of any agreement, law, regulation, writ, injunction or decree of any court or governmental authority applicable to Caltrans or by which any of its properties is bound. Except for CTC Approval, Caltrans is not required to obtain any consent or authorization in order to complete the sales transaction contemplated by this Agreement.
- G. Right to Purchase. Except pursuant to this Agreement, no third party has an option, right of first offer, right of first refusal, or other similar right to purchase the Property that currently remains in effect.
- H. Environmental Matters. As requested by Purchaser and/or mandated by law, Caltrans has provided or made available for review copies of any material documents in its possession, custody and control of Caltrans regarding environmental condition of the Property ("Environmental Materials"). Except as set forth in the Environmental Materials, Caltrans is not aware of the existence of any Hazardous Substances (defined in Section 10 below) attributable to or affecting the Property. There have been no settlements reached by or with any third parties alleging the presence, disposal, release or threatened release of any Hazardous Substances from the use or operation of the Property.
- I. Leases. The Property is not subject to any Leases, tenancy and/or similar agreements conferring any right, title or interest in the Property to a third party.
- J. Contracts. Other than as disclosed in the title reports provided by the Title Company and this Agreement, there are no agreements affecting the Property.

Each of the representations made by Caltrans in this Agreement shall be true and correct on the date hereof, and shall be deemed to be made again as of the close of escrow provided for herein, and shall then be true and correct in all

material respects. Caltrans shall promptly provide written notice to Purchaser of any developments or information that would make the representations set forth above untrue. The representations and warranties set forth in this Section 8.01 shall expressly survive the close of escrow as described in Section 13.12 below.

8.02 By Purchaser. Purchaser and the specific parties signing this Agreement on behalf of Purchaser hereby makes the following representations and warranties to Caltrans:

- A. Organization. Purchaser is a municipal corporation duly organized, validly existing and in good standing under the laws of the State of California which has the power and authority to enter into this Agreement and to consummate the transactions contemplated hereby.
- B. Authority. Subject to obtaining governing body approval, Purchaser has all requisite power and authority to enter into, deliver, and perform this Agreement and all the other agreements contemplated herein and to be executed in connection herewith, and the person(s) executing this Agreement and the other agreements contemplated herein on behalf of Purchaser have been properly authorized to sign on behalf of and bind Purchaser in connection with performing the transactions contemplated herein.
- C. Binding. This Agreement and all documents to be executed by Purchaser as contemplated hereunder shall, subject to the operation of any applicable bankruptcy or similar laws, be the legal, valid and binding obligations of Purchaser, and shall not materially violate any law, agreement, order or decree to which Purchaser is a party or is subject.
- D. Litigation. There are no pending or threatened, suits or actions affecting Purchaser which would materially affect Purchaser's ability to enter into or perform its obligations under this Agreement or the documents executed in connection herewith.
- E. Information / Compliance. All applications, information, financial statements, and other materials provided by Purchaser or its Agents to Caltrans pursuant to or in connection with the Act, the Regulations and or this Agreement are true, correct and not materially misleading; and Purchaser is in compliance with the Act and the Regulations as relates to the Property and the purchase thereof under this Agreement.
- F. No Bankruptcy. Purchaser is not the subject of any pending or threatened bankruptcy proceedings, whether voluntary or involuntary.

Each of the representations and warranties made by Purchaser in this Agreement, or on any document or instrument delivered pursuant hereto shall be true and correct on the date hereof and shall be deemed to be made again as of close of escrow provided for herein, and shall then be true and correct in all material respects. The representations and warranties of Purchaser contained in this Section 8.02 shall survive the close of escrow and the delivery and recordation of the Director's Deed and CC&Rs.

SECTION 9. “AS-IS”, WAIVERS AND RELEASE

Purchaser acknowledges and agrees that, except as set forth in this Agreement, neither Caltrans nor any of its respective employees, agents, managers, members, partners, officers, interest holders, attorneys, contractors or consultants, including without limitation the California Department of Housing and Community Development (“HCD”), (Caltrans and such other persons being collectively, the “**Seller Parties**”) have made or are making, and specifically negate and disclaim making, any representations, warranties, guaranties, promises, covenants or assurances of any kind or character, whether express, implied, written, oral, past, present or future concerning or with respect to the Property, or the condition or status thereof, including without limitation, the suitability for any purpose or the profitability of owning and operating the Property; the value thereof; the existence or non-existence of any patent or latent defects affecting the same; the physical or environmental condition or status thereof (including without limitation the existence of any mold, lead paint, radon gas or other environmental health hazards); the rental or other income generated thereby; the expenses or costs associated therewith; the size and square footage of the parcel or the improvements located thereon, the age or condition of the such improvements, or the location of property lines or setbacks (or the location of the improvements with respect thereto); the zoning thereof; the condition of title thereto; the existence, necessity or satisfaction of any local, state or federal approvals, permits or certificates for the entitlement, ownership, operation, use or occupancy thereof as contemplated by Purchaser or any tenants, occupants or any future owners thereof; the feasibility of or cost associated with obtaining any such approvals; the compliance of the Property with any and all applicable local, state or federal laws, codes and ordinances; or any other matter.

Purchaser further acknowledges that Purchaser, with the help of its independent experts, contractors, consultants, professionals (including independent legal counsel and accountants), and advisors, prior to the Closing Date, will conduct its independent feasibility, investigation, and due diligence inquiry as described in Section 1.03 above with respect to the Property and will fully satisfy itself as to all matters relating thereto. Except for the representations and warranties of Caltrans set forth in this Agreement, Purchaser is relying solely and exclusively on such independent due diligence in executing this Agreement and purchasing the Property hereunder, and not on any representations, warranties, guaranties, promises, covenants or assurances of any kind or character by Caltrans or any other Seller Parties; and the Property is being purchased **“AS-IS” / “WHERE-IS”** at close in its present condition with all defects and faults, both patent and latent, whether known or unknown, presently existing or that may hereafter arise.

Effective on the Closing Date, Purchaser hereby fully and expressly releases Caltrans, HCD and all of the other Seller Parties and their respective agents, employees, attorneys, consultants, successors and assigns from any and all demands, claims, liabilities, amounts, actions, costs, judgments, expenses and damages (including, without limitation, attorneys' fees, witness fees and court costs) related to or arising from the Property, or

the condition or status of thereof or any other matter relating thereto, including without limitation the matters referenced in the first paragraph of this Section 9, (collectively, the **"Released Matters"**); and Purchaser hereby covenants not to sue, and hereby fully and expressly waives and relinquishes any and all rights and remedies Purchaser may have against, Caltrans, HCD and the other Seller Parties and their respective agents, employees, attorneys, consultants, successors and assigns, or any of them, at law, in equity or otherwise, related to or arising from the Released Matters. However, nothing contained herein shall release or be deemed to release Caltrans from claims arising from its fraud or a breach of any representation or warranty by Caltrans contained in this Agreement (the **"Preserved Matters"**). Preserved Matters shall not be considered Released Matters. Purchaser acknowledges and agrees that the release, waiver and discharge given by Purchaser hereunder to Caltrans, HCD and the other released parties extends to all Released Matters described above, whether known or unknown, foreseen or unforeseen, patent or latent, which Purchaser may now or hereafter have against Caltrans, HCD or such other persons; and in connection with such release, waiver and discharge, Purchaser hereby expressly waives the benefit of the provisions of California Civil Code Section 1542, which provides as follows:

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

Purchaser has read this Section 9, has had the effect and content thereof explained to Purchaser by independent legal counsel, and fully understands and appreciates the same. Purchaser understands and acknowledges that, among other things, the consequence of this waiver of California Civil Code section 1542 is that even if Purchaser should eventually discover any claims or suffer any losses or damages arising from the Released Matters, Purchaser would not be able to make any claim against Caltrans, HCD or the other released persons with respect thereto. Purchaser acknowledges that these consequences apply even as to claims, losses or damages resulting from the Released Matters that may exist as of the date of this Agreement or in the future, but which Purchaser does not know exist, or does not anticipate, and which, if known or anticipated, would materially affect Purchaser's decision to execute this Agreement. The waivers, releases, covenants not to sue and discharges contained in this Section 9 are a material portion of the consideration to Caltrans in agreeing to enter into this Agreement and shall survive the close of escrow and the delivery and recordation of Director's Deed and the CC&Rs in perpetuity.

SECTION 10. INDEMNIFICATION

Following the closing of the transaction contemplated herein, except as provided below,

Purchaser shall, at its sole cost and expense, indemnify, defend and hold Caltrans and its officers, agents, employees, attorneys and consultants, including without limitation, HCD, and their respective successors and assigns (collectively, the **"Indemnified Parties"**), free and harmless from and against any and all liabilities, demands, claims and costs (including remediation, reimbursement or contribution costs or claims), damages, losses, and expenses (including and without limitation to attorneys' fees, legal expenses and court costs, and consultant's fees, and investigation and remediation costs) of whatever kind or nature incurred or suffered by, or threatened against, any Property or any Indemnified Party(ies) resulting from or arising out of or by reason of any matter pertaining to the condition or status of the Property, including without limitation, the existence of any Hazardous Substances or Hazardous Substance Conditions in, on, under or about the Property (collectively, "Claims"). Except as provided below, this indemnity is intended to address any and all liability for which Caltrans may now or at any time hereafter be partially or entirely responsible in connection with the contamination, environmental or physical condition or status of any Property, including the prior operation thereof, due to its mere ownership or operation of such Property. As used in this Agreement, the term **"Hazardous Substance"** shall mean any substance whose nature and/or quantity of existence, use, manufacture, disposal or effect, render it subject to federal, state, or local regulation, investigation, remediation or removal as potentially injurious to public health or welfare, including the Comprehensive Environmental Response Compensation and Liability Act or Resource Conservation and Recovery Act as now in effect; and the term **"Hazardous Substance Condition"** shall mean the existence in, on, under or about the Property of a hazardous substance that requires remediation, removal, mitigation and/or other action pursuant to applicable law. This indemnification shall in no event apply to (i) Claims to which Caltrans representations and warranties apply, (ii) any Claims involving Caltrans' willful misconduct, gross negligence or fraud, and (iii) any Claims relating to challenges to Caltrans' acquisition or disposition of the Property.

Purchaser's indemnification and defense of any matters contemplated in this Section 10 for or on behalf of the Property or any Indemnified Parties shall be made by counsel reasonably acceptable to the Indemnified Parties; shall commence immediately upon any such claim or matter being made, threatened, or asserted against Indemnified Parties or the Property without the necessity of the Indemnified Parties first contesting or defending the same, suffering or incurring any loss or adverse disposition, or otherwise taking or failing to take any other action; and shall apply to all such matters regardless of any action, failure or negligence of the Indemnified Parties, it being the express intent that the indemnification, defense and hold harmless obligations of this Section 10 apply to all matters referenced herein except to the extent caused by the gross negligence or willful misconduct of the Indemnified Parties. In the event Purchaser refuses to initiate or continue pursuing to completion any such defense or other obligations hereunder, Indemnitee shall be entitled to undertake, assume, and/or conclude the same, all at Purchaser's sole cost and expense, with counsel selected by Indemnitee. The obligations of Purchaser under this Section 10 shall be absolute and unconditional, and shall survive the close of escrow and the delivery and recordation of the Director's Deed and the CC&Rs.

SECTION 11. CASUALTY/CONDEMNATION

In the event any casualty or condemnation proceeding occurs or is commenced with respect to the Property after the effectiveness hereof but prior to the close of escrow, Caltrans shall notify Purchaser of the same in writing within ten (10) business days after Caltrans has knowledge of the same, and either of the following shall occur:

(A) If Purchaser does not elect to cancel within seven (7) business days after receipt of such notice by Purchaser, the parties shall continue to proceed under this Agreement and close without adjustment to the Purchase Price or any of the other provisions of this Agreement, in which event upon the close of escrow, Caltrans shall assign to Purchaser all of its interest in any such insurance or condemnation proceeds, compensation, award, or other payments or relief resulting from such casualty or condemnation proceedings; or

(B) If Purchaser elects to cancel, and Purchaser provides written notification to Caltrans of its election to terminate this Agreement within such 7-day period, then this Agreement shall terminate, the Deposit shall be returned to Purchaser without interest, and Caltrans shall retain all proceeds, compensation, awards, payments and other benefits or relief related to such casualty and condemnation with respect to the Property.

SECTION 12. REMEDIES

12.01 Of Purchaser. If the closing does not occur as a result of Caltrans' default under this Agreement, then, provided Purchaser is not in default hereunder, Purchaser may, at its election proceed with either of the following mutually exclusive alternatives as its sole and exclusive remedy:

- A. Terminate the Agreement, whereupon: (1) the Deposit shall be returned to Purchaser without interest, (2) Purchaser may seek reimbursement from Caltrans of any and all hard third-party costs and expenses incurred by Purchaser in connection the investigation of the Property or the negotiation and execution of this Agreement, as evidenced by invoices delivered to Caltrans, up to the maximum aggregate amount of fifteen thousand Dollars (\$15,000), and (3) neither party shall have any further obligation or liability to the other under this Agreement except for provisions of this Agreement which expressly state that they shall survive the termination of this Agreement; or
- B. File in a court of competent jurisdiction an action for specific performance to cause Caltrans to convey the Property to Purchaser in accordance with the terms and conditions of this Agreement; but Purchaser shall not be entitled to recover any monetary damages (whether compensatory, consequential, exemplary,

punitive or other) from Caltrans in connection with such default other than seeking its reasonable attorneys' fees in connection with such action.

PURCHASER ACKNOWLEDGES AND AGREES THAT THE LIMITATIONS ON REMEDIES AGAINST CALTRANS SET FORTH IN THIS SECTION 12.01 ARE A MATERIAL INDUCEMENT FOR CALTRANS TO ENTER INTO THIS AGREEMENT, AND PURCHASER AGREES THAT SUCH LIMITATIONS ARE REASONABLE AND ENFORCEABLE IN ACCORDANCE WITH THEIR TERMS.

12.02 Of Caltrans. LIQUIDATED DAMAGES. PURCHASER AND CALTRANS AGREE THAT SHOULD PURCHASER FAIL TO COMPLETE THE PURCHASE OF THE PROPERTY AS HEREIN PROVIDED BY REASON OF DEFAULT OF PURCHASER, THE PARTIES HERETO, BY INITIALING THIS SECTION 12.02 IN THE SPACE PROVIDED BELOW, AGREE THAT IT WOULD BE IMPRACTICAL OR EXTREMELY DIFFICULT TO ASCERTAIN OR FIX ACTUAL DAMAGES TO CALTRANS AS A RESULT OF SUCH FAILURE OR DEFAULT BY PURCHASER, THAT UNDER THE CIRCUMSTANCES EXISTING AS OF THE DATE OF THIS AGREEMENT THE ENTIRE DEPOSIT PROVIDED FOR IN SECTION 2.03(a)(ii) ABOVE IS A REASONABLE ESTIMATE OF CALTRANS' DAMAGES, AND THAT AS CALTRANS' SOLE AND EXCLUSIVE REMEDIES ON ACCOUNT OF SUCH BREACH, CALTRANS SHALL BE ENTITLED TO: (1) RETAIN SAID DEPOSIT AS LIQUIDATED DAMAGES FOR SUCH BREACH BY PURCHASER AND (2) TERMINATE THIS AGREEMENT. THE PAYMENT OF SUCH AMOUNT AS LIQUIDATED DAMAGES IS NOT INTENDED AS A FORFEITURE OR PENALTY, BUT IS INTENDED TO CONSTITUTE LIQUIDATED DAMAGES TO CALTRANS PURSUANT TO CALIFORNIA CIVIL CODE SECTIONS 1671, 1676 AND 1677.

THE PROVISIONS HEREOF RELATE ONLY TO CALTRANS' DAMAGES FOR PURCHASER'S DEFAULTS IN ITS AGREEMENT TO PURCHASE THE PROPERTY AS PROVIDED HEREIN. NOTHING CONTAINED HEREIN SHALL LIMIT OR PRECLUDE, OR BE DEEMED TO LIMIT OR PRECLUDE, THE EXERCISE OR ENFORCEMENT BY CALTRANS OF ANY RIGHTS WHICH EXPRESSLY SURVIVE THE TERMINATION OF THIS AGREEMENT.

Purchaser's Initials: _____ Caltrans' Initials: _____

SECTION 13. MISCELLANEOUS

13.01 Headings. This Agreement shall be construed as a whole, and the subject headings of the paragraphs and subparagraphs of this Agreement are included for convenience only and shall not affect the construction or interpretation of any of its provisions or define the provisions in the portions of this Agreement to which they pertain.

13.02 Assignment. Purchaser may not assign this Agreement, or any portion hereof or any of its rights or interests hereunder, without the express prior written consent of Caltrans, which consent may be conditioned or withheld in Caltrans' sole and absolute discretion, except as set forth herein. Purchaser may, without Caltrans' consent, but upon notice to Caltrans and Escrow Holder, assign any or all of its rights in, to or under this

Agreement to an entity or instrumentality that is wholly controlled by Purchaser. No such assignment (regardless of whether consented to by Caltrans) shall relieve or release Purchaser from any of its obligations hereunder. As a condition to the effectiveness of such assignment, all assignees shall execute an assumption agreement reasonably acceptable to Caltrans under which the proposed assignee agrees to fully assume and be bound by all the terms of this Agreement to be observed or performed by Purchaser.

Caltrans shall be free to assign this Agreement, or any portion hereof or any of its rights or interests hereunder, without the consent or approval of Purchaser.

13.03 Entire Agreement / Amendment. This Agreement (including all exhibits and schedules hereto and other agreements referenced herein) constitute the entire agreement between the parties pertaining to the subject matter contained herein and supersede all prior written or oral agreements, representations and understandings of the parties relating to the subject matter herein. There are no representations, agreements, arrangements, or understandings, oral or written, relating to the subject matter which are not fully expressed herein. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by all the parties hereto.

This Agreement does not affect the enforceability of other written contracts related to the use and resale of the Property or to preserving the historic nature of the Property.

13.04 Counterparts. This Agreement may be executed simultaneously in one or more identical counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. This Agreement shall be fully effective and binding on all parties hereto, as if one or more copies thereof had been executed by all the parties hereto, when all the parties have executed identical counterparts hereof, even though no single counterpart has been executed by all the parties hereto.

13.05 Binding / Successor & Assigns. Except to the extent assignment hereof is prohibited, this Agreement shall be binding on, and shall inure to the benefit of, the parties hereto and their successors and assigns.

13.06 Attorneys' Fees. If any legal action, arbitration or other proceeding is brought by either party involving a dispute between the parties arising out of the interpretation or enforcement of any condition or provision hereof, or by reason of any breach arising hereunder or the sale of the Property, the prevailing party shall be entitled to recover its reasonable attorneys' fees, court costs and expert witness fees incurred in such action or proceeding in addition to any other relief to which such party may be entitled.

13.07 Further Acts. Each party agrees to perform any further acts and execute and deliver any documents that may be reasonably necessary to carry out the provisions in this Agreement.

13.08 Limited Third-Party Beneficiaries. Subject to the remainder of this Section 13.08,

this Agreement is for the sole benefit of the parties hereto and there are no third-party beneficiaries, intended or otherwise. Notwithstanding the foregoing, HCD and the other Seller Parties (and other released persons) are intended third-party beneficiaries of Section 9 hereof, and HCD and the other Indemnified Parties are intended third party beneficiaries of Section 10 hereof.

13.09 Notices. All notices, requests, demands, and other communications required or desired under this Agreement shall be in writing and shall be given by any of the following methods: (i) personal service at the address set forth below, (ii) email transmission in the manner set forth below, or (iii) depositing such notice in the United States mail postage prepaid, addressed to the other as follows:

Caltrans
Division of Right of Way – SR-710, MS6
100 South Main Street
Los Angeles, CA 90012

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

Any notice given by personal service shall be deemed given when received, as verified by a written receipt or proof of service. Any notice given by email transmission shall be deemed given when transmitted, as evidenced by printed email; and any notice given by regular mail shall be deemed given on the fifth (5th) business day after its deposit in the United States mail postage prepaid.

Either party may change its address for purposes of this paragraph by giving the other party written notice of the new address to the other party at the address contained herein.

13.10 Governing Law. This Agreement has been prepared, negotiated, and entered into in the State of California and shall be governed by, construed and enforced in accordance with the internal laws of the State of California and according to its fair meaning, and not in favor of or against any party. Any action or proceeding relating or arising out of this Agreement shall be filed, if a State action, in the Superior Court of the State of California for the County of Los Angeles.

13.11 Severability. If any provision of this Agreement, or the application thereof to any person or circumstance, is held invalid or unenforceable by any court or arbitrator, it is the intent of the parties that all the other provisions of this Agreement, and the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall be construed to be fully valid, enforceable and binding on the parties to the fullest extent permitted by law.

13.12 Survival / No Merger. All covenants, representations, warranties, and other agreements under this Agreement which are expressly stated herein as surviving the close of escrow shall survive the close of escrow and the delivery and recordation of the Director's Deed and the CC&Rs in perpetuity, and shall not merge with or into the Director's Deed or the CC&Rs (or be terminated, limited or otherwise affected thereby).

13.13 Time is of the Essence. Time is of the essence of this Agreement in respect to all provisions of this Agreement that specify a time for performance, including the closing of escrow provided for herein, and failure to comply with this provision shall be a material breach of this Agreement.

13.14 Days / Saturdays, Sundays, and Holidays. Unless otherwise expressly stated, all time periods referred to herein shall be deemed to mean calendar days. If any date by which an election or a notice shall be given, or by which an action shall be taken, hereunder falls on a Saturday, Sunday, federal or state holiday, then the date by which such election or notice shall be given or such action shall be taken is extended to 5:00 p.m. on the next business day following such Saturday, Sunday, federal or state holiday.

13.15 Waiver. Waiver by one party of the performance of any covenant, condition or promise shall not invalidate this Agreement, nor shall it be a waiver by such party of such covenant, condition or promise in the future or of any other covenant, condition, or promise hereunder. Any waiver, to be effective, shall be express, in writing and signed by the waiving party, and shall be delivered to the other party. The exercise by a party of any remedy provided in this Agreement or at law shall not prevent the exercise by that party of any other remedy provided in this Agreement or at law.

13.16 Construction. As used in this Agreement, the masculine, feminine, or neuter gender and the singular or plural numbers shall each be deemed to include the other whenever the context so indicates. Each party hereto acknowledges and agrees that each has had independent counsel review and participated in the negotiation and drafting of this Agreement, and each hereby fully waives the application of any law, statute or rule of construction or interpretation, including without limitation California Civil Code Section 1654, to the effect that any ambiguities are to be construed against the drafting party.

13.17 Exhibits. All exhibits and schedules attached to this Agreement are hereby incorporated by reference herein and specifically made a part of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

CALTRANS:

Recommended for Approval by:

STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION

By: _____ Date: _____
Angus Chan
Senior Right of Way Agent

By: _____ Date: _____
Heriberto Salazar
Supervising Right of Way Agent, 710 Sales

Approved:

By: _____ Date: _____
Dan Murdoch
Deputy District Director, Right of Way

PURCHASER:

By: _____ Date: _____
City of South Pasadena

By: _____ Date: _____
City of South Pasadena

Attached Exhibits

Exhibits "A"

Director's Deed/Legal Description of Property

Exhibit "B"

Deleted

Exhibit "C"

Declaration of Covenants, Conditions & Restrictions

Recording Requested by
DEPARTMENT OF TRANSPORTATION

When recorded, Mail to:
STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION
District 7, Right of Way Division
Office of R/W Engineering
100 South Main Street, MS 13
Los Angeles, CA 90012

Space above this line for Recorder's Use
APN: 5317-012-906 EA: 0R0002

RWPS: J. White
Written by: R.G.
Checked by: J.A.

R/W Map No.: F1533-7
Date: 8-4-2022

S. of Columbia St. and E. of Fairview Ave.

**DIRECTOR'S DEED
GRANT**

District	County	Route	Post	Number
07	LA	710	PM 31.1	DD 61337-01-01

The State of California, acting by and through its Director of Transportation, hereinafter called STATE, hereby grants to _____

hereinafter called GRANTEE, that real property in the City of South Pasadena, County of Los Angeles, State of California, described as follows:

See Exhibit "A", attached.

This conveyance is subject to special assessments, if any, and the Declaration of Covenants, Conditions, and Restrictions (Caltrans 710 Affordable Sales Program) recorded concurrently herewith, whereby, among other things, the State of California has deferred it equity in the property pursuant to the Affordable Sales Program Regulations

MAIL TAX
STATEMENTS TO:

Subject also to the following, in accordance with U.S. DOT Order 1050.2A, DOT Standard Title VI Assurances and Non-Discrimination Provisions:

A. The GRANTEE, for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that:

In the event facilities are constructed, maintained, or otherwise operated on the property described in this deed for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, the GRANTEE will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities.

B. In the event of breach of any of the above Non-discrimination covenants, the STATE will have the right to enter or re-enter the lands and facilities thereon, and the above-described lands and facilities will there upon revert to and vest in and become the property of the STATE and its assigns.

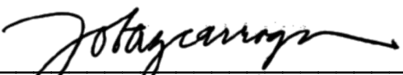
EXHIBIT "A"
LEGAL DESCRIPTION

DD 61337-01-01

That real property, in the City of South Pasadena, County of Los Angeles, State of California, acquired by the State of California (State Parcel No. 61337) by deed recorded August 13, 1970, in Book D4800, page 478, of Official Records, in the Office of the Registrar-Recorder/ County Clerk of said county, described in said deed as follows:

The North one-half of Lot 2 of A. O. Porter's Subdivision of portions of the Porter and Green Tract, as shown on map recorded in Book 14, page 97, of Miscellaneous Records, in said office.

This real property description has been prepared by me, or under my direction, in conformance with the Professional Land Surveyors' Act.

Signature 
Licensed Land Surveyor
Date 08-08-2022
DD 61337-01-01



This conveyance is executed pursuant to the authority vested in the Director of Transportation by law and, in particular, by the Streets and Highways Code.

STATE OF CALIFORNIA
DEPARTMENT OF
TRANSPORTATION

Dated _____
APPROVED AS TO FORM AND
PROCEDURE

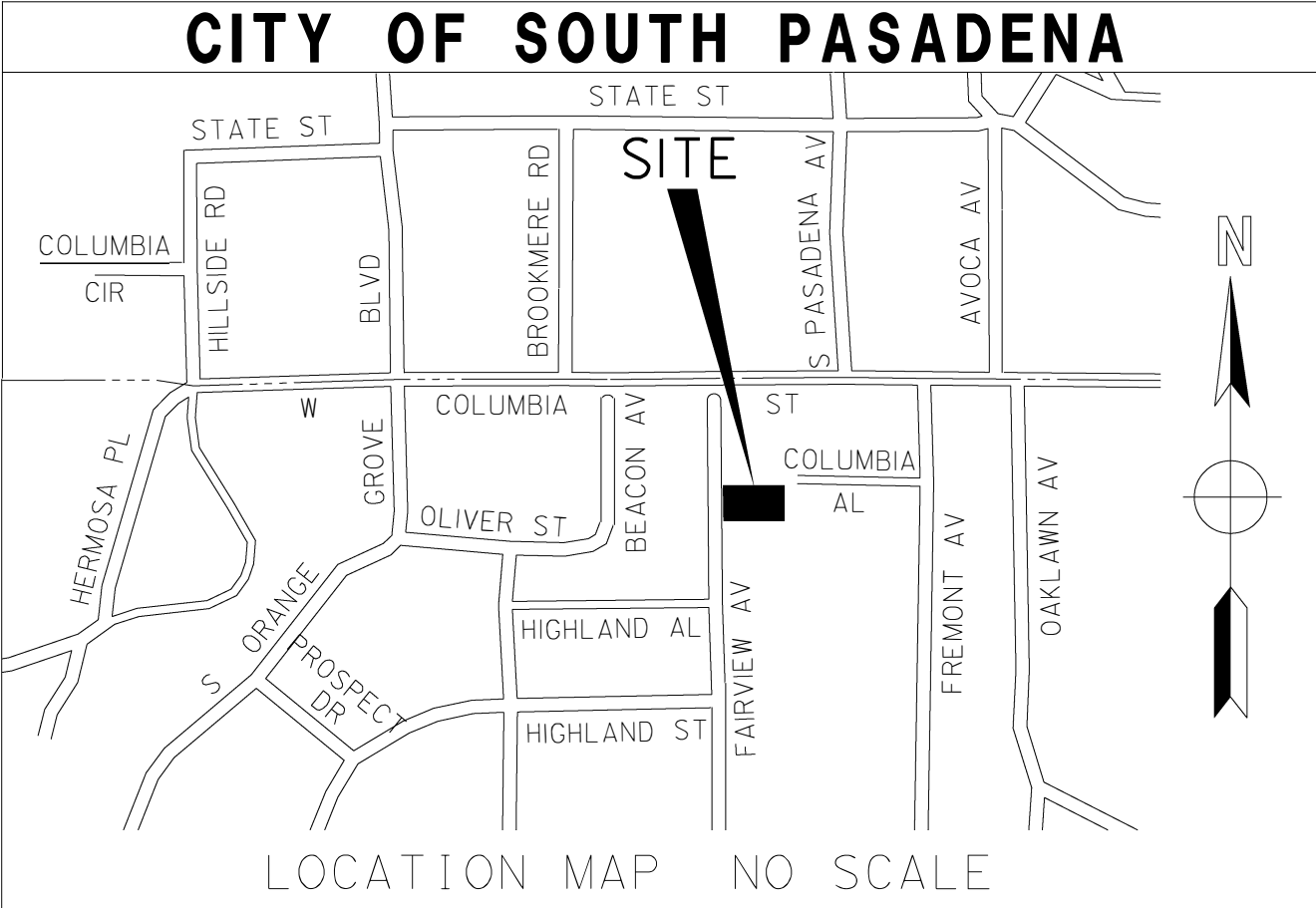
ATTORNEY
DEPARTMENT OF
TRANSPORTATION
*Certificate of Execution
Required for all Director's
Deeds*

By _____
Director of Transportation

By _____
Attorney in Fact

*This Space Reserved for
California Transportation Commission
Certification*

**CITY OF SOUTH PASADENA
COUNTY OF LOS ANGELES**



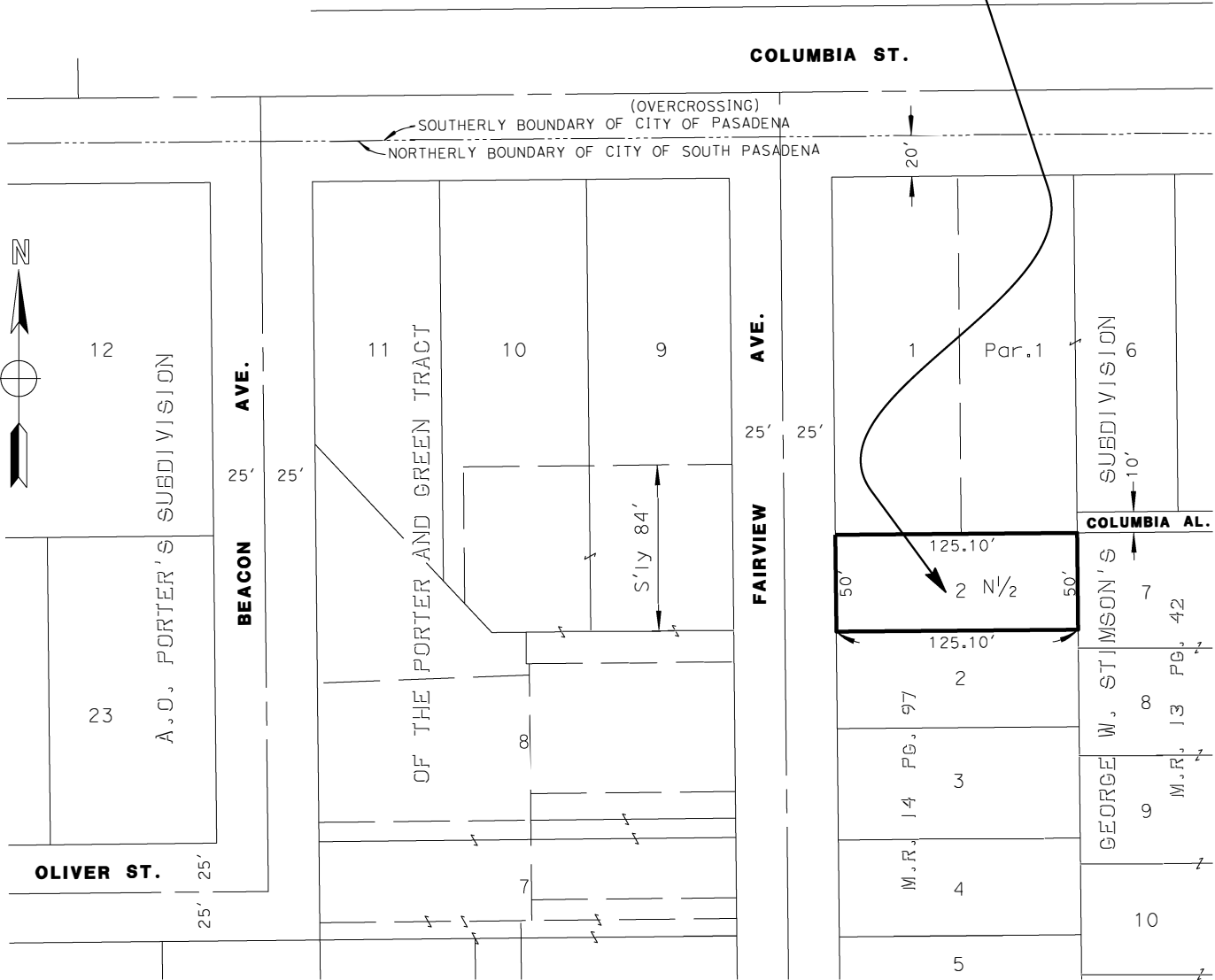
NOTES
All distances are in feet unless otherwise noted.
LEGEND

STATE OF CALIFORNIA CALIFORNIA STATE TRANSPORTATION AGENCY DEPARTMENT OF TRANSPORTATION					
RIGHT OF WAY DIRECTOR'S DEED DD 61337-01-01					
NOT TO SCALE					
REF.: R/W MAP NO. F1533-7			DATE: 08-04-2022		
DISTRICT	COUNTY	ROUTE	SHEET PM	SHEET NO.	TOTAL SHEETS
07	LA	710	31.1	1	2

**CITY OF SOUTH PASADENA
COUNTY OF LOS ANGELES**

PARCEL NO. AREA
DD 61337-01-01 6,255 SF

6,255 S.F.
DD
61337-01-01



NOTES
All distances are in feet unless otherwise noted.

LEGEND
 STATE RETAINS ACCESS RIGHTS

**STATE OF CALIFORNIA
CALIFORNIA STATE TRANSPORTATION AGENCY
DEPARTMENT OF TRANSPORTATION**

**RIGHT OF WAY
DIRECTOR'S DEED
DD 61337-01-01**

NOT TO SCALE

REF.: R/W MAP NO. F1533-7 DATE: 08-04-2022

DISTRICT	COUNTY	ROUTE	SHEET PM	SHEET NO.	TOTAL SHEETS
07	LA	710	31.1	2	2

Free Recording Pursuant to
Government Code Section 27383 at the
Request of the California Department
of Transportation

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

California Department of Housing and
Community Development
P.O. Box 952052
Sacramento, California 94252-2052
Attn: General Counsel

216 Fairview Ave, S. Pasadena CA 91030

(Space Above This Line for Recorder's Use)

**DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
(CALTRANS STATE ROUTE 710 SALES PROGRAM)**

**THIS DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
(CALTRANS STATE ROUTE 710 SALES PROGRAM) ("Use and Resale Covenant")** is dated _____, 20__, for reference purposes only, by and among the City of South Pasadena, ("**City**"), the California Department of Transportation, a department of the State of California ("**Caltrans**"), and Department of Housing and Community Development (HCD) Monitoring Entity. City is purchasing that certain real property, consisting of land and all buildings thereon, in the City of South Pasadena with a street address of 216 Fairview Ave, South Pasadena, California 91030, and a legal description found in Exhibit A attached hereto and made a part hereof ("**Property**"). Capitalized terms used in this Use and Resale Covenant not already defined above have the meanings given to them in Section 2 below. This Use and Resale Covenant is made with reference to the following facts:

RECITALS

A. WHEREAS, in 1979 the Legislature passed Senate Bill 86, commonly referred to as the "Roberti Act" (herein, as may be amended from time to time, the "**Act**") which added, in part, Sections 54235 through 54238.7 to the California Government Code wherein the Legislature found and declared that the sale of certain surplus residential properties by Caltrans would directly serve an important public purpose; Caltrans, pursuant to the Act, is selling the Property to the City, subject to the provisions of this document;

B. WHEREAS, in accordance with the Act, Caltrans has developed a program as more particularly set forth in Chapter 9.5, Division 2 of Title 21 of the California Code of Regulations

(herein, the “**Regulations**”) to make certain historic homes available for public and community use;

C. WHEREAS, Caltrans has identified City as being eligible to purchase the Property at Caltrans’ original acquisition price in accordance with the Act;

D. WHEREAS, to effectuate the sale of the Property to City, City has agreed to use and resale controls in accordance with the Act and evidenced by this Use and Resale Covenant; and

E. WHEREAS, Caltrans has determined the Property is “excess real property” within the meaning of Streets and Highways Code Section 118.6 and approved the sale;

NOW, THEREFORE, in consideration of the substantial economic benefits inuring to City and the public purposes to be achieved under the Act, City, Caltrans, and the Monitoring Entity hereby declare and agree as follows:

Section 1. Extraordinary Provisions.

1.1 Purchase Price. Caltrans and City agree that City’s purchase price for the Property is Caltrans’ original acquisition price Caltrans and City further agree that City’s purchase price complies with Government Code section 54239.4, subdivision (b)(1)(A).

1.2 City Acknowledgments.

- (a) City understands and agrees to abide by all the provisions of this Use and Resale Covenant.
- (b) City hereby takes the Property subject to certain restrictions and limitations of the full enjoyment and use of the Property as set forth in this Use and Resale Covenant. City acknowledges that City may not enjoy the same economic benefits from owning the Property that City would enjoy if this Use and Resale Covenant did not exist.
- (c) Absent the assistance provided by Caltrans and the provisions of this Use and Resale Covenant, the Property could not be made available to City.
- (d) In recognition of the acknowledgements and agreements stated herein, City accepts and agrees to the provisions of this Use and Resale Covenant with the understanding that this Use and Resale Covenant will remain in full force and effect to limit use and transfer of the Property unless terminated pursuant to the terms herein.
- (e) City covenants and agrees for itself, its successors, its assigns, and every successor interest in the Property or any part thereof, that City, such successors and such assignees, shall regularly and continuously use the Property only for the purposes authorized in this Use and Resale Covenant.

- (f) City further agrees not to challenge the terms and provisions of this Use and Resale Covenant or any right of Caltrans, or the Monitoring Entity created hereunder and acknowledges that the same are not an unreasonable restraint on any right to transfer the interest of the City in the Property.
- (g) City acknowledges that Government Code section 54239.4, subdivision (b) imposes additional requirements upon City that are not reflected in this Use and Resale Covenant, and that full compliance with this Use and Resale Covenant does not equate to full compliance with Government Code section 54239.4, subdivision (b).
- (h) City acknowledges that Government Code section 54239.4, subdivision (b)(1)(O) authorizes the Monitoring Entity to review, adopt, amend, and repeal standards, forms, or definitions to implement Government Code section 54239.4, subdivisions (b)(1)(C) through (N), inclusive.

Section 2. Definitions.

As used in this Use and Resale Covenant, the capitalized terms set forth below shall have the following meanings:

- (a) “*Event of Default*” is defined in Section 6.1.
- (b) “*Monitoring Entity*” means Department of Housing and Community Development.
- (c) “*Notice*” is defined in Section 7.2.

Section 3. Use of the Property.

3.1 Resale. City shall resell the Property within two (2) years of the close of escrow that transfers title of the Property from Caltrans to City. Monitoring Entity may grant the City up to one two-year extension of time to resell the Property if City demonstrates sufficient progress on the sale of the Property. Sufficient progress includes:

- (a) Proof that the Property has been listed for 180 days at a price that does not exceed fair market value based on comparable sales in the City of South Pasadena with no offers; or
- (b) Unexpected structural damage to the Property due to a natural disaster or similar occurrence; or
- (c) Other proof of progress at the discretion of the Monitoring Entity’s Director.

3.2 Affordable Housing. If City does not resell the Property within the period described in Section 3.1 (including any extension(s) granted by the Monitoring Entity), then City shall cause the Property to be used as either of the following:

- (a) As an affordable rental to lower income and moderate-income households, as defined by Health and Safety Code sections 50052.5 and 50079.5, respectively. Such use shall be for no less than 55 years.
- (b) If the Property is a single-family residence, then as owner-occupied affordable housing for no less than 45 years, with the Property being sold to a person or family of low or moderate income at an affordable price, as defined by Government Code section 62250. The Property may then only be resold at an affordable price to a person or family of low or moderate income.

Section 4. Use of the Proceeds After Resale.

4.1 Required Use of Proceeds. City shall use the proceeds from the resale of the Property described in Section 3.1 to finance the production or acquisition of at least three (3) housing units that meet all the following criteria:

- (a) The housing units must be affordable to persons and families of low or moderate-income, as defined by Health and Safety Code section 50093; and
- (b) Either through its ownership of the housing units or by regulatory agreement if it does not own the housing units, City shall cause each housing unit to be made available at an affordable sales price or an affordable rent, as defined in Health and Safety Code sections 50052.5 and 50053; and
- (c) If a housing unit is used as a rental, then it shall be available at an affordable rent for no less than 55 years; and
- (d) If a housing unit is used as an owner-occupied affordable housing unit, then it shall be so used for no less than 45 years; and
- (e) Each housing unit is within the 91030 postal ZIP code.

4.2 Monitoring. City shall monitor compliance with the regulatory agreement described in Section 4.1(b). City may charge a fee to recover the cost of this monitoring.

4.3 Sites for Housing Units. The housing units described in Section 4.1 may be produced or acquired on a single site or on multiple sites.

4.4 Timeline for Production and Acquisition. City shall commence construction or complete acquisition of all housing units described in Section 4.1 by December 31, 2025.

Monitoring Entity may grant the City two two-year extensions if it demonstrates sufficient progress on the development or acquisition of the housing units. Sufficient progress includes:

- (a) An executed option agreement or exclusive negotiation agreement for the purchase of property intended for conversion to affordable units; or
- (b) Completed project entitlements or building permits; or
- (c) Executed purchase agreements and draft covenants for the acquisition or rehabilitation of market rate units for the purpose of conversion to affordable units, or a combination thereof; or
- (d) Other proof of progress at the discretion of the Monitoring Entity's Director.

4.5 Use of Surplus Funds. Any surplus funds remaining after the completion of the construction of the housing units described in Section 4.1 shall be used at the discretion of City for the production or acquisition of rental or for-sale housing affordable to persons and families of low or moderate-income, as defined by Health and Safety Code section 50093.

Section 5. Termination.

5.1 Termination of Use and Resale Covenant. This Use and Resale Covenant shall cease to encumber the Property upon resale pursuant to Section 3.1. However, the terms of the Use and Resale Covenant shall remain enforceable under applicable law and as a contract between Monitoring Entity and City to ensure compliance of Sections 4.1 through 4.5.

Section 6. Default and Remedies.

6.1 Event of Default. The occurrence of any one of the following events or circumstances shall constitute an "***Event of Default***" by City under this Use and Resale Covenant.

- (a) City's failure to comply with the requirements in Sections 4.1 through 4.5, or Section 3.2, as applicable.
- (b) City's failure to comply with Government Code section 54239.4, subdivision (b)(1)(I).
- (c) City's failure to comply with Government Code section 54239.4, subdivision (b)(1)(J).

6.2 Remedies. Upon the occurrence of an Event of Default by City, the Monitoring Entity may exercise the remedy set forth below:

- (a) The City shall pay a fine to the Monitoring Entity of an amount equal to the funds generated through the resale of the Property, pursuant to Section 3.1. minus the purchase

price described in Section 1.1. Fines shall be deposited into an account held by the Monitoring Entity pursuant to Government Code section 54239.4(b)(1)(K).

6.3 Not Subject to Appeal. Pursuant to Government Code section 54239.4(b)(1)(N), an Event of Default shall be determined by the Monitoring Entity and is not subject to appeal.

Section 7. Miscellaneous.

7.1 Nondiscrimination. City covenants by and for itself and its successors and assigns that there shall be no discrimination against or segregation of a person or a group of persons on account of sex, race, color, religion, ancestry, national origin, ethnic group identification, age, mental disability, physical disability, medical condition, genetic information, marital status, gender, gender identity, gender expression, familial status, source of income, veteran or military status, or sexual orientation in the transfer, use, or occupancy of the Property, nor shall City, any person claiming under or through City, establish or permit any such practice or practices of discrimination or segregation with reference to the use, occupancy, or transfer of the Property.

7.2 Notices. Notice shall be in writing and sufficiently given or delivered if transmitted by (a) registered or certified United States mail, postage prepaid, return receipt requested, (b) personal delivery, or (c) nationally recognized private courier services, in every case addressed as follows:

If to City: [to be inserted]

If to the Monitoring Entity [to be inserted]

Any such Notice transmitted in accordance with this Section 7.2 shall be deemed delivered upon receipt, or upon the date delivery was refused. Any party may change its address for notices by written Notice given to the other party in accordance with the provisions of this Section 7.2.

7.3 Attorneys' Fees for Enforcement. If any action or legal proceeding is instituted by City or the Monitoring Entity arising out of this Use and Resale Covenant, the prevailing party therein shall recover reasonable attorneys' fees and costs in connection with such action or proceeding. For purposes of this Use and Resale Covenant, reasonable fees include the fees and costs of any in-house counsel for the Monitoring Entity, which shall be based on: (i) the employee's hourly rate on the employee's salary, (ii) forty-one and eight-tenths percent (41.8%) of the employee's hourly salary rate to reflect non-salary direct and indirect costs, and (iii) five percent (5%) of the employee's hourly salary rate to reflect central service costs.

7.4 Integration. This Use and Resale Covenant constitutes an integration of the entire understanding and agreement of Caltrans, City, and the Monitoring Entity with respect to the subject matter hereof. Any representations, warranties, promises, or conditions, whether written or oral, not specifically and expressly incorporated in this Use and Resale Covenant, shall not be binding on any of the parties, and City and the Monitoring Entity each acknowledge that in entering into this Use and Resale Covenant they have not relied upon any representation,

warranty, promise or condition, not specifically and expressly set forth in this Use and Resale Covenant. All prior discussions and writings have been, and are, merged and integrated into, and are superseded by, this Use and Resale Covenant.

7.5 Severability. In the event that any provision of this Use and Resale Covenant is determined to be illegal or unenforceable, such determination shall not affect the validity or enforceability of the remaining provisions hereof, all of which shall remain in full force and effect.

7.6 Headings. The headings within this Use and Resale Covenant are for the purpose of reference only and shall not limit or otherwise affect any of the terms of this Use and Resale Covenant.

7.7 Time for Performance. Time is of the essence in the performance of the terms of this Use and Resale Covenant. All dates for performance or cure shall expire at 5:00 p.m. on the performance or cure date. Any performance date which falls on a Saturday, Sunday, or a holiday specified in Code of Civil Procedure section 135 is automatically extended to the next day that is not a Saturday, Sunday, or holiday.

7.8 Amendments. Any modification or waiver of any provision of this Use and Resale Covenant or any amendment thereto shall be in writing and signed by the authorized representatives of both the Monitoring Entity and the City.

7.9 Controlling Use and Resale Covenant. City covenants that City has not executed and will not execute any other agreement with provisions contradictory to or in opposition to the provisions of this Use and Resale Covenant. City understands and agrees that this Use and Resale Covenant shall control the rights and obligations between City and the Monitoring Entity with respect to the subject matter contained herein.

7.10 Exhibits. The Exhibits and Attachments attached hereto are a material part of this Use and Resale Agreement and are incorporated herein by this reference.

7.11 Governing Law. This Use and Resale Covenant shall be governed by, and construed and enforced in accordance with, the laws of the State of California.

7.12 Counterparts. This Use and Resale Covenant may be signed in counterparts, each of which shall constitute an original.

7.13 Recordation. Caltrans shall cause this Use and Resale Covenant to be recorded in the Official Records.

7.14 Interpretation. Each party hereto acknowledges and agrees that each has had independent counsel review and participate in the negotiation and drafting of this Use and Resale Covenant, and each hereby fully waives the application of any law, statute or rule of construction

or interpretation, including without limitation Civil Code section 1654, to the effect that any ambiguities are to be construed against the drafting party.

7.15 Assignment by Caltrans to the Monitoring Entity. Upon this Use and Resale Covenant being recorded in the Official Records, Caltrans assigns all the rights, duties, and benefits granted to it by this Use and Resale Covenant to the Monitoring Entity, and the Monitoring Entity accepts such assignment.

IN WITNESS WHEREOF, City, Monitoring Entity, and Caltrans have executed this Use and Resale Covenant as of the date written above.

CITY:

MONITORING ENTITY:

California Department of Housing and
Community Development, an agency of the
State of California

By: _____

Its: _____

CALTRANS:

California Department of Transportation,
an agency of the State of California

By: _____

Its: _____

ALL SIGNATURES MUST BE NOTARIZED.

----- Attach All Purpose California Notary Acknowledgment -----

EXHIBIT A – LEGAL DESCRIPTION

STATE ROUTE 710 SALES PROGRAM PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT ("**Agreement**") is entered into as of January 26th, 2024 by and between the State of California, Department of Transportation ("**Caltrans**") and the City of South Pasadena, ("**Purchaser**"), a Municipal Corporation.

Recitals

- A. Caltrans owns the real property located in Los Angeles County, California commonly known as: 1707 Meridian Avenue, South Pasadena, CA 91030 and more particularly described as set forth in Exhibit "A", respectively, attached hereto ("**Property**").
- B. The parties wish to provide terms and conditions for Purchaser's purchase of the Property from Caltrans. The State Route 710 Sales Program described in Government Code section 54235 et seq. (the "**Act**") and Title 21 Public Works Division 2 Department of Transportation, Chapter 9.5 (the "**Regulations**") provide for the offering of State-owned, surplus residential properties to the City of South Pasadena at the Minimum Sales Price pursuant to 21 CCR § 1484.3, for the purpose of providing affordable housing to low and moderate-income households. Purchaser and Caltrans acknowledge the Property is subject to the terms of this Agreement, the aforementioned law and regulations, and the Declaration of Covenants, Conditions, and Restrictions (**CC&Rs**), as defined below, to be recorded against the Property upon the close of escrow hereunder.

NOW, THEREFORE, in consideration of the foregoing premises, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

SECTION 1. PURCHASE AND SALE

1.01 Purchase and Sale. Caltrans shall sell the Property to Purchaser, and Purchaser shall purchase the Property from Caltrans pursuant to the terms, limitations and conditions stated in this Agreement in accordance with the Act, the Regulations and other applicable laws, rules, and regulations (collectively, "**Applicable Laws**").

1.02 Conditions Precedent to Effectiveness. This Agreement shall not become effective unless and until all the following conditions precedent are satisfied on or before the thirtieth (30th) calendar day from the date Caltrans' sends this Agreement to Purchaser:

- A. Purchaser shall have: (1) executed and returned two original executed counterparts of this Agreement via certified mail, return receipt requested, to Caltrans and sent a copy thereof to the Escrow Holder, and (2) deposited with Escrow Holder the entire Down Payment contemplated by Section 2.02(A) below;

- B. Caltrans thereafter executes this Agreement and delivers a fully executed copy hereof to Escrow Holder; and

A failure of any such conditions to timely occur shall, without further notice or action, result in the full and immediate termination of any offer, obligation, liability or agreement of Caltrans to or with Purchaser or any other person with respect to the Property, whether hereunder or otherwise, immediately upon the expiration of such 30-day period, and Caltrans shall thereafter be free to offer, market and sell the Property to other persons, or otherwise dispose of the same, as Caltrans may, in its sole and absolute discretion determine.

1.03 Information/Prior Due Diligence. Purchaser hereby expressly acknowledges and agrees:

- A. that it is a sophisticated real estate purchaser and/or investor;
- B. that it is fully familiar with and understands the Applicable Laws and the CC&Rs, and the risks and obligations associated therewith and imposed on Purchaser and on the Property thereby, including the purchase thereof under this Agreement, and has had the same explained to it by its independent legal counsel and other advisors;
- C. that during the Inspection Period permitted under this Agreement: (A) Purchaser will have full access to the Property and all documents, data, reports and information related thereto requested by Purchaser, and will have the opportunity to undertake and perform any and all additional due diligence, investigation, surveys, reports and studies, with respect thereto, including without limitation the current and past physical and environmental condition of the Property, the condition of title thereto, the compliance thereof with any applicable building codes, permits, approvals, agreements or encumbrances affecting the same (including Applicable Laws), the value thereof, the use, operation, management or occupancy thereof and/or the suitability for Purchaser's intended use thereof, and all other matters referenced in Section 9 below, and (B) Purchaser has obtained any and all financing commitments necessary or desirable to purchase, repair and/or rehabilitate the Property; and
- D. that with the aid of such independent experts, contractors, consultants, advisors and professionals (including independent legal counsel and accountants) that it deems necessary, appropriate or desirable, Purchaser will, prior to the Closing Date hereof, evaluate and assess the Property and conduct such independent inquiry, feasibility investigation, inspections and due diligence with respect thereto as Purchaser and/or its advisors deem necessary, advisable or desirable, and will fully and unconditionally approve of and satisfy itself as to the same. As a result, there shall be no further access to the Property except as set forth in this Agreement and no further feasibility, inspection or similar rights or contingencies with respect to the purchase of the Property.
- E. Notwithstanding anything herein to the contrary, until the date that is sixty (60)

days after the execution of this Agreement (Inspection Period), upon reasonable notice but without any contingencies hereunder, Purchaser may access the Property and conduct non-invasive inspection, investigations, tests, observations, inquiries and studies as Purchaser deems appropriate. Purchaser shall promptly pay all expenses arising out of such inspections and other work on or about the Property prior to the Closing Date and shall not allow any mechanic's or materialmen's liens to be recorded on the Property (or promptly cause to be removed or bonded over any such liens if recorded on the Property). Purchaser shall promptly repair any damage to the Property caused by Purchaser's investigations. Purchaser shall coordinate with Caltrans any entry on the Property, execute a waiver and indemnity in the form customarily required by Caltrans prior to entry on Caltrans' property and follow applicable health and safety protocols as reasonably required by Caltrans. Following such period, upon Caltrans' reasonable consent and conditions, Purchaser may obtain access to the Property for a limited number of entries.

- F. Purchaser shall promptly notify Caltrans during the Inspection Period of any matters discovered in its review of the Property that would cause Purchaser to terminate this Agreement. If within ten days of such notice, Caltrans notifies Purchaser in writing that it will cure such matters prior to Closing, then Caltrans shall have the opportunity to cure such matters prior to the Closing Date. Purchaser has the right to terminate if Caltrans does not agree to cure or if the cure is not completed prior to the Closing Date. Upon any such termination, Escrow Holder shall remit the deposit to Purchaser.

SECTION 2. PURCHASE PRICE

2.01 Purchase Price. The purchase price for the Property shall be Nineteen Thousand Six Hundred Dollars and Zero Cents (\$19,600.00) (the "**Purchase Price**").

2.02 Payment. The Purchase Price shall be paid by Purchaser in cash, lawful money of the United States as set forth below, time being of the essence thereof:

- A. **Deposit.** Immediately upon the execution of this Agreement, Purchaser shall deposit with Escrow Holder the sum of **One Thousand Dollars (\$1,000.00)** (the "**Deposit**") in the form of a cashier's check, wire transfer or other immediately available funds. The entire Deposit shall be applicable to the Purchase Price, without interest, shall be non-refundable except as may be expressly set forth in this Agreement, and shall constitute liquidated damages to Caltrans in the event of Purchaser's default in acquiring the Property. Time is of the essence in making the Deposit into escrow, and as provided above is a condition precedent to the effectiveness of this Agreement.
- B. **Cash at Close.** One (1) day prior to the close of Escrow (or by 1:00 p.m. of the close of escrow for funds delivered by wire transfer) the Purchaser shall deposit

the balance of the Purchase Price in the amount of Eighteen Thousand Six Hundred Dollars and Zero Cents (\$18,600.00) (the “**Cash Balance**”) with Escrow Holder in the form of a cashier’s check, wire transfer or other immediately available funds for delivery to Caltrans upon close of escrow hereunder.

2.03 Acknowledgement. [Deleted.]

2.04 No Seller Financing. Purchaser acknowledges this Agreement is not a financing agreement and neither Caltrans nor any other governmental agency or department has at any time made any representations, warranties, promises or undertakings, express or implied, to provide any financing or other assistance with respect to all or any portion of the Purchase Price or any other obligations of Purchaser hereunder or with respect to the Property, or with respect to any repair, rehabilitation, updating or other activity contemplated by Purchaser with respect thereto. Purchaser has performed all due diligence regarding obtaining funding and/or financing with respect to the Property, including the purchase thereof hereunder, as provided in Section 1.03 above, and has satisfied itself as to the same.

2.05 Change in Financial Condition. If either: (i) Purchaser ultimately fails to secure funds for the Purchase Price in the timeframe specified herein, or (ii) the financial condition of the Purchaser changes prior to Close of Escrow so that it is unable to purchase the Property, then in either such event Purchaser shall be in default under this Agreement and Caltrans shall be entitled to exercise its rights and remedies pursuant to Section 12.02 below.

2.06 Bonds, Taxes and Assessments. Subject to the specific proration provisions set forth in Section 3.05 below, all real property taxes, supplemental taxes, special taxes, bonds and/ or assessments which are liens on or levied with respect to the Property shall be assumed by Purchaser at close of escrow without reduction of or adjustment to the Purchase Price.

SECTION 3. ESCROW

3.01 Opening. The purchase and sale of the Property shall be consummated by means of Escrow No. _____ (a single escrow) which has been opened with _____ Title Company, _____, Suite _____, CA _____ Attn: _____ Escrow Officer, email: _____, Phone: (____) ____-____, Fax (____) ____-____ (“**Title Company**” or “**Escrow Holder**”).

3.02 Closing. The closing shall occur upon the recording of the Director's Deed for the Property, and shall occur when the conditions set forth in Article 5 below have all been satisfied or waived, and the conditions set forth in Government Code Section 54239.4(b)(1)(D) have been satisfied, but in no event later than **5:00 pm** _____, **2024** [the one hundred twentieth (120th) calendar day after the full execution of this Agreement]; provided, however, Caltrans shall, upon receipt of

written request prior to such date, grant a one-time thirty (30) calendar day extension to close escrow, (such date, as may be extended, being the “**Closing Date**”).

If at any time prior to the Closing Date, the Property becomes occupied, whether legally or illegally, Caltrans shall notify the Purchaser and Purchaser shall have 30 days to decide whether to proceed with the purchase of the Property. If the 30 days falls outside the Closing Date, the Closing Date shall be extended 10 days past the 30-day expiration. If Purchaser declines to proceed with the purchase of the Property due to the legal or illegal occupation of the Property, this Agreement shall terminate pursuant to the terms hereof. Upon any such termination, Escrow Holder shall remit the deposit to Purchaser.

3.03 Instructions. This Agreement shall to the extent applicable, also act as escrow instructions. The parties agree to execute any additional escrow instructions required by the Escrow Holder provided the same shall be consistent with the terms of this Agreement and shall provide that as between the parties, in the event there are any inconsistencies between such supplemental instructions and this Agreement, the terms of this Agreement shall prevail. Escrow Holder is hereby designated the “real estate reporting person” for purposes of Section 6045 of the Internal Revenue Code of 1986, as amended, and Treasury Reg. 1.6045-4, and any instructions or settlement statements prepared by Escrow Holder shall so provide. Escrow Holder shall be responsible for filing any Form 1099-S with the Internal Revenue Service.

3.04 Costs. Charges and expenses incurred in connection with the closing hereunder shall be borne by the parties as follows:

- A. Purchaser shall pay all: (A) escrow fees, (B) recording fees, (C) transfer taxes, (D) title insurance premiums and fees (whether for ALTA or CLTA coverage), endorsement coverage and survey costs, and (E) any other real estate transaction fees involved in this transaction;
- B. If applicable, Purchaser shall pay for and obtain any city/county required inspections and/or occupancy permits, whether required for closing the sale/escrow transaction or not. Caltrans shall provide Purchaser access to the Property as necessary to comply with this provision; and
- C. Each party shall bear their own legal, tax and professional fees and costs.

3.05 Prorations. All real property taxes, special taxes, assessments, bonds, and all other similar charges imposed or levied upon the Property by any governmental agency or special district, organization or body and any other obligations related to the Property shall be prorated at close as of the Closing Date. With respect to any prorations based upon an estimation, if and when the tax, assessment or other charge related thereto is segregated by the appropriate agency or other persons, within fifteen (15) days thereof, the parties shall adjust said prorations, as necessary, based on such final segregation and pay any such adjustment to the appropriate party. The provisions of this Section 3.05 shall survive the close of escrow and the delivery and recordation of the Director's Deed and CC&Rs hereunder.

3.06 Escrow Deposits. On or before the Closing Date, the parties shall make the following deposits into Escrow:

A. **By Caltrans.** At least one (1) business day prior to such closing, Caltrans shall deposit the following documents with Escrow Holder:

(i) an original **Director's Deed** for the Property duly executed by Caltrans and properly acknowledged and otherwise in recordable form, to be recorded in the Official Records of Los Angeles County, California against the Property described therein at close;

(ii) a counterpart original of the **CC&Rs** for the Property duly executed by Caltrans, and the Monitoring Entity properly acknowledged and otherwise in recordable form to be recorded in the Official Records of Los Angeles County, California against the Property described therein at close immediately following the recordation of the Director's Deed for the Property and prior to any financing obtained by Purchaser and to any other encumbrances or agreements being recorded at close with respect to such Property;

(iii) such Non-Foreign Affidavits pursuant to Sections 1445 and/or 7701 of the Internal Revenue Code, as amended, and such California Form 590s pursuant to applicable sections of the California Revenue and Taxation Code, as necessary to comply with such laws and close escrow hereunder, each in form and content reasonably satisfactory to Purchaser and Caltrans;

(iv) such other agreements or documents reasonably necessary from Caltrans to close escrow as may be expressly provided for herein.

B. **By Purchaser.** At least one (1) business day prior to such closing, Purchaser shall deposit the following funds and documents with Escrow Holder:

(i) the **Cash Balance** as provided in Subsection 2.02(b) above;

(ii) a counterpart original of the **CC&Rs** for the Property executed by Purchaser, properly acknowledged and otherwise in recordable form to be recorded in the Official Records of Los Angeles County, California against the Property described therein at close immediately following the recordation of the Director's Deed for such Property and prior to any financing obtained by Purchaser and to any other encumbrances or agreements being recorded at close with respect to such Property;

(iii) all other sums due from Purchaser as provided herein, including without limitation Purchaser's share of closing costs under Section 3.04 above, in the form

of wire transfer or other immediately available funds;

(iv) to the extent Purchaser is an entity, certified copies of Purchaser's organizational documents and/or other entity resolutions or other authorizing documents authorizing the execution and delivery of this Agreement and the other documents and agreements contemplated herein, the consummation of all transactions contemplated hereby, and authorizing those persons signing on behalf of Purchaser to bind Purchaser; and

(v) such other agreements, documents, or funds reasonably necessary from Purchaser to close escrow as provided for herein.

3.07 Cancelling Escrow. Caltrans may unilaterally cancel escrow if Purchaser fails to comply with Section 3.06(b) and/or Purchaser defaults after opening escrow but before close of escrow and such failure to comply or default is not remedied or cured within three (3) business days of Caltrans providing notice to Purchaser of such failure or default.

SECTION 4. AGREEMENTS

4.01 California Transportation Commission Approval and Governing Body Approval. Purchaser understands and agrees that Caltrans' obligation to sell and convey the Property to Purchaser hereunder is subject to Caltrans first obtaining the written approval of the California Transportation Commission ("**CTC**") to this Agreement and the sale of the Property hereunder prior to the Closing Date (the "**CTC Approval**"). In the event the CTC fails to approve the sale, all monies deposited into escrow hereunder by Purchaser will be refunded without interest. Caltrans makes no representations, assurances, or warranties, express or implied, concerning the CTC's timely or ultimate approval of this sale.

If applicable, Caltrans understands and agrees that, despite any provision in this Agreement to the contrary, Purchaser's obligation to purchase and accept the Property from Caltrans hereunder is subject to Purchaser first obtaining the written approval of its governing body to this Agreement and the purchase of the Property hereunder prior to the Closing Date. In the event the governing body fails to approve the sale, all monies deposited into escrow hereunder by Purchaser shall be refunded without interest. Purchaser makes no representations, assurances, or warranties, express or implied, concerning the timely or ultimate approval of this sale by its governing body.

4.02 Leases. [Deleted.]

4.03 Covenants, Conditions and Restrictions. Purchaser acknowledges the purchase of the Property shall be subject to a declaration of covenants, conditions, and restrictions as required by Government Code section 54235 et seq. and the Regulations and agrees that Purchaser and its successors in interest shall be bound by the same. Therefore, prior

to close, the parties hereto shall execute a Declaration of Covenants, Conditions and Restrictions agreement in substantially the form of **Exhibit "C"** attached hereto (the "**CC&Rs**") with respect to the Property, which shall, among other things impose certain ongoing restrictions on the use and occupancy of such Property, as well as imposing various limitations on the subsequent resale of such Property both as to whom it may be sold and the amount of equity or other compensation the Purchaser is entitled to retain upon such subsequent transfer. The CC&Rs shall be recorded immediately following the recordation of the Director's Deed for such Property and shall not be subordinated to any financing obtained by Purchaser with respect to such Property or any other agreements recorded against or otherwise first affecting the Property at close of escrow, except as authorized by the CC&Rs. After recordation, the original recorded CC&Rs for the Property shall be returned (mailed) by the Recorder's Office directly to Caltrans, who shall retain possession thereof. The CC&Rs shall constitute covenants and equitable servitudes that run with the land and shall bind Purchaser and all subsequent owners, lessees, occupants, lenders, encumbrancers, and others holding any interest in, lien on or claim to the Property. Purchaser agrees not to challenge or attempt to terminate, limit, or otherwise alter or amend the CC&Rs. The agreements of Purchaser under this Section 4.03 shall survive the close of escrow and the delivery and recordation of the Director's Deed and the CC&Rs hereunder.

4.04 Title.

- A. **Generally.** Purchaser understands and agrees that the right, title, and interest in the Property to be conveyed hereunder shall not exceed that currently vested in Caltrans (after taking into account any and all rights that may be reserved by Caltrans pursuant to the Director's Deed, the CC&Rs or any other agreement contained in or contemplated by this Agreement related to such Property), and that Caltrans will furnish no policy of title insurance with respect to the sale of the Property hereunder. If a policy of title insurance, endorsement or survey coverage is desired, Purchaser may obtain the same at Purchaser's sole expense, provided, however, in no event or circumstance shall obtaining any such title, endorsement or survey coverage) constitute any basis for extending the Closing Date contemplated hereunder. No later than ten business days prior to the expiration of the Inspection Period, Purchaser shall notify Caltrans in writing of its objection to any matter in the preliminary title report or on a survey. Caltrans shall have five business days to notify Purchaser of its election to cure the matter or not, and the absence of any notice shall be deemed an election not to cure the matter. Purchaser shall have the right to terminate this Agreement prior to the expiration of the Inspection Period if Caltrans does not agree to cure such matter, or if Caltrans agrees to but fails to cure the matter on or prior to Closing, then Purchaser shall have the right to terminate at such time. Upon any such termination, Escrow Holder shall remit the deposit to Purchaser.
- B. **Permitted Encumbrances.** At close of escrow hereunder the Property shall be conveyed to Purchaser by a Director's Deed in substantially the form of **Exhibit "A"** hereto (a "**Director's Deed**"), with title to the Property being subject to all of the following exceptions and matters (collectively, the "**Permitted Exceptions**"): (1) a lien to secure payment of real estate taxes, supplemental taxes, and special

taxes, bonds and assessments; (2) any reservations or limitations contained in the Director's Deed or any prior deed(s) relating to the Property; (3) the CC&Rs; (4) all title exceptions and other matters shown in the preliminary report for such Property other than any items Caltrans has agreed to cure; (5) any and all other matters apparent from a physical inspection thereof and/or that might be revealed by a survey other than any items Caltrans has agreed to cure; and (6) all other matters created by or with the consent or knowledge of Purchaser, or otherwise disclosed or contemplated in this Agreement. Caltrans shall not have, and does not assume, any liability or obligation whatsoever for any encumbrances or other title matters affecting the Property, or the amendment, removal, or other disposition thereof, provided, however, Caltrans agrees not to encumber the Property or enter into any leases, licenses, and other occupancy agreements with respect to the Property ("Leases") during the Escrow Period without the consent of Purchaser.

4.05 Operation during Escrow Period. During the period commencing with the effectiveness of this Agreement until the close of escrow hereunder or termination of this Agreement, Caltrans will continue to operate the Property in substantially the same manner as operated as of the date of this Agreement and will not do, cause, or allow anything to be done with respect to the Property that would materially change, alter or modify the current operation of the Property as a vacant property without the prior written consent of Purchaser, which consent shall not be unreasonably withheld or delayed; provided, however, Caltrans shall not under any circumstances be responsible for or have any obligation or liability with respect to any such change, alteration or modification to the extent the same is caused by any tenant or occupant of a Property or any other person without Caltrans' consent or knowledge, or to the extent the same is otherwise beyond Caltrans' reasonable control. Additionally, notwithstanding the foregoing, Caltrans shall be entitled, at its election and without notice to or obtaining the consent of Purchaser, to take any and all actions and make any and all decisions with respect to the Property as Caltrans deems necessary or desirable, in its sole and absolute discretion, in addressing any emergency relating to the Property or the safety of any occupant thereof, making a Property compliant with applicable laws, and/or keeping and maintaining a Property in a safe and habitable condition.

4.06 Purchaser's Agreements. With respect to the period prior to the close of escrow Purchaser acknowledges and agrees as follows:

- A. **No Changes.** Purchaser shall have no right to take any action with respect to the Property, including, without limitation changing, renewing or terminating any zoning designations, permits, approvals, certificates or other entitlements related thereto (or applying for any such new matters), giving any notices with respect to or otherwise amending or terminating any Leases related thereto, or making or undertaking any repairs, alterations or additions to the Property and/or any improvements located thereon, in each case without the prior written consent of Caltrans, which may be conditioned or withheld in Caltrans' sole and absolute discretion.
- B. **Restrictions.** Purchaser shall not use or take any actions, or permit or suffer its

agents, employees, contractors or consultants (collectively, “**Agents**”) to use or take actions, with respect to the Property in a manner which would in any way: (i) interfere with any activities thereon, or the use or occupancy thereof; (ii) constitute a nuisance or result in waste; (iii) result in the cancellation of any insurance being maintained by or on behalf of Caltrans or any tenants, in the increase in the premiums for any such insurance or in the increase of any of Caltrans’ other costs; or (iv) damage any improvements or personalty located thereon.

- C. **Compliance with Laws Generally.** Purchaser and its Agents shall not enter any Property, nor shall they take any action with respect thereto (or permit or suffer anything to be done in, on or about the Property) which will in any manner violate any title conditions, maps, entitlements, permits, consents, agreements, Leases or any laws, ordinances, governmental rules or regulations now or hereafter in effect with respect thereto and/or the conduct of any activities thereon by Caltrans or any occupants.
- D. **Liens.** Purchaser shall at all times keep the Property and Caltrans free from any liens and claims arising out of any and all actions taken, work and labor performed, materials or services furnished and/or damages or personal injuries caused by or on behalf of Purchaser in connection with any activity of Purchaser and/or its Agents with respect to the Property, whether occurring prior to or after the date hereof. Caltrans may require Purchaser to post, at Purchaser’s sole cost and expense, a lien release bond or other undertaking, statutory or otherwise, in such amount as necessary to properly bond around any claim filed against Caltrans and/or the Property with respect to such activities (occurring prior to the close of escrow) of Purchaser or its Agents. The bonding obligations of Purchaser under this Subsection 4.06(d) shall be absolute and unconditional and shall survive the close of escrow and the delivery and recordation of the Director’s Deed and CC&Rs hereunder and/or the expiration, revocation, or termination of this Agreement.
- E. **Compliance with the Act & Regulations.** Purchaser shall at all times comply with the requirements of the Act and the Regulations.

SECTION 5. CONDITIONS TO CLOSE

5.01 Conditions to Purchaser’s Obligation to Close. The matters set forth in this Section 5.01 are conditions precedent to the close of escrow by Purchaser as contemplated in this Agreement, and the same may be declared satisfied or waived by Purchaser. In the event any such condition fails to be satisfied in accordance with the terms hereof through no fault of either party, Purchaser shall have the option of either: (i) waiving such condition and proceeding to close without adjustment of the Purchase Price or any of the other terms of this Agreement, or (ii) terminating this Agreement, in which case the Deposit shall be refunded to Purchaser without interest, and neither party shall have any further rights, liabilities or obligations hereunder except paying their respective share of escrow costs incurred up to such date and observing those obligations expressly stated herein as surviving the termination of this Agreement.

- A. **Title.** At closing, the Property shall be conveyed to the Purchaser pursuant to a Director's Deed subject to all the Permitted Exceptions applicable to such Property as contemplated by Section 4.04 hereof.
- B. **CTC Approval and Governing Body Approval.** By the Closing Date, the CTC Approval shall and any governing body approval (if applicable) have been unconditionally obtained as contemplated by Section 4.01 hereof.
- C. **Documents and Funds.** By the Closing Date, the escrow deposits referenced in Section 3.06(a) above shall have all been made by Caltrans, and the Escrow Holder shall be irrevocably committed to record the Director's Deed in the Official Records of Los Angeles County, California.
- D. **Representations/Covenants.** At close: (i) all the representations of Caltrans contained in this Agreement shall be materially true and correct, and (ii) Caltrans shall have materially complied with its covenants contained in this Agreement.

5.02 Conditions to Caltrans' Obligation to Close. The matters set forth in this Section 5.02 are conditions precedent to the close of escrow by Caltrans as contemplated in this Agreement, and the same may be declared satisfied or waived by Caltrans. In the event any such condition fails to be satisfied in accordance with the terms hereof through no fault of either party, Caltrans shall have the option of either: (i) waiving such condition and proceeding to close without adjustment of the Purchase Price or any of the other terms of this Agreement, or (ii) terminating this Agreement, in which case the Deposit shall be refunded to Purchaser without interest, and neither party shall have any further rights, liabilities or obligations hereunder except paying their respective share of escrow costs incurred up to such date and observing those obligations expressly stated herein as surviving the termination of this Agreement.

- A. **Balance of Purchase Price.** By the Closing Date, Purchaser shall have deposited the entire Cash Balance of the Purchase Price with Escrow Holder as provided in Section 2.02(b) hereof.
- B. **CTC Approval.** By the Closing Date, the CTC Approval shall have been unconditionally obtained as contemplated by Section 4.01 hereof.
- C. **Documents and Funds.** By the Closing Date, the escrow deposits referenced in Section 3.06(b) above shall have all been made by Purchaser and Escrow Holder shall be irrevocably committed to:
 - (i) disburse the Cash Balance to Caltrans,
 - (ii) record the Director's Deed, and CC&Rs immediately thereafter as contemplated herein, in the Official Records of Los Angeles County, California, and
 - (iii) deliver to Caltrans a fully executed counterpart original any other appropriate documents as contemplated by Section 3.06(b).
- D. **Representations/Covenants.** At close: (i) all the representations of Purchaser contained in this Agreement shall be materially true and correct, and (ii) Purchaser shall have materially complied with its covenants contained in this Agreement.

SECTION 6. POSSESSION

Possession of the Property shall be delivered to Purchaser on the Closing Date subject to the Permitted Exceptions applicable to the Property.

SECTION 7. BROKERS

7.01 Caltrans. Caltrans has retained **Veterans Realty Group** to act as a Consultant in connection with the sale of the Property hereunder, and any compensation due to **Veterans Realty Group** in connection with the transactions contemplated by this Agreement shall be paid by Caltrans.

7.02 No Other Brokers. Except for Caltrans' retention of **Veterans Realty Group** above, each party hereby represents and warrants to the other party that no broker, finder, real estate agent or other person has been retained by it or is entitled to any commission, finder's fee or other compensation resulting from any action on its part with respect to the sale of the Property to Purchaser. Purchaser and Caltrans each agree to indemnify, defend, and hold the other and the Property harmless from and against any real estate brokerage commissions or finder's fees, and all costs and expenses (including attorneys' fees and costs) of investigating and defending any such claims, payable or alleged to be payable to any other persons in connection with this Agreement which such indemnifying party may have engaged or is claimed or alleged to have engaged. This section does not prohibit Purchaser from obtaining a broker at his/her own expense. The representations, warranties, indemnification, and other obligations set forth in this Section 7.02 shall survive the close of escrow and the delivery and recordation of the Director's Deed and the CC&Rs and/or the expiration, revocation, or termination of this Agreement.

SECTION 8. REPRESENTATIONS & WARRANTIES

8.01 By Caltrans. Caltrans hereby makes the following representations and warranties to Purchaser:

- A. Authority. Subject to obtaining the CTC Approval, Caltrans has all requisite power and authority to enter into, deliver and perform this Agreement and all the other agreements contemplated herein and to be executed in connection herewith, and the person(s) executing this Agreement and all other agreements contemplated herein on behalf of Caltrans have been properly authorized to sign on behalf of and bind Caltrans in connection with performing the transactions contemplated herein.
- B. Binding. Subject to obtaining the CTC Approval, this Agreement and all documents to be executed by Caltrans as provided herein, as of the date of execution shall, subject to the operation of any bankruptcy or similar laws, be the legal, valid and binding obligations of Caltrans.
- C. Information. Except as otherwise set forth in this Agreement, Caltrans has no actual

or constructive knowledge of any information affecting the Property that had, has or would have a material effect on Purchaser's ability to use and operate the Property as contemplated by Purchaser. Caltrans has provided to Purchaser all material and factual information requested by the Purchaser and/or as required by law concerning the Property that is in Caltrans' possession, custody and control.

- D. Compliance with the Act and Regulations: Caltrans conduct in this sales transaction has been in compliance with the Act and corresponding Regulations.
- E. Claims. There is no claim, action, suit, arbitration, proceeding (including condemnation proceedings) or any investigation by or before any court or arbitration body, any governmental, administrative or regulatory authority, or any other body pending or, to Caltrans's knowledge, threatened with respect to the Property (collectively, "Allegations"). Caltrans is not aware of any basis or reason for any such Allegations. There is no order, judgment or decree of any court or arbitration body, any governmental, administrative or regulatory authority, or any other body, against Caltrans with respect to the Property or the sales transaction contemplated by this Agreement.
- F. No Violation. Neither the execution and delivery of this Agreement, nor the performance by Caltrans of the sales transaction contemplated hereby, will contravene, conflict with, or result in a breach of any agreement, law, regulation, writ, injunction or decree of any court or governmental authority applicable to Caltrans or by which any of its properties is bound. Except for CTC Approval, Caltrans is not required to obtain any consent or authorization in order to complete the sales transaction contemplated by this Agreement.
- G. Right to Purchase. Except pursuant to this Agreement, no third party has an option, right of first offer, right of first refusal, or other similar right to purchase the Property that currently remains in effect.
- H. Environmental Matters. As requested by Purchaser and/or mandated by law, Caltrans has provided or made available for review copies of any material documents in its possession, custody and control of Caltrans regarding environmental condition of the Property ("Environmental Materials"). Except as set forth in the Environmental Materials, Caltrans is not aware of the existence of any Hazardous Substances (defined in Section 10 below) attributable to or affecting the Property. There have been no settlements reached by or with any third parties alleging the presence, disposal, release or threatened release of any Hazardous Substances from the use or operation of the Property.
- I. Leases. The Property is not subject to any Leases, tenancy and/or similar agreements conferring any right, title or interest in the Property to a third party.
- J. Contracts. Other than as disclosed in the title reports provided by the Title Company and this Agreement, there are no agreements affecting the Property.

Each of the representations made by Caltrans in this Agreement shall be true and correct on the date hereof, and shall be deemed to be made again as of the close of escrow provided for herein, and shall then be true and correct in all

material respects. Caltrans shall promptly provide written notice to Purchaser of any developments or information that would make the representations set forth above untrue. The representations and warranties set forth in this Section 8.01 shall expressly survive the close of escrow as described in Section 13.12 below.

8.02 By Purchaser. Purchaser and the specific parties signing this Agreement on behalf of Purchaser hereby makes the following representations and warranties to Caltrans:

- A. Organization. Purchaser is a municipal corporation duly organized, validly existing and in good standing under the laws of the State of California which has the power and authority to enter into this Agreement and to consummate the transactions contemplated hereby.
- B. Authority. Subject to obtaining governing body approval, Purchaser has all requisite power and authority to enter into, deliver, and perform this Agreement and all the other agreements contemplated herein and to be executed in connection herewith, and the person(s) executing this Agreement and the other agreements contemplated herein on behalf of Purchaser have been properly authorized to sign on behalf of and bind Purchaser in connection with performing the transactions contemplated herein.
- C. Binding. This Agreement and all documents to be executed by Purchaser as contemplated hereunder shall, subject to the operation of any applicable bankruptcy or similar laws, be the legal, valid and binding obligations of Purchaser, and shall not materially violate any law, agreement, order or decree to which Purchaser is a party or is subject.
- D. Litigation. There are no pending or threatened, suits or actions affecting Purchaser which would materially affect Purchaser's ability to enter into or perform its obligations under this Agreement or the documents executed in connection herewith.
- E. Information / Compliance. All applications, information, financial statements, and other materials provided by Purchaser or its Agents to Caltrans pursuant to or in connection with the Act, the Regulations and or this Agreement are true, correct and not materially misleading; and Purchaser is in compliance with the Act and the Regulations as relates to the Property and the purchase thereof under this Agreement.
- F. No Bankruptcy. Purchaser is not the subject of any pending or threatened bankruptcy proceedings, whether voluntary or involuntary.

Each of the representations and warranties made by Purchaser in this Agreement, or on any document or instrument delivered pursuant hereto shall be true and correct on the date hereof and shall be deemed to be made again as of close of escrow provided for herein, and shall then be true and correct in all material respects. The representations and warranties of Purchaser contained in this Section 8.02 shall survive the close of escrow and the delivery and recordation of the Director's Deed and CC&Rs.

SECTION 9. "AS-IS", WAIVERS AND RELEASE

Purchaser acknowledges and agrees that, except as set forth in this Agreement, neither Caltrans nor any of its respective employees, agents, managers, members, partners, officers, interest holders, attorneys, contractors or consultants, including without limitation the California Department of Housing and Community Development ("**HCD**"), (Caltrans and such other persons being collectively, the "**Seller Parties**") have made or are making, and specifically negate and disclaim making, any representations, warranties, guaranties, promises, covenants or assurances of any kind or character, whether express, implied, written, oral, past, present or future concerning or with respect to the Property, or the condition or status thereof, including without limitation, the suitability for any purpose or the profitability of owning and operating the Property; the value thereof; the existence or non-existence of any patent or latent defects affecting the same; the physical or environmental condition or status thereof (including without limitation the existence of any mold, lead paint, radon gas or other environmental health hazards); the rental or other income generated thereby; the expenses or costs associated therewith; the size and square footage of the parcel or the improvements located thereon, the age or condition of the such improvements, or the location of property lines or setbacks (or the location of the improvements with respect thereto); the zoning thereof; the condition of title thereto; the existence, necessity or satisfaction of any local, state or federal approvals, permits or certificates for the entitlement, ownership, operation, use or occupancy thereof as contemplated by Purchaser or any tenants, occupants or any future owners thereof; the feasibility of or cost associated with obtaining any such approvals; the compliance of the Property with any and all applicable local, state or federal laws, codes and ordinances; or any other matter.

Purchaser further acknowledges that Purchaser, with the help of its independent experts, contractors, consultants, professionals (including independent legal counsel and accountants), and advisors, prior to the Closing Date, will conduct its independent feasibility, investigation, and due diligence inquiry as described in Section 1.03 above with respect to the Property and will fully satisfy itself as to all matters relating thereto. Except for the representations and warranties of Caltrans set forth in this Agreement, Purchaser is relying solely and exclusively on such independent due diligence in executing this Agreement and purchasing the Property hereunder, and not on any representations, warranties, guaranties, promises, covenants or assurances of any kind or character by Caltrans or any other Seller Parties; and the Property is being purchased "**AS-IS**" / "**WHERE-IS**" at close in its present condition with all defects and faults, both patent and latent, whether known or unknown, presently existing or that may hereafter arise.

Effective on the Closing Date, Purchaser hereby fully and expressly releases Caltrans, HCD and all of the other Seller Parties and their respective agents, employees, attorneys, consultants, successors and assigns from any and all demands, claims, liabilities, amounts, actions, costs, judgments, expenses and damages (including, without limitation, attorneys' fees, witness fees and court costs) related to or arising from the Property, or

the condition or status of thereof or any other matter relating thereto, including without limitation the matters referenced in the first paragraph of this Section 9, (collectively, the **"Released Matters"**); and Purchaser hereby covenants not to sue, and hereby fully and expressly waives and relinquishes any and all rights and remedies Purchaser may have against, Caltrans, HCD and the other Seller Parties and their respective agents, employees, attorneys, consultants, successors and assigns, or any of them, at law, in equity or otherwise, related to or arising from the Released Matters. However, nothing contained herein shall release or be deemed to release Caltrans from claims arising from its fraud or a breach of any representation or warranty by Caltrans contained in this Agreement (the **"Preserved Matters"**). Preserved Matters shall not be considered Released Matters. Purchaser acknowledges and agrees that the release, waiver and discharge given by Purchaser hereunder to Caltrans, HCD and the other released parties extends to all Released Matters described above, whether known or unknown, foreseen or unforeseen, patent or latent, which Purchaser may now or hereafter have against Caltrans, HCD or such other persons; and in connection with such release, waiver and discharge, Purchaser hereby expressly waives the benefit of the provisions of California Civil Code Section 1542, which provides as follows:

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

Purchaser has read this Section 9, has had the effect and content thereof explained to Purchaser by independent legal counsel, and fully understands and appreciates the same. Purchaser understands and acknowledges that, among other things, the consequence of this waiver of California Civil Code section 1542 is that even if Purchaser should eventually discover any claims or suffer any losses or damages arising from the Released Matters, Purchaser would not be able to make any claim against Caltrans, HCD or the other released persons with respect thereto. Purchaser acknowledges that these consequences apply even as to claims, losses or damages resulting from the Released Matters that may exist as of the date of this Agreement or in the future, but which Purchaser does not know exist, or does not anticipate, and which, if known or anticipated, would materially affect Purchaser's decision to execute this Agreement. The waivers, releases, covenants not to sue and discharges contained in this Section 9 are a material portion of the consideration to Caltrans in agreeing to enter into this Agreement and shall survive the close of escrow and the delivery and recordation of Director's Deed and the CC&Rs in perpetuity.

SECTION 10. INDEMNIFICATION

Following the closing of the transaction contemplated herein, except as provided below,

Purchaser shall, at its sole cost and expense, indemnify, defend and hold Caltrans and its officers, agents, employees, attorneys and consultants, including without limitation, HCD, and their respective successors and assigns (collectively, the **"Indemnified Parties"**), free and harmless from and against any and all liabilities, demands, claims and costs (including remediation, reimbursement or contribution costs or claims), damages, losses, and expenses (including and without limitation to attorneys' fees, legal expenses and court costs, and consultant's fees, and investigation and remediation costs) of whatever kind or nature incurred or suffered by, or threatened against, any Property or any Indemnified Party(ies) resulting from or arising out of or by reason of any matter pertaining to the condition or status of the Property, including without limitation, the existence of any Hazardous Substances or Hazardous Substance Conditions in, on, under or about the Property (collectively, "Claims"). Except as provided below, this indemnity is intended to address any and all liability for which Caltrans may now or at any time hereafter be partially or entirely responsible in connection with the contamination, environmental or physical condition or status of any Property, including the prior operation thereof, due to its mere ownership or operation of such Property. As used in this Agreement, the term **"Hazardous Substance"** shall mean any substance whose nature and/or quantity of existence, use, manufacture, disposal or effect, render it subject to federal, state, or local regulation, investigation, remediation or removal as potentially injurious to public health or welfare, including the Comprehensive Environmental Response Compensation and Liability Act or Resource Conservation and Recovery Act as now in effect; and the term **"Hazardous Substance Condition"** shall mean the existence in, on, under or about the Property of a hazardous substance that requires remediation, removal, mitigation and/or other action pursuant to applicable law. This indemnification shall in no event apply to (i) Claims to which Caltrans representations and warranties apply, (ii) any Claims involving Caltrans' willful misconduct, gross negligence or fraud, and (iii) any Claims relating to challenges to Caltrans' acquisition or disposition of the Property.

Purchaser's indemnification and defense of any matters contemplated in this Section 10 for or on behalf of the Property or any Indemnified Parties shall be made by counsel reasonably acceptable to the Indemnified Parties; shall commence immediately upon any such claim or matter being made, threatened, or asserted against Indemnified Parties or the Property without the necessity of the Indemnified Parties first contesting or defending the same, suffering or incurring any loss or adverse disposition, or otherwise taking or failing to take any other action; and shall apply to all such matters regardless of any action, failure or negligence of the Indemnified Parties, it being the express intent that the indemnification, defense and hold harmless obligations of this Section 10 apply to all matters referenced herein except to the extent caused by the gross negligence or willful misconduct of the Indemnified Parties. In the event Purchaser refuses to initiate or continue pursuing to completion any such defense or other obligations hereunder, Indemnitee shall be entitled to undertake, assume, and/or conclude the same, all at Purchaser's sole cost and expense, with counsel selected by Indemnitee. The obligations of Purchaser under this Section 10 shall be absolute and unconditional, and shall survive the close of escrow and the delivery and recordation of the Director's Deed and the CC&Rs.

SECTION 11. CASUALTY/CONDEMNATION

In the event any casualty or condemnation proceeding occurs or is commenced with respect to the Property after the effectiveness hereof but prior to the close of escrow, Caltrans shall notify Purchaser of the same in writing within ten (10) business days after Caltrans has knowledge of the same, and either of the following shall occur:

(A) If Purchaser does not elect to cancel within seven (7) business days after receipt of such notice by Purchaser, the parties shall continue to proceed under this Agreement and close without adjustment to the Purchase Price or any of the other provisions of this Agreement, in which event upon the close of escrow, Caltrans shall assign to Purchaser all of its interest in any such insurance or condemnation proceeds, compensation, award, or other payments or relief resulting from such casualty or condemnation proceedings; or

(B) If Purchaser elects to cancel, and Purchaser provides written notification to Caltrans of its election to terminate this Agreement within such 7-day period, then this Agreement shall terminate, the Deposit shall be returned to Purchaser without interest, and Caltrans shall retain all proceeds, compensation, awards, payments and other benefits or relief related to such casualty and condemnation with respect to the Property.

SECTION 12. REMEDIES

12.01 Of Purchaser. If the closing does not occur as a result of Caltrans' default under this Agreement, then, provided Purchaser is not in default hereunder, Purchaser may, at its election proceed with either of the following mutually exclusive alternatives as its sole and exclusive remedy:

- A. Terminate the Agreement, whereupon: (1) the Deposit shall be returned to Purchaser without interest, (2) Purchaser may seek reimbursement from Caltrans of any and all hard third-party costs and expenses incurred by Purchaser in connection the investigation of the Property or the negotiation and execution of this Agreement, as evidenced by invoices delivered to Caltrans, up to the maximum aggregate amount of fifteen thousand Dollars (\$15,000), and (3) neither party shall have any further obligation or liability to the other under this Agreement except for provisions of this Agreement which expressly state that they shall survive the termination of this Agreement; or
- B. File in a court of competent jurisdiction an action for specific performance to cause Caltrans to convey the Property to Purchaser in accordance with the terms and conditions of this Agreement; but Purchaser shall not be entitled to recover any monetary damages (whether compensatory, consequential, exemplary,

punitive or other) from Caltrans in connection with such default other than seeking its reasonable attorneys' fees in connection with such action.

PURCHASER ACKNOWLEDGES AND AGREES THAT THE LIMITATIONS ON REMEDIES AGAINST CALTRANS SET FORTH IN THIS SECTION 12.01 ARE A MATERIAL INDUCEMENT FOR CALTRANS TO ENTER INTO THIS AGREEMENT, AND PURCHASER AGREES THAT SUCH LIMITATIONS ARE REASONABLE AND ENFORCEABLE IN ACCORDANCE WITH THEIR TERMS.

12.02 Of Caltrans. LIQUIDATED DAMAGES. PURCHASER AND CALTRANS AGREE THAT SHOULD PURCHASER FAIL TO COMPLETE THE PURCHASE OF THE PROPERTY AS HEREIN PROVIDED BY REASON OF DEFAULT OF PURCHASER, THE PARTIES HERETO, BY INITIALING THIS SECTION 12.02 IN THE SPACE PROVIDED BELOW, AGREE THAT IT WOULD BE IMPRACTICAL OR EXTREMELY DIFFICULT TO ASCERTAIN OR FIX ACTUAL DAMAGES TO CALTRANS AS A RESULT OF SUCH FAILURE OR DEFAULT BY PURCHASER, THAT UNDER THE CIRCUMSTANCES EXISTING AS OF THE DATE OF THIS AGREEMENT THE ENTIRE DEPOSIT PROVIDED FOR IN SECTION 2.03(a)(ii) ABOVE IS A REASONABLE ESTIMATE OF CALTRANS' DAMAGES, AND THAT AS CALTRANS' SOLE AND EXCLUSIVE REMEDIES ON ACCOUNT OF SUCH BREACH, CALTRANS SHALL BE ENTITLED TO: (1) RETAIN SAID DEPOSIT AS LIQUIDATED DAMAGES FOR SUCH BREACH BY PURCHASER AND (2) TERMINATE THIS AGREEMENT. THE PAYMENT OF SUCH AMOUNT AS LIQUIDATED DAMAGES IS NOT INTENDED AS A FORFEITURE OR PENALTY, BUT IS INTENDED TO CONSTITUTE LIQUIDATED DAMAGES TO CALTRANS PURSUANT TO CALIFORNIA CIVIL CODE SECTIONS 1671, 1676 AND 1677.

THE PROVISIONS HEREOF RELATE ONLY TO CALTRANS' DAMAGES FOR PURCHASER'S DEFAULTS IN ITS AGREEMENT TO PURCHASE THE PROPERTY AS PROVIDED HEREIN. NOTHING CONTAINED HEREIN SHALL LIMIT OR PRECLUDE, OR BE DEEMED TO LIMIT OR PRECLUDE, THE EXERCISE OR ENFORCEMENT BY CALTRANS OF ANY RIGHTS WHICH EXPRESSLY SURVIVE THE TERMINATION OF THIS AGREEMENT.

Purchaser's Initials: _____ Caltrans' Initials: _____

SECTION 13. MISCELLANEOUS

13.01 Headings. This Agreement shall be construed as a whole, and the subject headings of the paragraphs and subparagraphs of this Agreement are included for convenience only and shall not affect the construction or interpretation of any of its provisions or define the provisions in the portions of this Agreement to which they pertain.

13.02 Assignment. Purchaser may not assign this Agreement, or any portion hereof or any of its rights or interests hereunder, without the express prior written consent of Caltrans, which consent may be conditioned or withheld in Caltrans' sole and absolute discretion, except as set forth herein. Purchaser may, without Caltrans' consent, but upon notice to Caltrans and Escrow Holder, assign any or all of its rights in, to or under this

Agreement to an entity or instrumentality that is wholly controlled by Purchaser. No such assignment (regardless of whether consented to by Caltrans) shall relieve or release Purchaser from any of its obligations hereunder. As a condition to the effectiveness of such assignment, all assignees shall execute an assumption agreement reasonably acceptable to Caltrans under which the proposed assignee agrees to fully assume and be bound by all the terms of this Agreement to be observed or performed by Purchaser.

Caltrans shall be free to assign this Agreement, or any portion hereof or any of its rights or interests hereunder, without the consent or approval of Purchaser.

13.03 Entire Agreement / Amendment. This Agreement (including all exhibits and schedules hereto and other agreements referenced herein) constitute the entire agreement between the parties pertaining to the subject matter contained herein and supersede all prior written or oral agreements, representations and understandings of the parties relating to the subject matter herein. There are no representations, agreements, arrangements, or understandings, oral or written, relating to the subject matter which are not fully expressed herein. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by all the parties hereto.

This Agreement does not affect the enforceability of other written contracts related to the use and resale of the Property or to preserving the historic nature of the Property.

13.04 Counterparts. This Agreement may be executed simultaneously in one or more identical counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. This Agreement shall be fully effective and binding on all parties hereto, as if one or more copies thereof had been executed by all the parties hereto, when all the parties have executed identical counterparts hereof, even though no single counterpart has been executed by all the parties hereto.

13.05 Binding / Successor & Assigns. Except to the extent assignment hereof is prohibited, this Agreement shall be binding on, and shall inure to the benefit of, the parties hereto and their successors and assigns.

13.06 Attorneys' Fees. If any legal action, arbitration or other proceeding is brought by either party involving a dispute between the parties arising out of the interpretation or enforcement of any condition or provision hereof, or by reason of any breach arising hereunder or the sale of the Property, the prevailing party shall be entitled to recover its reasonable attorneys' fees, court costs and expert witness fees incurred in such action or proceeding in addition to any other relief to which such party may be entitled.

13.07 Further Acts. Each party agrees to perform any further acts and execute and deliver any documents that may be reasonably necessary to carry out the provisions in this Agreement.

13.08 Limited Third-Party Beneficiaries. Subject to the remainder of this Section 13.08,

this Agreement is for the sole benefit of the parties hereto and there are no third-party beneficiaries, intended or otherwise. Notwithstanding the foregoing, HCD and the other Seller Parties (and other released persons) are intended third-party beneficiaries of Section 9 hereof, and HCD and the other Indemnified Parties are intended third party beneficiaries of Section 10 hereof.

13.09 Notices. All notices, requests, demands, and other communications required or desired under this Agreement shall be in writing and shall be given by any of the following methods: (i) personal service at the address set forth below, (ii) email transmission in the manner set forth below, or (iii) depositing such notice in the United States mail postage prepaid, addressed to the other as follows:

Caltrans
Division of Right of Way – SR-710, MS6
100 South Main Street
Los Angeles, CA 90012

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

Any notice given by personal service shall be deemed given when received, as verified by a written receipt or proof of service. Any notice given by email transmission shall be deemed given when transmitted, as evidenced by printed email; and any notice given by regular mail shall be deemed given on the fifth (5th) business day after its deposit in the United States mail postage prepaid.

Either party may change its address for purposes of this paragraph by giving the other party written notice of the new address to the other party at the address contained herein.

13.10 Governing Law. This Agreement has been prepared, negotiated, and entered into in the State of California and shall be governed by, construed and enforced in accordance with the internal laws of the State of California and according to its fair meaning, and not in favor of or against any party. Any action or proceeding relating or arising out of this Agreement shall be filed, if a State action, in the Superior Court of the State of California for the County of Los Angeles.

13.11 Severability. If any provision of this Agreement, or the application thereof to any person or circumstance, is held invalid or unenforceable by any court or arbitrator, it is the intent of the parties that all the other provisions of this Agreement, and the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall be construed to be fully valid, enforceable and binding on the parties to the fullest extent permitted by law.

13.12 Survival / No Merger. All covenants, representations, warranties, and other agreements under this Agreement which are expressly stated herein as surviving the close of escrow shall survive the close of escrow and the delivery and recordation of the Director's Deed and the CC&Rs in perpetuity, and shall not merge with or into the Director's Deed or the CC&Rs (or be terminated, limited or otherwise affected thereby).

13.13 Time is of the Essence. Time is of the essence of this Agreement in respect to all provisions of this Agreement that specify a time for performance, including the closing of escrow provided for herein, and failure to comply with this provision shall be a material breach of this Agreement.

13.14 Days / Saturdays, Sundays, and Holidays. Unless otherwise expressly stated, all time periods referred to herein shall be deemed to mean calendar days. If any date by which an election or a notice shall be given, or by which an action shall be taken, hereunder falls on a Saturday, Sunday, federal or state holiday, then the date by which such election or notice shall be given or such action shall be taken is extended to 5:00 p.m. on the next business day following such Saturday, Sunday, federal or state holiday.

13.15 Waiver. Waiver by one party of the performance of any covenant, condition or promise shall not invalidate this Agreement, nor shall it be a waiver by such party of such covenant, condition or promise in the future or of any other covenant, condition, or promise hereunder. Any waiver, to be effective, shall be express, in writing and signed by the waiving party, and shall be delivered to the other party. The exercise by a party of any remedy provided in this Agreement or at law shall not prevent the exercise by that party of any other remedy provided in this Agreement or at law.

13.16 Construction. As used in this Agreement, the masculine, feminine, or neuter gender and the singular or plural numbers shall each be deemed to include the other whenever the context so indicates. Each party hereto acknowledges and agrees that each has had independent counsel review and participated in the negotiation and drafting of this Agreement, and each hereby fully waives the application of any law, statute or rule of construction or interpretation, including without limitation California Civil Code Section 1654, to the effect that any ambiguities are to be construed against the drafting party.

13.17 Exhibits. All exhibits and schedules attached to this Agreement are hereby incorporated by reference herein and specifically made a part of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

CALTRANS:

Recommended for Approval by:

STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION

By: _____ Date: _____
Angus Chan
Senior Right of Way Agent

By: _____ Date: _____
Heriberto Salazar
Supervising Right of Way Agent, 710 Sales

Approved:

By: _____ Date: _____
Dan Murdoch
Deputy District Director, Right of Way

PURCHASER:

By: _____ Date: _____
City of South Pasadena

By: _____ Date: _____
City of South Pasadena

Attached Exhibits

Exhibits "A"

Director's Deed/Legal Description of Property

Exhibit "B"

Deleted

Exhibit "C"

Declaration of Covenants, Conditions & Restrictions

Recording Requested by
DEPARTMENT OF TRANSPORTATION

When recorded, Mail to:
STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION
District 7, Right of Way Division
Office of R/W Engineering
100 South Main Street, MS 13
Los Angeles, CA 90012

Space above this line for Recorder's Use
APN: 5310-031-903 EA: 0R0002

RWPS: J. White
Written by: R.G.
Checked by: J.A.

R/W Map No.: F1532-2
Date: 8-18-2022

N. of Crescent W. of Meridian Ave.

District	County	Route	Post	Number
07	LA	710	PM 29.6	DD 67567-01-01

DIRECTOR'S DEED GRANT

The State of California, acting by and through its Director of Transportation, hereinafter called STATE, hereby grants to _____

_____ hereinafter called GRANTEE, that real property in the City of South Pasadena, County of Los Angeles, State of California, described as follows:

See Exhibit "A", attached.

This conveyance is subject to special assessments, if any, and the Declaration of Covenants, Conditions, and Restrictions (Caltrans 710 Affordable Sales Program) recorded concurrently herewith, whereby, among other things, the State of California has deferred its equity in the property pursuant to the Affordable Sales Program Regulations.

MAIL TAX
STATEMENTS TO:

Subject also to the following, in accordance with U.S. DOT Order 1050.2A, DOT Standard Title VI Assurances and Non-Discrimination Provisions:

A. The GRANTEE, for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that:

In the event facilities are constructed, maintained, or otherwise operated on the property described in this deed for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, the GRANTEE will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities.

B. In the event of breach of any of the above Non-discrimination covenants, the STATE will have the right to enter or re-enter the lands and facilities thereon, and the above-described lands and facilities will there upon revert to and vest in and become the property of the STATE and its assigns.

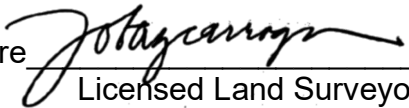
EXHIBIT "A"

LEGAL DESCRIPTION

DD 67567-01-01:

Lot 15 of Tract No. 4508, in the City of South Pasadena, County of Los Angeles, State of California, as shown on map recorded in Book 49, pages 31 and 32, of Maps, as acquired by the State of California (State Parcel No. 67567), by deed recorded August 21, 1972, in Book D5573, page 970, as Instrument No. 320, of Official Records, both in the Office of the Registrar-Recorder/County Clerk of said county.

This real property description has been prepared by me, or under my direction, in conformance with the Professional Land Surveyors' Act.

Signature 
Licensed Land Surveyor

Date 08-22-2022
DD 67567-01-01



This conveyance is executed pursuant to the authority vested in the Director of Transportation by law and, in particular, by the Streets and Highways Code.

STATE OF CALIFORNIA
DEPARTMENT OF
TRANSPORTATION

Dated _____
APPROVED AS TO FORM AND
PROCEDURE

ATTORNEY
DEPARTMENT OF
TRANSPORTATION
*Certificate of Execution
Required for all Director's
Deeds*

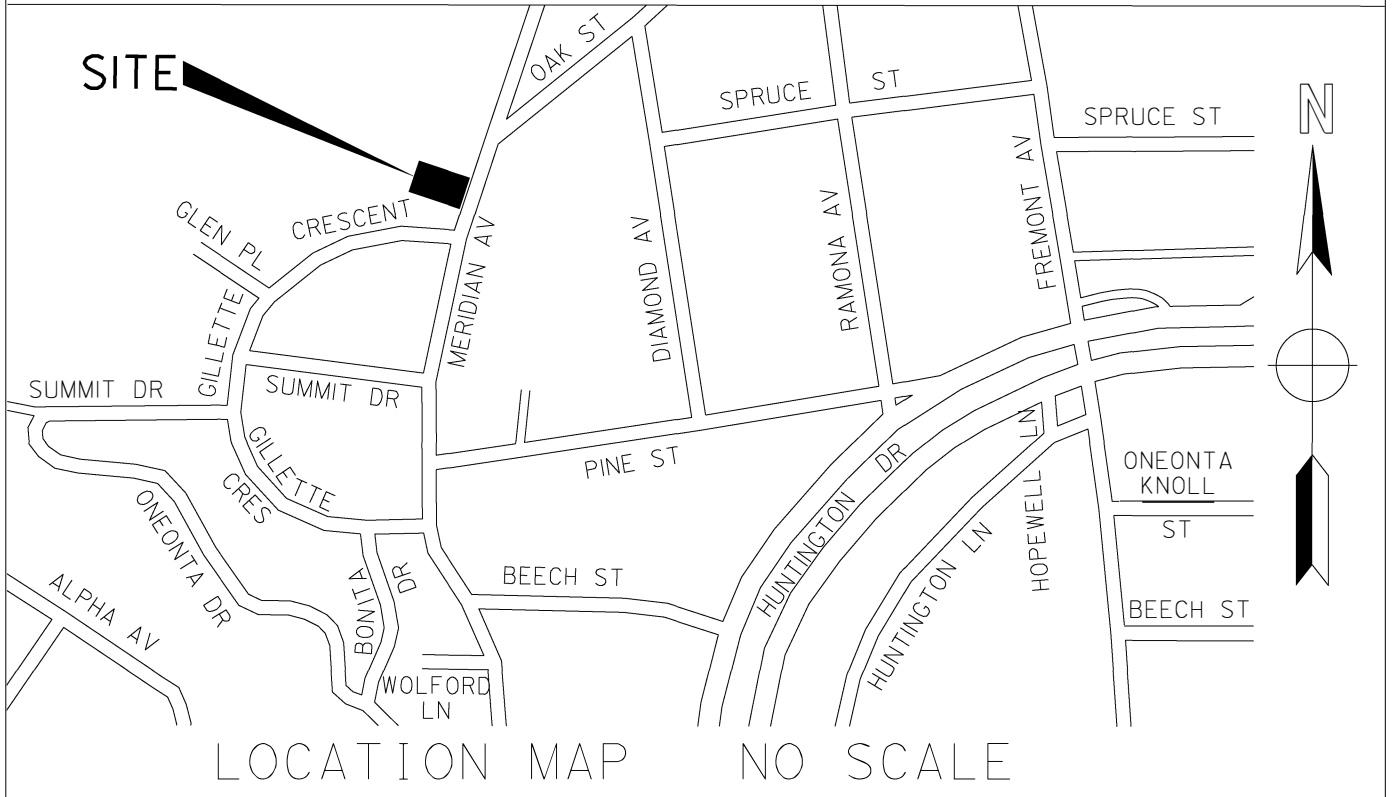
By _____
Director of Transportation

By _____
Attorney in Fact

*This Space Reserved for
California Transportation Commission
Certification*

COUNTY OF LOS ANGELES

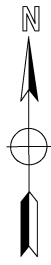
CITY OF SOUTH PASADENA



NOTES
All distances are in feet unless otherwise noted.
LEGEND

STATE OF CALIFORNIA CALIFORNIA STATE TRANSPORTATION AGENCY DEPARTMENT OF TRANSPORTATION					
RIGHT OF WAY DIRECTOR'S DEED DD 67567-01-01					
NOT TO SCALE					
REF.: R/W MAP NO. F1532-2			DATE: 08-18-2022		
DISTRICT	COUNTY	ROUTE	SHEET PM	SHEET NO.	TOTAL SHEETS
07	LA	710	29.6	1	2

**CITY OF SOUTH PASADENA
COUNTY OF LOS ANGELES**



PARCEL NO. AREA
DD 67567-01-01 7,365 SF

7,365 S.F.
DD
67567-01-01



NOTES

All distances are in feet unless otherwise noted.

LEGEND

**STATE OF CALIFORNIA
CALIFORNIA STATE TRANSPORTATION AGENCY
DEPARTMENT OF TRANSPORTATION**

**RIGHT OF WAY
DIRECTOR'S DEED
DD 67567-01-01**

NOT TO SCALE

REF.: R/W MAP NO. F1532-2			DATE: 08-18-2022		
DISTRICT	COUNTY	ROUTE	SHEET PM	SHEET NO.	TOTAL SHEETS
07	LA	710	29.6	2	2

Free Recording Pursuant to
Government Code Section 27383 at the
Request of the California Department
of Transportation

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

California Department of Housing and
Community Development
P.O. Box 952052
Sacramento, California 94252-2052
Attn: General Counsel

1707 Meridian Avenue, S. Pasadena CA 91030

(Space Above This Line for Recorder's Use)

**DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
(CALTRANS STATE ROUTE 710 SALES PROGRAM)**

**THIS DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
(CALTRANS STATE ROUTE 710 SALES PROGRAM) ("Use and Resale Covenant")** is dated _____, 20__, for reference purposes only, by and among the City of South Pasadena, ("**City**"), the California Department of Transportation, a department of the State of California ("**Caltrans**"), and Department of Housing and Community Development (HCD) Monitoring Entity. City is purchasing that certain real property, consisting of land and all buildings thereon, in the City of South Pasadena with a street address of 1707 Meridian Avenue, South Pasadena, California 91030, and a legal description found in Exhibit A attached hereto and made a part hereof ("**Property**"). Capitalized terms used in this Use and Resale Covenant not already defined above have the meanings given to them in Section 2 below. This Use and Resale Covenant is made with reference to the following facts:

RECITALS

A. WHEREAS, in 1979 the Legislature passed Senate Bill 86, commonly referred to as the "Roberti Act" (herein, as may be amended from time to time, the "**Act**") which added, in part, Sections 54235 through 54238.7 to the California Government Code wherein the Legislature found and declared that the sale of certain surplus residential properties by Caltrans would directly serve an important public purpose; Caltrans, pursuant to the Act, is selling the Property to the City, subject to the provisions of this document;

B. WHEREAS, in accordance with the Act, Caltrans has developed a program as more particularly set forth in Chapter 9.5, Division 2 of Title 21 of the California Code of Regulations

(herein, the “**Regulations**”) to make certain historic homes available for public and community use;

C. WHEREAS, Caltrans has identified City as being eligible to purchase the Property at Caltrans’ original acquisition price in accordance with the Act;

D. WHEREAS, to effectuate the sale of the Property to City, City has agreed to use and resale controls in accordance with the Act and evidenced by this Use and Resale Covenant; and

E. WHEREAS, Caltrans has determined the Property is “excess real property” within the meaning of Streets and Highways Code Section 118.6 and approved the sale;

NOW, THEREFORE, in consideration of the substantial economic benefits inuring to City and the public purposes to be achieved under the Act, City, Caltrans, and the Monitoring Entity hereby declare and agree as follows:

Section 1. Extraordinary Provisions.

1.1 Purchase Price. Caltrans and City agree that City’s purchase price for the Property is Caltrans’ original acquisition price Caltrans and City further agree that City’s purchase price complies with Government Code section 54239.4, subdivision (b)(1)(A).

1.2 City Acknowledgments.

- (a) City understands and agrees to abide by all the provisions of this Use and Resale Covenant.
- (b) City hereby takes the Property subject to certain restrictions and limitations of the full enjoyment and use of the Property as set forth in this Use and Resale Covenant. City acknowledges that City may not enjoy the same economic benefits from owning the Property that City would enjoy if this Use and Resale Covenant did not exist.
- (c) Absent the assistance provided by Caltrans and the provisions of this Use and Resale Covenant, the Property could not be made available to City.
- (d) In recognition of the acknowledgements and agreements stated herein, City accepts and agrees to the provisions of this Use and Resale Covenant with the understanding that this Use and Resale Covenant will remain in full force and effect to limit use and transfer of the Property unless terminated pursuant to the terms herein.
- (e) City covenants and agrees for itself, its successors, its assigns, and every successor interest in the Property or any part thereof, that City, such successors and such assignees, shall regularly and continuously use the Property only for the purposes authorized in this Use and Resale Covenant.

- (f) City further agrees not to challenge the terms and provisions of this Use and Resale Covenant or any right of Caltrans, or the Monitoring Entity created hereunder and acknowledges that the same are not an unreasonable restraint on any right to transfer the interest of the City in the Property.
- (g) City acknowledges that Government Code section 54239.4, subdivision (b) imposes additional requirements upon City that are not reflected in this Use and Resale Covenant, and that full compliance with this Use and Resale Covenant does not equate to full compliance with Government Code section 54239.4, subdivision (b).
- (h) City acknowledges that Government Code section 54239.4, subdivision (b)(1)(O) authorizes the Monitoring Entity to review, adopt, amend, and repeal standards, forms, or definitions to implement Government Code section 54239.4, subdivisions (b)(1)(C) through (N), inclusive.

Section 2. Definitions.

As used in this Use and Resale Covenant, the capitalized terms set forth below shall have the following meanings:

- (a) “*Event of Default*” is defined in Section 6.1.
- (b) “*Monitoring Entity*” means Department of Housing and Community Development.
- (c) “*Notice*” is defined in Section 7.2.

Section 3. Use of the Property.

3.1 Resale. City shall resell the Property within two (2) years of the close of escrow that transfers title of the Property from Caltrans to City. Monitoring Entity may grant the City up to one two-year extension of time to resell the Property if City demonstrates sufficient progress on the sale of the Property. Sufficient progress includes:

- (a) Proof that the Property has been listed for 180 days at a price that does not exceed fair market value based on comparable sales in the City of South Pasadena with no offers; or
- (b) Unexpected structural damage to the Property due to a natural disaster or similar occurrence; or
- (c) Other proof of progress at the discretion of the Monitoring Entity’s Director.

3.2 Affordable Housing. If City does not resell the Property within the period described in Section 3.1 (including any extension(s) granted by the Monitoring Entity), then City shall cause the Property to be used as either of the following:

- (a) As an affordable rental to lower income and moderate-income households, as defined by Health and Safety Code sections 50052.5 and 50079.5, respectively. Such use shall be for no less than 55 years.
- (b) If the Property is a single-family residence, then as owner-occupied affordable housing for no less than 45 years, with the Property being sold to a person or family of low or moderate income at an affordable price, as defined by Government Code section 62250. The Property may then only be resold at an affordable price to a person or family of low or moderate income.

Section 4. Use of the Proceeds After Resale.

4.1 Required Use of Proceeds. City shall use the proceeds from the resale of the Property described in Section 3.1 to finance the production or acquisition of at least three (3) housing units that meet all the following criteria:

- (a) The housing units must be affordable to persons and families of low or moderate-income, as defined by Health and Safety Code section 50093; and
- (b) Either through its ownership of the housing units or by regulatory agreement if it does not own the housing units, City shall cause each housing unit to be made available at an affordable sales price or an affordable rent, as defined in Health and Safety Code sections 50052.5 and 50053; and
- (c) If a housing unit is used as a rental, then it shall be available at an affordable rent for no less than 55 years; and
- (d) If a housing unit is used as an owner-occupied affordable housing unit, then it shall be so used for no less than 45 years; and
- (e) Each housing unit is within the 91030 postal ZIP code.

4.2 Monitoring. City shall monitor compliance with the regulatory agreement described in Section 4.1(b). City may charge a fee to recover the cost of this monitoring.

4.3 Sites for Housing Units. The housing units described in Section 4.1 may be produced or acquired on a single site or on multiple sites.

4.4 Timeline for Production and Acquisition. City shall commence construction or complete acquisition of all housing units described in Section 4.1 by December 31, 2025.

Monitoring Entity may grant the City two two-year extensions if it demonstrates sufficient progress on the development or acquisition of the housing units. Sufficient progress includes:

- (a) An executed option agreement or exclusive negotiation agreement for the purchase of property intended for conversion to affordable units; or
- (b) Completed project entitlements or building permits; or
- (c) Executed purchase agreements and draft covenants for the acquisition or rehabilitation of market rate units for the purpose of conversion to affordable units, or a combination thereof; or
- (d) Other proof of progress at the discretion of the Monitoring Entity's Director.

4.5 Use of Surplus Funds. Any surplus funds remaining after the completion of the construction of the housing units described in Section 4.1 shall be used at the discretion of City for the production or acquisition of rental or for-sale housing affordable to persons and families of low or moderate-income, as defined by Health and Safety Code section 50093.

Section 5. Termination.

5.1 Termination of Use and Resale Covenant. This Use and Resale Covenant shall cease to encumber the Property upon resale pursuant to Section 3.1. However, the terms of the Use and Resale Covenant shall remain enforceable under applicable law and as a contract between Monitoring Entity and City to ensure compliance of Sections 4.1 through 4.5.

Section 6. Default and Remedies.

6.1 Event of Default. The occurrence of any one of the following events or circumstances shall constitute an "***Event of Default***" by City under this Use and Resale Covenant.

- (a) City's failure to comply with the requirements in Sections 4.1 through 4.5, or Section 3.2, as applicable.
- (b) City's failure to comply with Government Code section 54239.4, subdivision (b)(1)(I).
- (c) City's failure to comply with Government Code section 54239.4, subdivision (b)(1)(J).

6.2 Remedies. Upon the occurrence of an Event of Default by City, the Monitoring Entity may exercise the remedy set forth below:

- (a) The City shall pay a fine to the Monitoring Entity of an amount equal to the funds generated through the resale of the Property, pursuant to Section 3.1. minus the purchase

price described in Section 1.1. Fines shall be deposited into an account held by the Monitoring Entity pursuant to Government Code section 54239.4(b)(1)(K).

6.3 Not Subject to Appeal. Pursuant to Government Code section 54239.4(b)(1)(N), an Event of Default shall be determined by the Monitoring Entity and is not subject to appeal.

Section 7. Miscellaneous.

7.1 Nondiscrimination. City covenants by and for itself and its successors and assigns that there shall be no discrimination against or segregation of a person or a group of persons on account of sex, race, color, religion, ancestry, national origin, ethnic group identification, age, mental disability, physical disability, medical condition, genetic information, marital status, gender, gender identity, gender expression, familial status, source of income, veteran or military status, or sexual orientation in the transfer, use, or occupancy of the Property, nor shall City, any person claiming under or through City, establish or permit any such practice or practices of discrimination or segregation with reference to the use, occupancy, or transfer of the Property.

7.2 Notices. Notice shall be in writing and sufficiently given or delivered if transmitted by (a) registered or certified United States mail, postage prepaid, return receipt requested, (b) personal delivery, or (c) nationally recognized private courier services, in every case addressed as follows:

If to City: [to be inserted]

If to the Monitoring Entity [to be inserted]

Any such Notice transmitted in accordance with this Section 7.2 shall be deemed delivered upon receipt, or upon the date delivery was refused. Any party may change its address for notices by written Notice given to the other party in accordance with the provisions of this Section 7.2.

7.3 Attorneys' Fees for Enforcement. If any action or legal proceeding is instituted by City or the Monitoring Entity arising out of this Use and Resale Covenant, the prevailing party therein shall recover reasonable attorneys' fees and costs in connection with such action or proceeding. For purposes of this Use and Resale Covenant, reasonable fees include the fees and costs of any in-house counsel for the Monitoring Entity, which shall be based on: (i) the employee's hourly rate on the employee's salary, (ii) forty-one and eight-tenths percent (41.8%) of the employee's hourly salary rate to reflect non-salary direct and indirect costs, and (iii) five percent (5%) of the employee's hourly salary rate to reflect central service costs.

7.4 Integration. This Use and Resale Covenant constitutes an integration of the entire understanding and agreement of Caltrans, City, and the Monitoring Entity with respect to the subject matter hereof. Any representations, warranties, promises, or conditions, whether written or oral, not specifically and expressly incorporated in this Use and Resale Covenant, shall not be binding on any of the parties, and City and the Monitoring Entity each acknowledge that in entering into this Use and Resale Covenant they have not relied upon any representation,

warranty, promise or condition, not specifically and expressly set forth in this Use and Resale Covenant. All prior discussions and writings have been, and are, merged and integrated into, and are superseded by, this Use and Resale Covenant.

7.5 Severability. In the event that any provision of this Use and Resale Covenant is determined to be illegal or unenforceable, such determination shall not affect the validity or enforceability of the remaining provisions hereof, all of which shall remain in full force and effect.

7.6 Headings. The headings within this Use and Resale Covenant are for the purpose of reference only and shall not limit or otherwise affect any of the terms of this Use and Resale Covenant.

7.7 Time for Performance. Time is of the essence in the performance of the terms of this Use and Resale Covenant. All dates for performance or cure shall expire at 5:00 p.m. on the performance or cure date. Any performance date which falls on a Saturday, Sunday, or a holiday specified in Code of Civil Procedure section 135 is automatically extended to the next day that is not a Saturday, Sunday, or holiday.

7.8 Amendments. Any modification or waiver of any provision of this Use and Resale Covenant or any amendment thereto shall be in writing and signed by the authorized representatives of both the Monitoring Entity and the City.

7.9 Controlling Use and Resale Covenant. City covenants that City has not executed and will not execute any other agreement with provisions contradictory to or in opposition to the provisions of this Use and Resale Covenant. City understands and agrees that this Use and Resale Covenant shall control the rights and obligations between City and the Monitoring Entity with respect to the subject matter contained herein.

7.10 Exhibits. The Exhibits and Attachments attached hereto are a material part of this Use and Resale Agreement and are incorporated herein by this reference.

7.11 Governing Law. This Use and Resale Covenant shall be governed by, and construed and enforced in accordance with, the laws of the State of California.

7.12 Counterparts. This Use and Resale Covenant may be signed in counterparts, each of which shall constitute an original.

7.13 Recordation. Caltrans shall cause this Use and Resale Covenant to be recorded in the Official Records.

7.14 Interpretation. Each party hereto acknowledges and agrees that each has had independent counsel review and participate in the negotiation and drafting of this Use and Resale Covenant, and each hereby fully waives the application of any law, statute or rule of construction

or interpretation, including without limitation Civil Code section 1654, to the effect that any ambiguities are to be construed against the drafting party.

7.15 Assignment by Caltrans to the Monitoring Entity. Upon this Use and Resale Covenant being recorded in the Official Records, Caltrans assigns all the rights, duties, and benefits granted to it by this Use and Resale Covenant to the Monitoring Entity, and the Monitoring Entity accepts such assignment.

IN WITNESS WHEREOF, City, Monitoring Entity, and Caltrans have executed this Use and Resale Covenant as of the date written above.

CITY:

MONITORING ENTITY:

California Department of Housing and
Community Development, an agency of the
State of California

By: _____

Its: _____

CALTRANS:

California Department of Transportation,
an agency of the State of California

By: _____

Its: _____

ALL SIGNATURES MUST BE NOTARIZED.

----- Attach All Purpose California Notary Acknowledgment -----

EXHIBIT A – LEGAL DESCRIPTION

STATE ROUTE 710 SALES PROGRAM PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (“**Agreement**”) is entered into as of January 26th, 2024 by and between the State of California, Department of Transportation (“**Caltrans**”) and the City of South Pasadena, (“**Purchaser**”), a Municipal Corporation.

Recitals

- A. Caltrans owns the real property located in Los Angeles County, California commonly known as: 1002, 1008 Hope St & 726 Meridian Ave, South Pasadena, CA 91030 and more particularly described as set forth in Exhibit “A”, respectively, attached hereto (“**Property**”).
- B. The parties wish to provide terms and conditions for Purchaser's purchase of the Property from Caltrans. The State Route 710 Sales Program described in Government Code section 54235 et seq. (the “**Act**”) and Title 21 Public Works Division 2 Department of Transportation, Chapter 9.5 (the “**Regulations**”) provide for the offering of State-owned, surplus residential properties to the City of South Pasadena at the Minimum Sales Price pursuant to 21 CCR § 1484.3, for the purpose of providing affordable housing to low and moderate-income households. Purchaser and Caltrans acknowledge the Property is subject to the terms of this Agreement, the aforementioned law and regulations, and the Declaration of Covenants, Conditions, and Restrictions (**CC&Rs**), as defined below, to be recorded against the Property upon the close of escrow hereunder.

NOW, THEREFORE, in consideration of the foregoing premises, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

SECTION 1. PURCHASE AND SALE

1.01 Purchase and Sale. Caltrans shall sell the Property to Purchaser, and Purchaser shall purchase the Property from Caltrans pursuant to the terms, limitations and conditions stated in this Agreement in accordance with the Act, the Regulations and other applicable laws, rules, and regulations (collectively, “**Applicable Laws**”).

1.02 Conditions Precedent to Effectiveness. This Agreement shall not become effective unless and until all the following conditions precedent are satisfied on or before the thirtieth (30th) calendar day from the date Caltrans' sends this Agreement to Purchaser:

- A. Purchaser shall have: (1) executed and returned two original executed counterparts of this Agreement via certified mail, return receipt requested, to Caltrans and sent a copy thereof to the Escrow Holder, and (2) deposited with Escrow Holder the entire Down Payment contemplated by Section 2.02(A) below;

- B. Caltrans thereafter executes this Agreement and delivers a fully executed copy hereof to Escrow Holder; and

A failure of any such conditions to timely occur shall, without further notice or action, result in the full and immediate termination of any offer, obligation, liability or agreement of Caltrans to or with Purchaser or any other person with respect to the Property, whether hereunder or otherwise, immediately upon the expiration of such 30-day period, and Caltrans shall thereafter be free to offer, market and sell the Property to other persons, or otherwise dispose of the same, as Caltrans may, in its sole and absolute discretion determine.

1.03 Information/Prior Due Diligence. Purchaser hereby expressly acknowledges and agrees:

- A. that it is a sophisticated real estate purchaser and/or investor;
- B. that it is fully familiar with and understands the Applicable Laws and the CC&Rs, and the risks and obligations associated therewith and imposed on Purchaser and on the Property thereby, including the purchase thereof under this Agreement, and has had the same explained to it by its independent legal counsel and other advisors;
- C. that during the Inspection Period permitted under this Agreement: (A) Purchaser will have full access to the Property and all documents, data, reports and information related thereto requested by Purchaser, and will have the opportunity to undertake and perform any and all additional due diligence, investigation, surveys, reports and studies, with respect thereto, including without limitation the current and past physical and environmental condition of the Property, the condition of title thereto, the compliance thereof with any applicable building codes, permits, approvals, agreements or encumbrances affecting the same (including Applicable Laws), the value thereof, the use, operation, management or occupancy thereof and/or the suitability for Purchaser's intended use thereof, and all other matters referenced in Section 9 below, and (B) Purchaser has obtained any and all financing commitments necessary or desirable to purchase, repair and/or rehabilitate the Property; and
- D. that with the aid of such independent experts, contractors, consultants, advisors and professionals (including independent legal counsel and accountants) that it deems necessary, appropriate or desirable, Purchaser will, prior to the Closing Date hereof, evaluate and assess the Property and conduct such independent inquiry, feasibility investigation, inspections and due diligence with respect thereto as Purchaser and/or its advisors deem necessary, advisable or desirable, and will fully and unconditionally approve of and satisfy itself as to the same. As a result, there shall be no further access to the Property except as set forth in this Agreement and no further feasibility, inspection or similar rights or contingencies with respect to the purchase of the Property.
- E. Notwithstanding anything herein to the contrary, until the date that is sixty (60)

days after the execution of this Agreement (Inspection Period), upon reasonable notice but without any contingencies hereunder, Purchaser may access the Property and conduct non-invasive inspection, investigations, tests, observations, inquiries and studies as Purchaser deems appropriate. Purchaser shall promptly pay all expenses arising out of such inspections and other work on or about the Property prior to the Closing Date and shall not allow any mechanic's or materialmen's liens to be recorded on the Property (or promptly cause to be removed or bonded over any such liens if recorded on the Property). Purchaser shall promptly repair any damage to the Property caused by Purchaser's investigations. Purchaser shall coordinate with Caltrans any entry on the Property, execute a waiver and indemnity in the form customarily required by Caltrans prior to entry on Caltrans' property and follow applicable health and safety protocols as reasonably required by Caltrans. Following such period, upon Caltrans' reasonable consent and conditions, Purchaser may obtain access to the Property for a limited number of entries.

- F. Purchaser shall promptly notify Caltrans during the Inspection Period of any matters discovered in its review of the Property that would cause Purchaser to terminate this Agreement. If within ten days of such notice, Caltrans notifies Purchaser in writing that it will cure such matters prior to Closing, then Caltrans shall have the opportunity to cure such matters prior to the Closing Date. Purchaser has the right to terminate if Caltrans does not agree to cure or if the cure is not completed prior to the Closing Date. Upon any such termination, Escrow Holder shall remit the deposit to Purchaser.

SECTION 2. PURCHASE PRICE

2.01 Purchase Price. The purchase price for the Property shall be Thirty-One Thousand One Hundred Dollars and Zero Cents (\$31,100.00) (the **Purchase Price**”).

2.02 Payment. The Purchase Price shall be paid by Purchaser in cash, lawful money of the United States as set forth below, time being of the essence thereof:

- A. **Deposit.** Immediately upon the execution of this Agreement, Purchaser shall deposit with Escrow Holder the sum of **One Thousand Dollars (\$1,000.00)** (the **“Deposit”**) in the form of a cashier's check, wire transfer or other immediately available funds. The entire Deposit shall be applicable to the Purchase Price, without interest, shall be non-refundable except as may be expressly set forth in this Agreement, and shall constitute liquidated damages to Caltrans in the event of Purchaser's default in acquiring the Property. Time is of the essence in making the Deposit into escrow, and as provided above is a condition precedent to the effectiveness of this Agreement.
- B. **Cash at Close.** One (1) day prior to the close of Escrow (or by 1:00 p.m. of the close of escrow for funds delivered by wire transfer) the Purchaser shall deposit

the balance of the Purchase Price in the amount of Thirty Thousand One Hundred Dollars and Zero Cents (\$30,100.00) (the “**Cash Balance**”) with Escrow Holder in the form of a cashier’s check, wire transfer or other immediately available funds for delivery to Caltrans upon close of escrow hereunder.

2.03 Acknowledgement. [Deleted.]

2.04 No Seller Financing. Purchaser acknowledges this Agreement is not a financing agreement and neither Caltrans nor any other governmental agency or department has at any time made any representations, warranties, promises or undertakings, express or implied, to provide any financing or other assistance with respect to all or any portion of the Purchase Price or any other obligations of Purchaser hereunder or with respect to the Property, or with respect to any repair, rehabilitation, updating or other activity contemplated by Purchaser with respect thereto. Purchaser has performed all due diligence regarding obtaining funding and/or financing with respect to the Property, including the purchase thereof hereunder, as provided in Section 1.03 above, and has satisfied itself as to the same.

2.05 Change in Financial Condition. If either: (i) Purchaser ultimately fails to secure funds for the Purchase Price in the timeframe specified herein, or (ii) the financial condition of the Purchaser changes prior to Close of Escrow so that it is unable to purchase the Property, then in either such event Purchaser shall be in default under this Agreement and Caltrans shall be entitled to exercise its rights and remedies pursuant to Section 12.02 below.

2.06 Bonds, Taxes and Assessments. Subject to the specific proration provisions set forth in Section 3.05 below, all real property taxes, supplemental taxes, special taxes, bonds and/ or assessments which are liens on or levied with respect to the Property shall be assumed by Purchaser at close of escrow without reduction of or adjustment to the Purchase Price.

SECTION 3. ESCROW

3.01 Opening. The purchase and sale of the Property shall be consummated by means of Escrow No. _____ (a single escrow) which has been opened with _____ Title Company, _____, Suite _____, CA _____ Attn: _____ Escrow Officer, email: _____, Phone: (____) ____-____, Fax (____) ____-____ (“**Title Company**” or “**Escrow Holder**”).

3.02 Closing. The closing shall occur upon the recording of the Director's Deed for the Property, and shall occur when the conditions set forth in Article 5 below have all been satisfied or waived, and the conditions set forth in Government Code Section 54239.4(b)(1)(D) have been satisfied, but in no event later than **5:00 pm** _____, **2024** [the one hundred twentieth (120th) calendar day after the full execution of this Agreement]; provided, however, Caltrans shall, upon receipt of

written request prior to such date, grant a one-time thirty (30) calendar day extension to close escrow, (such date, as may be extended, being the “**Closing Date**”).

If at any time prior to the Closing Date, the Property becomes occupied, whether legally or illegally, Caltrans shall notify the Purchaser and Purchaser shall have 30 days to decide whether to proceed with the purchase of the Property. If the 30 days falls outside the Closing Date, the Closing Date shall be extended 10 days past the 30-day expiration. If Purchaser declines to proceed with the purchase of the Property due to the legal or illegal occupation of the Property, this Agreement shall terminate pursuant to the terms hereof. Upon any such termination, Escrow Holder shall remit the deposit to Purchaser.

3.03 Instructions. This Agreement shall to the extent applicable, also act as escrow instructions. The parties agree to execute any additional escrow instructions required by the Escrow Holder provided the same shall be consistent with the terms of this Agreement and shall provide that as between the parties, in the event there are any inconsistencies between such supplemental instructions and this Agreement, the terms of this Agreement shall prevail. Escrow Holder is hereby designated the “real estate reporting person” for purposes of Section 6045 of the Internal Revenue Code of 1986, as amended, and Treasury Reg. 1.6045-4, and any instructions or settlement statements prepared by Escrow Holder shall so provide. Escrow Holder shall be responsible for filing any Form 1099-S with the Internal Revenue Service.

3.04 Costs. Charges and expenses incurred in connection with the closing hereunder shall be borne by the parties as follows:

- A. Purchaser shall pay all: (A) escrow fees, (B) recording fees, (C) transfer taxes, (D) title insurance premiums and fees (whether for ALTA or CLTA coverage), endorsement coverage and survey costs, and (E) any other real estate transaction fees involved in this transaction;
- B. If applicable, Purchaser shall pay for and obtain any city/county required inspections and/or occupancy permits, whether required for closing the sale/escrow transaction or not. Caltrans shall provide Purchaser access to the Property as necessary to comply with this provision; and
- C. Each party shall bear their own legal, tax and professional fees and costs.

3.05 Prorations. All real property taxes, special taxes, assessments, bonds, and all other similar charges imposed or levied upon the Property by any governmental agency or special district, organization or body and any other obligations related to the Property shall be prorated at close as of the Closing Date. With respect to any prorations based upon an estimation, if and when the tax, assessment or other charge related thereto is segregated by the appropriate agency or other persons, within fifteen (15) days thereof, the parties shall adjust said prorations, as necessary, based on such final segregation and pay any such adjustment to the appropriate party. The provisions of this Section 3.05 shall survive the close of escrow and the delivery and recordation of the Director's Deed and CC&Rs hereunder.

3.06 Escrow Deposits. On or before the Closing Date, the parties shall make the following deposits into Escrow:

A. **By Caltrans.** At least one (1) business day prior to such closing, Caltrans shall deposit the following documents with Escrow Holder:

(i) an original **Director's Deed** for the Property duly executed by Caltrans and properly acknowledged and otherwise in recordable form, to be recorded in the Official Records of Los Angeles County, California against the Property described therein at close;

(ii) a counterpart original of the **CC&Rs** for the Property duly executed by Caltrans, and the Monitoring Entity properly acknowledged and otherwise in recordable form to be recorded in the Official Records of Los Angeles County, California against the Property described therein at close immediately following the recordation of the Director's Deed for the Property and prior to any financing obtained by Purchaser and to any other encumbrances or agreements being recorded at close with respect to such Property;

(iii) such Non-Foreign Affidavits pursuant to Sections 1445 and/or 7701 of the Internal Revenue Code, as amended, and such California Form 590s pursuant to applicable sections of the California Revenue and Taxation Code, as necessary to comply with such laws and close escrow hereunder, each in form and content reasonably satisfactory to Purchaser and Caltrans;

(iv) such other agreements or documents reasonably necessary from Caltrans to close escrow as may be expressly provided for herein.

B. **By Purchaser.** At least one (1) business day prior to such closing, Purchaser shall deposit the following funds and documents with Escrow Holder:

(i) the **Cash Balance** as provided in Subsection 2.02(b) above;

(ii) a counterpart original of the **CC&Rs** for the Property executed by Purchaser, properly acknowledged and otherwise in recordable form to be recorded in the Official Records of Los Angeles County, California against the Property described therein at close immediately following the recordation of the Director's Deed for such Property and prior to any financing obtained by Purchaser and to any other encumbrances or agreements being recorded at close with respect to such Property;

(iii) all other sums due from Purchaser as provided herein, including without limitation Purchaser's share of closing costs under Section 3.04 above, in the form

of wire transfer or other immediately available funds;

(iv) to the extent Purchaser is an entity, certified copies of Purchaser's organizational documents and/or other entity resolutions or other authorizing documents authorizing the execution and delivery of this Agreement and the other documents and agreements contemplated herein, the consummation of all transactions contemplated hereby, and authorizing those persons signing on behalf of Purchaser to bind Purchaser; and

(v) such other agreements, documents, or funds reasonably necessary from Purchaser to close escrow as provided for herein.

3.07 Cancelling Escrow. Caltrans may unilaterally cancel escrow if Purchaser fails to comply with Section 3.06(b) and/or Purchaser defaults after opening escrow but before close of escrow and such failure to comply or default is not remedied or cured within three (3) business days of Caltrans providing notice to Purchaser of such failure or default.

SECTION 4. AGREEMENTS

4.01 California Transportation Commission Approval and Governing Body Approval. Purchaser understands and agrees that Caltrans' obligation to sell and convey the Property to Purchaser hereunder is subject to Caltrans first obtaining the written approval of the California Transportation Commission ("**CTC**") to this Agreement and the sale of the Property hereunder prior to the Closing Date (the "**CTC Approval**"). In the event the CTC fails to approve the sale, all monies deposited into escrow hereunder by Purchaser will be refunded without interest. Caltrans makes no representations, assurances, or warranties, express or implied, concerning the CTC's timely or ultimate approval of this sale.

If applicable, Caltrans understands and agrees that, despite any provision in this Agreement to the contrary, Purchaser's obligation to purchase and accept the Property from Caltrans hereunder is subject to Purchaser first obtaining the written approval of its governing body to this Agreement and the purchase of the Property hereunder prior to the Closing Date. In the event the governing body fails to approve the sale, all monies deposited into escrow hereunder by Purchaser shall be refunded without interest. Purchaser makes no representations, assurances, or warranties, express or implied, concerning the timely or ultimate approval of this sale by its governing body.

4.02 Leases. [Deleted.]

4.03 Covenants, Conditions and Restrictions. Purchaser acknowledges the purchase of the Property shall be subject to a declaration of covenants, conditions, and restrictions as required by Government Code section 54235 et seq. and the Regulations and agrees that Purchaser and its successors in interest shall be bound by the same. Therefore, prior

to close, the parties hereto shall execute a Declaration of Covenants, Conditions and Restrictions agreement in substantially the form of **Exhibit "C"** attached hereto (the "**CC&Rs**") with respect to the Property, which shall, among other things impose certain ongoing restrictions on the use and occupancy of such Property, as well as imposing various limitations on the subsequent resale of such Property both as to whom it may be sold and the amount of equity or other compensation the Purchaser is entitled to retain upon such subsequent transfer. The CC&Rs shall be recorded immediately following the recordation of the Director's Deed for such Property and shall not be subordinated to any financing obtained by Purchaser with respect to such Property or any other agreements recorded against or otherwise first affecting the Property at close of escrow, except as authorized by the CC&Rs. After recordation, the original recorded CC&Rs for the Property shall be returned (mailed) by the Recorder's Office directly to Caltrans, who shall retain possession thereof. The CC&Rs shall constitute covenants and equitable servitudes that run with the land and shall bind Purchaser and all subsequent owners, lessees, occupants, lenders, encumbrancers, and others holding any interest in, lien on or claim to the Property. Purchaser agrees not to challenge or attempt to terminate, limit, or otherwise alter or amend the CC&Rs. The agreements of Purchaser under this Section 4.03 shall survive the close of escrow and the delivery and recordation of the Director's Deed and the CC&Rs hereunder.

4.04 Title.

- A. **Generally.** Purchaser understands and agrees that the right, title, and interest in the Property to be conveyed hereunder shall not exceed that currently vested in Caltrans (after taking into account any and all rights that may be reserved by Caltrans pursuant to the Director's Deed, the CC&Rs or any other agreement contained in or contemplated by this Agreement related to such Property), and that Caltrans will furnish no policy of title insurance with respect to the sale of the Property hereunder. If a policy of title insurance, endorsement or survey coverage is desired, Purchaser may obtain the same at Purchaser's sole expense, provided, however, in no event or circumstance shall obtaining any such title, endorsement or survey coverage) constitute any basis for extending the Closing Date contemplated hereunder. No later than ten business days prior to the expiration of the Inspection Period, Purchaser shall notify Caltrans in writing of its objection to any matter in the preliminary title report or on a survey. Caltrans shall have five business days to notify Purchaser of its election to cure the matter or not, and the absence of any notice shall be deemed an election not to cure the matter. Purchaser shall have the right to terminate this Agreement prior to the expiration of the Inspection Period if Caltrans does not agree to cure such matter, or if Caltrans agrees to but fails to cure the matter on or prior to Closing, then Purchaser shall have the right to terminate at such time. Upon any such termination, Escrow Holder shall remit the deposit to Purchaser.
- B. **Permitted Encumbrances.** At close of escrow hereunder the Property shall be conveyed to Purchaser by a Director's Deed in substantially the form of **Exhibit "A"** hereto (a "**Director's Deed**"), with title to the Property being subject to all of the following exceptions and matters (collectively, the "**Permitted Exceptions**"): (1) a lien to secure payment of real estate taxes, supplemental taxes, and special

taxes, bonds and assessments; (2) any reservations or limitations contained in the Director's Deed or any prior deed(s) relating to the Property; (3) the CC&Rs; (4) all title exceptions and other matters shown in the preliminary report for such Property other than any items Caltrans has agreed to cure; (5) any and all other matters apparent from a physical inspection thereof and/or that might be revealed by a survey other than any items Caltrans has agreed to cure; and (6) all other matters created by or with the consent or knowledge of Purchaser, or otherwise disclosed or contemplated in this Agreement. Caltrans shall not have, and does not assume, any liability or obligation whatsoever for any encumbrances or other title matters affecting the Property, or the amendment, removal, or other disposition thereof, provided, however, Caltrans agrees not to encumber the Property or enter into any leases, licenses, and other occupancy agreements with respect to the Property ("Leases") during the Escrow Period without the consent of Purchaser.

4.05 Operation during Escrow Period. During the period commencing with the effectiveness of this Agreement until the close of escrow hereunder or termination of this Agreement, Caltrans will continue to operate the Property in substantially the same manner as operated as of the date of this Agreement and will not do, cause, or allow anything to be done with respect to the Property that would materially change, alter or modify the current operation of the Property as a vacant property without the prior written consent of Purchaser, which consent shall not be unreasonably withheld or delayed; provided, however, Caltrans shall not under any circumstances be responsible for or have any obligation or liability with respect to any such change, alteration or modification to the extent the same is caused by any tenant or occupant of a Property or any other person without Caltrans' consent or knowledge, or to the extent the same is otherwise beyond Caltrans' reasonable control. Additionally, notwithstanding the foregoing, Caltrans shall be entitled, at its election and without notice to or obtaining the consent of Purchaser, to take any and all actions and make any and all decisions with respect to the Property as Caltrans deems necessary or desirable, in its sole and absolute discretion, in addressing any emergency relating to the Property or the safety of any occupant thereof, making a Property compliant with applicable laws, and/or keeping and maintaining a Property in a safe and habitable condition.

4.06 Purchaser's Agreements. With respect to the period prior to the close of escrow Purchaser acknowledges and agrees as follows:

- A. **No Changes.** Purchaser shall have no right to take any action with respect to the Property, including, without limitation changing, renewing or terminating any zoning designations, permits, approvals, certificates or other entitlements related thereto (or applying for any such new matters), giving any notices with respect to or otherwise amending or terminating any Leases related thereto, or making or undertaking any repairs, alterations or additions to the Property and/or any improvements located thereon, in each case without the prior written consent of Caltrans, which may be conditioned or withheld in Caltrans' sole and absolute discretion.
- B. **Restrictions.** Purchaser shall not use or take any actions, or permit or suffer its

agents, employees, contractors or consultants (collectively, “**Agents**”) to use or take actions, with respect to the Property in a manner which would in any way: (i) interfere with any activities thereon, or the use or occupancy thereof; (ii) constitute a nuisance or result in waste; (iii) result in the cancellation of any insurance being maintained by or on behalf of Caltrans or any tenants, in the increase in the premiums for any such insurance or in the increase of any of Caltrans’ other costs; or (iv) damage any improvements or personalty located thereon.

- C. **Compliance with Laws Generally.** Purchaser and its Agents shall not enter any Property, nor shall they take any action with respect thereto (or permit or suffer anything to be done in, on or about the Property) which will in any manner violate any title conditions, maps, entitlements, permits, consents, agreements, Leases or any laws, ordinances, governmental rules or regulations now or hereafter in effect with respect thereto and/or the conduct of any activities thereon by Caltrans or any occupants.
- D. **Liens.** Purchaser shall at all times keep the Property and Caltrans free from any liens and claims arising out of any and all actions taken, work and labor performed, materials or services furnished and/or damages or personal injuries caused by or on behalf of Purchaser in connection with any activity of Purchaser and/or its Agents with respect to the Property, whether occurring prior to or after the date hereof. Caltrans may require Purchaser to post, at Purchaser’s sole cost and expense, a lien release bond or other undertaking, statutory or otherwise, in such amount as necessary to properly bond around any claim filed against Caltrans and/or the Property with respect to such activities (occurring prior to the close of escrow) of Purchaser or its Agents. The bonding obligations of Purchaser under this Subsection 4.06(d) shall be absolute and unconditional and shall survive the close of escrow and the delivery and recordation of the Director’s Deed and CC&Rs hereunder and/or the expiration, revocation, or termination of this Agreement.
- E. **Compliance with the Act & Regulations.** Purchaser shall at all times comply with the requirements of the Act and the Regulations.

SECTION 5. CONDITIONS TO CLOSE

5.01 Conditions to Purchaser’s Obligation to Close. The matters set forth in this Section 5.01 are conditions precedent to the close of escrow by Purchaser as contemplated in this Agreement, and the same may be declared satisfied or waived by Purchaser. In the event any such condition fails to be satisfied in accordance with the terms hereof through no fault of either party, Purchaser shall have the option of either: (i) waiving such condition and proceeding to close without adjustment of the Purchase Price or any of the other terms of this Agreement, or (ii) terminating this Agreement, in which case the Deposit shall be refunded to Purchaser without interest, and neither party shall have any further rights, liabilities or obligations hereunder except paying their respective share of escrow costs incurred up to such date and observing those obligations expressly stated herein as surviving the termination of this Agreement.

- A. **Title.** At closing, the Property shall be conveyed to the Purchaser pursuant to a Director's Deed subject to all the Permitted Exceptions applicable to such Property as contemplated by Section 4.04 hereof.
- B. **CTC Approval and Governing Body Approval.** By the Closing Date, the CTC Approval shall and any governing body approval (if applicable) have been unconditionally obtained as contemplated by Section 4.01 hereof.
- C. **Documents and Funds.** By the Closing Date, the escrow deposits referenced in Section 3.06(a) above shall have all been made by Caltrans, and the Escrow Holder shall be irrevocably committed to record the Director's Deed in the Official Records of Los Angeles County, California.
- D. **Representations/Covenants.** At close: (i) all the representations of Caltrans contained in this Agreement shall be materially true and correct, and (ii) Caltrans shall have materially complied with its covenants contained in this Agreement.

5.02 Conditions to Caltrans' Obligation to Close. The matters set forth in this Section 5.02 are conditions precedent to the close of escrow by Caltrans as contemplated in this Agreement, and the same may be declared satisfied or waived by Caltrans. In the event any such condition fails to be satisfied in accordance with the terms hereof through no fault of either party, Caltrans shall have the option of either: (i) waiving such condition and proceeding to close without adjustment of the Purchase Price or any of the other terms of this Agreement, or (ii) terminating this Agreement, in which case the Deposit shall be refunded to Purchaser without interest, and neither party shall have any further rights, liabilities or obligations hereunder except paying their respective share of escrow costs incurred up to such date and observing those obligations expressly stated herein as surviving the termination of this Agreement.

- A. **Balance of Purchase Price.** By the Closing Date, Purchaser shall have deposited the entire Cash Balance of the Purchase Price with Escrow Holder as provided in Section 2.02(b) hereof.
- B. **CTC Approval.** By the Closing Date, the CTC Approval shall have been unconditionally obtained as contemplated by Section 4.01 hereof.
- C. **Documents and Funds.** By the Closing Date, the escrow deposits referenced in Section 3.06(b) above shall have all been made by Purchaser and Escrow Holder shall be irrevocably committed to:
 - (i) disburse the Cash Balance to Caltrans,
 - (ii) record the Director's Deed, and CC&Rs immediately thereafter as contemplated herein, in the Official Records of Los Angeles County, California, and
 - (iii) deliver to Caltrans a fully executed counterpart original any other appropriate documents as contemplated by Section 3.06(b).
- D. **Representations/Covenants.** At close: (i) all the representations of Purchaser contained in this Agreement shall be materially true and correct, and (ii) Purchaser shall have materially complied with its covenants contained in this Agreement.

SECTION 6. POSSESSION

Possession of the Property shall be delivered to Purchaser on the Closing Date subject to the Permitted Exceptions applicable to the Property.

SECTION 7. BROKERS

7.01 Caltrans. Caltrans has retained **Veterans Realty Group** to act as a Consultant in connection with the sale of the Property hereunder, and any compensation due to **Veterans Realty Group** in connection with the transactions contemplated by this Agreement shall be paid by Caltrans.

7.02 No Other Brokers. Except for Caltrans' retention of **Veterans Realty Group** above, each party hereby represents and warrants to the other party that no broker, finder, real estate agent or other person has been retained by it or is entitled to any commission, finder's fee or other compensation resulting from any action on its part with respect to the sale of the Property to Purchaser. Purchaser and Caltrans each agree to indemnify, defend, and hold the other and the Property harmless from and against any real estate brokerage commissions or finder's fees, and all costs and expenses (including attorneys' fees and costs) of investigating and defending any such claims, payable or alleged to be payable to any other persons in connection with this Agreement which such indemnifying party may have engaged or is claimed or alleged to have engaged. This section does not prohibit Purchaser from obtaining a broker at his/her own expense. The representations, warranties, indemnification, and other obligations set forth in this Section 7.02 shall survive the close of escrow and the delivery and recordation of the Director's Deed and the CC&Rs and/or the expiration, revocation, or termination of this Agreement.

SECTION 8. REPRESENTATIONS & WARRANTIES

8.01 By Caltrans. Caltrans hereby makes the following representations and warranties to Purchaser:

- A. Authority. Subject to obtaining the CTC Approval, Caltrans has all requisite power and authority to enter into, deliver and perform this Agreement and all the other agreements contemplated herein and to be executed in connection herewith, and the person(s) executing this Agreement and all other agreements contemplated herein on behalf of Caltrans have been properly authorized to sign on behalf of and bind Caltrans in connection with performing the transactions contemplated herein.
- B. Binding. Subject to obtaining the CTC Approval, this Agreement and all documents to be executed by Caltrans as provided herein, as of the date of execution shall, subject to the operation of any bankruptcy or similar laws, be the legal, valid and binding obligations of Caltrans.
- C. Information. Except as otherwise set forth in this Agreement, Caltrans has no actual

or constructive knowledge of any information affecting the Property that had, has or would have a material effect on Purchaser's ability to use and operate the Property as contemplated by Purchaser. Caltrans has provided to Purchaser all material and factual information requested by the Purchaser and/or as required by law concerning the Property that is in Caltrans' possession, custody and control.

- D. Compliance with the Act and Regulations: Caltrans conduct in this sales transaction has been in compliance with the Act and corresponding Regulations.
- E. Claims. There is no claim, action, suit, arbitration, proceeding (including condemnation proceedings) or any investigation by or before any court or arbitration body, any governmental, administrative or regulatory authority, or any other body pending or, to Caltrans's knowledge, threatened with respect to the Property (collectively, "Allegations"). Caltrans is not aware of any basis or reason for any such Allegations. There is no order, judgment or decree of any court or arbitration body, any governmental, administrative or regulatory authority, or any other body, against Caltrans with respect to the Property or the sales transaction contemplated by this Agreement.
- F. No Violation. Neither the execution and delivery of this Agreement, nor the performance by Caltrans of the sales transaction contemplated hereby, will contravene, conflict with, or result in a breach of any agreement, law, regulation, writ, injunction or decree of any court or governmental authority applicable to Caltrans or by which any of its properties is bound. Except for CTC Approval, Caltrans is not required to obtain any consent or authorization in order to complete the sales transaction contemplated by this Agreement.
- G. Right to Purchase. Except pursuant to this Agreement, no third party has an option, right of first offer, right of first refusal, or other similar right to purchase the Property that currently remains in effect.
- H. Environmental Matters. As requested by Purchaser and/or mandated by law, Caltrans has provided or made available for review copies of any material documents in its possession, custody and control of Caltrans regarding environmental condition of the Property ("Environmental Materials"). Except as set forth in the Environmental Materials, Caltrans is not aware of the existence of any Hazardous Substances (defined in Section 10 below) attributable to or affecting the Property. There have been no settlements reached by or with any third parties alleging the presence, disposal, release or threatened release of any Hazardous Substances from the use or operation of the Property.
- I. Leases. The Property is not subject to any Leases, tenancy and/or similar agreements conferring any right, title or interest in the Property to a third party.
- J. Contracts. Other than as disclosed in the title reports provided by the Title Company and this Agreement, there are no agreements affecting the Property.

Each of the representations made by Caltrans in this Agreement shall be true and correct on the date hereof, and shall be deemed to be made again as of the close of escrow provided for herein, and shall then be true and correct in all

material respects. Caltrans shall promptly provide written notice to Purchaser of any developments or information that would make the representations set forth above untrue. The representations and warranties set forth in this Section 8.01 shall expressly survive the close of escrow as described in Section 13.12 below.

8.02 By Purchaser. Purchaser and the specific parties signing this Agreement on behalf of Purchaser hereby makes the following representations and warranties to Caltrans:

- A. Organization. Purchaser is a municipal corporation duly organized, validly existing and in good standing under the laws of the State of California which has the power and authority to enter into this Agreement and to consummate the transactions contemplated hereby.
- B. Authority. Subject to obtaining governing body approval, Purchaser has all requisite power and authority to enter into, deliver, and perform this Agreement and all the other agreements contemplated herein and to be executed in connection herewith, and the person(s) executing this Agreement and the other agreements contemplated herein on behalf of Purchaser have been properly authorized to sign on behalf of and bind Purchaser in connection with performing the transactions contemplated herein.
- C. Binding. This Agreement and all documents to be executed by Purchaser as contemplated hereunder shall, subject to the operation of any applicable bankruptcy or similar laws, be the legal, valid and binding obligations of Purchaser, and shall not materially violate any law, agreement, order or decree to which Purchaser is a party or is subject.
- D. Litigation. There are no pending or threatened, suits or actions affecting Purchaser which would materially affect Purchaser's ability to enter into or perform its obligations under this Agreement or the documents executed in connection herewith.
- E. Information / Compliance. All applications, information, financial statements, and other materials provided by Purchaser or its Agents to Caltrans pursuant to or in connection with the Act, the Regulations and or this Agreement are true, correct and not materially misleading; and Purchaser is in compliance with the Act and the Regulations as relates to the Property and the purchase thereof under this Agreement.
- F. No Bankruptcy. Purchaser is not the subject of any pending or threatened bankruptcy proceedings, whether voluntary or involuntary.

Each of the representations and warranties made by Purchaser in this Agreement, or on any document or instrument delivered pursuant hereto shall be true and correct on the date hereof and shall be deemed to be made again as of close of escrow provided for herein, and shall then be true and correct in all material respects. The representations and warranties of Purchaser contained in this Section 8.02 shall survive the close of escrow and the delivery and recordation of the Director's Deed and CC&Rs.

SECTION 9. "AS-IS", WAIVERS AND RELEASE

Purchaser acknowledges and agrees that, except as set forth in this Agreement, neither Caltrans nor any of its respective employees, agents, managers, members, partners, officers, interest holders, attorneys, contractors or consultants, including without limitation the California Department of Housing and Community Development ("**HCD**"), (Caltrans and such other persons being collectively, the "**Seller Parties**") have made or are making, and specifically negate and disclaim making, any representations, warranties, guaranties, promises, covenants or assurances of any kind or character, whether express, implied, written, oral, past, present or future concerning or with respect to the Property, or the condition or status thereof, including without limitation, the suitability for any purpose or the profitability of owning and operating the Property; the value thereof; the existence or non-existence of any patent or latent defects affecting the same; the physical or environmental condition or status thereof (including without limitation the existence of any mold, lead paint, radon gas or other environmental health hazards); the rental or other income generated thereby; the expenses or costs associated therewith; the size and square footage of the parcel or the improvements located thereon, the age or condition of the such improvements, or the location of property lines or setbacks (or the location of the improvements with respect thereto); the zoning thereof; the condition of title thereto; the existence, necessity or satisfaction of any local, state or federal approvals, permits or certificates for the entitlement, ownership, operation, use or occupancy thereof as contemplated by Purchaser or any tenants, occupants or any future owners thereof; the feasibility of or cost associated with obtaining any such approvals; the compliance of the Property with any and all applicable local, state or federal laws, codes and ordinances; or any other matter.

Purchaser further acknowledges that Purchaser, with the help of its independent experts, contractors, consultants, professionals (including independent legal counsel and accountants), and advisors, prior to the Closing Date, will conduct its independent feasibility, investigation, and due diligence inquiry as described in Section 1.03 above with respect to the Property and will fully satisfy itself as to all matters relating thereto. Except for the representations and warranties of Caltrans set forth in this Agreement, Purchaser is relying solely and exclusively on such independent due diligence in executing this Agreement and purchasing the Property hereunder, and not on any representations, warranties, guaranties, promises, covenants or assurances of any kind or character by Caltrans or any other Seller Parties; and the Property is being purchased "**AS-IS**" / "**WHERE-IS**" at close in its present condition with all defects and faults, both patent and latent, whether known or unknown, presently existing or that may hereafter arise.

Effective on the Closing Date, Purchaser hereby fully and expressly releases Caltrans, HCD and all of the other Seller Parties and their respective agents, employees, attorneys, consultants, successors and assigns from any and all demands, claims, liabilities, amounts, actions, costs, judgments, expenses and damages (including, without limitation, attorneys' fees, witness fees and court costs) related to or arising from the Property, or

the condition or status of thereof or any other matter relating thereto, including without limitation the matters referenced in the first paragraph of this Section 9, (collectively, the **"Released Matters"**); and Purchaser hereby covenants not to sue, and hereby fully and expressly waives and relinquishes any and all rights and remedies Purchaser may have against, Caltrans, HCD and the other Seller Parties and their respective agents, employees, attorneys, consultants, successors and assigns, or any of them, at law, in equity or otherwise, related to or arising from the Released Matters. However, nothing contained herein shall release or be deemed to release Caltrans from claims arising from its fraud or a breach of any representation or warranty by Caltrans contained in this Agreement (the "Preserved Matters"). Preserved Matters shall not be considered Released Matters. Purchaser acknowledges and agrees that the release, waiver and discharge given by Purchaser hereunder to Caltrans, HCD and the other released parties extends to all Released Matters described above, whether known or unknown, foreseen or unforeseen, patent or latent, which Purchaser may now or hereafter have against Caltrans, HCD or such other persons; and in connection with such release, waiver and discharge, Purchaser hereby expressly waives the benefit of the provisions of California Civil Code Section 1542, which provides as follows:

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

Purchaser has read this Section 9, has had the effect and content thereof explained to Purchaser by independent legal counsel, and fully understands and appreciates the same. Purchaser understands and acknowledges that, among other things, the consequence of this waiver of California Civil Code section 1542 is that even if Purchaser should eventually discover any claims or suffer any losses or damages arising from the Released Matters, Purchaser would not be able to make any claim against Caltrans, HCD or the other released persons with respect thereto. Purchaser acknowledges that these consequences apply even as to claims, losses or damages resulting from the Released Matters that may exist as of the date of this Agreement or in the future, but which Purchaser does not know exist, or does not anticipate, and which, if known or anticipated, would materially affect Purchaser's decision to execute this Agreement. The waivers, releases, covenants not to sue and discharges contained in this Section 9 are a material portion of the consideration to Caltrans in agreeing to enter into this Agreement and shall survive the close of escrow and the delivery and recordation of Director's Deed and the CC&Rs in perpetuity.

SECTION 10. INDEMNIFICATION

Following the closing of the transaction contemplated herein, except as provided below,

Purchaser shall, at its sole cost and expense, indemnify, defend and hold Caltrans and its officers, agents, employees, attorneys and consultants, including without limitation, HCD, and their respective successors and assigns (collectively, the **"Indemnified Parties"**), free and harmless from and against any and all liabilities, demands, claims and costs (including remediation, reimbursement or contribution costs or claims), damages, losses, and expenses (including and without limitation to attorneys' fees, legal expenses and court costs, and consultant's fees, and investigation and remediation costs) of whatever kind or nature incurred or suffered by, or threatened against, any Property or any Indemnified Party(ies) resulting from or arising out of or by reason of any matter pertaining to the condition or status of the Property, including without limitation, the existence of any Hazardous Substances or Hazardous Substance Conditions in, on, under or about the Property (collectively, "Claims"). Except as provided below, this indemnity is intended to address any and all liability for which Caltrans may now or at any time hereafter be partially or entirely responsible in connection with the contamination, environmental or physical condition or status of any Property, including the prior operation thereof, due to its mere ownership or operation of such Property. As used in this Agreement, the term **"Hazardous Substance"** shall mean any substance whose nature and/or quantity of existence, use, manufacture, disposal or effect, render it subject to federal, state, or local regulation, investigation, remediation or removal as potentially injurious to public health or welfare, including the Comprehensive Environmental Response Compensation and Liability Act or Resource Conservation and Recovery Act as now in effect; and the term **"Hazardous Substance Condition"** shall mean the existence in, on, under or about the Property of a hazardous substance that requires remediation, removal, mitigation and/or other action pursuant to applicable law. This indemnification shall in no event apply to (i) Claims to which Caltrans representations and warranties apply, (ii) any Claims involving Caltrans' willful misconduct, gross negligence or fraud, and (iii) any Claims relating to challenges to Caltrans' acquisition or disposition of the Property.

Purchaser's indemnification and defense of any matters contemplated in this Section 10 for or on behalf of the Property or any Indemnified Parties shall be made by counsel reasonably acceptable to the Indemnified Parties; shall commence immediately upon any such claim or matter being made, threatened, or asserted against Indemnified Parties or the Property without the necessity of the Indemnified Parties first contesting or defending the same, suffering or incurring any loss or adverse disposition, or otherwise taking or failing to take any other action; and shall apply to all such matters regardless of any action, failure or negligence of the Indemnified Parties, it being the express intent that the indemnification, defense and hold harmless obligations of this Section 10 apply to all matters referenced herein except to the extent caused by the gross negligence or willful misconduct of the Indemnified Parties. In the event Purchaser refuses to initiate or continue pursuing to completion any such defense or other obligations hereunder, Indemnitee shall be entitled to undertake, assume, and/or conclude the same, all at Purchaser's sole cost and expense, with counsel selected by Indemnitee. The obligations of Purchaser under this Section 10 shall be absolute and unconditional, and shall survive the close of escrow and the delivery and recordation of the Director's Deed and the CC&Rs.

SECTION 11. CASUALTY/CONDEMNATION

In the event any casualty or condemnation proceeding occurs or is commenced with respect to the Property after the effectiveness hereof but prior to the close of escrow, Caltrans shall notify Purchaser of the same in writing within ten (10) business days after Caltrans has knowledge of the same, and either of the following shall occur:

(A) If Purchaser does not elect to cancel within seven (7) business days after receipt of such notice by Purchaser, the parties shall continue to proceed under this Agreement and close without adjustment to the Purchase Price or any of the other provisions of this Agreement, in which event upon the close of escrow, Caltrans shall assign to Purchaser all of its interest in any such insurance or condemnation proceeds, compensation, award, or other payments or relief resulting from such casualty or condemnation proceedings; or

(B) If Purchaser elects to cancel, and Purchaser provides written notification to Caltrans of its election to terminate this Agreement within such 7-day period, then this Agreement shall terminate, the Deposit shall be returned to Purchaser without interest, and Caltrans shall retain all proceeds, compensation, awards, payments and other benefits or relief related to such casualty and condemnation with respect to the Property.

SECTION 12. REMEDIES

12.01 Of Purchaser. If the closing does not occur as a result of Caltrans' default under this Agreement, then, provided Purchaser is not in default hereunder, Purchaser may, at its election proceed with either of the following mutually exclusive alternatives as its sole and exclusive remedy:

- A. Terminate the Agreement, whereupon: (1) the Deposit shall be returned to Purchaser without interest, (2) Purchaser may seek reimbursement from Caltrans of any and all hard third-party costs and expenses incurred by Purchaser in connection the investigation of the Property or the negotiation and execution of this Agreement, as evidenced by invoices delivered to Caltrans, up to the maximum aggregate amount of fifteen thousand Dollars (\$15,000), and (3) neither party shall have any further obligation or liability to the other under this Agreement except for provisions of this Agreement which expressly state that they shall survive the termination of this Agreement; or
- B. File in a court of competent jurisdiction an action for specific performance to cause Caltrans to convey the Property to Purchaser in accordance with the terms and conditions of this Agreement; but Purchaser shall not be entitled to recover any monetary damages (whether compensatory, consequential, exemplary,

punitive or other) from Caltrans in connection with such default other than seeking its reasonable attorneys' fees in connection with such action.

PURCHASER ACKNOWLEDGES AND AGREES THAT THE LIMITATIONS ON REMEDIES AGAINST CALTRANS SET FORTH IN THIS SECTION 12.01 ARE A MATERIAL INDUCEMENT FOR CALTRANS TO ENTER INTO THIS AGREEMENT, AND PURCHASER AGREES THAT SUCH LIMITATIONS ARE REASONABLE AND ENFORCEABLE IN ACCORDANCE WITH THEIR TERMS.

12.02 Of Caltrans. LIQUIDATED DAMAGES. PURCHASER AND CALTRANS AGREE THAT SHOULD PURCHASER FAIL TO COMPLETE THE PURCHASE OF THE PROPERTY AS HEREIN PROVIDED BY REASON OF DEFAULT OF PURCHASER, THE PARTIES HERETO, BY INITIALING THIS SECTION 12.02 IN THE SPACE PROVIDED BELOW, AGREE THAT IT WOULD BE IMPRACTICAL OR EXTREMELY DIFFICULT TO ASCERTAIN OR FIX ACTUAL DAMAGES TO CALTRANS AS A RESULT OF SUCH FAILURE OR DEFAULT BY PURCHASER, THAT UNDER THE CIRCUMSTANCES EXISTING AS OF THE DATE OF THIS AGREEMENT THE ENTIRE DEPOSIT PROVIDED FOR IN SECTION 2.03(a)(ii) ABOVE IS A REASONABLE ESTIMATE OF CALTRANS' DAMAGES, AND THAT AS CALTRANS' SOLE AND EXCLUSIVE REMEDIES ON ACCOUNT OF SUCH BREACH, CALTRANS SHALL BE ENTITLED TO: (1) RETAIN SAID DEPOSIT AS LIQUIDATED DAMAGES FOR SUCH BREACH BY PURCHASER AND (2) TERMINATE THIS AGREEMENT. THE PAYMENT OF SUCH AMOUNT AS LIQUIDATED DAMAGES IS NOT INTENDED AS A FORFEITURE OR PENALTY, BUT IS INTENDED TO CONSTITUTE LIQUIDATED DAMAGES TO CALTRANS PURSUANT TO CALIFORNIA CIVIL CODE SECTIONS 1671, 1676 AND 1677.

THE PROVISIONS HEREOF RELATE ONLY TO CALTRANS' DAMAGES FOR PURCHASER'S DEFAULTS IN ITS AGREEMENT TO PURCHASE THE PROPERTY AS PROVIDED HEREIN. NOTHING CONTAINED HEREIN SHALL LIMIT OR PRECLUDE, OR BE DEEMED TO LIMIT OR PRECLUDE, THE EXERCISE OR ENFORCEMENT BY CALTRANS OF ANY RIGHTS WHICH EXPRESSLY SURVIVE THE TERMINATION OF THIS AGREEMENT.

Purchaser's Initials: _____ Caltrans' Initials: _____

SECTION 13. MISCELLANEOUS

13.01 Headings. This Agreement shall be construed as a whole, and the subject headings of the paragraphs and subparagraphs of this Agreement are included for convenience only and shall not affect the construction or interpretation of any of its provisions or define the provisions in the portions of this Agreement to which they pertain.

13.02 Assignment. Purchaser may not assign this Agreement, or any portion hereof or any of its rights or interests hereunder, without the express prior written consent of Caltrans, which consent may be conditioned or withheld in Caltrans' sole and absolute discretion, except as set forth herein. Purchaser may, without Caltrans' consent, but upon notice to Caltrans and Escrow Holder, assign any or all of its rights in, to or under this

Agreement to an entity or instrumentality that is wholly controlled by Purchaser. No such assignment (regardless of whether consented to by Caltrans) shall relieve or release Purchaser from any of its obligations hereunder. As a condition to the effectiveness of such assignment, all assignees shall execute an assumption agreement reasonably acceptable to Caltrans under which the proposed assignee agrees to fully assume and be bound by all the terms of this Agreement to be observed or performed by Purchaser.

Caltrans shall be free to assign this Agreement, or any portion hereof or any of its rights or interests hereunder, without the consent or approval of Purchaser.

13.03 Entire Agreement / Amendment. This Agreement (including all exhibits and schedules hereto and other agreements referenced herein) constitute the entire agreement between the parties pertaining to the subject matter contained herein and supersede all prior written or oral agreements, representations and understandings of the parties relating to the subject matter herein. There are no representations, agreements, arrangements, or understandings, oral or written, relating to the subject matter which are not fully expressed herein. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by all the parties hereto.

This Agreement does not affect the enforceability of other written contracts related to the use and resale of the Property or to preserving the historic nature of the Property.

13.04 Counterparts. This Agreement may be executed simultaneously in one or more identical counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. This Agreement shall be fully effective and binding on all parties hereto, as if one or more copies thereof had been executed by all the parties hereto, when all the parties have executed identical counterparts hereof, even though no single counterpart has been executed by all the parties hereto.

13.05 Binding / Successor & Assigns. Except to the extent assignment hereof is prohibited, this Agreement shall be binding on, and shall inure to the benefit of, the parties hereto and their successors and assigns.

13.06 Attorneys' Fees. If any legal action, arbitration or other proceeding is brought by either party involving a dispute between the parties arising out of the interpretation or enforcement of any condition or provision hereof, or by reason of any breach arising hereunder or the sale of the Property, the prevailing party shall be entitled to recover its reasonable attorneys' fees, court costs and expert witness fees incurred in such action or proceeding in addition to any other relief to which such party may be entitled.

13.07 Further Acts. Each party agrees to perform any further acts and execute and deliver any documents that may be reasonably necessary to carry out the provisions in this Agreement.

13.08 Limited Third-Party Beneficiaries. Subject to the remainder of this Section 13.08,

this Agreement is for the sole benefit of the parties hereto and there are no third-party beneficiaries, intended or otherwise. Notwithstanding the foregoing, HCD and the other Seller Parties (and other released persons) are intended third-party beneficiaries of Section 9 hereof, and HCD and the other Indemnified Parties are intended third party beneficiaries of Section 10 hereof.

13.09 Notices. All notices, requests, demands, and other communications required or desired under this Agreement shall be in writing and shall be given by any of the following methods: (i) personal service at the address set forth below, (ii) email transmission in the manner set forth below, or (iii) depositing such notice in the United States mail postage prepaid, addressed to the other as follows:

Caltrans
Division of Right of Way – SR-710, MS6
100 South Main Street
Los Angeles, CA 90012

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

Any notice given by personal service shall be deemed given when received, as verified by a written receipt or proof of service. Any notice given by email transmission shall be deemed given when transmitted, as evidenced by printed email; and any notice given by regular mail shall be deemed given on the fifth (5th) business day after its deposit in the United States mail postage prepaid.

Either party may change its address for purposes of this paragraph by giving the other party written notice of the new address to the other party at the address contained herein.

13.10 Governing Law. This Agreement has been prepared, negotiated, and entered into in the State of California and shall be governed by, construed and enforced in accordance with the internal laws of the State of California and according to its fair meaning, and not in favor of or against any party. Any action or proceeding relating or arising out of this Agreement shall be filed, if a State action, in the Superior Court of the State of California for the County of Los Angeles.

13.11 Severability. If any provision of this Agreement, or the application thereof to any person or circumstance, is held invalid or unenforceable by any court or arbitrator, it is the intent of the parties that all the other provisions of this Agreement, and the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall be construed to be fully valid, enforceable and binding on the parties to the fullest extent permitted by law.

13.12 Survival / No Merger. All covenants, representations, warranties, and other agreements under this Agreement which are expressly stated herein as surviving the close of escrow shall survive the close of escrow and the delivery and recordation of the Director's Deed and the CC&Rs in perpetuity, and shall not merge with or into the Director's Deed or the CC&Rs (or be terminated, limited or otherwise affected thereby).

13.13 Time is of the Essence. Time is of the essence of this Agreement in respect to all provisions of this Agreement that specify a time for performance, including the closing of escrow provided for herein, and failure to comply with this provision shall be a material breach of this Agreement.

13.14 Days / Saturdays, Sundays, and Holidays. Unless otherwise expressly stated, all time periods referred to herein shall be deemed to mean calendar days. If any date by which an election or a notice shall be given, or by which an action shall be taken, hereunder falls on a Saturday, Sunday, federal or state holiday, then the date by which such election or notice shall be given or such action shall be taken is extended to 5:00 p.m. on the next business day following such Saturday, Sunday, federal or state holiday.

13.15 Waiver. Waiver by one party of the performance of any covenant, condition or promise shall not invalidate this Agreement, nor shall it be a waiver by such party of such covenant, condition or promise in the future or of any other covenant, condition, or promise hereunder. Any waiver, to be effective, shall be express, in writing and signed by the waiving party, and shall be delivered to the other party. The exercise by a party of any remedy provided in this Agreement or at law shall not prevent the exercise by that party of any other remedy provided in this Agreement or at law.

13.16 Construction. As used in this Agreement, the masculine, feminine, or neuter gender and the singular or plural numbers shall each be deemed to include the other whenever the context so indicates. Each party hereto acknowledges and agrees that each has had independent counsel review and participated in the negotiation and drafting of this Agreement, and each hereby fully waives the application of any law, statute or rule of construction or interpretation, including without limitation California Civil Code Section 1654, to the effect that any ambiguities are to be construed against the drafting party.

13.17 Exhibits. All exhibits and schedules attached to this Agreement are hereby incorporated by reference herein and specifically made a part of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

CALTRANS:

Recommended for Approval by:

STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION

By: _____ Date: _____
Angus Chan
Senior Right of Way Agent

By: _____ Date: _____
Heriberto Salazar
Supervising Right of Way Agent, 710 Sales

Approved:

By: _____ Date: _____
Dan Murdoch
Deputy District Director, Right of Way

PURCHASER:

By: _____ Date: _____
City of South Pasadena

By: _____ Date: _____
City of South Pasadena

Attached Exhibits

Exhibits "A"

Director's Deed/Legal Description of Property

Exhibit "B"

Deleted

Exhibit "C"

Declaration of Covenants, Conditions & Restrictions

Recording Requested by
DEPARTMENT OF TRANSPORTATION

When recorded, Mail to:
STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION
District 7, Right of Way Division
Office of R/W Engineering
100 South Main Street, MS 13
Los Angeles, CA 90012

Space above this line for Recorder's Use
APN: 5315-013-906 EA: 0R0002

RWPS: J. White
Written by: R.G.
Checked by: J.A.

R/W Map No.: F1533-6
Date: 8-18-2022

N. of Hope St. and E. of Meridian Ave.

District	County	Route	Post	Number
07	LA	710	PM 30.8	DD 68439-01-01

DIRECTOR'S DEED GRANT

The State of California, acting by and through its Director of Transportation, hereinafter called STATE, hereby grants to _____

hereinafter called GRANTEE, that real property in the City of South Pasadena, County of Los Angeles, State of California, described as follows:

See Exhibit "A", attached.

This conveyance is subject to special assessments, if any, and the Declaration of Covenants, Conditions, and Restrictions (Caltrans 710 Affordable Sales Program) recorded concurrently herewith, whereby, among other things, the State of California has deferred its equity in the property pursuant to the Affordable Sales Program Regulations.

MAIL TAX
STATEMENTS TO:

Subject also to the following, in accordance with U.S. DOT Order 1050.2A, DOT Standard Title VI Assurances and Non-Discrimination Provisions:

A. The GRANTEE, for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that:

In the event facilities are constructed, maintained, or otherwise operated on the property described in this deed for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, the GRANTEE will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities.

B. In the event of breach of any of the above Non-discrimination covenants, the STATE will have the right to enter or re-enter the lands and facilities thereon, and the above-described lands and facilities will there upon revert to and vest in and become the property of the STATE and its assigns.

EXHIBIT "A"
LEGAL DESCRIPTION

DD 68439-01-01:

Lot 1 and the Southerly 10.06 feet of Lot 2, in Block D of Replat Map of Buena Vista Tract, in the City of South Pasadena, County of Los Angeles, State of California, as shown on map recorded in Book 17, page 39, of Miscellaneous Records, as acquired by the State of California (State Parcel No. 68439-1), by deed recorded September 5, 1974, in Book D6404, page 440, as Instrument No. 1199, of Official Records, both in the Office of the Registrar-Recorder/County Clerk of said county.

This real property description has been prepared by me, or under my direction, in conformance with the Professional Land Surveyors' Act.

Signature 
Licensed Land Surveyor

Date 08-22-2022
DD 68439-01-01



This conveyance is executed pursuant to the authority vested in the Director of Transportation by law and, in particular, by the Streets and Highways Code.

STATE OF CALIFORNIA
DEPARTMENT OF
TRANSPORTATION

Dated _____
APPROVED AS TO FORM AND
PROCEDURE

ATTORNEY
DEPARTMENT OF
TRANSPORTATION
*Certificate of Execution
Required for all Director's
Deeds*

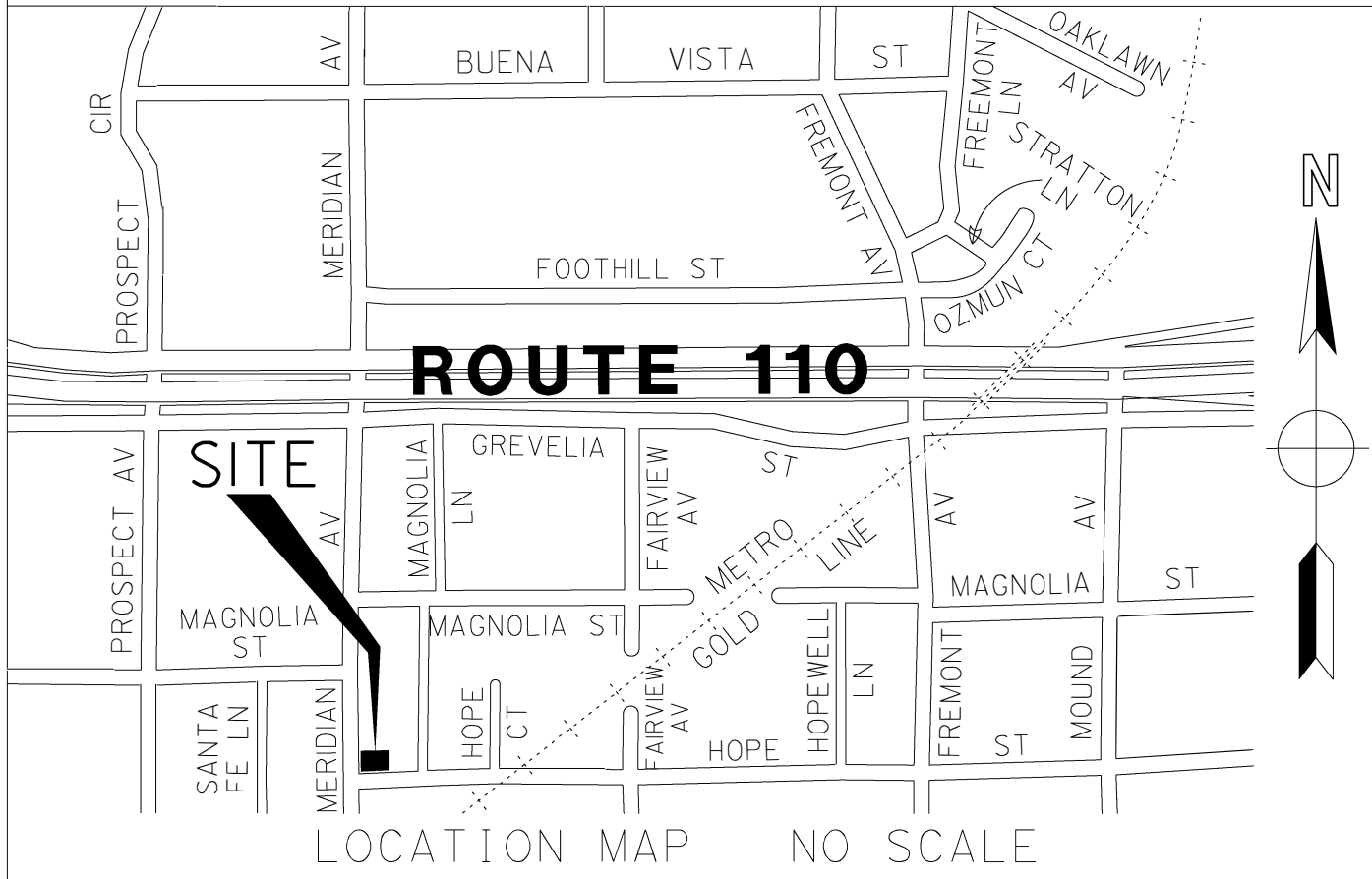
By _____
Director of Transportation

By _____
Attorney in Fact

*This Space Reserved for
California Transportation Commission
Certification*

COUNTY OF LOS ANGELES

CITY OF SOUTH PASADENA



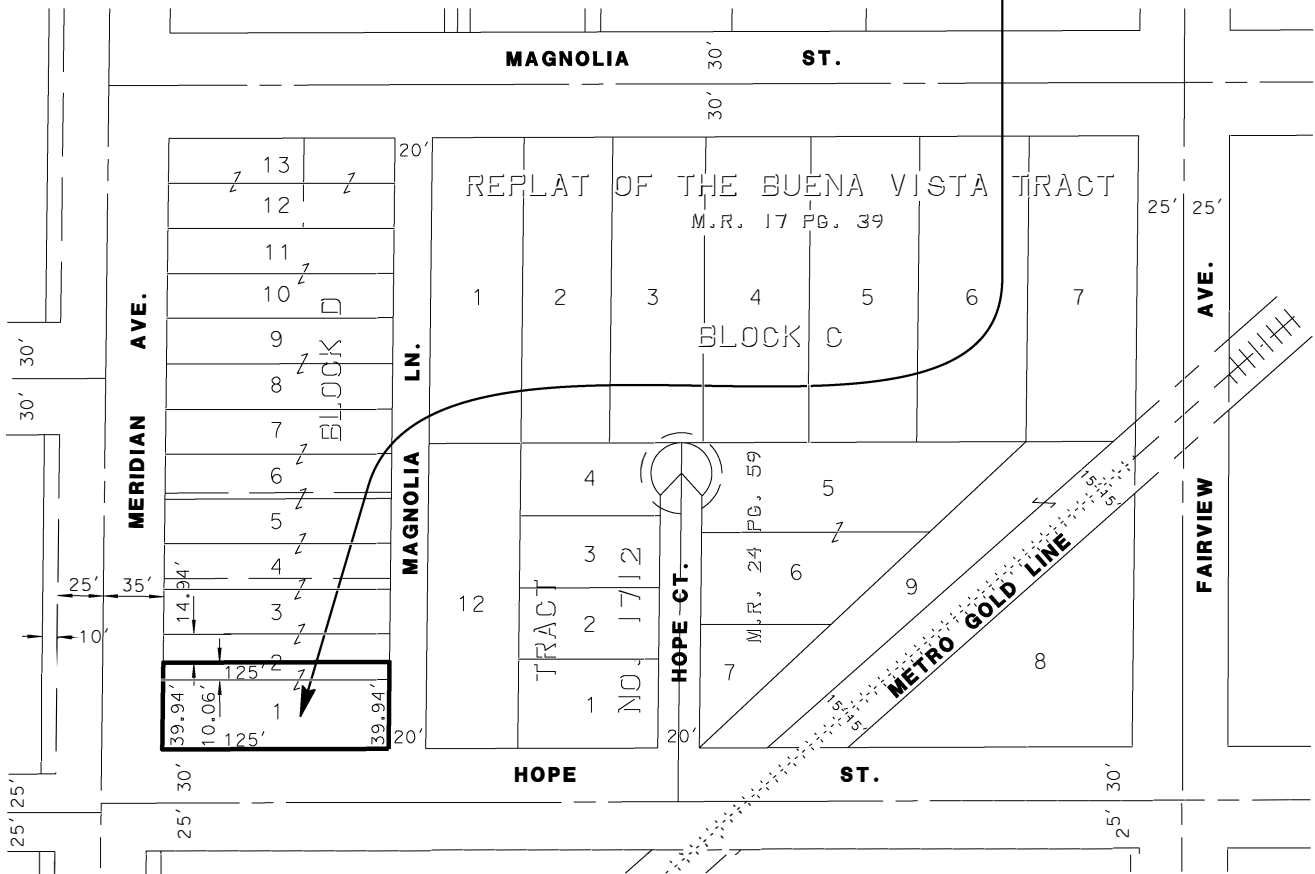
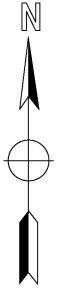
NOTES
All distances are in feet unless otherwise noted.
LEGEND

STATE OF CALIFORNIA CALIFORNIA STATE TRANSPORTATION AGENCY DEPARTMENT OF TRANSPORTATION					
RIGHT OF WAY DIRECTOR'S DEED DD 68439-01-01					
NOT TO SCALE					
REF.: R/W MAP NO. F1533-6			DATE: 08-18-2022		
DISTRICT	COUNTY	ROUTE	SHEET PM	SHEET NO.	TOTAL SHEETS
07	LA	710	30.8	1	2

**CITY OF SOUTH PASADENA
COUNTY OF LOS ANGELES**

PARCEL NO. AREA
DD 68439-01-01 6,250 SF

6,250 S.F.
DD
68439-01-01



NOTES
All distances are in feet unless otherwise noted.
LEGEND

**STATE OF CALIFORNIA
CALIFORNIA STATE TRANSPORTATION AGENCY
DEPARTMENT OF TRANSPORTATION**

**RIGHT OF WAY
DIRECTOR'S DEED
DD 68439-01-01**

NOT TO SCALE

REF.: R/W MAP NO. F1533-6		DATE: 08-18-2022			
DISTRICT	COUNTY	ROUTE	SHEET PM	SHEET NO.	TOTAL SHEETS
07	LA	710	30.8	2	2

Free Recording Pursuant to
Government Code Section 27383 at the
Request of the California Department
of Transportation

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

California Department of Housing and
Community Development
P.O. Box 952052
Sacramento, California 94252-2052
Attn: General Counsel

1002, 1008 Hope St & 726 Meridian Ave, S Pasadena CA 91030 (Space Above This Line for Recorder's Use)

**DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
(CALTRANS STATE ROUTE 710 SALES PROGRAM)**

**THIS DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
(CALTRANS STATE ROUTE 710 SALES PROGRAM) ("Use and Resale Covenant")** is dated _____, 20__, for reference purposes only, by and among the City of South Pasadena, ("**City**"), the California Department of Transportation, a department of the State of California ("**Caltrans**"), and Department of Housing and Community Development (HCD) Monitoring Entity. City is purchasing that certain real property, consisting of land and all buildings thereon, in the City of South Pasadena with a street address of 1002, 1008 Hope St & 726 Meridian Ave, South Pasadena, California 91030, and a legal description found in Exhibit A attached hereto and made a part hereof ("**Property**"). Capitalized terms used in this Use and Resale Covenant not already defined above have the meanings given to them in Section 2 below. This Use and Resale Covenant is made with reference to the following facts:

RECITALS

A. WHEREAS, in 1979 the Legislature passed Senate Bill 86, commonly referred to as the "Roberti Act" (herein, as may be amended from time to time, the "**Act**") which added, in part, Sections 54235 through 54238.7 to the California Government Code wherein the Legislature found and declared that the sale of certain surplus residential properties by Caltrans would directly serve an important public purpose; Caltrans, pursuant to the Act, is selling the Property to the City, subject to the provisions of this document;

B. WHEREAS, in accordance with the Act, Caltrans has developed a program as more particularly set forth in Chapter 9.5, Division 2 of Title 21 of the California Code of Regulations

(herein, the “**Regulations**”) to make certain historic homes available for public and community use;

C. WHEREAS, Caltrans has identified City as being eligible to purchase the Property at Caltrans’ original acquisition price in accordance with the Act;

D. WHEREAS, to effectuate the sale of the Property to City, City has agreed to use and resale controls in accordance with the Act and evidenced by this Use and Resale Covenant; and

E. WHEREAS, Caltrans has determined the Property is “excess real property” within the meaning of Streets and Highways Code Section 118.6 and approved the sale;

NOW, THEREFORE, in consideration of the substantial economic benefits inuring to City and the public purposes to be achieved under the Act, City, Caltrans, and the Monitoring Entity hereby declare and agree as follows:

Section 1. Extraordinary Provisions.

1.1 Purchase Price. Caltrans and City agree that City’s purchase price for the Property is Caltrans’ original acquisition price Caltrans and City further agree that City’s purchase price complies with Government Code section 54239.4, subdivision (b)(1)(A).

1.2 City Acknowledgments.

- (a) City understands and agrees to abide by all the provisions of this Use and Resale Covenant.
- (b) City hereby takes the Property subject to certain restrictions and limitations of the full enjoyment and use of the Property as set forth in this Use and Resale Covenant. City acknowledges that City may not enjoy the same economic benefits from owning the Property that City would enjoy if this Use and Resale Covenant did not exist.
- (c) Absent the assistance provided by Caltrans and the provisions of this Use and Resale Covenant, the Property could not be made available to City.
- (d) In recognition of the acknowledgements and agreements stated herein, City accepts and agrees to the provisions of this Use and Resale Covenant with the understanding that this Use and Resale Covenant will remain in full force and effect to limit use and transfer of the Property unless terminated pursuant to the terms herein.
- (e) City covenants and agrees for itself, its successors, its assigns, and every successor interest in the Property or any part thereof, that City, such successors and such assignees, shall regularly and continuously use the Property only for the purposes authorized in this Use and Resale Covenant.

- (f) City further agrees not to challenge the terms and provisions of this Use and Resale Covenant or any right of Caltrans, or the Monitoring Entity created hereunder and acknowledges that the same are not an unreasonable restraint on any right to transfer the interest of the City in the Property.
- (g) City acknowledges that Government Code section 54239.4, subdivision (b) imposes additional requirements upon City that are not reflected in this Use and Resale Covenant, and that full compliance with this Use and Resale Covenant does not equate to full compliance with Government Code section 54239.4, subdivision (b).
- (h) City acknowledges that Government Code section 54239.4, subdivision (b)(1)(O) authorizes the Monitoring Entity to review, adopt, amend, and repeal standards, forms, or definitions to implement Government Code section 54239.4, subdivisions (b)(1)(C) through (N), inclusive.

Section 2. Definitions.

As used in this Use and Resale Covenant, the capitalized terms set forth below shall have the following meanings:

- (a) “*Event of Default*” is defined in Section 6.1.
- (b) “*Monitoring Entity*” means Department of Housing and Community Development.
- (c) “*Notice*” is defined in Section 7.2.

Section 3. Use of the Property.

3.1 Resale. City shall resell the Property within two (2) years of the close of escrow that transfers title of the Property from Caltrans to City. Monitoring Entity may grant the City up to one two-year extension of time to resell the Property if City demonstrates sufficient progress on the sale of the Property. Sufficient progress includes:

- (a) Proof that the Property has been listed for 180 days at a price that does not exceed fair market value based on comparable sales in the City of South Pasadena with no offers; or
- (b) Unexpected structural damage to the Property due to a natural disaster or similar occurrence; or
- (c) Other proof of progress at the discretion of the Monitoring Entity’s Director.

3.2 Affordable Housing. If City does not resell the Property within the period described in Section 3.1 (including any extension(s) granted by the Monitoring Entity), then City shall cause the Property to be used as either of the following:

- (a) As an affordable rental to lower income and moderate-income households, as defined by Health and Safety Code sections 50052.5 and 50079.5, respectively. Such use shall be for no less than 55 years.
- (b) If the Property is a single-family residence, then as owner-occupied affordable housing for no less than 45 years, with the Property being sold to a person or family of low or moderate income at an affordable price, as defined by Government Code section 62250. The Property may then only be resold at an affordable price to a person or family of low or moderate income.

Section 4. Use of the Proceeds After Resale.

4.1 Required Use of Proceeds. City shall use the proceeds from the resale of the Property described in Section 3.1 to finance the production or acquisition of at least three (3) housing units that meet all the following criteria:

- (a) The housing units must be affordable to persons and families of low or moderate-income, as defined by Health and Safety Code section 50093; and
- (b) Either through its ownership of the housing units or by regulatory agreement if it does not own the housing units, City shall cause each housing unit to be made available at an affordable sales price or an affordable rent, as defined in Health and Safety Code sections 50052.5 and 50053; and
- (c) If a housing unit is used as a rental, then it shall be available at an affordable rent for no less than 55 years; and
- (d) If a housing unit is used as an owner-occupied affordable housing unit, then it shall be so used for no less than 45 years; and
- (e) Each housing unit is within the 91030 postal ZIP code.

4.2 Monitoring. City shall monitor compliance with the regulatory agreement described in Section 4.1(b). City may charge a fee to recover the cost of this monitoring.

4.3 Sites for Housing Units. The housing units described in Section 4.1 may be produced or acquired on a single site or on multiple sites.

4.4 Timeline for Production and Acquisition. City shall commence construction or complete acquisition of all housing units described in Section 4.1 by December 31, 2025.

Monitoring Entity may grant the City two two-year extensions if it demonstrates sufficient progress on the development or acquisition of the housing units. Sufficient progress includes:

- (a) An executed option agreement or exclusive negotiation agreement for the purchase of property intended for conversion to affordable units; or
- (b) Completed project entitlements or building permits; or
- (c) Executed purchase agreements and draft covenants for the acquisition or rehabilitation of market rate units for the purpose of conversion to affordable units, or a combination thereof; or
- (d) Other proof of progress at the discretion of the Monitoring Entity's Director.

4.5 Use of Surplus Funds. Any surplus funds remaining after the completion of the construction of the housing units described in Section 4.1 shall be used at the discretion of City for the production or acquisition of rental or for-sale housing affordable to persons and families of low or moderate-income, as defined by Health and Safety Code section 50093.

Section 5. Termination.

5.1 Termination of Use and Resale Covenant. This Use and Resale Covenant shall cease to encumber the Property upon resale pursuant to Section 3.1. However, the terms of the Use and Resale Covenant shall remain enforceable under applicable law and as a contract between Monitoring Entity and City to ensure compliance of Sections 4.1 through 4.5.

Section 6. Default and Remedies.

6.1 Event of Default. The occurrence of any one of the following events or circumstances shall constitute an "***Event of Default***" by City under this Use and Resale Covenant.

- (a) City's failure to comply with the requirements in Sections 4.1 through 4.5, or Section 3.2, as applicable.
- (b) City's failure to comply with Government Code section 54239.4, subdivision (b)(1)(I).
- (c) City's failure to comply with Government Code section 54239.4, subdivision (b)(1)(J).

6.2 Remedies. Upon the occurrence of an Event of Default by City, the Monitoring Entity may exercise the remedy set forth below:

- (a) The City shall pay a fine to the Monitoring Entity of an amount equal to the funds generated through the resale of the Property, pursuant to Section 3.1. minus the purchase

price described in Section 1.1. Fines shall be deposited into an account held by the Monitoring Entity pursuant to Government Code section 54239.4(b)(1)(K).

6.3 Not Subject to Appeal. Pursuant to Government Code section 54239.4(b)(1)(N), an Event of Default shall be determined by the Monitoring Entity and is not subject to appeal.

Section 7. Miscellaneous.

7.1 Nondiscrimination. City covenants by and for itself and its successors and assigns that there shall be no discrimination against or segregation of a person or a group of persons on account of sex, race, color, religion, ancestry, national origin, ethnic group identification, age, mental disability, physical disability, medical condition, genetic information, marital status, gender, gender identity, gender expression, familial status, source of income, veteran or military status, or sexual orientation in the transfer, use, or occupancy of the Property, nor shall City, any person claiming under or through City, establish or permit any such practice or practices of discrimination or segregation with reference to the use, occupancy, or transfer of the Property.

7.2 Notices. Notice shall be in writing and sufficiently given or delivered if transmitted by (a) registered or certified United States mail, postage prepaid, return receipt requested, (b) personal delivery, or (c) nationally recognized private courier services, in every case addressed as follows:

If to City: [to be inserted]

If to the Monitoring Entity [to be inserted]

Any such Notice transmitted in accordance with this Section 7.2 shall be deemed delivered upon receipt, or upon the date delivery was refused. Any party may change its address for notices by written Notice given to the other party in accordance with the provisions of this Section 7.2.

7.3 Attorneys' Fees for Enforcement. If any action or legal proceeding is instituted by City or the Monitoring Entity arising out of this Use and Resale Covenant, the prevailing party therein shall recover reasonable attorneys' fees and costs in connection with such action or proceeding. For purposes of this Use and Resale Covenant, reasonable fees include the fees and costs of any in-house counsel for the Monitoring Entity, which shall be based on: (i) the employee's hourly rate on the employee's salary, (ii) forty-one and eight-tenths percent (41.8%) of the employee's hourly salary rate to reflect non-salary direct and indirect costs, and (iii) five percent (5%) of the employee's hourly salary rate to reflect central service costs.

7.4 Integration. This Use and Resale Covenant constitutes an integration of the entire understanding and agreement of Caltrans, City, and the Monitoring Entity with respect to the subject matter hereof. Any representations, warranties, promises, or conditions, whether written or oral, not specifically and expressly incorporated in this Use and Resale Covenant, shall not be binding on any of the parties, and City and the Monitoring Entity each acknowledge that in entering into this Use and Resale Covenant they have not relied upon any representation,

warranty, promise or condition, not specifically and expressly set forth in this Use and Resale Covenant. All prior discussions and writings have been, and are, merged and integrated into, and are superseded by, this Use and Resale Covenant.

7.5 Severability. In the event that any provision of this Use and Resale Covenant is determined to be illegal or unenforceable, such determination shall not affect the validity or enforceability of the remaining provisions hereof, all of which shall remain in full force and effect.

7.6 Headings. The headings within this Use and Resale Covenant are for the purpose of reference only and shall not limit or otherwise affect any of the terms of this Use and Resale Covenant.

7.7 Time for Performance. Time is of the essence in the performance of the terms of this Use and Resale Covenant. All dates for performance or cure shall expire at 5:00 p.m. on the performance or cure date. Any performance date which falls on a Saturday, Sunday, or a holiday specified in Code of Civil Procedure section 135 is automatically extended to the next day that is not a Saturday, Sunday, or holiday.

7.8 Amendments. Any modification or waiver of any provision of this Use and Resale Covenant or any amendment thereto shall be in writing and signed by the authorized representatives of both the Monitoring Entity and the City.

7.9 Controlling Use and Resale Covenant. City covenants that City has not executed and will not execute any other agreement with provisions contradictory to or in opposition to the provisions of this Use and Resale Covenant. City understands and agrees that this Use and Resale Covenant shall control the rights and obligations between City and the Monitoring Entity with respect to the subject matter contained herein.

7.10 Exhibits. The Exhibits and Attachments attached hereto are a material part of this Use and Resale Agreement and are incorporated herein by this reference.

7.11 Governing Law. This Use and Resale Covenant shall be governed by, and construed and enforced in accordance with, the laws of the State of California.

7.12 Counterparts. This Use and Resale Covenant may be signed in counterparts, each of which shall constitute an original.

7.13 Recordation. Caltrans shall cause this Use and Resale Covenant to be recorded in the Official Records.

7.14 Interpretation. Each party hereto acknowledges and agrees that each has had independent counsel review and participate in the negotiation and drafting of this Use and Resale Covenant, and each hereby fully waives the application of any law, statute or rule of construction

or interpretation, including without limitation Civil Code section 1654, to the effect that any ambiguities are to be construed against the drafting party.

7.15 Assignment by Caltrans to the Monitoring Entity. Upon this Use and Resale Covenant being recorded in the Official Records, Caltrans assigns all the rights, duties, and benefits granted to it by this Use and Resale Covenant to the Monitoring Entity, and the Monitoring Entity accepts such assignment.

IN WITNESS WHEREOF, City, Monitoring Entity, and Caltrans have executed this Use and Resale Covenant as of the date written above.

CITY:

MONITORING ENTITY:

California Department of Housing and
Community Development, an agency of the
State of California

By: _____

Its: _____

CALTRANS:

California Department of Transportation,
an agency of the State of California

By: _____

Its: _____

ALL SIGNATURES MUST BE NOTARIZED.

----- Attach All Purpose California Notary Acknowledgment -----

EXHIBIT A – LEGAL DESCRIPTION

STATE ROUTE 710 SALES PROGRAM PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT ("**Agreement**") is entered into as of January 26th, 2024 by and between the State of California, Department of Transportation ("**Caltrans**") and the City of South Pasadena, ("**Purchaser**"), a Municipal Corporation.

Recitals

- A. Caltrans owns the real property located in Los Angeles County, California commonly known as: 1131 Columbia Street, South Pasadena, CA 91030 and more particularly described as set forth in Exhibit "A", respectively, attached hereto ("**Property**").
- B. The parties wish to provide terms and conditions for Purchaser's purchase of the Property from Caltrans. The State Route 710 Sales Program described in Government Code section 54235 et seq. (the "**Act**") and Title 21 Public Works Division 2 Department of Transportation, Chapter 9.5 (the "**Regulations**") provide for the offering of State-owned, surplus residential properties to the City of South Pasadena at the Minimum Sales Price pursuant to 21 CCR § 1484.3, for the purpose of providing affordable housing to low and moderate-income households. Purchaser and Caltrans acknowledge the Property is subject to the terms of this Agreement, the aforementioned law and regulations, and the Declaration of Covenants, Conditions, and Restrictions (**CC&Rs**), as defined below, to be recorded against the Property upon the close of escrow hereunder.

NOW, THEREFORE, in consideration of the foregoing premises, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

SECTION 1. PURCHASE AND SALE

1.01 Purchase and Sale. Caltrans shall sell the Property to Purchaser, and Purchaser shall purchase the Property from Caltrans pursuant to the terms, limitations and conditions stated in this Agreement in accordance with the Act, the Regulations and other applicable laws, rules, and regulations (collectively, "**Applicable Laws**").

1.02 Conditions Precedent to Effectiveness. This Agreement shall not become effective unless and until all the following conditions precedent are satisfied on or before the thirtieth (30th) calendar day from the date Caltrans' sends this Agreement to Purchaser:

- A. Purchaser shall have: (1) executed and returned two original executed counterparts of this Agreement via certified mail, return receipt requested, to Caltrans and sent a copy thereof to the Escrow Holder, and (2) deposited with Escrow Holder the entire Down Payment contemplated by Section 2.02(A) below;

- B. Caltrans thereafter executes this Agreement and delivers a fully executed copy hereof to Escrow Holder; and

A failure of any such conditions to timely occur shall, without further notice or action, result in the full and immediate termination of any offer, obligation, liability or agreement of Caltrans to or with Purchaser or any other person with respect to the Property, whether hereunder or otherwise, immediately upon the expiration of such 30-day period, and Caltrans shall thereafter be free to offer, market and sell the Property to other persons, or otherwise dispose of the same, as Caltrans may, in its sole and absolute discretion determine.

1.03 Information/Prior Due Diligence. Purchaser hereby expressly acknowledges and agrees:

- A. that it is a sophisticated real estate purchaser and/or investor;
- B. that it is fully familiar with and understands the Applicable Laws and the CC&Rs, and the risks and obligations associated therewith and imposed on Purchaser and on the Property thereby, including the purchase thereof under this Agreement, and has had the same explained to it by its independent legal counsel and other advisors;
- C. that during the Inspection Period permitted under this Agreement: (A) Purchaser will have full access to the Property and all documents, data, reports and information related thereto requested by Purchaser, and will have the opportunity to undertake and perform any and all additional due diligence, investigation, surveys, reports and studies, with respect thereto, including without limitation the current and past physical and environmental condition of the Property, the condition of title thereto, the compliance thereof with any applicable building codes, permits, approvals, agreements or encumbrances affecting the same (including Applicable Laws), the value thereof, the use, operation, management or occupancy thereof and/or the suitability for Purchaser's intended use thereof, and all other matters referenced in Section 9 below, and (B) Purchaser has obtained any and all financing commitments necessary or desirable to purchase, repair and/or rehabilitate the Property; and
- D. that with the aid of such independent experts, contractors, consultants, advisors and professionals (including independent legal counsel and accountants) that it deems necessary, appropriate or desirable, Purchaser will, prior to the Closing Date hereof, evaluate and assess the Property and conduct such independent inquiry, feasibility investigation, inspections and due diligence with respect thereto as Purchaser and/or its advisors deem necessary, advisable or desirable, and will fully and unconditionally approve of and satisfy itself as to the same. As a result, there shall be no further access to the Property except as set forth in this Agreement and no further feasibility, inspection or similar rights or contingencies with respect to the purchase of the Property.
- E. Notwithstanding anything herein to the contrary, until the date that is sixty (60)

days after the execution of this Agreement (Inspection Period), upon reasonable notice but without any contingencies hereunder, Purchaser may access the Property and conduct non-invasive inspection, investigations, tests, observations, inquiries and studies as Purchaser deems appropriate. Purchaser shall promptly pay all expenses arising out of such inspections and other work on or about the Property prior to the Closing Date and shall not allow any mechanic's or materialmen's liens to be recorded on the Property (or promptly cause to be removed or bonded over any such liens if recorded on the Property). Purchaser shall promptly repair any damage to the Property caused by Purchaser's investigations. Purchaser shall coordinate with Caltrans any entry on the Property, execute a waiver and indemnity in the form customarily required by Caltrans prior to entry on Caltrans' property and follow applicable health and safety protocols as reasonably required by Caltrans. Following such period, upon Caltrans' reasonable consent and conditions, Purchaser may obtain access to the Property for a limited number of entries.

- F. Purchaser shall promptly notify Caltrans during the Inspection Period of any matters discovered in its review of the Property that would cause Purchaser to terminate this Agreement. If within ten days of such notice, Caltrans notifies Purchaser in writing that it will cure such matters prior to Closing, then Caltrans shall have the opportunity to cure such matters prior to the Closing Date. Purchaser has the right to terminate if Caltrans does not agree to cure or if the cure is not completed prior to the Closing Date. Upon any such termination, Escrow Holder shall remit the deposit to Purchaser.

SECTION 2. PURCHASE PRICE

2.01 Purchase Price. The purchase price for the Property shall be Sixty-Two Thousand Five Hundred Dollars and Zero Cents (\$62,500.00) (the **Purchase Price**”).

2.02 Payment. The Purchase Price shall be paid by Purchaser in cash, lawful money of the United States as set forth below, time being of the essence thereof:

- A. **Deposit.** Immediately upon the execution of this Agreement, Purchaser shall deposit with Escrow Holder the sum of **One Thousand Dollars (\$1,000.00)** (the **“Deposit”**) in the form of a cashier's check, wire transfer or other immediately available funds. The entire Deposit shall be applicable to the Purchase Price, without interest, shall be non-refundable except as may be expressly set forth in this Agreement, and shall constitute liquidated damages to Caltrans in the event of Purchaser's default in acquiring the Property. Time is of the essence in making the Deposit into escrow, and as provided above is a condition precedent to the effectiveness of this Agreement.
- B. **Cash at Close.** One (1) day prior to the close of Escrow (or by 1:00 p.m. of the close of escrow for funds delivered by wire transfer) the Purchaser shall deposit

the balance of the Purchase Price in the amount of Sixty-One Thousand, Five Hundred Dollars and Zero Cents (\$61,500.00) (the “**Cash Balance**”) with Escrow Holder in the form of a cashier’s check, wire transfer or other immediately available funds for delivery to Caltrans upon close of escrow hereunder.

2.03 Acknowledgement. [Deleted.]

2.04 No Seller Financing. Purchaser acknowledges this Agreement is not a financing agreement and neither Caltrans nor any other governmental agency or department has at any time made any representations, warranties, promises or undertakings, express or implied, to provide any financing or other assistance with respect to all or any portion of the Purchase Price or any other obligations of Purchaser hereunder or with respect to the Property, or with respect to any repair, rehabilitation, updating or other activity contemplated by Purchaser with respect thereto. Purchaser has performed all due diligence regarding obtaining funding and/or financing with respect to the Property, including the purchase thereof hereunder, as provided in Section 1.03 above, and has satisfied itself as to the same.

2.05 Change in Financial Condition. If either: (i) Purchaser ultimately fails to secure funds for the Purchase Price in the timeframe specified herein, or (ii) the financial condition of the Purchaser changes prior to Close of Escrow so that it is unable to purchase the Property, then in either such event Purchaser shall be in default under this Agreement and Caltrans shall be entitled to exercise its rights and remedies pursuant to Section 12.02 below.

2.06 Bonds, Taxes and Assessments. Subject to the specific proration provisions set forth in Section 3.05 below, all real property taxes, supplemental taxes, special taxes, bonds and/ or assessments which are liens on or levied with respect to the Property shall be assumed by Purchaser at close of escrow without reduction of or adjustment to the Purchase Price.

SECTION 3. ESCROW

3.01 Opening. The purchase and sale of the Property shall be consummated by means of Escrow No. _____ (a single escrow) which has been opened with _____ Title Company, _____, Suite _____, CA _____ Attn: _____ Escrow Officer, email: _____, Phone: (____) ____-____, Fax (____) ____-____ (“**Title Company**” or “**Escrow Holder**”).

3.02 Closing. The closing shall occur upon the recording of the Director's Deed for the Property, and shall occur when the conditions set forth in Article 5 below have all been satisfied or waived, and the conditions set forth in Government Code Section 54239.4(b)(1)(D) have been satisfied, but in no event later than **5:00 pm** _____, **2024** [the one hundred twentieth (120th) calendar day after the full execution of this Agreement]; provided, however, Caltrans shall, upon receipt of

written request prior to such date, grant a one-time thirty (30) calendar day extension to close escrow, (such date, as may be extended, being the “**Closing Date**”).

If at any time prior to the Closing Date, the Property becomes occupied, whether legally or illegally, Caltrans shall notify the Purchaser and Purchaser shall have 30 days to decide whether to proceed with the purchase of the Property. If the 30 days falls outside the Closing Date, the Closing Date shall be extended 10 days past the 30-day expiration. If Purchaser declines to proceed with the purchase of the Property due to the legal or illegal occupation of the Property, this Agreement shall terminate pursuant to the terms hereof. Upon any such termination, Escrow Holder shall remit the deposit to Purchaser.

3.03 Instructions. This Agreement shall to the extent applicable, also act as escrow instructions. The parties agree to execute any additional escrow instructions required by the Escrow Holder provided the same shall be consistent with the terms of this Agreement and shall provide that as between the parties, in the event there are any inconsistencies between such supplemental instructions and this Agreement, the terms of this Agreement shall prevail. Escrow Holder is hereby designated the “real estate reporting person” for purposes of Section 6045 of the Internal Revenue Code of 1986, as amended, and Treasury Reg. 1.6045-4, and any instructions or settlement statements prepared by Escrow Holder shall so provide. Escrow Holder shall be responsible for filing any Form 1099-S with the Internal Revenue Service.

3.04 Costs. Charges and expenses incurred in connection with the closing hereunder shall be borne by the parties as follows:

- A. Purchaser shall pay all: (A) escrow fees, (B) recording fees, (C) transfer taxes, (D) title insurance premiums and fees (whether for ALTA or CLTA coverage), endorsement coverage and survey costs, and (E) any other real estate transaction fees involved in this transaction;
- B. If applicable, Purchaser shall pay for and obtain any city/county required inspections and/or occupancy permits, whether required for closing the sale/escrow transaction or not. Caltrans shall provide Purchaser access to the Property as necessary to comply with this provision; and
- C. Each party shall bear their own legal, tax and professional fees and costs.

3.05 Prorations. All real property taxes, special taxes, assessments, bonds, and all other similar charges imposed or levied upon the Property by any governmental agency or special district, organization or body and any other obligations related to the Property shall be prorated at close as of the Closing Date. With respect to any prorations based upon an estimation, if and when the tax, assessment or other charge related thereto is segregated by the appropriate agency or other persons, within fifteen (15) days thereof, the parties shall adjust said prorations, as necessary, based on such final segregation and pay any such adjustment to the appropriate party. The provisions of this Section 3.05 shall survive the close of escrow and the delivery and recordation of the Director's Deed and CC&Rs hereunder.

3.06 Escrow Deposits. On or before the Closing Date, the parties shall make the following deposits into Escrow:

A. **By Caltrans.** At least one (1) business day prior to such closing, Caltrans shall deposit the following documents with Escrow Holder:

(i) an original **Director's Deed** for the Property duly executed by Caltrans and properly acknowledged and otherwise in recordable form, to be recorded in the Official Records of Los Angeles County, California against the Property described therein at close;

(ii) a counterpart original of the **CC&Rs** for the Property duly executed by Caltrans, and the Monitoring Entity properly acknowledged and otherwise in recordable form to be recorded in the Official Records of Los Angeles County, California against the Property described therein at close immediately following the recordation of the Director's Deed for the Property and prior to any financing obtained by Purchaser and to any other encumbrances or agreements being recorded at close with respect to such Property;

(iii) such Non-Foreign Affidavits pursuant to Sections 1445 and/or 7701 of the Internal Revenue Code, as amended, and such California Form 590s pursuant to applicable sections of the California Revenue and Taxation Code, as necessary to comply with such laws and close escrow hereunder, each in form and content reasonably satisfactory to Purchaser and Caltrans;

(iv) such other agreements or documents reasonably necessary from Caltrans to close escrow as may be expressly provided for herein.

B. **By Purchaser.** At least one (1) business day prior to such closing, Purchaser shall deposit the following funds and documents with Escrow Holder:

(i) the **Cash Balance** as provided in Subsection 2.02(b) above;

(ii) a counterpart original of the **CC&Rs** for the Property executed by Purchaser, properly acknowledged and otherwise in recordable form to be recorded in the Official Records of Los Angeles County, California against the Property described therein at close immediately following the recordation of the Director's Deed for such Property and prior to any financing obtained by Purchaser and to any other encumbrances or agreements being recorded at close with respect to such Property;

(iii) all other sums due from Purchaser as provided herein, including without limitation Purchaser's share of closing costs under Section 3.04 above, in the form

of wire transfer or other immediately available funds;

(iv) to the extent Purchaser is an entity, certified copies of Purchaser's organizational documents and/or other entity resolutions or other authorizing documents authorizing the execution and delivery of this Agreement and the other documents and agreements contemplated herein, the consummation of all transactions contemplated hereby, and authorizing those persons signing on behalf of Purchaser to bind Purchaser; and

(v) such other agreements, documents, or funds reasonably necessary from Purchaser to close escrow as provided for herein.

3.07 Cancelling Escrow. Caltrans may unilaterally cancel escrow if Purchaser fails to comply with Section 3.06(b) and/or Purchaser defaults after opening escrow but before close of escrow and such failure to comply or default is not remedied or cured within three (3) business days of Caltrans providing notice to Purchaser of such failure or default.

SECTION 4. AGREEMENTS

4.01 California Transportation Commission Approval and Governing Body Approval. Purchaser understands and agrees that Caltrans' obligation to sell and convey the Property to Purchaser hereunder is subject to Caltrans first obtaining the written approval of the California Transportation Commission ("**CTC**") to this Agreement and the sale of the Property hereunder prior to the Closing Date (the "**CTC Approval**"). In the event the CTC fails to approve the sale, all monies deposited into escrow hereunder by Purchaser will be refunded without interest. Caltrans makes no representations, assurances, or warranties, express or implied, concerning the CTC's timely or ultimate approval of this sale.

If applicable, Caltrans understands and agrees that, despite any provision in this Agreement to the contrary, Purchaser's obligation to purchase and accept the Property from Caltrans hereunder is subject to Purchaser first obtaining the written approval of its governing body to this Agreement and the purchase of the Property hereunder prior to the Closing Date. In the event the governing body fails to approve the sale, all monies deposited into escrow hereunder by Purchaser shall be refunded without interest. Purchaser makes no representations, assurances, or warranties, express or implied, concerning the timely or ultimate approval of this sale by its governing body.

4.02 Leases. [Deleted.]

4.03 Covenants, Conditions and Restrictions. Purchaser acknowledges the purchase of the Property shall be subject to a declaration of covenants, conditions, and restrictions as required by Government Code section 54235 et seq. and the Regulations and agrees that Purchaser and its successors in interest shall be bound by the same. Therefore, prior

to close, the parties hereto shall execute a Declaration of Covenants, Conditions and Restrictions agreement in substantially the form of **Exhibit "C"** attached hereto (the "**CC&Rs**") with respect to the Property, which shall, among other things impose certain ongoing restrictions on the use and occupancy of such Property, as well as imposing various limitations on the subsequent resale of such Property both as to whom it may be sold and the amount of equity or other compensation the Purchaser is entitled to retain upon such subsequent transfer. The CC&Rs shall be recorded immediately following the recordation of the Director's Deed for such Property and shall not be subordinated to any financing obtained by Purchaser with respect to such Property or any other agreements recorded against or otherwise first affecting the Property at close of escrow, except as authorized by the CC&Rs. After recordation, the original recorded CC&Rs for the Property shall be returned (mailed) by the Recorder's Office directly to Caltrans, who shall retain possession thereof. The CC&Rs shall constitute covenants and equitable servitudes that run with the land and shall bind Purchaser and all subsequent owners, lessees, occupants, lenders, encumbrancers, and others holding any interest in, lien on or claim to the Property. Purchaser agrees not to challenge or attempt to terminate, limit, or otherwise alter or amend the CC&Rs. The agreements of Purchaser under this Section 4.03 shall survive the close of escrow and the delivery and recordation of the Director's Deed and the CC&Rs hereunder.

4.04 Title.

- A. **Generally.** Purchaser understands and agrees that the right, title, and interest in the Property to be conveyed hereunder shall not exceed that currently vested in Caltrans (after taking into account any and all rights that may be reserved by Caltrans pursuant to the Director's Deed, the CC&Rs or any other agreement contained in or contemplated by this Agreement related to such Property), and that Caltrans will furnish no policy of title insurance with respect to the sale of the Property hereunder. If a policy of title insurance, endorsement or survey coverage is desired, Purchaser may obtain the same at Purchaser's sole expense, provided, however, in no event or circumstance shall obtaining any such title, endorsement or survey coverage) constitute any basis for extending the Closing Date contemplated hereunder. No later than ten business days prior to the expiration of the Inspection Period, Purchaser shall notify Caltrans in writing of its objection to any matter in the preliminary title report or on a survey. Caltrans shall have five business days to notify Purchaser of its election to cure the matter or not, and the absence of any notice shall be deemed an election not to cure the matter. Purchaser shall have the right to terminate this Agreement prior to the expiration of the Inspection Period if Caltrans does not agree to cure such matter, or if Caltrans agrees to but fails to cure the matter on or prior to Closing, then Purchaser shall have the right to terminate at such time. Upon any such termination, Escrow Holder shall remit the deposit to Purchaser.
- B. **Permitted Encumbrances.** At close of escrow hereunder the Property shall be conveyed to Purchaser by a Director's Deed in substantially the form of **Exhibit "A"** hereto (a "**Director's Deed**"), with title to the Property being subject to all of the following exceptions and matters (collectively, the "**Permitted Exceptions**"): (1) a lien to secure payment of real estate taxes, supplemental taxes, and special

taxes, bonds and assessments; (2) any reservations or limitations contained in the Director's Deed or any prior deed(s) relating to the Property; (3) the CC&Rs; (4) all title exceptions and other matters shown in the preliminary report for such Property other than any items Caltrans has agreed to cure; (5) any and all other matters apparent from a physical inspection thereof and/or that might be revealed by a survey other than any items Caltrans has agreed to cure; and (6) all other matters created by or with the consent or knowledge of Purchaser, or otherwise disclosed or contemplated in this Agreement. Caltrans shall not have, and does not assume, any liability or obligation whatsoever for any encumbrances or other title matters affecting the Property, or the amendment, removal, or other disposition thereof, provided, however, Caltrans agrees not to encumber the Property or enter into any leases, licenses, and other occupancy agreements with respect to the Property ("Leases") during the Escrow Period without the consent of Purchaser.

4.05 Operation during Escrow Period. During the period commencing with the effectiveness of this Agreement until the close of escrow hereunder or termination of this Agreement, Caltrans will continue to operate the Property in substantially the same manner as operated as of the date of this Agreement and will not do, cause, or allow anything to be done with respect to the Property that would materially change, alter or modify the current operation of the Property as a vacant property without the prior written consent of Purchaser, which consent shall not be unreasonably withheld or delayed; provided, however, Caltrans shall not under any circumstances be responsible for or have any obligation or liability with respect to any such change, alteration or modification to the extent the same is caused by any tenant or occupant of a Property or any other person without Caltrans' consent or knowledge, or to the extent the same is otherwise beyond Caltrans' reasonable control. Additionally, notwithstanding the foregoing, Caltrans shall be entitled, at its election and without notice to or obtaining the consent of Purchaser, to take any and all actions and make any and all decisions with respect to the Property as Caltrans deems necessary or desirable, in its sole and absolute discretion, in addressing any emergency relating to the Property or the safety of any occupant thereof, making a Property compliant with applicable laws, and/or keeping and maintaining a Property in a safe and habitable condition.

4.06 Purchaser's Agreements. With respect to the period prior to the close of escrow Purchaser acknowledges and agrees as follows:

- A. **No Changes.** Purchaser shall have no right to take any action with respect to the Property, including, without limitation changing, renewing or terminating any zoning designations, permits, approvals, certificates or other entitlements related thereto (or applying for any such new matters), giving any notices with respect to or otherwise amending or terminating any Leases related thereto, or making or undertaking any repairs, alterations or additions to the Property and/or any improvements located thereon, in each case without the prior written consent of Caltrans, which may be conditioned or withheld in Caltrans' sole and absolute discretion.
- B. **Restrictions.** Purchaser shall not use or take any actions, or permit or suffer its

agents, employees, contractors or consultants (collectively, “**Agents**”) to use or take actions, with respect to the Property in a manner which would in any way: (i) interfere with any activities thereon, or the use or occupancy thereof; (ii) constitute a nuisance or result in waste; (iii) result in the cancellation of any insurance being maintained by or on behalf of Caltrans or any tenants, in the increase in the premiums for any such insurance or in the increase of any of Caltrans’ other costs; or (iv) damage any improvements or personalty located thereon.

- C. **Compliance with Laws Generally.** Purchaser and its Agents shall not enter any Property, nor shall they take any action with respect thereto (or permit or suffer anything to be done in, on or about the Property) which will in any manner violate any title conditions, maps, entitlements, permits, consents, agreements, Leases or any laws, ordinances, governmental rules or regulations now or hereafter in effect with respect thereto and/or the conduct of any activities thereon by Caltrans or any occupants.
- D. **Liens.** Purchaser shall at all times keep the Property and Caltrans free from any liens and claims arising out of any and all actions taken, work and labor performed, materials or services furnished and/or damages or personal injuries caused by or on behalf of Purchaser in connection with any activity of Purchaser and/or its Agents with respect to the Property, whether occurring prior to or after the date hereof. Caltrans may require Purchaser to post, at Purchaser’s sole cost and expense, a lien release bond or other undertaking, statutory or otherwise, in such amount as necessary to properly bond around any claim filed against Caltrans and/or the Property with respect to such activities (occurring prior to the close of escrow) of Purchaser or its Agents. The bonding obligations of Purchaser under this Subsection 4.06(d) shall be absolute and unconditional and shall survive the close of escrow and the delivery and recordation of the Director’s Deed and CC&Rs hereunder and/or the expiration, revocation, or termination of this Agreement.
- E. **Compliance with the Act & Regulations.** Purchaser shall at all times comply with the requirements of the Act and the Regulations.

SECTION 5. CONDITIONS TO CLOSE

5.01 Conditions to Purchaser’s Obligation to Close. The matters set forth in this Section 5.01 are conditions precedent to the close of escrow by Purchaser as contemplated in this Agreement, and the same may be declared satisfied or waived by Purchaser. In the event any such condition fails to be satisfied in accordance with the terms hereof through no fault of either party, Purchaser shall have the option of either: (i) waiving such condition and proceeding to close without adjustment of the Purchase Price or any of the other terms of this Agreement, or (ii) terminating this Agreement, in which case the Deposit shall be refunded to Purchaser without interest, and neither party shall have any further rights, liabilities or obligations hereunder except paying their respective share of escrow costs incurred up to such date and observing those obligations expressly stated herein as surviving the termination of this Agreement.

- A. **Title.** At closing, the Property shall be conveyed to the Purchaser pursuant to a Director's Deed subject to all the Permitted Exceptions applicable to such Property as contemplated by Section 4.04 hereof.
- B. **CTC Approval and Governing Body Approval.** By the Closing Date, the CTC Approval shall and any governing body approval (if applicable) have been unconditionally obtained as contemplated by Section 4.01 hereof.
- C. **Documents and Funds.** By the Closing Date, the escrow deposits referenced in Section 3.06(a) above shall have all been made by Caltrans, and the Escrow Holder shall be irrevocably committed to record the Director's Deed in the Official Records of Los Angeles County, California.
- D. **Representations/Covenants.** At close: (i) all the representations of Caltrans contained in this Agreement shall be materially true and correct, and (ii) Caltrans shall have materially complied with its covenants contained in this Agreement.

5.02 Conditions to Caltrans' Obligation to Close. The matters set forth in this Section 5.02 are conditions precedent to the close of escrow by Caltrans as contemplated in this Agreement, and the same may be declared satisfied or waived by Caltrans. In the event any such condition fails to be satisfied in accordance with the terms hereof through no fault of either party, Caltrans shall have the option of either: (i) waiving such condition and proceeding to close without adjustment of the Purchase Price or any of the other terms of this Agreement, or (ii) terminating this Agreement, in which case the Deposit shall be refunded to Purchaser without interest, and neither party shall have any further rights, liabilities or obligations hereunder except paying their respective share of escrow costs incurred up to such date and observing those obligations expressly stated herein as surviving the termination of this Agreement.

- A. **Balance of Purchase Price.** By the Closing Date, Purchaser shall have deposited the entire Cash Balance of the Purchase Price with Escrow Holder as provided in Section 2.02(b) hereof.
- B. **CTC Approval.** By the Closing Date, the CTC Approval shall have been unconditionally obtained as contemplated by Section 4.01 hereof.
- C. **Documents and Funds.** By the Closing Date, the escrow deposits referenced in Section 3.06(b) above shall have all been made by Purchaser and Escrow Holder shall be irrevocably committed to:
 - (i) disburse the Cash Balance to Caltrans,
 - (ii) record the Director's Deed, and CC&Rs immediately thereafter as contemplated herein, in the Official Records of Los Angeles County, California, and
 - (iii) deliver to Caltrans a fully executed counterpart original any other appropriate documents as contemplated by Section 3.06(b).
- D. **Representations/Covenants.** At close: (i) all the representations of Purchaser contained in this Agreement shall be materially true and correct, and (ii) Purchaser shall have materially complied with its covenants contained in this Agreement.

SECTION 6. POSSESSION

Possession of the Property shall be delivered to Purchaser on the Closing Date subject to the Permitted Exceptions applicable to the Property.

SECTION 7. BROKERS

7.01 Caltrans. Caltrans has retained **Veterans Realty Group** to act as a Consultant in connection with the sale of the Property hereunder, and any compensation due to **Veterans Realty Group** in connection with the transactions contemplated by this Agreement shall be paid by Caltrans.

7.02 No Other Brokers. Except for Caltrans' retention of **Veterans Realty Group** above, each party hereby represents and warrants to the other party that no broker, finder, real estate agent or other person has been retained by it or is entitled to any commission, finder's fee or other compensation resulting from any action on its part with respect to the sale of the Property to Purchaser. Purchaser and Caltrans each agree to indemnify, defend, and hold the other and the Property harmless from and against any real estate brokerage commissions or finder's fees, and all costs and expenses (including attorneys' fees and costs) of investigating and defending any such claims, payable or alleged to be payable to any other persons in connection with this Agreement which such indemnifying party may have engaged or is claimed or alleged to have engaged. This section does not prohibit Purchaser from obtaining a broker at his/her own expense. The representations, warranties, indemnification, and other obligations set forth in this Section 7.02 shall survive the close of escrow and the delivery and recordation of the Director's Deed and the CC&Rs and/or the expiration, revocation, or termination of this Agreement.

SECTION 8. REPRESENTATIONS & WARRANTIES

8.01 By Caltrans. Caltrans hereby makes the following representations and warranties to Purchaser:

- A. Authority. Subject to obtaining the CTC Approval, Caltrans has all requisite power and authority to enter into, deliver and perform this Agreement and all the other agreements contemplated herein and to be executed in connection herewith, and the person(s) executing this Agreement and all other agreements contemplated herein on behalf of Caltrans have been properly authorized to sign on behalf of and bind Caltrans in connection with performing the transactions contemplated herein.
- B. Binding. Subject to obtaining the CTC Approval, this Agreement and all documents to be executed by Caltrans as provided herein, as of the date of execution shall, subject to the operation of any bankruptcy or similar laws, be the legal, valid and binding obligations of Caltrans.
- C. Information. Except as otherwise set forth in this Agreement, Caltrans has no actual

or constructive knowledge of any information affecting the Property that had, has or would have a material effect on Purchaser's ability to use and operate the Property as contemplated by Purchaser. Caltrans has provided to Purchaser all material and factual information requested by the Purchaser and/or as required by law concerning the Property that is in Caltrans' possession, custody and control.

- D. Compliance with the Act and Regulations: Caltrans conduct in this sales transaction has been in compliance with the Act and corresponding Regulations.
- E. Claims. There is no claim, action, suit, arbitration, proceeding (including condemnation proceedings) or any investigation by or before any court or arbitration body, any governmental, administrative or regulatory authority, or any other body pending or, to Caltrans's knowledge, threatened with respect to the Property (collectively, "Allegations"). Caltrans is not aware of any basis or reason for any such Allegations. There is no order, judgment or decree of any court or arbitration body, any governmental, administrative or regulatory authority, or any other body, against Caltrans with respect to the Property or the sales transaction contemplated by this Agreement.
- F. No Violation. Neither the execution and delivery of this Agreement, nor the performance by Caltrans of the sales transaction contemplated hereby, will contravene, conflict with, or result in a breach of any agreement, law, regulation, writ, injunction or decree of any court or governmental authority applicable to Caltrans or by which any of its properties is bound. Except for CTC Approval, Caltrans is not required to obtain any consent or authorization in order to complete the sales transaction contemplated by this Agreement.
- G. Right to Purchase. Except pursuant to this Agreement, no third party has an option, right of first offer, right of first refusal, or other similar right to purchase the Property that currently remains in effect.
- H. Environmental Matters. As requested by Purchaser and/or mandated by law, Caltrans has provided or made available for review copies of any material documents in its possession, custody and control of Caltrans regarding environmental condition of the Property ("Environmental Materials"). Except as set forth in the Environmental Materials, Caltrans is not aware of the existence of any Hazardous Substances (defined in Section 10 below) attributable to or affecting the Property. There have been no settlements reached by or with any third parties alleging the presence, disposal, release or threatened release of any Hazardous Substances from the use or operation of the Property.
- I. Leases. The Property is not subject to any Leases, tenancy and/or similar agreements conferring any right, title or interest in the Property to a third party.
- J. Contracts. Other than as disclosed in the title reports provided by the Title Company and this Agreement, there are no agreements affecting the Property.

Each of the representations made by Caltrans in this Agreement shall be true and correct on the date hereof, and shall be deemed to be made again as of the close of escrow provided for herein, and shall then be true and correct in all

material respects. Caltrans shall promptly provide written notice to Purchaser of any developments or information that would make the representations set forth above untrue. The representations and warranties set forth in this Section 8.01 shall expressly survive the close of escrow as described in Section 13.12 below.

8.02 By Purchaser. Purchaser and the specific parties signing this Agreement on behalf of Purchaser hereby makes the following representations and warranties to Caltrans:

- A. Organization. Purchaser is a municipal corporation duly organized, validly existing and in good standing under the laws of the State of California which has the power and authority to enter into this Agreement and to consummate the transactions contemplated hereby.
- B. Authority. Subject to obtaining governing body approval, Purchaser has all requisite power and authority to enter into, deliver, and perform this Agreement and all the other agreements contemplated herein and to be executed in connection herewith, and the person(s) executing this Agreement and the other agreements contemplated herein on behalf of Purchaser have been properly authorized to sign on behalf of and bind Purchaser in connection with performing the transactions contemplated herein.
- C. Binding. This Agreement and all documents to be executed by Purchaser as contemplated hereunder shall, subject to the operation of any applicable bankruptcy or similar laws, be the legal, valid and binding obligations of Purchaser, and shall not materially violate any law, agreement, order or decree to which Purchaser is a party or is subject.
- D. Litigation. There are no pending or threatened, suits or actions affecting Purchaser which would materially affect Purchaser's ability to enter into or perform its obligations under this Agreement or the documents executed in connection herewith.
- E. Information / Compliance. All applications, information, financial statements, and other materials provided by Purchaser or its Agents to Caltrans pursuant to or in connection with the Act, the Regulations and or this Agreement are true, correct and not materially misleading; and Purchaser is in compliance with the Act and the Regulations as relates to the Property and the purchase thereof under this Agreement.
- F. No Bankruptcy. Purchaser is not the subject of any pending or threatened bankruptcy proceedings, whether voluntary or involuntary.

Each of the representations and warranties made by Purchaser in this Agreement, or on any document or instrument delivered pursuant hereto shall be true and correct on the date hereof and shall be deemed to be made again as of close of escrow provided for herein, and shall then be true and correct in all material respects. The representations and warranties of Purchaser contained in this Section 8.02 shall survive the close of escrow and the delivery and recordation of the Director's Deed and CC&Rs.

SECTION 9. "AS-IS", WAIVERS AND RELEASE

Purchaser acknowledges and agrees that, except as set forth in this Agreement, neither Caltrans nor any of its respective employees, agents, managers, members, partners, officers, interest holders, attorneys, contractors or consultants, including without limitation the California Department of Housing and Community Development ("**HCD**"), (Caltrans and such other persons being collectively, the "**Seller Parties**") have made or are making, and specifically negate and disclaim making, any representations, warranties, guaranties, promises, covenants or assurances of any kind or character, whether express, implied, written, oral, past, present or future concerning or with respect to the Property, or the condition or status thereof, including without limitation, the suitability for any purpose or the profitability of owning and operating the Property; the value thereof; the existence or non-existence of any patent or latent defects affecting the same; the physical or environmental condition or status thereof (including without limitation the existence of any mold, lead paint, radon gas or other environmental health hazards); the rental or other income generated thereby; the expenses or costs associated therewith; the size and square footage of the parcel or the improvements located thereon, the age or condition of the such improvements, or the location of property lines or setbacks (or the location of the improvements with respect thereto); the zoning thereof; the condition of title thereto; the existence, necessity or satisfaction of any local, state or federal approvals, permits or certificates for the entitlement, ownership, operation, use or occupancy thereof as contemplated by Purchaser or any tenants, occupants or any future owners thereof; the feasibility of or cost associated with obtaining any such approvals; the compliance of the Property with any and all applicable local, state or federal laws, codes and ordinances; or any other matter.

Purchaser further acknowledges that Purchaser, with the help of its independent experts, contractors, consultants, professionals (including independent legal counsel and accountants), and advisors, prior to the Closing Date, will conduct its independent feasibility, investigation, and due diligence inquiry as described in Section 1.03 above with respect to the Property and will fully satisfy itself as to all matters relating thereto. Except for the representations and warranties of Caltrans set forth in this Agreement, Purchaser is relying solely and exclusively on such independent due diligence in executing this Agreement and purchasing the Property hereunder, and not on any representations, warranties, guaranties, promises, covenants or assurances of any kind or character by Caltrans or any other Seller Parties; and the Property is being purchased "**AS-IS**" / "**WHERE-IS**" at close in its present condition with all defects and faults, both patent and latent, whether known or unknown, presently existing or that may hereafter arise.

Effective on the Closing Date, Purchaser hereby fully and expressly releases Caltrans, HCD and all of the other Seller Parties and their respective agents, employees, attorneys, consultants, successors and assigns from any and all demands, claims, liabilities, amounts, actions, costs, judgments, expenses and damages (including, without limitation, attorneys' fees, witness fees and court costs) related to or arising from the Property, or

the condition or status of thereof or any other matter relating thereto, including without limitation the matters referenced in the first paragraph of this Section 9, (collectively, the **"Released Matters"**); and Purchaser hereby covenants not to sue, and hereby fully and expressly waives and relinquishes any and all rights and remedies Purchaser may have against, Caltrans, HCD and the other Seller Parties and their respective agents, employees, attorneys, consultants, successors and assigns, or any of them, at law, in equity or otherwise, related to or arising from the Released Matters. However, nothing contained herein shall release or be deemed to release Caltrans from claims arising from its fraud or a breach of any representation or warranty by Caltrans contained in this Agreement (the **"Preserved Matters"**). Preserved Matters shall not be considered Released Matters. Purchaser acknowledges and agrees that the release, waiver and discharge given by Purchaser hereunder to Caltrans, HCD and the other released parties extends to all Released Matters described above, whether known or unknown, foreseen or unforeseen, patent or latent, which Purchaser may now or hereafter have against Caltrans, HCD or such other persons; and in connection with such release, waiver and discharge, Purchaser hereby expressly waives the benefit of the provisions of California Civil Code Section 1542, which provides as follows:

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

Purchaser has read this Section 9, has had the effect and content thereof explained to Purchaser by independent legal counsel, and fully understands and appreciates the same. Purchaser understands and acknowledges that, among other things, the consequence of this waiver of California Civil Code section 1542 is that even if Purchaser should eventually discover any claims or suffer any losses or damages arising from the Released Matters, Purchaser would not be able to make any claim against Caltrans, HCD or the other released persons with respect thereto. Purchaser acknowledges that these consequences apply even as to claims, losses or damages resulting from the Released Matters that may exist as of the date of this Agreement or in the future, but which Purchaser does not know exist, or does not anticipate, and which, if known or anticipated, would materially affect Purchaser's decision to execute this Agreement. The waivers, releases, covenants not to sue and discharges contained in this Section 9 are a material portion of the consideration to Caltrans in agreeing to enter into this Agreement and shall survive the close of escrow and the delivery and recordation of Director's Deed and the CC&Rs in perpetuity.

SECTION 10. INDEMNIFICATION

Following the closing of the transaction contemplated herein, except as provided below,

Purchaser shall, at its sole cost and expense, indemnify, defend and hold Caltrans and its officers, agents, employees, attorneys and consultants, including without limitation, HCD, and their respective successors and assigns (collectively, the **"Indemnified Parties"**), free and harmless from and against any and all liabilities, demands, claims and costs (including remediation, reimbursement or contribution costs or claims), damages, losses, and expenses (including and without limitation to attorneys' fees, legal expenses and court costs, and consultant's fees, and investigation and remediation costs) of whatever kind or nature incurred or suffered by, or threatened against, any Property or any Indemnified Party(ies) resulting from or arising out of or by reason of any matter pertaining to the condition or status of the Property, including without limitation, the existence of any Hazardous Substances or Hazardous Substance Conditions in, on, under or about the Property (collectively, "Claims"). Except as provided below, this indemnity is intended to address any and all liability for which Caltrans may now or at any time hereafter be partially or entirely responsible in connection with the contamination, environmental or physical condition or status of any Property, including the prior operation thereof, due to its mere ownership or operation of such Property. As used in this Agreement, the term **"Hazardous Substance"** shall mean any substance whose nature and/or quantity of existence, use, manufacture, disposal or effect, render it subject to federal, state, or local regulation, investigation, remediation or removal as potentially injurious to public health or welfare, including the Comprehensive Environmental Response Compensation and Liability Act or Resource Conservation and Recovery Act as now in effect; and the term **"Hazardous Substance Condition"** shall mean the existence in, on, under or about the Property of a hazardous substance that requires remediation, removal, mitigation and/or other action pursuant to applicable law. This indemnification shall in no event apply to (i) Claims to which Caltrans representations and warranties apply, (ii) any Claims involving Caltrans' willful misconduct, gross negligence or fraud, and (iii) any Claims relating to challenges to Caltrans' acquisition or disposition of the Property.

Purchaser's indemnification and defense of any matters contemplated in this Section 10 for or on behalf of the Property or any Indemnified Parties shall be made by counsel reasonably acceptable to the Indemnified Parties; shall commence immediately upon any such claim or matter being made, threatened, or asserted against Indemnified Parties or the Property without the necessity of the Indemnified Parties first contesting or defending the same, suffering or incurring any loss or adverse disposition, or otherwise taking or failing to take any other action; and shall apply to all such matters regardless of any action, failure or negligence of the Indemnified Parties, it being the express intent that the indemnification, defense and hold harmless obligations of this Section 10 apply to all matters referenced herein except to the extent caused by the gross negligence or willful misconduct of the Indemnified Parties. In the event Purchaser refuses to initiate or continue pursuing to completion any such defense or other obligations hereunder, Indemnitee shall be entitled to undertake, assume, and/or conclude the same, all at Purchaser's sole cost and expense, with counsel selected by Indemnitee. The obligations of Purchaser under this Section 10 shall be absolute and unconditional, and shall survive the close of escrow and the delivery and recordation of the Director's Deed and the CC&Rs.

SECTION 11. CASUALTY/CONDEMNATION

In the event any casualty or condemnation proceeding occurs or is commenced with respect to the Property after the effectiveness hereof but prior to the close of escrow, Caltrans shall notify Purchaser of the same in writing within ten (10) business days after Caltrans has knowledge of the same, and either of the following shall occur:

(A) If Purchaser does not elect to cancel within seven (7) business days after receipt of such notice by Purchaser, the parties shall continue to proceed under this Agreement and close without adjustment to the Purchase Price or any of the other provisions of this Agreement, in which event upon the close of escrow, Caltrans shall assign to Purchaser all of its interest in any such insurance or condemnation proceeds, compensation, award, or other payments or relief resulting from such casualty or condemnation proceedings; or

(B) If Purchaser elects to cancel, and Purchaser provides written notification to Caltrans of its election to terminate this Agreement within such 7-day period, then this Agreement shall terminate, the Deposit shall be returned to Purchaser without interest, and Caltrans shall retain all proceeds, compensation, awards, payments and other benefits or relief related to such casualty and condemnation with respect to the Property.

SECTION 12. REMEDIES

12.01 Of Purchaser. If the closing does not occur as a result of Caltrans' default under this Agreement, then, provided Purchaser is not in default hereunder, Purchaser may, at its election proceed with either of the following mutually exclusive alternatives as its sole and exclusive remedy:

- A. Terminate the Agreement, whereupon: (1) the Deposit shall be returned to Purchaser without interest, (2) Purchaser may seek reimbursement from Caltrans of any and all hard third-party costs and expenses incurred by Purchaser in connection the investigation of the Property or the negotiation and execution of this Agreement, as evidenced by invoices delivered to Caltrans, up to the maximum aggregate amount of fifteen thousand Dollars (\$15,000), and (3) neither party shall have any further obligation or liability to the other under this Agreement except for provisions of this Agreement which expressly state that they shall survive the termination of this Agreement; or
- B. File in a court of competent jurisdiction an action for specific performance to cause Caltrans to convey the Property to Purchaser in accordance with the terms and conditions of this Agreement; but Purchaser shall not be entitled to recover any monetary damages (whether compensatory, consequential, exemplary,

punitive or other) from Caltrans in connection with such default other than seeking its reasonable attorneys' fees in connection with such action.

PURCHASER ACKNOWLEDGES AND AGREES THAT THE LIMITATIONS ON REMEDIES AGAINST CALTRANS SET FORTH IN THIS SECTION 12.01 ARE A MATERIAL INDUCEMENT FOR CALTRANS TO ENTER INTO THIS AGREEMENT, AND PURCHASER AGREES THAT SUCH LIMITATIONS ARE REASONABLE AND ENFORCEABLE IN ACCORDANCE WITH THEIR TERMS.

12.02 Of Caltrans. LIQUIDATED DAMAGES. PURCHASER AND CALTRANS AGREE THAT SHOULD PURCHASER FAIL TO COMPLETE THE PURCHASE OF THE PROPERTY AS HEREIN PROVIDED BY REASON OF DEFAULT OF PURCHASER, THE PARTIES HERETO, BY INITIALING THIS SECTION 12.02 IN THE SPACE PROVIDED BELOW, AGREE THAT IT WOULD BE IMPRACTICAL OR EXTREMELY DIFFICULT TO ASCERTAIN OR FIX ACTUAL DAMAGES TO CALTRANS AS A RESULT OF SUCH FAILURE OR DEFAULT BY PURCHASER, THAT UNDER THE CIRCUMSTANCES EXISTING AS OF THE DATE OF THIS AGREEMENT THE ENTIRE DEPOSIT PROVIDED FOR IN SECTION 2.03(a)(ii) ABOVE IS A REASONABLE ESTIMATE OF CALTRANS' DAMAGES, AND THAT AS CALTRANS' SOLE AND EXCLUSIVE REMEDIES ON ACCOUNT OF SUCH BREACH, CALTRANS SHALL BE ENTITLED TO: (1) RETAIN SAID DEPOSIT AS LIQUIDATED DAMAGES FOR SUCH BREACH BY PURCHASER AND (2) TERMINATE THIS AGREEMENT. THE PAYMENT OF SUCH AMOUNT AS LIQUIDATED DAMAGES IS NOT INTENDED AS A FORFEITURE OR PENALTY, BUT IS INTENDED TO CONSTITUTE LIQUIDATED DAMAGES TO CALTRANS PURSUANT TO CALIFORNIA CIVIL CODE SECTIONS 1671, 1676 AND 1677.

THE PROVISIONS HEREOF RELATE ONLY TO CALTRANS' DAMAGES FOR PURCHASER'S DEFAULTS IN ITS AGREEMENT TO PURCHASE THE PROPERTY AS PROVIDED HEREIN. NOTHING CONTAINED HEREIN SHALL LIMIT OR PRECLUDE, OR BE DEEMED TO LIMIT OR PRECLUDE, THE EXERCISE OR ENFORCEMENT BY CALTRANS OF ANY RIGHTS WHICH EXPRESSLY SURVIVE THE TERMINATION OF THIS AGREEMENT.

Purchaser's Initials: _____ Caltrans' Initials: _____

SECTION 13. MISCELLANEOUS

13.01 Headings. This Agreement shall be construed as a whole, and the subject headings of the paragraphs and subparagraphs of this Agreement are included for convenience only and shall not affect the construction or interpretation of any of its provisions or define the provisions in the portions of this Agreement to which they pertain.

13.02 Assignment. Purchaser may not assign this Agreement, or any portion hereof or any of its rights or interests hereunder, without the express prior written consent of Caltrans, which consent may be conditioned or withheld in Caltrans' sole and absolute discretion, except as set forth herein. Purchaser may, without Caltrans' consent, but upon notice to Caltrans and Escrow Holder, assign any or all of its rights in, to or under this

Agreement to an entity or instrumentality that is wholly controlled by Purchaser. No such assignment (regardless of whether consented to by Caltrans) shall relieve or release Purchaser from any of its obligations hereunder. As a condition to the effectiveness of such assignment, all assignees shall execute an assumption agreement reasonably acceptable to Caltrans under which the proposed assignee agrees to fully assume and be bound by all the terms of this Agreement to be observed or performed by Purchaser.

Caltrans shall be free to assign this Agreement, or any portion hereof or any of its rights or interests hereunder, without the consent or approval of Purchaser.

13.03 Entire Agreement / Amendment. This Agreement (including all exhibits and schedules hereto and other agreements referenced herein) constitute the entire agreement between the parties pertaining to the subject matter contained herein and supersede all prior written or oral agreements, representations and understandings of the parties relating to the subject matter herein. There are no representations, agreements, arrangements, or understandings, oral or written, relating to the subject matter which are not fully expressed herein. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by all the parties hereto.

This Agreement does not affect the enforceability of other written contracts related to the use and resale of the Property or to preserving the historic nature of the Property.

13.04 Counterparts. This Agreement may be executed simultaneously in one or more identical counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. This Agreement shall be fully effective and binding on all parties hereto, as if one or more copies thereof had been executed by all the parties hereto, when all the parties have executed identical counterparts hereof, even though no single counterpart has been executed by all the parties hereto.

13.05 Binding / Successor & Assigns. Except to the extent assignment hereof is prohibited, this Agreement shall be binding on, and shall inure to the benefit of, the parties hereto and their successors and assigns.

13.06 Attorneys' Fees. If any legal action, arbitration or other proceeding is brought by either party involving a dispute between the parties arising out of the interpretation or enforcement of any condition or provision hereof, or by reason of any breach arising hereunder or the sale of the Property, the prevailing party shall be entitled to recover its reasonable attorneys' fees, court costs and expert witness fees incurred in such action or proceeding in addition to any other relief to which such party may be entitled.

13.07 Further Acts. Each party agrees to perform any further acts and execute and deliver any documents that may be reasonably necessary to carry out the provisions in this Agreement.

13.08 Limited Third-Party Beneficiaries. Subject to the remainder of this Section 13.08,

this Agreement is for the sole benefit of the parties hereto and there are no third-party beneficiaries, intended or otherwise. Notwithstanding the foregoing, HCD and the other Seller Parties (and other released persons) are intended third-party beneficiaries of Section 9 hereof, and HCD and the other Indemnified Parties are intended third party beneficiaries of Section 10 hereof.

13.09 Notices. All notices, requests, demands, and other communications required or desired under this Agreement shall be in writing and shall be given by any of the following methods: (i) personal service at the address set forth below, (ii) email transmission in the manner set forth below, or (iii) depositing such notice in the United States mail postage prepaid, addressed to the other as follows:

Caltrans
Division of Right of Way – SR-710, MS6
100 South Main Street
Los Angeles, CA 90012

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

Any notice given by personal service shall be deemed given when received, as verified by a written receipt or proof of service. Any notice given by email transmission shall be deemed given when transmitted, as evidenced by printed email; and any notice given by regular mail shall be deemed given on the fifth (5th) business day after its deposit in the United States mail postage prepaid.

Either party may change its address for purposes of this paragraph by giving the other party written notice of the new address to the other party at the address contained herein.

13.10 Governing Law. This Agreement has been prepared, negotiated, and entered into in the State of California and shall be governed by, construed and enforced in accordance with the internal laws of the State of California and according to its fair meaning, and not in favor of or against any party. Any action or proceeding relating or arising out of this Agreement shall be filed, if a State action, in the Superior Court of the State of California for the County of Los Angeles.

13.11 Severability. If any provision of this Agreement, or the application thereof to any person or circumstance, is held invalid or unenforceable by any court or arbitrator, it is the intent of the parties that all the other provisions of this Agreement, and the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall be construed to be fully valid, enforceable and binding on the parties to the fullest extent permitted by law.

13.12 Survival / No Merger. All covenants, representations, warranties, and other agreements under this Agreement which are expressly stated herein as surviving the close of escrow shall survive the close of escrow and the delivery and recordation of the Director's Deed and the CC&Rs in perpetuity, and shall not merge with or into the Director's Deed or the CC&Rs (or be terminated, limited or otherwise affected thereby).

13.13 Time is of the Essence. Time is of the essence of this Agreement in respect to all provisions of this Agreement that specify a time for performance, including the closing of escrow provided for herein, and failure to comply with this provision shall be a material breach of this Agreement.

13.14 Days / Saturdays, Sundays, and Holidays. Unless otherwise expressly stated, all time periods referred to herein shall be deemed to mean calendar days. If any date by which an election or a notice shall be given, or by which an action shall be taken, hereunder falls on a Saturday, Sunday, federal or state holiday, then the date by which such election or notice shall be given or such action shall be taken is extended to 5:00 p.m. on the next business day following such Saturday, Sunday, federal or state holiday.

13.15 Waiver. Waiver by one party of the performance of any covenant, condition or promise shall not invalidate this Agreement, nor shall it be a waiver by such party of such covenant, condition or promise in the future or of any other covenant, condition, or promise hereunder. Any waiver, to be effective, shall be express, in writing and signed by the waiving party, and shall be delivered to the other party. The exercise by a party of any remedy provided in this Agreement or at law shall not prevent the exercise by that party of any other remedy provided in this Agreement or at law.

13.16 Construction. As used in this Agreement, the masculine, feminine, or neuter gender and the singular or plural numbers shall each be deemed to include the other whenever the context so indicates. Each party hereto acknowledges and agrees that each has had independent counsel review and participated in the negotiation and drafting of this Agreement, and each hereby fully waives the application of any law, statute or rule of construction or interpretation, including without limitation California Civil Code Section 1654, to the effect that any ambiguities are to be construed against the drafting party.

13.17 Exhibits. All exhibits and schedules attached to this Agreement are hereby incorporated by reference herein and specifically made a part of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

CALTRANS:

Recommended for Approval by:

STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION

By: _____ Date: _____
Angus Chan
Senior Right of Way Agent

By: _____ Date: _____
Heriberto Salazar
Supervising Right of Way Agent, 710 Sales

Approved:

By: _____ Date: _____
Dan Murdoch
Deputy District Director, Right of Way

PURCHASER:

By: _____ Date: _____
City of South Pasadena

By: _____ Date: _____
City of South Pasadena

Attached Exhibits

Exhibits "A"

Director's Deed/Legal Description of Property

Exhibit "B"

Deleted

Exhibit "C"

Declaration of Covenants, Conditions & Restrictions

Recording Requested by
DEPARTMENT OF TRANSPORTATION

When recorded, Mail to:
STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION
District 7, Right of Way Division
Office of R/W Engineering
100 South Main Street, MS 13
Los Angeles, CA 90012

Space above this line for Recorder's Use
APN: 5317-012-900 EA: 0R0002

RWPS: J. White
Written by: R.G.
Checked by: J.A.

R/W Map No.: F1533-7
Date: 8-4-2022

S. of Columbia ST. and W. of Fremont Ave.

**DIRECTOR'S DEED
GRANT**

District	County	Route	Post	Number
07	LA	710	PM 31.1	DD 68598-01-01

The State of California, acting by and through its Director of Transportation, hereinafter called STATE, hereby grants to _____

hereinafter called GRANTEE, that real property in the City of South Pasadena, County of Los Angeles, State of California, described as follows:

See Exhibit "A", attached.

This conveyance is subject to special assessments, if any, and the Declaration of Covenants, Conditions, and Restrictions (Caltrans 710 Affordable Sales Program) recorded concurrently herewith, whereby, among other things, the State of California has deferred its equity in the property pursuant to the Affordable Sales Program Regulations

MAIL TAX
STATEMENTS TO:

Subject also to the following, in accordance with U.S. DOT Order 1050.2A, DOT Standard Title VI Assurances and Non-Discrimination Provisions:

A. The GRANTEE, for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that:

In the event facilities are constructed, maintained, or otherwise operated on the property described in this deed for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, the GRANTEE will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities.

B. In the event of breach of any of the above Non-discrimination covenants, the STATE will have the right to enter or re-enter the lands and facilities thereon, and the above-described lands and facilities will there upon revert to and vest in and become the property of the STATE and its assigns.

EXHIBIT "A"

LEGAL DESCRIPTION

DD 68598-01-01

That real property, in the City of South Pasadena, County of Los Angeles, State of California, acquired by the State of California (State Parcel No. 68598) by deed recorded February 20, 1974, in Book D6174, page 353, of Official Records, in the Office of the Registrar-Recorder/County Clerk of said county, described in said deed as follows:

Lot 1 and the East 15.09 feet of Lot 2 of George W. Stimson's Subdivision of a part of the Porter and Green Tract, in Division (G) of the San Gabriel Orange Grove Association Lands, as shown on map recorded in Book 13, page 42, of Miscellaneous Records, in said office.

EXCEPT from Lots 1 and 2 the North 20 feet thereof.

ALSO EXCEPT from Lot 1 the East 5 feet thereof.

This real property description has been prepared by me, or under my direction, in conformance with the Professional Land Surveyors' Act.

Signature 
Licensed Land Surveyor

Date 08-08-2022
DD 68598-01-01



This conveyance is executed pursuant to the authority vested in the Director of Transportation by law and, in particular, by the Streets and Highways Code.

STATE OF CALIFORNIA
DEPARTMENT OF
TRANSPORTATION

Dated _____
APPROVED AS TO FORM AND
PROCEDURE

ATTORNEY
DEPARTMENT OF
TRANSPORTATION
*Certificate of Execution
Required for all Director's
Deeds*

By _____
Director of Transportation

By _____
Attorney in Fact

*This Space Reserved for
California Transportation Commission
Certification*

**CITY OF SOUTH PASADENA
COUNTY OF LOS ANGELES**

CITY OF SOUTH PASADENA

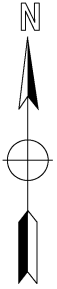


LOCATION MAP NO SCALE

NOTES
All distances are in feet unless otherwise noted.
LEGEND

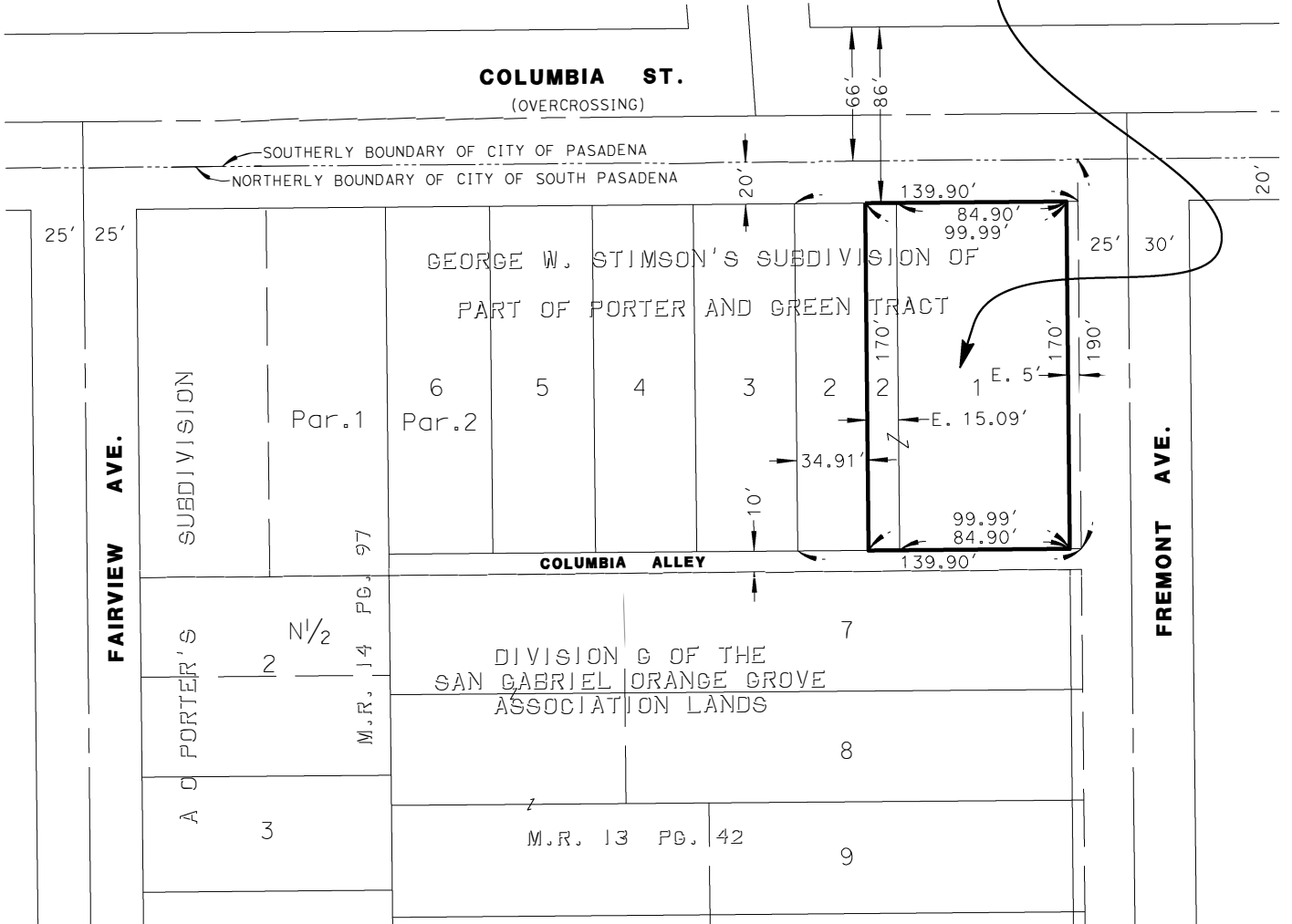
STATE OF CALIFORNIA CALIFORNIA STATE TRANSPORTATION AGENCY DEPARTMENT OF TRANSPORTATION					
RIGHT OF WAY DIRECTOR'S DEED DD 68598-01-01					
NOT TO SCALE					
REF.: R/W MAP NO. F1533-7			DATE: 08-04-2022		
DISTRICT	COUNTY	ROUTE	SHEET PM	SHEET NO.	TOTAL SHEETS
07	LA	710	31.1	1	2

**CITY OF SOUTH PASADENA
COUNTY OF LOS ANGELES**



PARCEL NO. AREA
DD 68598-01-01 16,998 SF

16,998 S.F.
DD
68598-01-01



NOTES	
All distances are in feet unless otherwise noted.	
LEGEND	
	STATE RETAINS ACCESS RIGHTS

STATE OF CALIFORNIA CALIFORNIA STATE TRANSPORTATION AGENCY DEPARTMENT OF TRANSPORTATION					
RIGHT OF WAY DIRECTOR'S DEED DD 68598-01-01					
NOT TO SCALE					
REF.: R/W MAP NO. F1533-7			DATE: 08-04-2022		
DISTRICT	COUNTY	ROUTE	SHEET PM	SHEET NO.	TOTAL SHEETS
07	LA	710	31.1	2	2

Free Recording Pursuant to
Government Code Section 27383 at the
Request of the California Department
of Transportation

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

California Department of Housing and
Community Development
P.O. Box 952052
Sacramento, California 94252-2052
Attn: General Counsel

1131 Columbia St, Pasadena, CA 91030

(Space Above This Line for Recorder's Use)

**DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
(CALTRANS STATE ROUTE 710 SALES PROGRAM)**

**THIS DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
(CALTRANS STATE ROUTE 710 SALES PROGRAM) ("Use and Resale Covenant")** is dated _____, 20__, for reference purposes only, by and among the City of South Pasadena, ("**City**"), the California Department of Transportation, a department of the State of California ("**Caltrans**"), and Department of Housing and Community Development (**HCD**) Monitoring Entity. City is purchasing that certain real property, consisting of land and all buildings thereon, in the City of South Pasadena with a street address of 1131 Columbia St, Pasadena, California 91030, and a legal description found in Exhibit A attached hereto and made a part hereof ("**Property**"). Capitalized terms used in this Use and Resale Covenant not already defined above have the meanings given to them in Section 2 below. This Use and Resale Covenant is made with reference to the following facts:

RECITALS

A. WHEREAS, in 1979 the Legislature passed Senate Bill 86, commonly referred to as the "Roberti Act" (herein, as may be amended from time to time, the "**Act**") which added, in part, Sections 54235 through 54238.7 to the California Government Code wherein the Legislature found and declared that the sale of certain surplus residential properties by Caltrans would directly serve an important public purpose; Caltrans, pursuant to the Act, is selling the Property to the City, subject to the provisions of this document;

B. WHEREAS, in accordance with the Act, Caltrans has developed a program as more particularly set forth in Chapter 9.5, Division 2 of Title 21 of the California Code of Regulations

(herein, the “**Regulations**”) to make certain historic homes available for public and community use;

C. WHEREAS, Caltrans has identified City as being eligible to purchase the Property at Caltrans’ original acquisition price in accordance with the Act;

D. WHEREAS, to effectuate the sale of the Property to City, City has agreed to use and resale controls in accordance with the Act and evidenced by this Use and Resale Covenant; and

E. WHEREAS, Caltrans has determined the Property is “excess real property” within the meaning of Streets and Highways Code Section 118.6 and approved the sale;

NOW, THEREFORE, in consideration of the substantial economic benefits inuring to City and the public purposes to be achieved under the Act, City, Caltrans, and the Monitoring Entity hereby declare and agree as follows:

Section 1. Extraordinary Provisions.

1.1 Purchase Price. Caltrans and City agree that City’s purchase price for the Property is Caltrans’ original acquisition price Caltrans and City further agree that City’s purchase price complies with Government Code section 54239.4, subdivision (b)(1)(A).

1.2 City Acknowledgments.

- (a) City understands and agrees to abide by all the provisions of this Use and Resale Covenant.
- (b) City hereby takes the Property subject to certain restrictions and limitations of the full enjoyment and use of the Property as set forth in this Use and Resale Covenant. City acknowledges that City may not enjoy the same economic benefits from owning the Property that City would enjoy if this Use and Resale Covenant did not exist.
- (c) Absent the assistance provided by Caltrans and the provisions of this Use and Resale Covenant, the Property could not be made available to City.
- (d) In recognition of the acknowledgements and agreements stated herein, City accepts and agrees to the provisions of this Use and Resale Covenant with the understanding that this Use and Resale Covenant will remain in full force and effect to limit use and transfer of the Property unless terminated pursuant to the terms herein.
- (e) City covenants and agrees for itself, its successors, its assigns, and every successor interest in the Property or any part thereof, that City, such successors and such assignees, shall regularly and continuously use the Property only for the purposes authorized in this Use and Resale Covenant.

- (f) City further agrees not to challenge the terms and provisions of this Use and Resale Covenant or any right of Caltrans, or the Monitoring Entity created hereunder and acknowledges that the same are not an unreasonable restraint on any right to transfer the interest of the City in the Property.
- (g) City acknowledges that Government Code section 54239.4, subdivision (b) imposes additional requirements upon City that are not reflected in this Use and Resale Covenant, and that full compliance with this Use and Resale Covenant does not equate to full compliance with Government Code section 54239.4, subdivision (b).
- (h) City acknowledges that Government Code section 54239.4, subdivision (b)(1)(O) authorizes the Monitoring Entity to review, adopt, amend, and repeal standards, forms, or definitions to implement Government Code section 54239.4, subdivisions (b)(1)(C) through (N), inclusive.

Section 2. Definitions.

As used in this Use and Resale Covenant, the capitalized terms set forth below shall have the following meanings:

- (a) “*Event of Default*” is defined in Section 6.1.
- (b) “*Monitoring Entity*” means Department of Housing and Community Development.
- (c) “*Notice*” is defined in Section 7.2.

Section 3. Use of the Property.

3.1 Resale. City shall resell the Property within two (2) years of the close of escrow that transfers title of the Property from Caltrans to City. Monitoring Entity may grant the City up to one two-year extension of time to resell the Property if City demonstrates sufficient progress on the sale of the Property. Sufficient progress includes:

- (a) Proof that the Property has been listed for 180 days at a price that does not exceed fair market value based on comparable sales in the City of South Pasadena with no offers; or
- (b) Unexpected structural damage to the Property due to a natural disaster or similar occurrence; or
- (c) Other proof of progress at the discretion of the Monitoring Entity’s Director.

3.2 Affordable Housing. If City does not resell the Property within the period described in Section 3.1 (including any extension(s) granted by the Monitoring Entity), then City shall cause the Property to be used as either of the following:

- (a) As an affordable rental to lower income and moderate-income households, as defined by Health and Safety Code sections 50052.5 and 50079.5, respectively. Such use shall be for no less than 55 years.
- (b) If the Property is a single-family residence, then as owner-occupied affordable housing for no less than 45 years, with the Property being sold to a person or family of low or moderate income at an affordable price, as defined by Government Code section 62250. The Property may then only be resold at an affordable price to a person or family of low or moderate income.

Section 4. Use of the Proceeds After Resale.

4.1 Required Use of Proceeds. City shall use the proceeds from the resale of the Property described in Section 3.1 to finance the production or acquisition of at least three (3) housing units that meet all the following criteria:

- (a) The housing units must be affordable to persons and families of low or moderate-income, as defined by Health and Safety Code section 50093; and
- (b) Either through its ownership of the housing units or by regulatory agreement if it does not own the housing units, City shall cause each housing unit to be made available at an affordable sales price or an affordable rent, as defined in Health and Safety Code sections 50052.5 and 50053; and
- (c) If a housing unit is used as a rental, then it shall be available at an affordable rent for no less than 55 years; and
- (d) If a housing unit is used as an owner-occupied affordable housing unit, then it shall be so used for no less than 45 years; and
- (e) Each housing unit is within the 91030 postal ZIP code.

4.2 Monitoring. City shall monitor compliance with the regulatory agreement described in Section 4.1(b). City may charge a fee to recover the cost of this monitoring.

4.3 Sites for Housing Units. The housing units described in Section 4.1 may be produced or acquired on a single site or on multiple sites.

4.4 Timeline for Production and Acquisition. City shall commence construction or complete acquisition of all housing units described in Section 4.1 by December 31, 2025.

Monitoring Entity may grant the City two two-year extensions if it demonstrates sufficient progress on the development or acquisition of the housing units. Sufficient progress includes:

- (a) An executed option agreement or exclusive negotiation agreement for the purchase of property intended for conversion to affordable units; or
- (b) Completed project entitlements or building permits; or
- (c) Executed purchase agreements and draft covenants for the acquisition or rehabilitation of market rate units for the purpose of conversion to affordable units, or a combination thereof; or
- (d) Other proof of progress at the discretion of the Monitoring Entity's Director.

4.5 Use of Surplus Funds. Any surplus funds remaining after the completion of the construction of the housing units described in Section 4.1 shall be used at the discretion of City for the production or acquisition of rental or for-sale housing affordable to persons and families of low or moderate-income, as defined by Health and Safety Code section 50093.

Section 5. Termination.

5.1 Termination of Use and Resale Covenant. This Use and Resale Covenant shall cease to encumber the Property upon resale pursuant to Section 3.1. However, the terms of the Use and Resale Covenant shall remain enforceable under applicable law and as a contract between Monitoring Entity and City to ensure compliance of Sections 4.1 through 4.5.

Section 6. Default and Remedies.

6.1 Event of Default. The occurrence of any one of the following events or circumstances shall constitute an "***Event of Default***" by City under this Use and Resale Covenant.

- (a) City's failure to comply with the requirements in Sections 4.1 through 4.5, or Section 3.2, as applicable.
- (b) City's failure to comply with Government Code section 54239.4, subdivision (b)(1)(I).
- (c) City's failure to comply with Government Code section 54239.4, subdivision (b)(1)(J).

6.2 Remedies. Upon the occurrence of an Event of Default by City, the Monitoring Entity may exercise the remedy set forth below:

- (a) The City shall pay a fine to the Monitoring Entity of an amount equal to the funds generated through the resale of the Property, pursuant to Section 3.1. minus the purchase

price described in Section 1.1. Fines shall be deposited into an account held by the Monitoring Entity pursuant to Government Code section 54239.4(b)(1)(K).

6.3 Not Subject to Appeal. Pursuant to Government Code section 54239.4(b)(1)(N), an Event of Default shall be determined by the Monitoring Entity and is not subject to appeal.

Section 7. Miscellaneous.

7.1 Nondiscrimination. City covenants by and for itself and its successors and assigns that there shall be no discrimination against or segregation of a person or a group of persons on account of sex, race, color, religion, ancestry, national origin, ethnic group identification, age, mental disability, physical disability, medical condition, genetic information, marital status, gender, gender identity, gender expression, familial status, source of income, veteran or military status, or sexual orientation in the transfer, use, or occupancy of the Property, nor shall City, any person claiming under or through City, establish or permit any such practice or practices of discrimination or segregation with reference to the use, occupancy, or transfer of the Property.

7.2 Notices. Notice shall be in writing and sufficiently given or delivered if transmitted by (a) registered or certified United States mail, postage prepaid, return receipt requested, (b) personal delivery, or (c) nationally recognized private courier services, in every case addressed as follows:

If to City: [to be inserted]

If to the Monitoring Entity [to be inserted]

Any such Notice transmitted in accordance with this Section 7.2 shall be deemed delivered upon receipt, or upon the date delivery was refused. Any party may change its address for notices by written Notice given to the other party in accordance with the provisions of this Section 7.2.

7.3 Attorneys' Fees for Enforcement. If any action or legal proceeding is instituted by City or the Monitoring Entity arising out of this Use and Resale Covenant, the prevailing party therein shall recover reasonable attorneys' fees and costs in connection with such action or proceeding. For purposes of this Use and Resale Covenant, reasonable fees include the fees and costs of any in-house counsel for the Monitoring Entity, which shall be based on: (i) the employee's hourly rate on the employee's salary, (ii) forty-one and eight-tenths percent (41.8%) of the employee's hourly salary rate to reflect non-salary direct and indirect costs, and (iii) five percent (5%) of the employee's hourly salary rate to reflect central service costs.

7.4 Integration. This Use and Resale Covenant constitutes an integration of the entire understanding and agreement of Caltrans, City, and the Monitoring Entity with respect to the subject matter hereof. Any representations, warranties, promises, or conditions, whether written or oral, not specifically and expressly incorporated in this Use and Resale Covenant, shall not be binding on any of the parties, and City and the Monitoring Entity each acknowledge that in entering into this Use and Resale Covenant they have not relied upon any representation,

warranty, promise or condition, not specifically and expressly set forth in this Use and Resale Covenant. All prior discussions and writings have been, and are, merged and integrated into, and are superseded by, this Use and Resale Covenant.

7.5 Severability. In the event that any provision of this Use and Resale Covenant is determined to be illegal or unenforceable, such determination shall not affect the validity or enforceability of the remaining provisions hereof, all of which shall remain in full force and effect.

7.6 Headings. The headings within this Use and Resale Covenant are for the purpose of reference only and shall not limit or otherwise affect any of the terms of this Use and Resale Covenant.

7.7 Time for Performance. Time is of the essence in the performance of the terms of this Use and Resale Covenant. All dates for performance or cure shall expire at 5:00 p.m. on the performance or cure date. Any performance date which falls on a Saturday, Sunday, or a holiday specified in Code of Civil Procedure section 135 is automatically extended to the next day that is not a Saturday, Sunday, or holiday.

7.8 Amendments. Any modification or waiver of any provision of this Use and Resale Covenant or any amendment thereto shall be in writing and signed by the authorized representatives of both the Monitoring Entity and the City.

7.9 Controlling Use and Resale Covenant. City covenants that City has not executed and will not execute any other agreement with provisions contradictory to or in opposition to the provisions of this Use and Resale Covenant. City understands and agrees that this Use and Resale Covenant shall control the rights and obligations between City and the Monitoring Entity with respect to the subject matter contained herein.

7.10 Exhibits. The Exhibits and Attachments attached hereto are a material part of this Use and Resale Agreement and are incorporated herein by this reference.

7.11 Governing Law. This Use and Resale Covenant shall be governed by, and construed and enforced in accordance with, the laws of the State of California.

7.12 Counterparts. This Use and Resale Covenant may be signed in counterparts, each of which shall constitute an original.

7.13 Recordation. Caltrans shall cause this Use and Resale Covenant to be recorded in the Official Records.

7.14 Interpretation. Each party hereto acknowledges and agrees that each has had independent counsel review and participate in the negotiation and drafting of this Use and Resale Covenant, and each hereby fully waives the application of any law, statute or rule of construction

or interpretation, including without limitation Civil Code section 1654, to the effect that any ambiguities are to be construed against the drafting party.

7.15 Assignment by Caltrans to the Monitoring Entity. Upon this Use and Resale Covenant being recorded in the Official Records, Caltrans assigns all the rights, duties, and benefits granted to it by this Use and Resale Covenant to the Monitoring Entity, and the Monitoring Entity accepts such assignment.

IN WITNESS WHEREOF, City, Monitoring Entity, and Caltrans have executed this Use and Resale Covenant as of the date written above.

CITY:

MONITORING ENTITY:

California Department of Housing and
Community Development, an agency of the
State of California

By: _____

Its: _____

CALTRANS:

California Department of Transportation,
an agency of the State of California

By: _____

Its: _____

ALL SIGNATURES MUST BE NOTARIZED.

----- Attach All Purpose California Notary Acknowledgment -----

EXHIBIT A – LEGAL DESCRIPTION

STATE ROUTE 710 SALES PROGRAM PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT ("**Agreement**") is entered into as of January 26th, 2024 by and between the State of California, Department of Transportation ("**Caltrans**") and the City of South Pasadena, ("**Purchaser**"), a Municipal Corporation.

Recitals

- A. Caltrans owns the real property located in Los Angeles County, California commonly known as: 217 Fremont Avenue, South Pasadena, CA 91030 and more particularly described as set forth in Exhibit "A", respectively, attached hereto ("**Property**").
- B. The parties wish to provide terms and conditions for Purchaser's purchase of the Property from Caltrans. The State Route 710 Sales Program described in Government Code section 54235 et seq. (the "**Act**") and Title 21 Public Works Division 2 Department of Transportation, Chapter 9.5 (the "**Regulations**") provide for the offering of State-owned, surplus residential properties to the City of South Pasadena at the Minimum Sales Price pursuant to 21 CCR § 1484.3, for the purpose of providing affordable housing to low and moderate-income households. Purchaser and Caltrans acknowledge the Property is subject to the terms of this Agreement, the aforementioned law and regulations, and the Declaration of Covenants, Conditions, and Restrictions (**CC&Rs**), as defined below, to be recorded against the Property upon the close of escrow hereunder.

NOW, THEREFORE, in consideration of the foregoing premises, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

SECTION 1. PURCHASE AND SALE

1.01 Purchase and Sale. Caltrans shall sell the Property to Purchaser, and Purchaser shall purchase the Property from Caltrans pursuant to the terms, limitations and conditions stated in this Agreement in accordance with the Act, the Regulations and other applicable laws, rules, and regulations (collectively, "**Applicable Laws**").

1.02 Conditions Precedent to Effectiveness. This Agreement shall not become effective unless and until all the following conditions precedent are satisfied on or before the thirtieth (30th) calendar day from the date Caltrans' sends this Agreement to Purchaser:

- A. Purchaser shall have: (1) executed and returned two original executed counterparts of this Agreement via certified mail, return receipt requested, to Caltrans and sent a copy thereof to the Escrow Holder, and (2) deposited with Escrow Holder the entire Down Payment contemplated by Section 2.02(A) below;

- B. Caltrans thereafter executes this Agreement and delivers a fully executed copy hereof to Escrow Holder; and

A failure of any such conditions to timely occur shall, without further notice or action, result in the full and immediate termination of any offer, obligation, liability or agreement of Caltrans to or with Purchaser or any other person with respect to the Property, whether hereunder or otherwise, immediately upon the expiration of such 30-day period, and Caltrans shall thereafter be free to offer, market and sell the Property to other persons, or otherwise dispose of the same, as Caltrans may, in its sole and absolute discretion determine.

1.03 Information/Prior Due Diligence. Purchaser hereby expressly acknowledges and agrees:

- A. that it is a sophisticated real estate purchaser and/or investor;
- B. that it is fully familiar with and understands the Applicable Laws and the CC&Rs, and the risks and obligations associated therewith and imposed on Purchaser and on the Property thereby, including the purchase thereof under this Agreement, and has had the same explained to it by its independent legal counsel and other advisors;
- C. that during the Inspection Period permitted under this Agreement: (A) Purchaser will have full access to the Property and all documents, data, reports and information related thereto requested by Purchaser, and will have the opportunity to undertake and perform any and all additional due diligence, investigation, surveys, reports and studies, with respect thereto, including without limitation the current and past physical and environmental condition of the Property, the condition of title thereto, the compliance thereof with any applicable building codes, permits, approvals, agreements or encumbrances affecting the same (including Applicable Laws), the value thereof, the use, operation, management or occupancy thereof and/or the suitability for Purchaser's intended use thereof, and all other matters referenced in Section 9 below, and (B) Purchaser has obtained any and all financing commitments necessary or desirable to purchase, repair and/or rehabilitate the Property; and
- D. that with the aid of such independent experts, contractors, consultants, advisors and professionals (including independent legal counsel and accountants) that it deems necessary, appropriate or desirable, Purchaser will, prior to the Closing Date hereof, evaluate and assess the Property and conduct such independent inquiry, feasibility investigation, inspections and due diligence with respect thereto as Purchaser and/or its advisors deem necessary, advisable or desirable, and will fully and unconditionally approve of and satisfy itself as to the same. As a result, there shall be no further access to the Property except as set forth in this Agreement and no further feasibility, inspection or similar rights or contingencies with respect to the purchase of the Property.
- E. Notwithstanding anything herein to the contrary, until the date that is sixty (60)

days after the execution of this Agreement (Inspection Period), upon reasonable notice but without any contingencies hereunder, Purchaser may access the Property and conduct non-invasive inspection, investigations, tests, observations, inquiries and studies as Purchaser deems appropriate. Purchaser shall promptly pay all expenses arising out of such inspections and other work on or about the Property prior to the Closing Date and shall not allow any mechanic's or materialmen's liens to be recorded on the Property (or promptly cause to be removed or bonded over any such liens if recorded on the Property). Purchaser shall promptly repair any damage to the Property caused by Purchaser's investigations. Purchaser shall coordinate with Caltrans any entry on the Property, execute a waiver and indemnity in the form customarily required by Caltrans prior to entry on Caltrans' property and follow applicable health and safety protocols as reasonably required by Caltrans. Following such period, upon Caltrans' reasonable consent and conditions, Purchaser may obtain access to the Property for a limited number of entries.

- F. Purchaser shall promptly notify Caltrans during the Inspection Period of any matters discovered in its review of the Property that would cause Purchaser to terminate this Agreement. If within ten days of such notice, Caltrans notifies Purchaser in writing that it will cure such matters prior to Closing, then Caltrans shall have the opportunity to cure such matters prior to the Closing Date. Purchaser has the right to terminate if Caltrans does not agree to cure or if the cure is not completed prior to the Closing Date. Upon any such termination, Escrow Holder shall remit the deposit to Purchaser.

SECTION 2. PURCHASE PRICE

2.01 Purchase Price. The purchase price for the Property shall be Forty-Three Thousand, Six Hundred Dollars and Zero Cents (\$43,600.00) (the **Purchase Price**”).

2.02 Payment. The Purchase Price shall be paid by Purchaser in cash, lawful money of the United States as set forth below, time being of the essence thereof:

- A. **Deposit.** Immediately upon the execution of this Agreement, Purchaser shall deposit with Escrow Holder the sum of **One Thousand Dollars (\$1,000.00)** (the **“Deposit”**) in the form of a cashier's check, wire transfer or other immediately available funds. The entire Deposit shall be applicable to the Purchase Price, without interest, shall be non-refundable except as may be expressly set forth in this Agreement, and shall constitute liquidated damages to Caltrans in the event of Purchaser's default in acquiring the Property. Time is of the essence in making the Deposit into escrow, and as provided above is a condition precedent to the effectiveness of this Agreement.
- B. **Cash at Close.** One (1) day prior to the close of Escrow (or by 1:00 p.m. of the close of escrow for funds delivered by wire transfer) the Purchaser shall deposit

the balance of the Purchase Price in the amount of Forty-Two Thousand Six Hundred Dollars and Zero Cents (\$42,600.00) (the “**Cash Balance**”) with Escrow Holder in the form of a cashier’s check, wire transfer or other immediately available funds for delivery to Caltrans upon close of escrow hereunder.

2.03 Acknowledgement. [Deleted.]

2.04 No Seller Financing. Purchaser acknowledges this Agreement is not a financing agreement and neither Caltrans nor any other governmental agency or department has at any time made any representations, warranties, promises or undertakings, express or implied, to provide any financing or other assistance with respect to all or any portion of the Purchase Price or any other obligations of Purchaser hereunder or with respect to the Property, or with respect to any repair, rehabilitation, updating or other activity contemplated by Purchaser with respect thereto. Purchaser has performed all due diligence regarding obtaining funding and/or financing with respect to the Property, including the purchase thereof hereunder, as provided in Section 1.03 above, and has satisfied itself as to the same.

2.05 Change in Financial Condition. If either: (i) Purchaser ultimately fails to secure funds for the Purchase Price in the timeframe specified herein, or (ii) the financial condition of the Purchaser changes prior to Close of Escrow so that it is unable to purchase the Property, then in either such event Purchaser shall be in default under this Agreement and Caltrans shall be entitled to exercise its rights and remedies pursuant to Section 12.02 below.

2.06 Bonds, Taxes and Assessments. Subject to the specific proration provisions set forth in Section 3.05 below, all real property taxes, supplemental taxes, special taxes, bonds and/ or assessments which are liens on or levied with respect to the Property shall be assumed by Purchaser at close of escrow without reduction of or adjustment to the Purchase Price.

SECTION 3. ESCROW

3.01 Opening. The purchase and sale of the Property shall be consummated by means of Escrow No. _____ (a single escrow) which has been opened with _____ Title Company, _____, Suite _____, CA _____ Attn: _____ Escrow Officer, email: _____, Phone: (____) ____-____, Fax (____) ____-____ (“**Title Company**” or “**Escrow Holder**”).

3.02 Closing. The closing shall occur upon the recording of the Director's Deed for the Property, and shall occur when the conditions set forth in Article 5 below have all been satisfied or waived, and the conditions set forth in Government Code Section 54239.4(b)(1)(D) have been satisfied, but in no event later than **5:00 pm** _____, **2024** [the one hundred twentieth (120th) calendar day after the full execution of this Agreement]; provided, however, Caltrans shall, upon receipt of

written request prior to such date, grant a one-time thirty (30) calendar day extension to close escrow, (such date, as may be extended, being the “**Closing Date**”).

If at any time prior to the Closing Date, the Property becomes occupied, whether legally or illegally, Caltrans shall notify the Purchaser and Purchaser shall have 30 days to decide whether to proceed with the purchase of the Property. If the 30 days falls outside the Closing Date, the Closing Date shall be extended 10 days past the 30-day expiration. If Purchaser declines to proceed with the purchase of the Property due to the legal or illegal occupation of the Property, this Agreement shall terminate pursuant to the terms hereof. Upon any such termination, Escrow Holder shall remit the deposit to Purchaser.

3.03 Instructions. This Agreement shall to the extent applicable, also act as escrow instructions. The parties agree to execute any additional escrow instructions required by the Escrow Holder provided the same shall be consistent with the terms of this Agreement and shall provide that as between the parties, in the event there are any inconsistencies between such supplemental instructions and this Agreement, the terms of this Agreement shall prevail. Escrow Holder is hereby designated the “real estate reporting person” for purposes of Section 6045 of the Internal Revenue Code of 1986, as amended, and Treasury Reg. 1.6045-4, and any instructions or settlement statements prepared by Escrow Holder shall so provide. Escrow Holder shall be responsible for filing any Form 1099-S with the Internal Revenue Service.

3.04 Costs. Charges and expenses incurred in connection with the closing hereunder shall be borne by the parties as follows:

- A. Purchaser shall pay all: (A) escrow fees, (B) recording fees, (C) transfer taxes, (D) title insurance premiums and fees (whether for ALTA or CLTA coverage), endorsement coverage and survey costs, and (E) any other real estate transaction fees involved in this transaction;
- B. If applicable, Purchaser shall pay for and obtain any city/county required inspections and/or occupancy permits, whether required for closing the sale/escrow transaction or not. Caltrans shall provide Purchaser access to the Property as necessary to comply with this provision; and
- C. Each party shall bear their own legal, tax and professional fees and costs.

3.05 Prorations. All real property taxes, special taxes, assessments, bonds, and all other similar charges imposed or levied upon the Property by any governmental agency or special district, organization or body and any other obligations related to the Property shall be prorated at close as of the Closing Date. With respect to any prorations based upon an estimation, if and when the tax, assessment or other charge related thereto is segregated by the appropriate agency or other persons, within fifteen (15) days thereof, the parties shall adjust said prorations, as necessary, based on such final segregation and pay any such adjustment to the appropriate party. The provisions of this Section 3.05 shall survive the close of escrow and the delivery and recordation of the Director's Deed and CC&Rs hereunder.

3.06 Escrow Deposits. On or before the Closing Date, the parties shall make the following deposits into Escrow:

A. **By Caltrans.** At least one (1) business day prior to such closing, Caltrans shall deposit the following documents with Escrow Holder:

(i) an original **Director's Deed** for the Property duly executed by Caltrans and properly acknowledged and otherwise in recordable form, to be recorded in the Official Records of Los Angeles County, California against the Property described therein at close;

(ii) a counterpart original of the **CC&Rs** for the Property duly executed by Caltrans, and the Monitoring Entity properly acknowledged and otherwise in recordable form to be recorded in the Official Records of Los Angeles County, California against the Property described therein at close immediately following the recordation of the Director's Deed for the Property and prior to any financing obtained by Purchaser and to any other encumbrances or agreements being recorded at close with respect to such Property;

(iii) such Non-Foreign Affidavits pursuant to Sections 1445 and/or 7701 of the Internal Revenue Code, as amended, and such California Form 590s pursuant to applicable sections of the California Revenue and Taxation Code, as necessary to comply with such laws and close escrow hereunder, each in form and content reasonably satisfactory to Purchaser and Caltrans;

(iv) such other agreements or documents reasonably necessary from Caltrans to close escrow as may be expressly provided for herein.

B. **By Purchaser.** At least one (1) business day prior to such closing, Purchaser shall deposit the following funds and documents with Escrow Holder:

(i) the **Cash Balance** as provided in Subsection 2.02(b) above;

(ii) a counterpart original of the **CC&Rs** for the Property executed by Purchaser, properly acknowledged and otherwise in recordable form to be recorded in the Official Records of Los Angeles County, California against the Property described therein at close immediately following the recordation of the Director's Deed for such Property and prior to any financing obtained by Purchaser and to any other encumbrances or agreements being recorded at close with respect to such Property;

(iii) all other sums due from Purchaser as provided herein, including without limitation Purchaser's share of closing costs under Section 3.04 above, in the form

of wire transfer or other immediately available funds;

(iv) to the extent Purchaser is an entity, certified copies of Purchaser's organizational documents and/or other entity resolutions or other authorizing documents authorizing the execution and delivery of this Agreement and the other documents and agreements contemplated herein, the consummation of all transactions contemplated hereby, and authorizing those persons signing on behalf of Purchaser to bind Purchaser; and

(v) such other agreements, documents, or funds reasonably necessary from Purchaser to close escrow as provided for herein.

3.07 Cancelling Escrow. Caltrans may unilaterally cancel escrow if Purchaser fails to comply with Section 3.06(b) and/or Purchaser defaults after opening escrow but before close of escrow and such failure to comply or default is not remedied or cured within three (3) business days of Caltrans providing notice to Purchaser of such failure or default.

SECTION 4. AGREEMENTS

4.01 California Transportation Commission Approval and Governing Body Approval. Purchaser understands and agrees that Caltrans' obligation to sell and convey the Property to Purchaser hereunder is subject to Caltrans first obtaining the written approval of the California Transportation Commission ("**CTC**") to this Agreement and the sale of the Property hereunder prior to the Closing Date (the "**CTC Approval**"). In the event the CTC fails to approve the sale, all monies deposited into escrow hereunder by Purchaser will be refunded without interest. Caltrans makes no representations, assurances, or warranties, express or implied, concerning the CTC's timely or ultimate approval of this sale.

If applicable, Caltrans understands and agrees that, despite any provision in this Agreement to the contrary, Purchaser's obligation to purchase and accept the Property from Caltrans hereunder is subject to Purchaser first obtaining the written approval of its governing body to this Agreement and the purchase of the Property hereunder prior to the Closing Date. In the event the governing body fails to approve the sale, all monies deposited into escrow hereunder by Purchaser shall be refunded without interest. Purchaser makes no representations, assurances, or warranties, express or implied, concerning the timely or ultimate approval of this sale by its governing body.

4.02 Leases. [Deleted.]

4.03 Covenants, Conditions and Restrictions. Purchaser acknowledges the purchase of the Property shall be subject to a declaration of covenants, conditions, and restrictions as required by Government Code section 54235 et seq. and the Regulations and agrees that Purchaser and its successors in interest shall be bound by the same. Therefore, prior

to close, the parties hereto shall execute a Declaration of Covenants, Conditions and Restrictions agreement in substantially the form of **Exhibit "C"** attached hereto (the "**CC&Rs**") with respect to the Property, which shall, among other things impose certain ongoing restrictions on the use and occupancy of such Property, as well as imposing various limitations on the subsequent resale of such Property both as to whom it may be sold and the amount of equity or other compensation the Purchaser is entitled to retain upon such subsequent transfer. The CC&Rs shall be recorded immediately following the recordation of the Director's Deed for such Property and shall not be subordinated to any financing obtained by Purchaser with respect to such Property or any other agreements recorded against or otherwise first affecting the Property at close of escrow, except as authorized by the CC&Rs. After recordation, the original recorded CC&Rs for the Property shall be returned (mailed) by the Recorder's Office directly to Caltrans, who shall retain possession thereof. The CC&Rs shall constitute covenants and equitable servitudes that run with the land and shall bind Purchaser and all subsequent owners, lessees, occupants, lenders, encumbrancers, and others holding any interest in, lien on or claim to the Property. Purchaser agrees not to challenge or attempt to terminate, limit, or otherwise alter or amend the CC&Rs. The agreements of Purchaser under this Section 4.03 shall survive the close of escrow and the delivery and recordation of the Director's Deed and the CC&Rs hereunder.

4.04 Title.

- A. **Generally.** Purchaser understands and agrees that the right, title, and interest in the Property to be conveyed hereunder shall not exceed that currently vested in Caltrans (after taking into account any and all rights that may be reserved by Caltrans pursuant to the Director's Deed, the CC&Rs or any other agreement contained in or contemplated by this Agreement related to such Property), and that Caltrans will furnish no policy of title insurance with respect to the sale of the Property hereunder. If a policy of title insurance, endorsement or survey coverage is desired, Purchaser may obtain the same at Purchaser's sole expense, provided, however, in no event or circumstance shall obtaining any such title, endorsement or survey coverage) constitute any basis for extending the Closing Date contemplated hereunder. No later than ten business days prior to the expiration of the Inspection Period, Purchaser shall notify Caltrans in writing of its objection to any matter in the preliminary title report or on a survey. Caltrans shall have five business days to notify Purchaser of its election to cure the matter or not, and the absence of any notice shall be deemed an election not to cure the matter. Purchaser shall have the right to terminate this Agreement prior to the expiration of the Inspection Period if Caltrans does not agree to cure such matter, or if Caltrans agrees to but fails to cure the matter on or prior to Closing, then Purchaser shall have the right to terminate at such time. Upon any such termination, Escrow Holder shall remit the deposit to Purchaser.
- B. **Permitted Encumbrances.** At close of escrow hereunder the Property shall be conveyed to Purchaser by a Director's Deed in substantially the form of **Exhibit "A"** hereto (a "**Director's Deed**"), with title to the Property being subject to all of the following exceptions and matters (collectively, the "**Permitted Exceptions**"): (1) a lien to secure payment of real estate taxes, supplemental taxes, and special

taxes, bonds and assessments; (2) any reservations or limitations contained in the Director's Deed or any prior deed(s) relating to the Property; (3) the CC&Rs; (4) all title exceptions and other matters shown in the preliminary report for such Property other than any items Caltrans has agreed to cure; (5) any and all other matters apparent from a physical inspection thereof and/or that might be revealed by a survey other than any items Caltrans has agreed to cure; and (6) all other matters created by or with the consent or knowledge of Purchaser, or otherwise disclosed or contemplated in this Agreement. Caltrans shall not have, and does not assume, any liability or obligation whatsoever for any encumbrances or other title matters affecting the Property, or the amendment, removal, or other disposition thereof, provided, however, Caltrans agrees not to encumber the Property or enter into any leases, licenses, and other occupancy agreements with respect to the Property ("Leases") during the Escrow Period without the consent of Purchaser.

4.05 Operation during Escrow Period. During the period commencing with the effectiveness of this Agreement until the close of escrow hereunder or termination of this Agreement, Caltrans will continue to operate the Property in substantially the same manner as operated as of the date of this Agreement and will not do, cause, or allow anything to be done with respect to the Property that would materially change, alter or modify the current operation of the Property as a vacant property without the prior written consent of Purchaser, which consent shall not be unreasonably withheld or delayed; provided, however, Caltrans shall not under any circumstances be responsible for or have any obligation or liability with respect to any such change, alteration or modification to the extent the same is caused by any tenant or occupant of a Property or any other person without Caltrans' consent or knowledge, or to the extent the same is otherwise beyond Caltrans' reasonable control. Additionally, notwithstanding the foregoing, Caltrans shall be entitled, at its election and without notice to or obtaining the consent of Purchaser, to take any and all actions and make any and all decisions with respect to the Property as Caltrans deems necessary or desirable, in its sole and absolute discretion, in addressing any emergency relating to the Property or the safety of any occupant thereof, making a Property compliant with applicable laws, and/or keeping and maintaining a Property in a safe and habitable condition.

4.06 Purchaser's Agreements. With respect to the period prior to the close of escrow Purchaser acknowledges and agrees as follows:

- A. **No Changes.** Purchaser shall have no right to take any action with respect to the Property, including, without limitation changing, renewing or terminating any zoning designations, permits, approvals, certificates or other entitlements related thereto (or applying for any such new matters), giving any notices with respect to or otherwise amending or terminating any Leases related thereto, or making or undertaking any repairs, alterations or additions to the Property and/or any improvements located thereon, in each case without the prior written consent of Caltrans, which may be conditioned or withheld in Caltrans' sole and absolute discretion.
- B. **Restrictions.** Purchaser shall not use or take any actions, or permit or suffer its

agents, employees, contractors or consultants (collectively, “**Agents**”) to use or take actions, with respect to the Property in a manner which would in any way: (i) interfere with any activities thereon, or the use or occupancy thereof; (ii) constitute a nuisance or result in waste; (iii) result in the cancellation of any insurance being maintained by or on behalf of Caltrans or any tenants, in the increase in the premiums for any such insurance or in the increase of any of Caltrans’ other costs; or (iv) damage any improvements or personalty located thereon.

- C. **Compliance with Laws Generally.** Purchaser and its Agents shall not enter any Property, nor shall they take any action with respect thereto (or permit or suffer anything to be done in, on or about the Property) which will in any manner violate any title conditions, maps, entitlements, permits, consents, agreements, Leases or any laws, ordinances, governmental rules or regulations now or hereafter in effect with respect thereto and/or the conduct of any activities thereon by Caltrans or any occupants.
- D. **Liens.** Purchaser shall at all times keep the Property and Caltrans free from any liens and claims arising out of any and all actions taken, work and labor performed, materials or services furnished and/or damages or personal injuries caused by or on behalf of Purchaser in connection with any activity of Purchaser and/or its Agents with respect to the Property, whether occurring prior to or after the date hereof. Caltrans may require Purchaser to post, at Purchaser’s sole cost and expense, a lien release bond or other undertaking, statutory or otherwise, in such amount as necessary to properly bond around any claim filed against Caltrans and/or the Property with respect to such activities (occurring prior to the close of escrow) of Purchaser or its Agents. The bonding obligations of Purchaser under this Subsection 4.06(d) shall be absolute and unconditional and shall survive the close of escrow and the delivery and recordation of the Director’s Deed and CC&Rs hereunder and/or the expiration, revocation, or termination of this Agreement.
- E. **Compliance with the Act & Regulations.** Purchaser shall at all times comply with the requirements of the Act and the Regulations.

SECTION 5. CONDITIONS TO CLOSE

5.01 Conditions to Purchaser’s Obligation to Close. The matters set forth in this Section 5.01 are conditions precedent to the close of escrow by Purchaser as contemplated in this Agreement, and the same may be declared satisfied or waived by Purchaser. In the event any such condition fails to be satisfied in accordance with the terms hereof through no fault of either party, Purchaser shall have the option of either: (i) waiving such condition and proceeding to close without adjustment of the Purchase Price or any of the other terms of this Agreement, or (ii) terminating this Agreement, in which case the Deposit shall be refunded to Purchaser without interest, and neither party shall have any further rights, liabilities or obligations hereunder except paying their respective share of escrow costs incurred up to such date and observing those obligations expressly stated herein as surviving the termination of this Agreement.

- A. **Title.** At closing, the Property shall be conveyed to the Purchaser pursuant to a Director's Deed subject to all the Permitted Exceptions applicable to such Property as contemplated by Section 4.04 hereof.
- B. **CTC Approval and Governing Body Approval.** By the Closing Date, the CTC Approval shall and any governing body approval (if applicable) have been unconditionally obtained as contemplated by Section 4.01 hereof.
- C. **Documents and Funds.** By the Closing Date, the escrow deposits referenced in Section 3.06(a) above shall have all been made by Caltrans, and the Escrow Holder shall be irrevocably committed to record the Director's Deed in the Official Records of Los Angeles County, California.
- D. **Representations/Covenants.** At close: (i) all the representations of Caltrans contained in this Agreement shall be materially true and correct, and (ii) Caltrans shall have materially complied with its covenants contained in this Agreement.

5.02 Conditions to Caltrans' Obligation to Close. The matters set forth in this Section 5.02 are conditions precedent to the close of escrow by Caltrans as contemplated in this Agreement, and the same may be declared satisfied or waived by Caltrans. In the event any such condition fails to be satisfied in accordance with the terms hereof through no fault of either party, Caltrans shall have the option of either: (i) waiving such condition and proceeding to close without adjustment of the Purchase Price or any of the other terms of this Agreement, or (ii) terminating this Agreement, in which case the Deposit shall be refunded to Purchaser without interest, and neither party shall have any further rights, liabilities or obligations hereunder except paying their respective share of escrow costs incurred up to such date and observing those obligations expressly stated herein as surviving the termination of this Agreement.

- A. **Balance of Purchase Price.** By the Closing Date, Purchaser shall have deposited the entire Cash Balance of the Purchase Price with Escrow Holder as provided in Section 2.02(b) hereof.
- B. **CTC Approval.** By the Closing Date, the CTC Approval shall have been unconditionally obtained as contemplated by Section 4.01 hereof.
- C. **Documents and Funds.** By the Closing Date, the escrow deposits referenced in Section 3.06(b) above shall have all been made by Purchaser and Escrow Holder shall be irrevocably committed to:
 - (i) disburse the Cash Balance to Caltrans,
 - (ii) record the Director's Deed, and CC&Rs immediately thereafter as contemplated herein, in the Official Records of Los Angeles County, California, and
 - (iii) deliver to Caltrans a fully executed counterpart original any other appropriate documents as contemplated by Section 3.06(b).
- D. **Representations/Covenants.** At close: (i) all the representations of Purchaser contained in this Agreement shall be materially true and correct, and (ii) Purchaser shall have materially complied with its covenants contained in this Agreement.

SECTION 6. POSSESSION

Possession of the Property shall be delivered to Purchaser on the Closing Date subject to the Permitted Exceptions applicable to the Property.

SECTION 7. BROKERS

7.01 Caltrans. Caltrans has retained **Veterans Realty Group** to act as a Consultant in connection with the sale of the Property hereunder, and any compensation due to **Veterans Realty Group** in connection with the transactions contemplated by this Agreement shall be paid by Caltrans.

7.02 No Other Brokers. Except for Caltrans' retention of **Veterans Realty Group** above, each party hereby represents and warrants to the other party that no broker, finder, real estate agent or other person has been retained by it or is entitled to any commission, finder's fee or other compensation resulting from any action on its part with respect to the sale of the Property to Purchaser. Purchaser and Caltrans each agree to indemnify, defend, and hold the other and the Property harmless from and against any real estate brokerage commissions or finder's fees, and all costs and expenses (including attorneys' fees and costs) of investigating and defending any such claims, payable or alleged to be payable to any other persons in connection with this Agreement which such indemnifying party may have engaged or is claimed or alleged to have engaged. This section does not prohibit Purchaser from obtaining a broker at his/her own expense. The representations, warranties, indemnification, and other obligations set forth in this Section 7.02 shall survive the close of escrow and the delivery and recordation of the Director's Deed and the CC&Rs and/or the expiration, revocation, or termination of this Agreement.

SECTION 8. REPRESENTATIONS & WARRANTIES

8.01 By Caltrans. Caltrans hereby makes the following representations and warranties to Purchaser:

- A. Authority. Subject to obtaining the CTC Approval, Caltrans has all requisite power and authority to enter into, deliver and perform this Agreement and all the other agreements contemplated herein and to be executed in connection herewith, and the person(s) executing this Agreement and all other agreements contemplated herein on behalf of Caltrans have been properly authorized to sign on behalf of and bind Caltrans in connection with performing the transactions contemplated herein.
- B. Binding. Subject to obtaining the CTC Approval, this Agreement and all documents to be executed by Caltrans as provided herein, as of the date of execution shall, subject to the operation of any bankruptcy or similar laws, be the legal, valid and binding obligations of Caltrans.
- C. Information. Except as otherwise set forth in this Agreement, Caltrans has no actual

or constructive knowledge of any information affecting the Property that had, has or would have a material effect on Purchaser's ability to use and operate the Property as contemplated by Purchaser. Caltrans has provided to Purchaser all material and factual information requested by the Purchaser and/or as required by law concerning the Property that is in Caltrans' possession, custody and control.

- D. Compliance with the Act and Regulations: Caltrans conduct in this sales transaction has been in compliance with the Act and corresponding Regulations.
- E. Claims. There is no claim, action, suit, arbitration, proceeding (including condemnation proceedings) or any investigation by or before any court or arbitration body, any governmental, administrative or regulatory authority, or any other body pending or, to Caltrans's knowledge, threatened with respect to the Property (collectively, "Allegations"). Caltrans is not aware of any basis or reason for any such Allegations. There is no order, judgment or decree of any court or arbitration body, any governmental, administrative or regulatory authority, or any other body, against Caltrans with respect to the Property or the sales transaction contemplated by this Agreement.
- F. No Violation. Neither the execution and delivery of this Agreement, nor the performance by Caltrans of the sales transaction contemplated hereby, will contravene, conflict with, or result in a breach of any agreement, law, regulation, writ, injunction or decree of any court or governmental authority applicable to Caltrans or by which any of its properties is bound. Except for CTC Approval, Caltrans is not required to obtain any consent or authorization in order to complete the sales transaction contemplated by this Agreement.
- G. Right to Purchase. Except pursuant to this Agreement, no third party has an option, right of first offer, right of first refusal, or other similar right to purchase the Property that currently remains in effect.
- H. Environmental Matters. As requested by Purchaser and/or mandated by law, Caltrans has provided or made available for review copies of any material documents in its possession, custody and control of Caltrans regarding environmental condition of the Property ("Environmental Materials"). Except as set forth in the Environmental Materials, Caltrans is not aware of the existence of any Hazardous Substances (defined in Section 10 below) attributable to or affecting the Property. There have been no settlements reached by or with any third parties alleging the presence, disposal, release or threatened release of any Hazardous Substances from the use or operation of the Property.
- I. Leases. The Property is not subject to any Leases, tenancy and/or similar agreements conferring any right, title or interest in the Property to a third party.
- J. Contracts. Other than as disclosed in the title reports provided by the Title Company and this Agreement, there are no agreements affecting the Property.

Each of the representations made by Caltrans in this Agreement shall be true and correct on the date hereof, and shall be deemed to be made again as of the close of escrow provided for herein, and shall then be true and correct in all

material respects. Caltrans shall promptly provide written notice to Purchaser of any developments or information that would make the representations set forth above untrue. The representations and warranties set forth in this Section 8.01 shall expressly survive the close of escrow as described in Section 13.12 below.

8.02 By Purchaser. Purchaser and the specific parties signing this Agreement on behalf of Purchaser hereby makes the following representations and warranties to Caltrans:

- A. Organization. Purchaser is a municipal corporation duly organized, validly existing and in good standing under the laws of the State of California which has the power and authority to enter into this Agreement and to consummate the transactions contemplated hereby.
- B. Authority. Subject to obtaining governing body approval, Purchaser has all requisite power and authority to enter into, deliver, and perform this Agreement and all the other agreements contemplated herein and to be executed in connection herewith, and the person(s) executing this Agreement and the other agreements contemplated herein on behalf of Purchaser have been properly authorized to sign on behalf of and bind Purchaser in connection with performing the transactions contemplated herein.
- C. Binding. This Agreement and all documents to be executed by Purchaser as contemplated hereunder shall, subject to the operation of any applicable bankruptcy or similar laws, be the legal, valid and binding obligations of Purchaser, and shall not materially violate any law, agreement, order or decree to which Purchaser is a party or is subject.
- D. Litigation. There are no pending or threatened, suits or actions affecting Purchaser which would materially affect Purchaser's ability to enter into or perform its obligations under this Agreement or the documents executed in connection herewith.
- E. Information / Compliance. All applications, information, financial statements, and other materials provided by Purchaser or its Agents to Caltrans pursuant to or in connection with the Act, the Regulations and or this Agreement are true, correct and not materially misleading; and Purchaser is in compliance with the Act and the Regulations as relates to the Property and the purchase thereof under this Agreement.
- F. No Bankruptcy. Purchaser is not the subject of any pending or threatened bankruptcy proceedings, whether voluntary or involuntary.

Each of the representations and warranties made by Purchaser in this Agreement, or on any document or instrument delivered pursuant hereto shall be true and correct on the date hereof and shall be deemed to be made again as of close of escrow provided for herein, and shall then be true and correct in all material respects. The representations and warranties of Purchaser contained in this Section 8.02 shall survive the close of escrow and the delivery and recordation of the Director's Deed and CC&Rs.

SECTION 9. “AS-IS”, WAIVERS AND RELEASE

Purchaser acknowledges and agrees that, except as set forth in this Agreement, neither Caltrans nor any of its respective employees, agents, managers, members, partners, officers, interest holders, attorneys, contractors or consultants, including without limitation the California Department of Housing and Community Development (“HCD”), (Caltrans and such other persons being collectively, the “**Seller Parties**”) have made or are making, and specifically negate and disclaim making, any representations, warranties, guaranties, promises, covenants or assurances of any kind or character, whether express, implied, written, oral, past, present or future concerning or with respect to the Property, or the condition or status thereof, including without limitation, the suitability for any purpose or the profitability of owning and operating the Property; the value thereof; the existence or non-existence of any patent or latent defects affecting the same; the physical or environmental condition or status thereof (including without limitation the existence of any mold, lead paint, radon gas or other environmental health hazards); the rental or other income generated thereby; the expenses or costs associated therewith; the size and square footage of the parcel or the improvements located thereon, the age or condition of the such improvements, or the location of property lines or setbacks (or the location of the improvements with respect thereto); the zoning thereof; the condition of title thereto; the existence, necessity or satisfaction of any local, state or federal approvals, permits or certificates for the entitlement, ownership, operation, use or occupancy thereof as contemplated by Purchaser or any tenants, occupants or any future owners thereof; the feasibility of or cost associated with obtaining any such approvals; the compliance of the Property with any and all applicable local, state or federal laws, codes and ordinances; or any other matter.

Purchaser further acknowledges that Purchaser, with the help of its independent experts, contractors, consultants, professionals (including independent legal counsel and accountants), and advisors, prior to the Closing Date, will conduct its independent feasibility, investigation, and due diligence inquiry as described in Section 1.03 above with respect to the Property and will fully satisfy itself as to all matters relating thereto. Except for the representations and warranties of Caltrans set forth in this Agreement, Purchaser is relying solely and exclusively on such independent due diligence in executing this Agreement and purchasing the Property hereunder, and not on any representations, warranties, guaranties, promises, covenants or assurances of any kind or character by Caltrans or any other Seller Parties; and the Property is being purchased **“AS-IS”** / **“WHERE-IS”** at close in its present condition with all defects and faults, both patent and latent, whether known or unknown, presently existing or that may hereafter arise.

Effective on the Closing Date, Purchaser hereby fully and expressly releases Caltrans, HCD and all of the other Seller Parties and their respective agents, employees, attorneys, consultants, successors and assigns from any and all demands, claims, liabilities, amounts, actions, costs, judgments, expenses and damages (including, without limitation, attorneys' fees, witness fees and court costs) related to or arising from the Property, or

the condition or status of thereof or any other matter relating thereto, including without limitation the matters referenced in the first paragraph of this Section 9, (collectively, the **"Released Matters"**); and Purchaser hereby covenants not to sue, and hereby fully and expressly waives and relinquishes any and all rights and remedies Purchaser may have against, Caltrans, HCD and the other Seller Parties and their respective agents, employees, attorneys, consultants, successors and assigns, or any of them, at law, in equity or otherwise, related to or arising from the Released Matters. However, nothing contained herein shall release or be deemed to release Caltrans from claims arising from its fraud or a breach of any representation or warranty by Caltrans contained in this Agreement (the **"Preserved Matters"**). Preserved Matters shall not be considered Released Matters. Purchaser acknowledges and agrees that the release, waiver and discharge given by Purchaser hereunder to Caltrans, HCD and the other released parties extends to all Released Matters described above, whether known or unknown, foreseen or unforeseen, patent or latent, which Purchaser may now or hereafter have against Caltrans, HCD or such other persons; and in connection with such release, waiver and discharge, Purchaser hereby expressly waives the benefit of the provisions of California Civil Code Section 1542, which provides as follows:

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

Purchaser has read this Section 9, has had the effect and content thereof explained to Purchaser by independent legal counsel, and fully understands and appreciates the same. Purchaser understands and acknowledges that, among other things, the consequence of this waiver of California Civil Code section 1542 is that even if Purchaser should eventually discover any claims or suffer any losses or damages arising from the Released Matters, Purchaser would not be able to make any claim against Caltrans, HCD or the other released persons with respect thereto. Purchaser acknowledges that these consequences apply even as to claims, losses or damages resulting from the Released Matters that may exist as of the date of this Agreement or in the future, but which Purchaser does not know exist, or does not anticipate, and which, if known or anticipated, would materially affect Purchaser's decision to execute this Agreement. The waivers, releases, covenants not to sue and discharges contained in this Section 9 are a material portion of the consideration to Caltrans in agreeing to enter into this Agreement and shall survive the close of escrow and the delivery and recordation of Director's Deed and the CC&Rs in perpetuity.

SECTION 10. INDEMNIFICATION

Following the closing of the transaction contemplated herein, except as provided below,

Purchaser shall, at its sole cost and expense, indemnify, defend and hold Caltrans and its officers, agents, employees, attorneys and consultants, including without limitation, HCD, and their respective successors and assigns (collectively, the **"Indemnified Parties"**), free and harmless from and against any and all liabilities, demands, claims and costs (including remediation, reimbursement or contribution costs or claims), damages, losses, and expenses (including and without limitation to attorneys' fees, legal expenses and court costs, and consultant's fees, and investigation and remediation costs) of whatever kind or nature incurred or suffered by, or threatened against, any Property or any Indemnified Party(ies) resulting from or arising out of or by reason of any matter pertaining to the condition or status of the Property, including without limitation, the existence of any Hazardous Substances or Hazardous Substance Conditions in, on, under or about the Property (collectively, "Claims"). Except as provided below, this indemnity is intended to address any and all liability for which Caltrans may now or at any time hereafter be partially or entirely responsible in connection with the contamination, environmental or physical condition or status of any Property, including the prior operation thereof, due to its mere ownership or operation of such Property. As used in this Agreement, the term **"Hazardous Substance"** shall mean any substance whose nature and/or quantity of existence, use, manufacture, disposal or effect, render it subject to federal, state, or local regulation, investigation, remediation or removal as potentially injurious to public health or welfare, including the Comprehensive Environmental Response Compensation and Liability Act or Resource Conservation and Recovery Act as now in effect; and the term **"Hazardous Substance Condition"** shall mean the existence in, on, under or about the Property of a hazardous substance that requires remediation, removal, mitigation and/or other action pursuant to applicable law. This indemnification shall in no event apply to (i) Claims to which Caltrans representations and warranties apply, (ii) any Claims involving Caltrans' willful misconduct, gross negligence or fraud, and (iii) any Claims relating to challenges to Caltrans' acquisition or disposition of the Property.

Purchaser's indemnification and defense of any matters contemplated in this Section 10 for or on behalf of the Property or any Indemnified Parties shall be made by counsel reasonably acceptable to the Indemnified Parties; shall commence immediately upon any such claim or matter being made, threatened, or asserted against Indemnified Parties or the Property without the necessity of the Indemnified Parties first contesting or defending the same, suffering or incurring any loss or adverse disposition, or otherwise taking or failing to take any other action; and shall apply to all such matters regardless of any action, failure or negligence of the Indemnified Parties, it being the express intent that the indemnification, defense and hold harmless obligations of this Section 10 apply to all matters referenced herein except to the extent caused by the gross negligence or willful misconduct of the Indemnified Parties. In the event Purchaser refuses to initiate or continue pursuing to completion any such defense or other obligations hereunder, Indemnitee shall be entitled to undertake, assume, and/or conclude the same, all at Purchaser's sole cost and expense, with counsel selected by Indemnitee. The obligations of Purchaser under this Section 10 shall be absolute and unconditional, and shall survive the close of escrow and the delivery and recordation of the Director's Deed and the CC&Rs.

SECTION 11. CASUALTY/CONDEMNATION

In the event any casualty or condemnation proceeding occurs or is commenced with respect to the Property after the effectiveness hereof but prior to the close of escrow, Caltrans shall notify Purchaser of the same in writing within ten (10) business days after Caltrans has knowledge of the same, and either of the following shall occur:

(A) If Purchaser does not elect to cancel within seven (7) business days after receipt of such notice by Purchaser, the parties shall continue to proceed under this Agreement and close without adjustment to the Purchase Price or any of the other provisions of this Agreement, in which event upon the close of escrow, Caltrans shall assign to Purchaser all of its interest in any such insurance or condemnation proceeds, compensation, award, or other payments or relief resulting from such casualty or condemnation proceedings; or

(B) If Purchaser elects to cancel, and Purchaser provides written notification to Caltrans of its election to terminate this Agreement within such 7-day period, then this Agreement shall terminate, the Deposit shall be returned to Purchaser without interest, and Caltrans shall retain all proceeds, compensation, awards, payments and other benefits or relief related to such casualty and condemnation with respect to the Property.

SECTION 12. REMEDIES

12.01 Of Purchaser. If the closing does not occur as a result of Caltrans' default under this Agreement, then, provided Purchaser is not in default hereunder, Purchaser may, at its election proceed with either of the following mutually exclusive alternatives as its sole and exclusive remedy:

- A. Terminate the Agreement, whereupon: (1) the Deposit shall be returned to Purchaser without interest, (2) Purchaser may seek reimbursement from Caltrans of any and all hard third-party costs and expenses incurred by Purchaser in connection the investigation of the Property or the negotiation and execution of this Agreement, as evidenced by invoices delivered to Caltrans, up to the maximum aggregate amount of fifteen thousand Dollars (\$15,000), and (3) neither party shall have any further obligation or liability to the other under this Agreement except for provisions of this Agreement which expressly state that they shall survive the termination of this Agreement; or
- B. File in a court of competent jurisdiction an action for specific performance to cause Caltrans to convey the Property to Purchaser in accordance with the terms and conditions of this Agreement; but Purchaser shall not be entitled to recover any monetary damages (whether compensatory, consequential, exemplary,

punitive or other) from Caltrans in connection with such default other than seeking its reasonable attorneys' fees in connection with such action.

PURCHASER ACKNOWLEDGES AND AGREES THAT THE LIMITATIONS ON REMEDIES AGAINST CALTRANS SET FORTH IN THIS SECTION 12.01 ARE A MATERIAL INDUCEMENT FOR CALTRANS TO ENTER INTO THIS AGREEMENT, AND PURCHASER AGREES THAT SUCH LIMITATIONS ARE REASONABLE AND ENFORCEABLE IN ACCORDANCE WITH THEIR TERMS.

12.02 Of Caltrans. LIQUIDATED DAMAGES. PURCHASER AND CALTRANS AGREE THAT SHOULD PURCHASER FAIL TO COMPLETE THE PURCHASE OF THE PROPERTY AS HEREIN PROVIDED BY REASON OF DEFAULT OF PURCHASER, THE PARTIES HERETO, BY INITIALING THIS SECTION 12.02 IN THE SPACE PROVIDED BELOW, AGREE THAT IT WOULD BE IMPRACTICAL OR EXTREMELY DIFFICULT TO ASCERTAIN OR FIX ACTUAL DAMAGES TO CALTRANS AS A RESULT OF SUCH FAILURE OR DEFAULT BY PURCHASER, THAT UNDER THE CIRCUMSTANCES EXISTING AS OF THE DATE OF THIS AGREEMENT THE ENTIRE DEPOSIT PROVIDED FOR IN SECTION 2.03(a)(ii) ABOVE IS A REASONABLE ESTIMATE OF CALTRANS' DAMAGES, AND THAT AS CALTRANS' SOLE AND EXCLUSIVE REMEDIES ON ACCOUNT OF SUCH BREACH, CALTRANS SHALL BE ENTITLED TO: (1) RETAIN SAID DEPOSIT AS LIQUIDATED DAMAGES FOR SUCH BREACH BY PURCHASER AND (2) TERMINATE THIS AGREEMENT. THE PAYMENT OF SUCH AMOUNT AS LIQUIDATED DAMAGES IS NOT INTENDED AS A FORFEITURE OR PENALTY, BUT IS INTENDED TO CONSTITUTE LIQUIDATED DAMAGES TO CALTRANS PURSUANT TO CALIFORNIA CIVIL CODE SECTIONS 1671, 1676 AND 1677.

THE PROVISIONS HEREOF RELATE ONLY TO CALTRANS' DAMAGES FOR PURCHASER'S DEFAULTS IN ITS AGREEMENT TO PURCHASE THE PROPERTY AS PROVIDED HEREIN. NOTHING CONTAINED HEREIN SHALL LIMIT OR PRECLUDE, OR BE DEEMED TO LIMIT OR PRECLUDE, THE EXERCISE OR ENFORCEMENT BY CALTRANS OF ANY RIGHTS WHICH EXPRESSLY SURVIVE THE TERMINATION OF THIS AGREEMENT.

Purchaser's Initials: _____ Caltrans' Initials: _____

SECTION 13. MISCELLANEOUS

13.01 Headings. This Agreement shall be construed as a whole, and the subject headings of the paragraphs and subparagraphs of this Agreement are included for convenience only and shall not affect the construction or interpretation of any of its provisions or define the provisions in the portions of this Agreement to which they pertain.

13.02 Assignment. Purchaser may not assign this Agreement, or any portion hereof or any of its rights or interests hereunder, without the express prior written consent of Caltrans, which consent may be conditioned or withheld in Caltrans' sole and absolute discretion, except as set forth herein. Purchaser may, without Caltrans' consent, but upon notice to Caltrans and Escrow Holder, assign any or all of its rights in, to or under this

Agreement to an entity or instrumentality that is wholly controlled by Purchaser. No such assignment (regardless of whether consented to by Caltrans) shall relieve or release Purchaser from any of its obligations hereunder. As a condition to the effectiveness of such assignment, all assignees shall execute an assumption agreement reasonably acceptable to Caltrans under which the proposed assignee agrees to fully assume and be bound by all the terms of this Agreement to be observed or performed by Purchaser.

Caltrans shall be free to assign this Agreement, or any portion hereof or any of its rights or interests hereunder, without the consent or approval of Purchaser.

13.03 Entire Agreement / Amendment. This Agreement (including all exhibits and schedules hereto and other agreements referenced herein) constitute the entire agreement between the parties pertaining to the subject matter contained herein and supersede all prior written or oral agreements, representations and understandings of the parties relating to the subject matter herein. There are no representations, agreements, arrangements, or understandings, oral or written, relating to the subject matter which are not fully expressed herein. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by all the parties hereto.

This Agreement does not affect the enforceability of other written contracts related to the use and resale of the Property or to preserving the historic nature of the Property.

13.04 Counterparts. This Agreement may be executed simultaneously in one or more identical counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. This Agreement shall be fully effective and binding on all parties hereto, as if one or more copies thereof had been executed by all the parties hereto, when all the parties have executed identical counterparts hereof, even though no single counterpart has been executed by all the parties hereto.

13.05 Binding / Successor & Assigns. Except to the extent assignment hereof is prohibited, this Agreement shall be binding on, and shall inure to the benefit of, the parties hereto and their successors and assigns.

13.06 Attorneys' Fees. If any legal action, arbitration or other proceeding is brought by either party involving a dispute between the parties arising out of the interpretation or enforcement of any condition or provision hereof, or by reason of any breach arising hereunder or the sale of the Property, the prevailing party shall be entitled to recover its reasonable attorneys' fees, court costs and expert witness fees incurred in such action or proceeding in addition to any other relief to which such party may be entitled.

13.07 Further Acts. Each party agrees to perform any further acts and execute and deliver any documents that may be reasonably necessary to carry out the provisions in this Agreement.

13.08 Limited Third-Party Beneficiaries. Subject to the remainder of this Section 13.08,

this Agreement is for the sole benefit of the parties hereto and there are no third-party beneficiaries, intended or otherwise. Notwithstanding the foregoing, HCD and the other Seller Parties (and other released persons) are intended third-party beneficiaries of Section 9 hereof, and HCD and the other Indemnified Parties are intended third party beneficiaries of Section 10 hereof.

13.09 Notices. All notices, requests, demands, and other communications required or desired under this Agreement shall be in writing and shall be given by any of the following methods: (i) personal service at the address set forth below, (ii) email transmission in the manner set forth below, or (iii) depositing such notice in the United States mail postage prepaid, addressed to the other as follows:

Caltrans
Division of Right of Way – SR-710, MS6
100 South Main Street
Los Angeles, CA 90012

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

Any notice given by personal service shall be deemed given when received, as verified by a written receipt or proof of service. Any notice given by email transmission shall be deemed given when transmitted, as evidenced by printed email; and any notice given by regular mail shall be deemed given on the fifth (5th) business day after its deposit in the United States mail postage prepaid.

Either party may change its address for purposes of this paragraph by giving the other party written notice of the new address to the other party at the address contained herein.

13.10 Governing Law. This Agreement has been prepared, negotiated, and entered into in the State of California and shall be governed by, construed and enforced in accordance with the internal laws of the State of California and according to its fair meaning, and not in favor of or against any party. Any action or proceeding relating or arising out of this Agreement shall be filed, if a State action, in the Superior Court of the State of California for the County of Los Angeles.

13.11 Severability. If any provision of this Agreement, or the application thereof to any person or circumstance, is held invalid or unenforceable by any court or arbitrator, it is the intent of the parties that all the other provisions of this Agreement, and the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall be construed to be fully valid, enforceable and binding on the parties to the fullest extent permitted by law.

13.12 Survival / No Merger. All covenants, representations, warranties, and other agreements under this Agreement which are expressly stated herein as surviving the close of escrow shall survive the close of escrow and the delivery and recordation of the Director's Deed and the CC&Rs in perpetuity, and shall not merge with or into the Director's Deed or the CC&Rs (or be terminated, limited or otherwise affected thereby).

13.13 Time is of the Essence. Time is of the essence of this Agreement in respect to all provisions of this Agreement that specify a time for performance, including the closing of escrow provided for herein, and failure to comply with this provision shall be a material breach of this Agreement.

13.14 Days / Saturdays, Sundays, and Holidays. Unless otherwise expressly stated, all time periods referred to herein shall be deemed to mean calendar days. If any date by which an election or a notice shall be given, or by which an action shall be taken, hereunder falls on a Saturday, Sunday, federal or state holiday, then the date by which such election or notice shall be given or such action shall be taken is extended to 5:00 p.m. on the next business day following such Saturday, Sunday, federal or state holiday.

13.15 Waiver. Waiver by one party of the performance of any covenant, condition or promise shall not invalidate this Agreement, nor shall it be a waiver by such party of such covenant, condition or promise in the future or of any other covenant, condition, or promise hereunder. Any waiver, to be effective, shall be express, in writing and signed by the waiving party, and shall be delivered to the other party. The exercise by a party of any remedy provided in this Agreement or at law shall not prevent the exercise by that party of any other remedy provided in this Agreement or at law.

13.16 Construction. As used in this Agreement, the masculine, feminine, or neuter gender and the singular or plural numbers shall each be deemed to include the other whenever the context so indicates. Each party hereto acknowledges and agrees that each has had independent counsel review and participated in the negotiation and drafting of this Agreement, and each hereby fully waives the application of any law, statute or rule of construction or interpretation, including without limitation California Civil Code Section 1654, to the effect that any ambiguities are to be construed against the drafting party.

13.17 Exhibits. All exhibits and schedules attached to this Agreement are hereby incorporated by reference herein and specifically made a part of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

CALTRANS:

Recommended for Approval by:

STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION

By: _____ Date: _____
Angus Chan
Senior Right of Way Agent

By: _____ Date: _____
Heriberto Salazar
Supervising Right of Way Agent, 710 Sales

Approved:

By: _____ Date: _____
Dan Murdoch
Deputy District Director, Right of Way

PURCHASER:

By: _____ Date: _____
City of South Pasadena

By: _____ Date: _____
City of South Pasadena

Attached Exhibits

Exhibits "A"

Director's Deed/Legal Description of Property

Exhibit "B"

Deleted

Exhibit "C"

Declaration of Covenants, Conditions & Restrictions

Exhibits "A"

Recording Requested by
DEPARTMENT OF TRANSPORTATION

When recorded, Mail to:
STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION
District 7, Right of Way Division
Office of R/W Engineering
100 South Main Street, MS 13
Los Angeles, CA 90012

Space above this line for Recorder's Use
APN: 5317-012-901 EA: 0R0002

RWPS: J. White
Written by: R.G.
Checked by: J.A.

R/W Map No.: F1533-7
Date: 8-18-2022

S. of Columbia ST. and W. of Fremont Ave.

**DIRECTOR'S DEED
GRANT**

District	County	Route	Post	Number
07	LA	710	PM 31.1	DD 68599-01-01

The State of California, acting by and through its Director of Transportation, hereinafter called STATE, hereby grants to _____

hereinafter called GRANTEE, that real property in the City of South Pasadena, County of Los Angeles, State of California, described as follows:

See Exhibit "A", attached.

This conveyance is subject to special assessments, if any, and the Declaration of Covenants, Conditions, and Restrictions (Caltrans 710 Affordable Sales Program) recorded concurrently herewith, whereby, among other things, the State of California has deferred it equity in the property pursuant to the Affordable Sales Program Regulations.

MAIL TAX
STATEMENTS TO:

Subject also to the following, in accordance with U.S. DOT Order 1050.2A, DOT Standard Title VI Assurances and Non-Discrimination Provisions:

A. The GRANTEE, for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that:

In the event facilities are constructed, maintained, or otherwise operated on the property described in this deed for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, the GRANTEE will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities.

B. In the event of breach of any of the above Non-discrimination covenants, the STATE will have the right to enter or re-enter the lands and facilities thereon, and the above-described lands and facilities will there upon revert to and vest in and become the property of the STATE and its assigns.

EXHIBIT "A"

LEGAL DESCRIPTION

DD 68599-01-01:

Lot 7 of George W. Stimson's Subdivision of part of the Porter and Green Tract, in the City of South Pasadena, County of Los Angeles, State of California, as shown on map recorded in Book 13, page 42, of Miscellaneous Records, as acquired by the State of California (State Parcel No. 68599) by deed recorded March 15, 1974, in Book D6200, page 696, as Instrument No. 1114, of Official Records, in the Office of the Registrar-Recorder/County Clerk of said county.

EXCEPT the West 114.90 feet thereof.

ALSO EXCEPT that portion contained in Fremont Avenue.

This real property description has been prepared by me, or under my direction, in conformance with the Professional Land Surveyors' Act.

Signature 
Licensed Land Surveyor

Date 08-22-2022
DD 68599-01-01



This conveyance is executed pursuant to the authority vested in the Director of Transportation by law and, in particular, by the Streets and Highways Code.

STATE OF CALIFORNIA
DEPARTMENT OF
TRANSPORTATION

Dated _____
APPROVED AS TO FORM AND
PROCEDURE

ATTORNEY
DEPARTMENT OF
TRANSPORTATION
*Certificate of Execution
Required for all Director's
Deeds*

By _____
Director of Transportation

By _____
Attorney in Fact

*This Space Reserved for
California Transportation Commission
Certification*

COUNTY OF LOS ANGELES

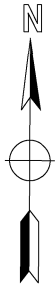
CITY OF SOUTH PASADENA



NOTES
All distances are in feet unless otherwise noted.
LEGEND

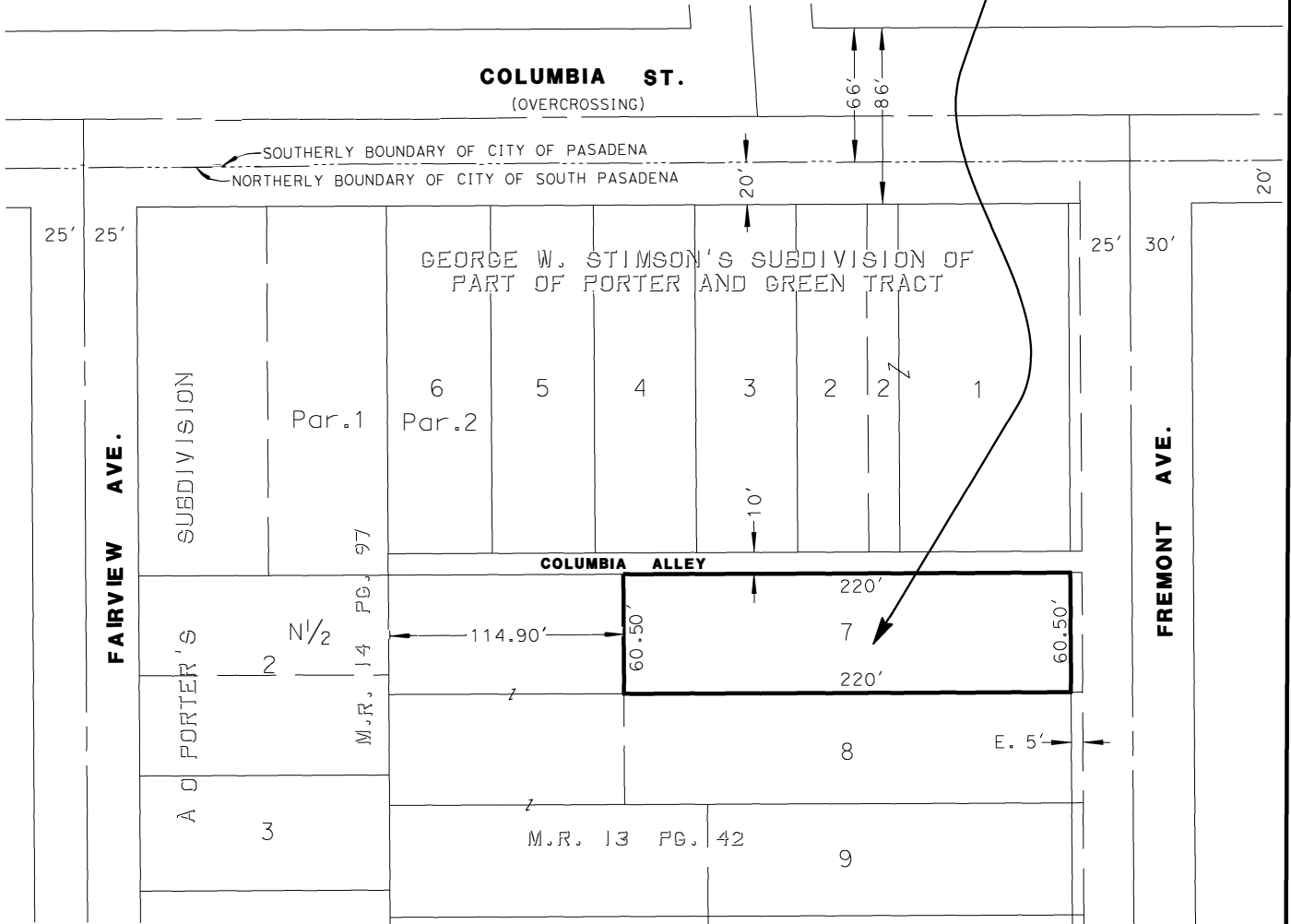
STATE OF CALIFORNIA CALIFORNIA STATE TRANSPORTATION AGENCY DEPARTMENT OF TRANSPORTATION					
RIGHT OF WAY DIRECTOR'S DEED DD 68599-01-01					
NOT TO SCALE					
REF.: R/W MAP NO. F1533-7			DATE: 08-18-2022		
DISTRICT	COUNTY	ROUTE	SHEET PM	SHEET NO.	TOTAL SHEETS
07	LA	710	31.1	1	2

**CITY OF SOUTH PASADENA
COUNTY OF LOS ANGELES**



PARCEL NO. AREA
DD 68599-01-01 13,310 SF

13,310 S.F.
DD
68599-01-01



NOTES
All distances are in feet unless otherwise noted.
LEGEND

**STATE OF CALIFORNIA
CALIFORNIA STATE TRANSPORTATION AGENCY
DEPARTMENT OF TRANSPORTATION**

**RIGHT OF WAY
DIRECTOR'S DEED
DD 68599-01-01**

NOT TO SCALE

REF.: R/W MAP NO. F1533-7 DATE: 08-18-2022

DISTRICT	COUNTY	ROUTE	SHEET PM	SHEET NO.	TOTAL SHEETS
07	LA	710	31.1	2	2

Free Recording Pursuant to
Government Code Section 27383 at the
Request of the California Department
of Transportation

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

California Department of Housing and
Community Development
P.O. Box 952052
Sacramento, California 94252-2052
Attn: General Counsel

217 Fremont Ave, S. Pasadena CA 91030

(Space Above This Line for Recorder's Use)

**DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
(CALTRANS STATE ROUTE 710 SALES PROGRAM)**

**THIS DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
(CALTRANS STATE ROUTE 710 SALES PROGRAM) ("Use and Resale Covenant")** is dated _____, 20__, for reference purposes only, by and among the City of South Pasadena, ("**City**"), the California Department of Transportation, a department of the State of California ("**Caltrans**"), and Department of Housing and Community Development (HCD) Monitoring Entity. City is purchasing that certain real property, consisting of land and all buildings thereon, in the City of South Pasadena with a street address of 217 Fremont Avenue, South Pasadena, California 91030, and a legal description found in Exhibit A attached hereto and made a part hereof ("**Property**"). Capitalized terms used in this Use and Resale Covenant not already defined above have the meanings given to them in Section 2 below. This Use and Resale Covenant is made with reference to the following facts:

RECITALS

A. WHEREAS, in 1979 the Legislature passed Senate Bill 86, commonly referred to as the "Roberti Act" (herein, as may be amended from time to time, the "**Act**") which added, in part, Sections 54235 through 54238.7 to the California Government Code wherein the Legislature found and declared that the sale of certain surplus residential properties by Caltrans would directly serve an important public purpose; Caltrans, pursuant to the Act, is selling the Property to the City, subject to the provisions of this document;

B. WHEREAS, in accordance with the Act, Caltrans has developed a program as more particularly set forth in Chapter 9.5, Division 2 of Title 21 of the California Code of Regulations

(herein, the “**Regulations**”) to make certain historic homes available for public and community use;

C. WHEREAS, Caltrans has identified City as being eligible to purchase the Property at Caltrans’ original acquisition price in accordance with the Act;

D. WHEREAS, to effectuate the sale of the Property to City, City has agreed to use and resale controls in accordance with the Act and evidenced by this Use and Resale Covenant; and

E. WHEREAS, Caltrans has determined the Property is “excess real property” within the meaning of Streets and Highways Code Section 118.6 and approved the sale;

NOW, THEREFORE, in consideration of the substantial economic benefits inuring to City and the public purposes to be achieved under the Act, City, Caltrans, and the Monitoring Entity hereby declare and agree as follows:

Section 1. Extraordinary Provisions.

1.1 Purchase Price. Caltrans and City agree that City’s purchase price for the Property is Caltrans’ original acquisition price Caltrans and City further agree that City’s purchase price complies with Government Code section 54239.4, subdivision (b)(1)(A).

1.2 City Acknowledgments.

- (a) City understands and agrees to abide by all the provisions of this Use and Resale Covenant.
- (b) City hereby takes the Property subject to certain restrictions and limitations of the full enjoyment and use of the Property as set forth in this Use and Resale Covenant. City acknowledges that City may not enjoy the same economic benefits from owning the Property that City would enjoy if this Use and Resale Covenant did not exist.
- (c) Absent the assistance provided by Caltrans and the provisions of this Use and Resale Covenant, the Property could not be made available to City.
- (d) In recognition of the acknowledgements and agreements stated herein, City accepts and agrees to the provisions of this Use and Resale Covenant with the understanding that this Use and Resale Covenant will remain in full force and effect to limit use and transfer of the Property unless terminated pursuant to the terms herein.
- (e) City covenants and agrees for itself, its successors, its assigns, and every successor interest in the Property or any part thereof, that City, such successors and such assignees, shall regularly and continuously use the Property only for the purposes authorized in this Use and Resale Covenant.

- (f) City further agrees not to challenge the terms and provisions of this Use and Resale Covenant or any right of Caltrans, or the Monitoring Entity created hereunder and acknowledges that the same are not an unreasonable restraint on any right to transfer the interest of the City in the Property.
- (g) City acknowledges that Government Code section 54239.4, subdivision (b) imposes additional requirements upon City that are not reflected in this Use and Resale Covenant, and that full compliance with this Use and Resale Covenant does not equate to full compliance with Government Code section 54239.4, subdivision (b).
- (h) City acknowledges that Government Code section 54239.4, subdivision (b)(1)(O) authorizes the Monitoring Entity to review, adopt, amend, and repeal standards, forms, or definitions to implement Government Code section 54239.4, subdivisions (b)(1)(C) through (N), inclusive.

Section 2. Definitions.

As used in this Use and Resale Covenant, the capitalized terms set forth below shall have the following meanings:

- (a) “*Event of Default*” is defined in Section 6.1.
- (b) “*Monitoring Entity*” means Department of Housing and Community Development.
- (c) “*Notice*” is defined in Section 7.2.

Section 3. Use of the Property.

3.1 Resale. City shall resell the Property within two (2) years of the close of escrow that transfers title of the Property from Caltrans to City. Monitoring Entity may grant the City up to one two-year extension of time to resell the Property if City demonstrates sufficient progress on the sale of the Property. Sufficient progress includes:

- (a) Proof that the Property has been listed for 180 days at a price that does not exceed fair market value based on comparable sales in the City of South Pasadena with no offers; or
- (b) Unexpected structural damage to the Property due to a natural disaster or similar occurrence; or
- (c) Other proof of progress at the discretion of the Monitoring Entity’s Director.

3.2 Affordable Housing. If City does not resell the Property within the period described in Section 3.1 (including any extension(s) granted by the Monitoring Entity), then City shall cause the Property to be used as either of the following:

- (a) As an affordable rental to lower income and moderate-income households, as defined by Health and Safety Code sections 50052.5 and 50079.5, respectively. Such use shall be for no less than 55 years.
- (b) If the Property is a single-family residence, then as owner-occupied affordable housing for no less than 45 years, with the Property being sold to a person or family of low or moderate income at an affordable price, as defined by Government Code section 62250. The Property may then only be resold at an affordable price to a person or family of low or moderate income.

Section 4. Use of the Proceeds After Resale.

4.1 Required Use of Proceeds. City shall use the proceeds from the resale of the Property described in Section 3.1 to finance the production or acquisition of at least three (3) housing units that meet all the following criteria:

- (a) The housing units must be affordable to persons and families of low or moderate-income, as defined by Health and Safety Code section 50093; and
- (b) Either through its ownership of the housing units or by regulatory agreement if it does not own the housing units, City shall cause each housing unit to be made available at an affordable sales price or an affordable rent, as defined in Health and Safety Code sections 50052.5 and 50053; and
- (c) If a housing unit is used as a rental, then it shall be available at an affordable rent for no less than 55 years; and
- (d) If a housing unit is used as an owner-occupied affordable housing unit, then it shall be so used for no less than 45 years; and
- (e) Each housing unit is within the 91030 postal ZIP code.

4.2 Monitoring. City shall monitor compliance with the regulatory agreement described in Section 4.1(b). City may charge a fee to recover the cost of this monitoring.

4.3 Sites for Housing Units. The housing units described in Section 4.1 may be produced or acquired on a single site or on multiple sites.

4.4 Timeline for Production and Acquisition. City shall commence construction or complete acquisition of all housing units described in Section 4.1 by December 31, 2025.

Monitoring Entity may grant the City two two-year extensions if it demonstrates sufficient progress on the development or acquisition of the housing units. Sufficient progress includes:

- (a) An executed option agreement or exclusive negotiation agreement for the purchase of property intended for conversion to affordable units; or
- (b) Completed project entitlements or building permits; or
- (c) Executed purchase agreements and draft covenants for the acquisition or rehabilitation of market rate units for the purpose of conversion to affordable units, or a combination thereof; or
- (d) Other proof of progress at the discretion of the Monitoring Entity's Director.

4.5 Use of Surplus Funds. Any surplus funds remaining after the completion of the construction of the housing units described in Section 4.1 shall be used at the discretion of City for the production or acquisition of rental or for-sale housing affordable to persons and families of low or moderate-income, as defined by Health and Safety Code section 50093.

Section 5. Termination.

5.1 Termination of Use and Resale Covenant. This Use and Resale Covenant shall cease to encumber the Property upon resale pursuant to Section 3.1. However, the terms of the Use and Resale Covenant shall remain enforceable under applicable law and as a contract between Monitoring Entity and City to ensure compliance of Sections 4.1 through 4.5.

Section 6. Default and Remedies.

6.1 Event of Default. The occurrence of any one of the following events or circumstances shall constitute an "***Event of Default***" by City under this Use and Resale Covenant.

- (a) City's failure to comply with the requirements in Sections 4.1 through 4.5, or Section 3.2, as applicable.
- (b) City's failure to comply with Government Code section 54239.4, subdivision (b)(1)(I).
- (c) City's failure to comply with Government Code section 54239.4, subdivision (b)(1)(J).

6.2 Remedies. Upon the occurrence of an Event of Default by City, the Monitoring Entity may exercise the remedy set forth below:

- (a) The City shall pay a fine to the Monitoring Entity of an amount equal to the funds generated through the resale of the Property, pursuant to Section 3.1. minus the purchase

price described in Section 1.1. Fines shall be deposited into an account held by the Monitoring Entity pursuant to Government Code section 54239.4(b)(1)(K).

6.3 Not Subject to Appeal. Pursuant to Government Code section 54239.4(b)(1)(N), an Event of Default shall be determined by the Monitoring Entity and is not subject to appeal.

Section 7. Miscellaneous.

7.1 Nondiscrimination. City covenants by and for itself and its successors and assigns that there shall be no discrimination against or segregation of a person or a group of persons on account of sex, race, color, religion, ancestry, national origin, ethnic group identification, age, mental disability, physical disability, medical condition, genetic information, marital status, gender, gender identity, gender expression, familial status, source of income, veteran or military status, or sexual orientation in the transfer, use, or occupancy of the Property, nor shall City, any person claiming under or through City, establish or permit any such practice or practices of discrimination or segregation with reference to the use, occupancy, or transfer of the Property.

7.2 Notices. Notice shall be in writing and sufficiently given or delivered if transmitted by (a) registered or certified United States mail, postage prepaid, return receipt requested, (b) personal delivery, or (c) nationally recognized private courier services, in every case addressed as follows:

If to City: [to be inserted]

If to the Monitoring Entity [to be inserted]

Any such Notice transmitted in accordance with this Section 7.2 shall be deemed delivered upon receipt, or upon the date delivery was refused. Any party may change its address for notices by written Notice given to the other party in accordance with the provisions of this Section 7.2.

7.3 Attorneys' Fees for Enforcement. If any action or legal proceeding is instituted by City or the Monitoring Entity arising out of this Use and Resale Covenant, the prevailing party therein shall recover reasonable attorneys' fees and costs in connection with such action or proceeding. For purposes of this Use and Resale Covenant, reasonable fees include the fees and costs of any in-house counsel for the Monitoring Entity, which shall be based on: (i) the employee's hourly rate on the employee's salary, (ii) forty-one and eight-tenths percent (41.8%) of the employee's hourly salary rate to reflect non-salary direct and indirect costs, and (iii) five percent (5%) of the employee's hourly salary rate to reflect central service costs.

7.4 Integration. This Use and Resale Covenant constitutes an integration of the entire understanding and agreement of Caltrans, City, and the Monitoring Entity with respect to the subject matter hereof. Any representations, warranties, promises, or conditions, whether written or oral, not specifically and expressly incorporated in this Use and Resale Covenant, shall not be binding on any of the parties, and City and the Monitoring Entity each acknowledge that in entering into this Use and Resale Covenant they have not relied upon any representation,

warranty, promise or condition, not specifically and expressly set forth in this Use and Resale Covenant. All prior discussions and writings have been, and are, merged and integrated into, and are superseded by, this Use and Resale Covenant.

7.5 Severability. In the event that any provision of this Use and Resale Covenant is determined to be illegal or unenforceable, such determination shall not affect the validity or enforceability of the remaining provisions hereof, all of which shall remain in full force and effect.

7.6 Headings. The headings within this Use and Resale Covenant are for the purpose of reference only and shall not limit or otherwise affect any of the terms of this Use and Resale Covenant.

7.7 Time for Performance. Time is of the essence in the performance of the terms of this Use and Resale Covenant. All dates for performance or cure shall expire at 5:00 p.m. on the performance or cure date. Any performance date which falls on a Saturday, Sunday, or a holiday specified in Code of Civil Procedure section 135 is automatically extended to the next day that is not a Saturday, Sunday, or holiday.

7.8 Amendments. Any modification or waiver of any provision of this Use and Resale Covenant or any amendment thereto shall be in writing and signed by the authorized representatives of both the Monitoring Entity and the City.

7.9 Controlling Use and Resale Covenant. City covenants that City has not executed and will not execute any other agreement with provisions contradictory to or in opposition to the provisions of this Use and Resale Covenant. City understands and agrees that this Use and Resale Covenant shall control the rights and obligations between City and the Monitoring Entity with respect to the subject matter contained herein.

7.10 Exhibits. The Exhibits and Attachments attached hereto are a material part of this Use and Resale Agreement and are incorporated herein by this reference.

7.11 Governing Law. This Use and Resale Covenant shall be governed by, and construed and enforced in accordance with, the laws of the State of California.

7.12 Counterparts. This Use and Resale Covenant may be signed in counterparts, each of which shall constitute an original.

7.13 Recordation. Caltrans shall cause this Use and Resale Covenant to be recorded in the Official Records.

7.14 Interpretation. Each party hereto acknowledges and agrees that each has had independent counsel review and participate in the negotiation and drafting of this Use and Resale Covenant, and each hereby fully waives the application of any law, statute or rule of construction

or interpretation, including without limitation Civil Code section 1654, to the effect that any ambiguities are to be construed against the drafting party.

7.15 Assignment by Caltrans to the Monitoring Entity. Upon this Use and Resale Covenant being recorded in the Official Records, Caltrans assigns all the rights, duties, and benefits granted to it by this Use and Resale Covenant to the Monitoring Entity, and the Monitoring Entity accepts such assignment.

IN WITNESS WHEREOF, City, Monitoring Entity, and Caltrans have executed this Use and Resale Covenant as of the date written above.

CITY:

MONITORING ENTITY:

California Department of Housing and
Community Development, an agency of the
State of California

By: _____

Its: _____

CALTRANS:

California Department of Transportation,
an agency of the State of California

By: _____

Its: _____

ALL SIGNATURES MUST BE NOTARIZED.

----- Attach All Purpose California Notary Acknowledgment -----

EXHIBIT A – LEGAL DESCRIPTION

STATE ROUTE 710 SALES PROGRAM PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT ("**Agreement**") is entered into as of January 26th, 2024 by and between the State of California, Department of Transportation ("**Caltrans**") and the City of South Pasadena, ("**Purchaser**"), a Municipal Corporation.

Recitals

- A. Caltrans owns the real property located in Los Angeles County, California commonly known as: 225 Fremont Avenue, South Pasadena, CA 91030 and more particularly described as set forth in Exhibit "A", respectively, attached hereto ("**Property**").
- B. The parties wish to provide terms and conditions for Purchaser's purchase of the Property from Caltrans. The State Route 710 Sales Program described in Government Code section 54235 et seq. (the "**Act**") and Title 21 Public Works Division 2 Department of Transportation, Chapter 9.5 (the "**Regulations**") provide for the offering of State-owned, surplus residential properties to the City of South Pasadena at the Minimum Sales Price pursuant to 21 CCR § 1484.3, for the purpose of providing affordable housing to low and moderate-income households. Purchaser and Caltrans acknowledge the Property is subject to the terms of this Agreement, the aforementioned law and regulations, and the Declaration of Covenants, Conditions, and Restrictions (**CC&Rs**), as defined below, to be recorded against the Property upon the close of escrow hereunder.

NOW, THEREFORE, in consideration of the foregoing premises, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

SECTION 1. PURCHASE AND SALE

1.01 Purchase and Sale. Caltrans shall sell the Property to Purchaser, and Purchaser shall purchase the Property from Caltrans pursuant to the terms, limitations and conditions stated in this Agreement in accordance with the Act, the Regulations and other applicable laws, rules, and regulations (collectively, "**Applicable Laws**").

1.02 Conditions Precedent to Effectiveness. This Agreement shall not become effective unless and until all the following conditions precedent are satisfied on or before the thirtieth (30th) calendar day from the date Caltrans' sends this Agreement to Purchaser:

- A. Purchaser shall have: (1) executed and returned two original executed counterparts of this Agreement via certified mail, return receipt requested, to Caltrans and sent a copy thereof to the Escrow Holder, and (2) deposited with Escrow Holder the entire Down Payment contemplated by Section 2.02(A) below;

- B. Caltrans thereafter executes this Agreement and delivers a fully executed copy hereof to Escrow Holder; and

A failure of any such conditions to timely occur shall, without further notice or action, result in the full and immediate termination of any offer, obligation, liability or agreement of Caltrans to or with Purchaser or any other person with respect to the Property, whether hereunder or otherwise, immediately upon the expiration of such 30-day period, and Caltrans shall thereafter be free to offer, market and sell the Property to other persons, or otherwise dispose of the same, as Caltrans may, in its sole and absolute discretion determine.

1.03 Information/Prior Due Diligence. Purchaser hereby expressly acknowledges and agrees:

- A. that it is a sophisticated real estate purchaser and/or investor;
- B. that it is fully familiar with and understands the Applicable Laws and the CC&Rs, and the risks and obligations associated therewith and imposed on Purchaser and on the Property thereby, including the purchase thereof under this Agreement, and has had the same explained to it by its independent legal counsel and other advisors;
- C. that during the Inspection Period permitted under this Agreement: (A) Purchaser will have full access to the Property and all documents, data, reports and information related thereto requested by Purchaser, and will have the opportunity to undertake and perform any and all additional due diligence, investigation, surveys, reports and studies, with respect thereto, including without limitation the current and past physical and environmental condition of the Property, the condition of title thereto, the compliance thereof with any applicable building codes, permits, approvals, agreements or encumbrances affecting the same (including Applicable Laws), the value thereof, the use, operation, management or occupancy thereof and/or the suitability for Purchaser's intended use thereof, and all other matters referenced in Section 9 below, and (B) Purchaser has obtained any and all financing commitments necessary or desirable to purchase, repair and/or rehabilitate the Property; and
- D. that with the aid of such independent experts, contractors, consultants, advisors and professionals (including independent legal counsel and accountants) that it deems necessary, appropriate or desirable, Purchaser will, prior to the Closing Date hereof, evaluate and assess the Property and conduct such independent inquiry, feasibility investigation, inspections and due diligence with respect thereto as Purchaser and/or its advisors deem necessary, advisable or desirable, and will fully and unconditionally approve of and satisfy itself as to the same. As a result, there shall be no further access to the Property except as set forth in this Agreement and no further feasibility, inspection or similar rights or contingencies with respect to the purchase of the Property.
- E. Notwithstanding anything herein to the contrary, until the date that is sixty (60)

days after the execution of this Agreement (Inspection Period), upon reasonable notice but without any contingencies hereunder, Purchaser may access the Property and conduct non-invasive inspection, investigations, tests, observations, inquiries and studies as Purchaser deems appropriate. Purchaser shall promptly pay all expenses arising out of such inspections and other work on or about the Property prior to the Closing Date and shall not allow any mechanic's or materialmen's liens to be recorded on the Property (or promptly cause to be removed or bonded over any such liens if recorded on the Property). Purchaser shall promptly repair any damage to the Property caused by Purchaser's investigations. Purchaser shall coordinate with Caltrans any entry on the Property, execute a waiver and indemnity in the form customarily required by Caltrans prior to entry on Caltrans' property and follow applicable health and safety protocols as reasonably required by Caltrans. Following such period, upon Caltrans' reasonable consent and conditions, Purchaser may obtain access to the Property for a limited number of entries.

- F. Purchaser shall promptly notify Caltrans during the Inspection Period of any matters discovered in its review of the Property that would cause Purchaser to terminate this Agreement. If within ten days of such notice, Caltrans notifies Purchaser in writing that it will cure such matters prior to Closing, then Caltrans shall have the opportunity to cure such matters prior to the Closing Date. Purchaser has the right to terminate if Caltrans does not agree to cure or if the cure is not completed prior to the Closing Date. Upon any such termination, Escrow Holder shall remit the deposit to Purchaser.

SECTION 2. PURCHASE PRICE

2.01 Purchase Price. The purchase price for the Property shall be Forty-Seven Thousand, Four Hundred Dollars and Zero Cents (\$47,400.00) (the **Purchase Price**”).

2.02 Payment. The Purchase Price shall be paid by Purchaser in cash, lawful money of the United States as set forth below, time being of the essence thereof:

- A. **Deposit.** Immediately upon the execution of this Agreement, Purchaser shall deposit with Escrow Holder the sum of **One Thousand Dollars (\$1,000.00)** (the **“Deposit”**) in the form of a cashier's check, wire transfer or other immediately available funds. The entire Deposit shall be applicable to the Purchase Price, without interest, shall be non-refundable except as may be expressly set forth in this Agreement, and shall constitute liquidated damages to Caltrans in the event of Purchaser's default in acquiring the Property. Time is of the essence in making the Deposit into escrow, and as provided above is a condition precedent to the effectiveness of this Agreement.
- B. **Cash at Close.** One (1) day prior to the close of Escrow (or by 1:00 p.m. of the close of escrow for funds delivered by wire transfer) the Purchaser shall deposit

the balance of the Purchase Price in the amount of Forty-Six Thousand Four Hundred Dollars and Zero cents (**\$46,400.00**) (the "**Cash Balance**") with Escrow Holder in the form of a cashier's check, wire transfer or other immediately available funds for delivery to Caltrans upon close of escrow hereunder.

2.03 Acknowledgement. [Deleted.]

2.04 No Seller Financing. Purchaser acknowledges this Agreement is not a financing agreement and neither Caltrans nor any other governmental agency or department has at any time made any representations, warranties, promises or undertakings, express or implied, to provide any financing or other assistance with respect to all or any portion of the Purchase Price or any other obligations of Purchaser hereunder or with respect to the Property, or with respect to any repair, rehabilitation, updating or other activity contemplated by Purchaser with respect thereto. Purchaser has performed all due diligence regarding obtaining funding and/or financing with respect to the Property, including the purchase thereof hereunder, as provided in Section 1.03 above, and has satisfied itself as to the same.

2.05 Change in Financial Condition. If either: (i) Purchaser ultimately fails to secure funds for the Purchase Price in the timeframe specified herein, or (ii) the financial condition of the Purchaser changes prior to Close of Escrow so that it is unable to purchase the Property, then in either such event Purchaser shall be in default under this Agreement and Caltrans shall be entitled to exercise its rights and remedies pursuant to Section 12.02 below.

2.06 Bonds, Taxes and Assessments. Subject to the specific proration provisions set forth in Section 3.05 below, all real property taxes, supplemental taxes, special taxes, bonds and/ or assessments which are liens on or levied with respect to the Property shall be assumed by Purchaser at close of escrow without reduction of or adjustment to the Purchase Price.

SECTION 3. ESCROW

3.01 Opening. The purchase and sale of the Property shall be consummated by means of Escrow No. _____ (a single escrow) which has been opened with _____ Title Company, _____, Suite _____, CA _____ Attn: _____ Escrow Officer, email: _____, Phone: (____) ____-____, Fax (____) ____-____ ("**Title Company**" or "**Escrow Holder**").

3.02 Closing. The closing shall occur upon the recording of the Director's Deed for the Property, and shall occur when the conditions set forth in Article 5 below have all been satisfied or waived, and the conditions set forth in Government Code Section 54239.4(b)(1)(D) have been satisfied, but in no event later than **5:00 pm** _____, **2024** [the one hundred twentieth (120th) calendar day after the full execution of this Agreement]; provided, however, Caltrans shall, upon receipt of

written request prior to such date, grant a one-time thirty (30) calendar day extension to close escrow, (such date, as may be extended, being the “**Closing Date**”).

If at any time prior to the Closing Date, the Property becomes occupied, whether legally or illegally, Caltrans shall notify the Purchaser and Purchaser shall have 30 days to decide whether to proceed with the purchase of the Property. If the 30 days falls outside the Closing Date, the Closing Date shall be extended 10 days past the 30-day expiration. If Purchaser declines to proceed with the purchase of the Property due to the legal or illegal occupation of the Property, this Agreement shall terminate pursuant to the terms hereof. Upon any such termination, Escrow Holder shall remit the deposit to Purchaser.

3.03 Instructions. This Agreement shall to the extent applicable, also act as escrow instructions. The parties agree to execute any additional escrow instructions required by the Escrow Holder provided the same shall be consistent with the terms of this Agreement and shall provide that as between the parties, in the event there are any inconsistencies between such supplemental instructions and this Agreement, the terms of this Agreement shall prevail. Escrow Holder is hereby designated the “real estate reporting person” for purposes of Section 6045 of the Internal Revenue Code of 1986, as amended, and Treasury Reg. 1.6045-4, and any instructions or settlement statements prepared by Escrow Holder shall so provide. Escrow Holder shall be responsible for filing any Form 1099-S with the Internal Revenue Service.

3.04 Costs. Charges and expenses incurred in connection with the closing hereunder shall be borne by the parties as follows:

- A. Purchaser shall pay all: (A) escrow fees, (B) recording fees, (C) transfer taxes, (D) title insurance premiums and fees (whether for ALTA or CLTA coverage), endorsement coverage and survey costs, and (E) any other real estate transaction fees involved in this transaction;
- B. If applicable, Purchaser shall pay for and obtain any city/county required inspections and/or occupancy permits, whether required for closing the sale/escrow transaction or not. Caltrans shall provide Purchaser access to the Property as necessary to comply with this provision; and
- C. Each party shall bear their own legal, tax and professional fees and costs.

3.05 Prorations. All real property taxes, special taxes, assessments, bonds, and all other similar charges imposed or levied upon the Property by any governmental agency or special district, organization or body and any other obligations related to the Property shall be prorated at close as of the Closing Date. With respect to any prorations based upon an estimation, if and when the tax, assessment or other charge related thereto is segregated by the appropriate agency or other persons, within fifteen (15) days thereof, the parties shall adjust said prorations, as necessary, based on such final segregation and pay any such adjustment to the appropriate party. The provisions of this Section 3.05 shall survive the close of escrow and the delivery and recordation of the Director's Deed and CC&Rs hereunder.

3.06 Escrow Deposits. On or before the Closing Date, the parties shall make the following deposits into Escrow:

A. **By Caltrans.** At least one (1) business day prior to such closing, Caltrans shall deposit the following documents with Escrow Holder:

(i) an original **Director's Deed** for the Property duly executed by Caltrans and properly acknowledged and otherwise in recordable form, to be recorded in the Official Records of Los Angeles County, California against the Property described therein at close;

(ii) a counterpart original of the **CC&Rs** for the Property duly executed by Caltrans, and the Monitoring Entity properly acknowledged and otherwise in recordable form to be recorded in the Official Records of Los Angeles County, California against the Property described therein at close immediately following the recordation of the Director's Deed for the Property and prior to any financing obtained by Purchaser and to any other encumbrances or agreements being recorded at close with respect to such Property;

(iii) such Non-Foreign Affidavits pursuant to Sections 1445 and/or 7701 of the Internal Revenue Code, as amended, and such California Form 590s pursuant to applicable sections of the California Revenue and Taxation Code, as necessary to comply with such laws and close escrow hereunder, each in form and content reasonably satisfactory to Purchaser and Caltrans;

(iv) such other agreements or documents reasonably necessary from Caltrans to close escrow as may be expressly provided for herein.

B. **By Purchaser.** At least one (1) business day prior to such closing, Purchaser shall deposit the following funds and documents with Escrow Holder:

(i) the **Cash Balance** as provided in Subsection 2.02(b) above;

(ii) a counterpart original of the **CC&Rs** for the Property executed by Purchaser, properly acknowledged and otherwise in recordable form to be recorded in the Official Records of Los Angeles County, California against the Property described therein at close immediately following the recordation of the Director's Deed for such Property and prior to any financing obtained by Purchaser and to any other encumbrances or agreements being recorded at close with respect to such Property;

(iii) all other sums due from Purchaser as provided herein, including without limitation Purchaser's share of closing costs under Section 3.04 above, in the form

of wire transfer or other immediately available funds;

(iv) to the extent Purchaser is an entity, certified copies of Purchaser's organizational documents and/or other entity resolutions or other authorizing documents authorizing the execution and delivery of this Agreement and the other documents and agreements contemplated herein, the consummation of all transactions contemplated hereby, and authorizing those persons signing on behalf of Purchaser to bind Purchaser; and

(v) such other agreements, documents, or funds reasonably necessary from Purchaser to close escrow as provided for herein.

3.07 Cancelling Escrow. Caltrans may unilaterally cancel escrow if Purchaser fails to comply with Section 3.06(b) and/or Purchaser defaults after opening escrow but before close of escrow and such failure to comply or default is not remedied or cured within three (3) business days of Caltrans providing notice to Purchaser of such failure or default.

SECTION 4. AGREEMENTS

4.01 California Transportation Commission Approval and Governing Body Approval. Purchaser understands and agrees that Caltrans' obligation to sell and convey the Property to Purchaser hereunder is subject to Caltrans first obtaining the written approval of the California Transportation Commission ("**CTC**") to this Agreement and the sale of the Property hereunder prior to the Closing Date (the "**CTC Approval**"). In the event the CTC fails to approve the sale, all monies deposited into escrow hereunder by Purchaser will be refunded without interest. Caltrans makes no representations, assurances, or warranties, express or implied, concerning the CTC's timely or ultimate approval of this sale.

If applicable, Caltrans understands and agrees that, despite any provision in this Agreement to the contrary, Purchaser's obligation to purchase and accept the Property from Caltrans hereunder is subject to Purchaser first obtaining the written approval of its governing body to this Agreement and the purchase of the Property hereunder prior to the Closing Date. In the event the governing body fails to approve the sale, all monies deposited into escrow hereunder by Purchaser shall be refunded without interest. Purchaser makes no representations, assurances, or warranties, express or implied, concerning the timely or ultimate approval of this sale by its governing body.

4.02 Leases. [Deleted.]

4.03 Covenants, Conditions and Restrictions. Purchaser acknowledges the purchase of the Property shall be subject to a declaration of covenants, conditions, and restrictions as required by Government Code section 54235 et seq. and the Regulations and agrees that Purchaser and its successors in interest shall be bound by the same. Therefore, prior

to close, the parties hereto shall execute a Declaration of Covenants, Conditions and Restrictions agreement in substantially the form of **Exhibit "C"** attached hereto (the "**CC&Rs**") with respect to the Property, which shall, among other things impose certain ongoing restrictions on the use and occupancy of such Property, as well as imposing various limitations on the subsequent resale of such Property both as to whom it may be sold and the amount of equity or other compensation the Purchaser is entitled to retain upon such subsequent transfer. The CC&Rs shall be recorded immediately following the recordation of the Director's Deed for such Property and shall not be subordinated to any financing obtained by Purchaser with respect to such Property or any other agreements recorded against or otherwise first affecting the Property at close of escrow, except as authorized by the CC&Rs. After recordation, the original recorded CC&Rs for the Property shall be returned (mailed) by the Recorder's Office directly to Caltrans, who shall retain possession thereof. The CC&Rs shall constitute covenants and equitable servitudes that run with the land and shall bind Purchaser and all subsequent owners, lessees, occupants, lenders, encumbrancers, and others holding any interest in, lien on or claim to the Property. Purchaser agrees not to challenge or attempt to terminate, limit, or otherwise alter or amend the CC&Rs. The agreements of Purchaser under this Section 4.03 shall survive the close of escrow and the delivery and recordation of the Director's Deed and the CC&Rs hereunder.

4.04 Title.

- A. **Generally.** Purchaser understands and agrees that the right, title, and interest in the Property to be conveyed hereunder shall not exceed that currently vested in Caltrans (after taking into account any and all rights that may be reserved by Caltrans pursuant to the Director's Deed, the CC&Rs or any other agreement contained in or contemplated by this Agreement related to such Property), and that Caltrans will furnish no policy of title insurance with respect to the sale of the Property hereunder. If a policy of title insurance, endorsement or survey coverage is desired, Purchaser may obtain the same at Purchaser's sole expense, provided, however, in no event or circumstance shall obtaining any such title, endorsement or survey coverage) constitute any basis for extending the Closing Date contemplated hereunder. No later than ten business days prior to the expiration of the Inspection Period, Purchaser shall notify Caltrans in writing of its objection to any matter in the preliminary title report or on a survey. Caltrans shall have five business days to notify Purchaser of its election to cure the matter or not, and the absence of any notice shall be deemed an election not to cure the matter. Purchaser shall have the right to terminate this Agreement prior to the expiration of the Inspection Period if Caltrans does not agree to cure such matter, or if Caltrans agrees to but fails to cure the matter on or prior to Closing, then Purchaser shall have the right to terminate at such time. Upon any such termination, Escrow Holder shall remit the deposit to Purchaser.
- B. **Permitted Encumbrances.** At close of escrow hereunder the Property shall be conveyed to Purchaser by a Director's Deed in substantially the form of **Exhibit "A"** hereto (a "**Director's Deed**"), with title to the Property being subject to all of the following exceptions and matters (collectively, the "**Permitted Exceptions**"): (1) a lien to secure payment of real estate taxes, supplemental taxes, and special

taxes, bonds and assessments; (2) any reservations or limitations contained in the Director's Deed or any prior deed(s) relating to the Property; (3) the CC&Rs; (4) all title exceptions and other matters shown in the preliminary report for such Property other than any items Caltrans has agreed to cure; (5) any and all other matters apparent from a physical inspection thereof and/or that might be revealed by a survey other than any items Caltrans has agreed to cure; and (6) all other matters created by or with the consent or knowledge of Purchaser, or otherwise disclosed or contemplated in this Agreement. Caltrans shall not have, and does not assume, any liability or obligation whatsoever for any encumbrances or other title matters affecting the Property, or the amendment, removal, or other disposition thereof, provided, however, Caltrans agrees not to encumber the Property or enter into any leases, licenses, and other occupancy agreements with respect to the Property ("Leases") during the Escrow Period without the consent of Purchaser.

4.05 Operation during Escrow Period. During the period commencing with the effectiveness of this Agreement until the close of escrow hereunder or termination of this Agreement, Caltrans will continue to operate the Property in substantially the same manner as operated as of the date of this Agreement and will not do, cause, or allow anything to be done with respect to the Property that would materially change, alter or modify the current operation of the Property as a vacant property without the prior written consent of Purchaser, which consent shall not be unreasonably withheld or delayed; provided, however, Caltrans shall not under any circumstances be responsible for or have any obligation or liability with respect to any such change, alteration or modification to the extent the same is caused by any tenant or occupant of a Property or any other person without Caltrans' consent or knowledge, or to the extent the same is otherwise beyond Caltrans' reasonable control. Additionally, notwithstanding the foregoing, Caltrans shall be entitled, at its election and without notice to or obtaining the consent of Purchaser, to take any and all actions and make any and all decisions with respect to the Property as Caltrans deems necessary or desirable, in its sole and absolute discretion, in addressing any emergency relating to the Property or the safety of any occupant thereof, making a Property compliant with applicable laws, and/or keeping and maintaining a Property in a safe and habitable condition.

4.06 Purchaser's Agreements. With respect to the period prior to the close of escrow Purchaser acknowledges and agrees as follows:

- A. **No Changes.** Purchaser shall have no right to take any action with respect to the Property, including, without limitation changing, renewing or terminating any zoning designations, permits, approvals, certificates or other entitlements related thereto (or applying for any such new matters), giving any notices with respect to or otherwise amending or terminating any Leases related thereto, or making or undertaking any repairs, alterations or additions to the Property and/or any improvements located thereon, in each case without the prior written consent of Caltrans, which may be conditioned or withheld in Caltrans' sole and absolute discretion.
- B. **Restrictions.** Purchaser shall not use or take any actions, or permit or suffer its

agents, employees, contractors or consultants (collectively, “**Agents**”) to use or take actions, with respect to the Property in a manner which would in any way: (i) interfere with any activities thereon, or the use or occupancy thereof; (ii) constitute a nuisance or result in waste; (iii) result in the cancellation of any insurance being maintained by or on behalf of Caltrans or any tenants, in the increase in the premiums for any such insurance or in the increase of any of Caltrans’ other costs; or (iv) damage any improvements or personalty located thereon.

- C. **Compliance with Laws Generally.** Purchaser and its Agents shall not enter any Property, nor shall they take any action with respect thereto (or permit or suffer anything to be done in, on or about the Property) which will in any manner violate any title conditions, maps, entitlements, permits, consents, agreements, Leases or any laws, ordinances, governmental rules or regulations now or hereafter in effect with respect thereto and/or the conduct of any activities thereon by Caltrans or any occupants.
- D. **Liens.** Purchaser shall at all times keep the Property and Caltrans free from any liens and claims arising out of any and all actions taken, work and labor performed, materials or services furnished and/or damages or personal injuries caused by or on behalf of Purchaser in connection with any activity of Purchaser and/or its Agents with respect to the Property, whether occurring prior to or after the date hereof. Caltrans may require Purchaser to post, at Purchaser’s sole cost and expense, a lien release bond or other undertaking, statutory or otherwise, in such amount as necessary to properly bond around any claim filed against Caltrans and/or the Property with respect to such activities (occurring prior to the close of escrow) of Purchaser or its Agents. The bonding obligations of Purchaser under this Subsection 4.06(d) shall be absolute and unconditional and shall survive the close of escrow and the delivery and recordation of the Director’s Deed and CC&Rs hereunder and/or the expiration, revocation, or termination of this Agreement.
- E. **Compliance with the Act & Regulations.** Purchaser shall at all times comply with the requirements of the Act and the Regulations.

SECTION 5. CONDITIONS TO CLOSE

5.01 Conditions to Purchaser’s Obligation to Close. The matters set forth in this Section 5.01 are conditions precedent to the close of escrow by Purchaser as contemplated in this Agreement, and the same may be declared satisfied or waived by Purchaser. In the event any such condition fails to be satisfied in accordance with the terms hereof through no fault of either party, Purchaser shall have the option of either: (i) waiving such condition and proceeding to close without adjustment of the Purchase Price or any of the other terms of this Agreement, or (ii) terminating this Agreement, in which case the Deposit shall be refunded to Purchaser without interest, and neither party shall have any further rights, liabilities or obligations hereunder except paying their respective share of escrow costs incurred up to such date and observing those obligations expressly stated herein as surviving the termination of this Agreement.

- A. **Title.** At closing, the Property shall be conveyed to the Purchaser pursuant to a Director's Deed subject to all the Permitted Exceptions applicable to such Property as contemplated by Section 4.04 hereof.
- B. **CTC Approval and Governing Body Approval.** By the Closing Date, the CTC Approval shall and any governing body approval (if applicable) have been unconditionally obtained as contemplated by Section 4.01 hereof.
- C. **Documents and Funds.** By the Closing Date, the escrow deposits referenced in Section 3.06(a) above shall have all been made by Caltrans, and the Escrow Holder shall be irrevocably committed to record the Director's Deed in the Official Records of Los Angeles County, California.
- D. **Representations/Covenants.** At close: (i) all the representations of Caltrans contained in this Agreement shall be materially true and correct, and (ii) Caltrans shall have materially complied with its covenants contained in this Agreement.

5.02 Conditions to Caltrans' Obligation to Close. The matters set forth in this Section 5.02 are conditions precedent to the close of escrow by Caltrans as contemplated in this Agreement, and the same may be declared satisfied or waived by Caltrans. In the event any such condition fails to be satisfied in accordance with the terms hereof through no fault of either party, Caltrans shall have the option of either: (i) waiving such condition and proceeding to close without adjustment of the Purchase Price or any of the other terms of this Agreement, or (ii) terminating this Agreement, in which case the Deposit shall be refunded to Purchaser without interest, and neither party shall have any further rights, liabilities or obligations hereunder except paying their respective share of escrow costs incurred up to such date and observing those obligations expressly stated herein as surviving the termination of this Agreement.

- A. **Balance of Purchase Price.** By the Closing Date, Purchaser shall have deposited the entire Cash Balance of the Purchase Price with Escrow Holder as provided in Section 2.02(b) hereof.
- B. **CTC Approval.** By the Closing Date, the CTC Approval shall have been unconditionally obtained as contemplated by Section 4.01 hereof.
- C. **Documents and Funds.** By the Closing Date, the escrow deposits referenced in Section 3.06(b) above shall have all been made by Purchaser and Escrow Holder shall be irrevocably committed to:
 - (i) disburse the Cash Balance to Caltrans,
 - (ii) record the Director's Deed, and CC&Rs immediately thereafter as contemplated herein, in the Official Records of Los Angeles County, California, and
 - (iii) deliver to Caltrans a fully executed counterpart original any other appropriate documents as contemplated by Section 3.06(b).
- D. **Representations/Covenants.** At close: (i) all the representations of Purchaser contained in this Agreement shall be materially true and correct, and (ii) Purchaser shall have materially complied with its covenants contained in this Agreement.

SECTION 6. POSSESSION

Possession of the Property shall be delivered to Purchaser on the Closing Date subject to the Permitted Exceptions applicable to the Property.

SECTION 7. BROKERS

7.01 Caltrans. Caltrans has retained **Veterans Realty Group** to act as a Consultant in connection with the sale of the Property hereunder, and any compensation due to **Veterans Realty Group** in connection with the transactions contemplated by this Agreement shall be paid by Caltrans.

7.02 No Other Brokers. Except for Caltrans' retention of **Veterans Realty Group** above, each party hereby represents and warrants to the other party that no broker, finder, real estate agent or other person has been retained by it or is entitled to any commission, finder's fee or other compensation resulting from any action on its part with respect to the sale of the Property to Purchaser. Purchaser and Caltrans each agree to indemnify, defend, and hold the other and the Property harmless from and against any real estate brokerage commissions or finder's fees, and all costs and expenses (including attorneys' fees and costs) of investigating and defending any such claims, payable or alleged to be payable to any other persons in connection with this Agreement which such indemnifying party may have engaged or is claimed or alleged to have engaged. This section does not prohibit Purchaser from obtaining a broker at his/her own expense. The representations, warranties, indemnification, and other obligations set forth in this Section 7.02 shall survive the close of escrow and the delivery and recordation of the Director's Deed and the CC&Rs and/or the expiration, revocation, or termination of this Agreement.

SECTION 8. REPRESENTATIONS & WARRANTIES

8.01 By Caltrans. Caltrans hereby makes the following representations and warranties to Purchaser:

- A. Authority. Subject to obtaining the CTC Approval, Caltrans has all requisite power and authority to enter into, deliver and perform this Agreement and all the other agreements contemplated herein and to be executed in connection herewith, and the person(s) executing this Agreement and all other agreements contemplated herein on behalf of Caltrans have been properly authorized to sign on behalf of and bind Caltrans in connection with performing the transactions contemplated herein.
- B. Binding. Subject to obtaining the CTC Approval, this Agreement and all documents to be executed by Caltrans as provided herein, as of the date of execution shall, subject to the operation of any bankruptcy or similar laws, be the legal, valid and binding obligations of Caltrans.
- C. Information. Except as otherwise set forth in this Agreement, Caltrans has no actual

or constructive knowledge of any information affecting the Property that had, has or would have a material effect on Purchaser's ability to use and operate the Property as contemplated by Purchaser. Caltrans has provided to Purchaser all material and factual information requested by the Purchaser and/or as required by law concerning the Property that is in Caltrans' possession, custody and control.

- D. Compliance with the Act and Regulations: Caltrans conduct in this sales transaction has been in compliance with the Act and corresponding Regulations.
- E. Claims. There is no claim, action, suit, arbitration, proceeding (including condemnation proceedings) or any investigation by or before any court or arbitration body, any governmental, administrative or regulatory authority, or any other body pending or, to Caltrans's knowledge, threatened with respect to the Property (collectively, "Allegations"). Caltrans is not aware of any basis or reason for any such Allegations. There is no order, judgment or decree of any court or arbitration body, any governmental, administrative or regulatory authority, or any other body, against Caltrans with respect to the Property or the sales transaction contemplated by this Agreement.
- F. No Violation. Neither the execution and delivery of this Agreement, nor the performance by Caltrans of the sales transaction contemplated hereby, will contravene, conflict with, or result in a breach of any agreement, law, regulation, writ, injunction or decree of any court or governmental authority applicable to Caltrans or by which any of its properties is bound. Except for CTC Approval, Caltrans is not required to obtain any consent or authorization in order to complete the sales transaction contemplated by this Agreement.
- G. Right to Purchase. Except pursuant to this Agreement, no third party has an option, right of first offer, right of first refusal, or other similar right to purchase the Property that currently remains in effect.
- H. Environmental Matters. As requested by Purchaser and/or mandated by law, Caltrans has provided or made available for review copies of any material documents in its possession, custody and control of Caltrans regarding environmental condition of the Property ("Environmental Materials"). Except as set forth in the Environmental Materials, Caltrans is not aware of the existence of any Hazardous Substances (defined in Section 10 below) attributable to or affecting the Property. There have been no settlements reached by or with any third parties alleging the presence, disposal, release or threatened release of any Hazardous Substances from the use or operation of the Property.
- I. Leases. The Property is not subject to any Leases, tenancy and/or similar agreements conferring any right, title or interest in the Property to a third party.
- J. Contracts. Other than as disclosed in the title reports provided by the Title Company and this Agreement, there are no agreements affecting the Property.

Each of the representations made by Caltrans in this Agreement shall be true and correct on the date hereof, and shall be deemed to be made again as of the close of escrow provided for herein, and shall then be true and correct in all

material respects. Caltrans shall promptly provide written notice to Purchaser of any developments or information that would make the representations set forth above untrue. The representations and warranties set forth in this Section 8.01 shall expressly survive the close of escrow as described in Section 13.12 below.

8.02 By Purchaser. Purchaser and the specific parties signing this Agreement on behalf of Purchaser hereby makes the following representations and warranties to Caltrans:

- A. Organization. Purchaser is a municipal corporation duly organized, validly existing and in good standing under the laws of the State of California which has the power and authority to enter into this Agreement and to consummate the transactions contemplated hereby.
- B. Authority. Subject to obtaining governing body approval, Purchaser has all requisite power and authority to enter into, deliver, and perform this Agreement and all the other agreements contemplated herein and to be executed in connection herewith, and the person(s) executing this Agreement and the other agreements contemplated herein on behalf of Purchaser have been properly authorized to sign on behalf of and bind Purchaser in connection with performing the transactions contemplated herein.
- C. Binding. This Agreement and all documents to be executed by Purchaser as contemplated hereunder shall, subject to the operation of any applicable bankruptcy or similar laws, be the legal, valid and binding obligations of Purchaser, and shall not materially violate any law, agreement, order or decree to which Purchaser is a party or is subject.
- D. Litigation. There are no pending or threatened, suits or actions affecting Purchaser which would materially affect Purchaser's ability to enter into or perform its obligations under this Agreement or the documents executed in connection herewith.
- E. Information / Compliance. All applications, information, financial statements, and other materials provided by Purchaser or its Agents to Caltrans pursuant to or in connection with the Act, the Regulations and or this Agreement are true, correct and not materially misleading; and Purchaser is in compliance with the Act and the Regulations as relates to the Property and the purchase thereof under this Agreement.
- F. No Bankruptcy. Purchaser is not the subject of any pending or threatened bankruptcy proceedings, whether voluntary or involuntary.

Each of the representations and warranties made by Purchaser in this Agreement, or on any document or instrument delivered pursuant hereto shall be true and correct on the date hereof and shall be deemed to be made again as of close of escrow provided for herein, and shall then be true and correct in all material respects. The representations and warranties of Purchaser contained in this Section 8.02 shall survive the close of escrow and the delivery and recordation of the Director's Deed and CC&Rs.

SECTION 9. “AS-IS”, WAIVERS AND RELEASE

Purchaser acknowledges and agrees that, except as set forth in this Agreement, neither Caltrans nor any of its respective employees, agents, managers, members, partners, officers, interest holders, attorneys, contractors or consultants, including without limitation the California Department of Housing and Community Development (“HCD”), (Caltrans and such other persons being collectively, the “**Seller Parties**”) have made or are making, and specifically negate and disclaim making, any representations, warranties, guaranties, promises, covenants or assurances of any kind or character, whether express, implied, written, oral, past, present or future concerning or with respect to the Property, or the condition or status thereof, including without limitation, the suitability for any purpose or the profitability of owning and operating the Property; the value thereof; the existence or non-existence of any patent or latent defects affecting the same; the physical or environmental condition or status thereof (including without limitation the existence of any mold, lead paint, radon gas or other environmental health hazards); the rental or other income generated thereby; the expenses or costs associated therewith; the size and square footage of the parcel or the improvements located thereon, the age or condition of the such improvements, or the location of property lines or setbacks (or the location of the improvements with respect thereto); the zoning thereof; the condition of title thereto; the existence, necessity or satisfaction of any local, state or federal approvals, permits or certificates for the entitlement, ownership, operation, use or occupancy thereof as contemplated by Purchaser or any tenants, occupants or any future owners thereof; the feasibility of or cost associated with obtaining any such approvals; the compliance of the Property with any and all applicable local, state or federal laws, codes and ordinances; or any other matter.

Purchaser further acknowledges that Purchaser, with the help of its independent experts, contractors, consultants, professionals (including independent legal counsel and accountants), and advisors, prior to the Closing Date, will conduct its independent feasibility, investigation, and due diligence inquiry as described in Section 1.03 above with respect to the Property and will fully satisfy itself as to all matters relating thereto. Except for the representations and warranties of Caltrans set forth in this Agreement, Purchaser is relying solely and exclusively on such independent due diligence in executing this Agreement and purchasing the Property hereunder, and not on any representations, warranties, guaranties, promises, covenants or assurances of any kind or character by Caltrans or any other Seller Parties; and the Property is being purchased **“AS-IS”** / **“WHERE-IS”** at close in its present condition with all defects and faults, both patent and latent, whether known or unknown, presently existing or that may hereafter arise.

Effective on the Closing Date, Purchaser hereby fully and expressly releases Caltrans, HCD and all of the other Seller Parties and their respective agents, employees, attorneys, consultants, successors and assigns from any and all demands, claims, liabilities, amounts, actions, costs, judgments, expenses and damages (including, without limitation, attorneys' fees, witness fees and court costs) related to or arising from the Property, or

the condition or status of thereof or any other matter relating thereto, including without limitation the matters referenced in the first paragraph of this Section 9, (collectively, the **"Released Matters"**); and Purchaser hereby covenants not to sue, and hereby fully and expressly waives and relinquishes any and all rights and remedies Purchaser may have against, Caltrans, HCD and the other Seller Parties and their respective agents, employees, attorneys, consultants, successors and assigns, or any of them, at law, in equity or otherwise, related to or arising from the Released Matters. However, nothing contained herein shall release or be deemed to release Caltrans from claims arising from its fraud or a breach of any representation or warranty by Caltrans contained in this Agreement (the **"Preserved Matters"**). Preserved Matters shall not be considered Released Matters. Purchaser acknowledges and agrees that the release, waiver and discharge given by Purchaser hereunder to Caltrans, HCD and the other released parties extends to all Released Matters described above, whether known or unknown, foreseen or unforeseen, patent or latent, which Purchaser may now or hereafter have against Caltrans, HCD or such other persons; and in connection with such release, waiver and discharge, Purchaser hereby expressly waives the benefit of the provisions of California Civil Code Section 1542, which provides as follows:

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

Purchaser has read this Section 9, has had the effect and content thereof explained to Purchaser by independent legal counsel, and fully understands and appreciates the same. Purchaser understands and acknowledges that, among other things, the consequence of this waiver of California Civil Code section 1542 is that even if Purchaser should eventually discover any claims or suffer any losses or damages arising from the Released Matters, Purchaser would not be able to make any claim against Caltrans, HCD or the other released persons with respect thereto. Purchaser acknowledges that these consequences apply even as to claims, losses or damages resulting from the Released Matters that may exist as of the date of this Agreement or in the future, but which Purchaser does not know exist, or does not anticipate, and which, if known or anticipated, would materially affect Purchaser's decision to execute this Agreement. The waivers, releases, covenants not to sue and discharges contained in this Section 9 are a material portion of the consideration to Caltrans in agreeing to enter into this Agreement and shall survive the close of escrow and the delivery and recordation of Director's Deed and the CC&Rs in perpetuity.

SECTION 10. INDEMNIFICATION

Following the closing of the transaction contemplated herein, except as provided below,

Purchaser shall, at its sole cost and expense, indemnify, defend and hold Caltrans and its officers, agents, employees, attorneys and consultants, including without limitation, HCD, and their respective successors and assigns (collectively, the **"Indemnified Parties"**), free and harmless from and against any and all liabilities, demands, claims and costs (including remediation, reimbursement or contribution costs or claims), damages, losses, and expenses (including and without limitation to attorneys' fees, legal expenses and court costs, and consultant's fees, and investigation and remediation costs) of whatever kind or nature incurred or suffered by, or threatened against, any Property or any Indemnified Party(ies) resulting from or arising out of or by reason of any matter pertaining to the condition or status of the Property, including without limitation, the existence of any Hazardous Substances or Hazardous Substance Conditions in, on, under or about the Property (collectively, "Claims"). Except as provided below, this indemnity is intended to address any and all liability for which Caltrans may now or at any time hereafter be partially or entirely responsible in connection with the contamination, environmental or physical condition or status of any Property, including the prior operation thereof, due to its mere ownership or operation of such Property. As used in this Agreement, the term **"Hazardous Substance"** shall mean any substance whose nature and/or quantity of existence, use, manufacture, disposal or effect, render it subject to federal, state, or local regulation, investigation, remediation or removal as potentially injurious to public health or welfare, including the Comprehensive Environmental Response Compensation and Liability Act or Resource Conservation and Recovery Act as now in effect; and the term **"Hazardous Substance Condition"** shall mean the existence in, on, under or about the Property of a hazardous substance that requires remediation, removal, mitigation and/or other action pursuant to applicable law. This indemnification shall in no event apply to (i) Claims to which Caltrans representations and warranties apply, (ii) any Claims involving Caltrans' willful misconduct, gross negligence or fraud, and (iii) any Claims relating to challenges to Caltrans' acquisition or disposition of the Property.

Purchaser's indemnification and defense of any matters contemplated in this Section 10 for or on behalf of the Property or any Indemnified Parties shall be made by counsel reasonably acceptable to the Indemnified Parties; shall commence immediately upon any such claim or matter being made, threatened, or asserted against Indemnified Parties or the Property without the necessity of the Indemnified Parties first contesting or defending the same, suffering or incurring any loss or adverse disposition, or otherwise taking or failing to take any other action; and shall apply to all such matters regardless of any action, failure or negligence of the Indemnified Parties, it being the express intent that the indemnification, defense and hold harmless obligations of this Section 10 apply to all matters referenced herein except to the extent caused by the gross negligence or willful misconduct of the Indemnified Parties. In the event Purchaser refuses to initiate or continue pursuing to completion any such defense or other obligations hereunder, Indemnitee shall be entitled to undertake, assume, and/or conclude the same, all at Purchaser's sole cost and expense, with counsel selected by Indemnitee. The obligations of Purchaser under this Section 10 shall be absolute and unconditional, and shall survive the close of escrow and the delivery and recordation of the Director's Deed and the CC&Rs.

SECTION 11. CASUALTY/CONDEMNATION

In the event any casualty or condemnation proceeding occurs or is commenced with respect to the Property after the effectiveness hereof but prior to the close of escrow, Caltrans shall notify Purchaser of the same in writing within ten (10) business days after Caltrans has knowledge of the same, and either of the following shall occur:

(A) If Purchaser does not elect to cancel within seven (7) business days after receipt of such notice by Purchaser, the parties shall continue to proceed under this Agreement and close without adjustment to the Purchase Price or any of the other provisions of this Agreement, in which event upon the close of escrow, Caltrans shall assign to Purchaser all of its interest in any such insurance or condemnation proceeds, compensation, award, or other payments or relief resulting from such casualty or condemnation proceedings; or

(B) If Purchaser elects to cancel, and Purchaser provides written notification to Caltrans of its election to terminate this Agreement within such 7-day period, then this Agreement shall terminate, the Deposit shall be returned to Purchaser without interest, and Caltrans shall retain all proceeds, compensation, awards, payments and other benefits or relief related to such casualty and condemnation with respect to the Property.

SECTION 12. REMEDIES

12.01 Of Purchaser. If the closing does not occur as a result of Caltrans' default under this Agreement, then, provided Purchaser is not in default hereunder, Purchaser may, at its election proceed with either of the following mutually exclusive alternatives as its sole and exclusive remedy:

- A. Terminate the Agreement, whereupon: (1) the Deposit shall be returned to Purchaser without interest, (2) Purchaser may seek reimbursement from Caltrans of any and all hard third-party costs and expenses incurred by Purchaser in connection the investigation of the Property or the negotiation and execution of this Agreement, as evidenced by invoices delivered to Caltrans, up to the maximum aggregate amount of fifteen thousand Dollars (\$15,000), and (3) neither party shall have any further obligation or liability to the other under this Agreement except for provisions of this Agreement which expressly state that they shall survive the termination of this Agreement; or
- B. File in a court of competent jurisdiction an action for specific performance to cause Caltrans to convey the Property to Purchaser in accordance with the terms and conditions of this Agreement; but Purchaser shall not be entitled to recover any monetary damages (whether compensatory, consequential, exemplary,

punitive or other) from Caltrans in connection with such default other than seeking its reasonable attorneys' fees in connection with such action.

PURCHASER ACKNOWLEDGES AND AGREES THAT THE LIMITATIONS ON REMEDIES AGAINST CALTRANS SET FORTH IN THIS SECTION 12.01 ARE A MATERIAL INDUCEMENT FOR CALTRANS TO ENTER INTO THIS AGREEMENT, AND PURCHASER AGREES THAT SUCH LIMITATIONS ARE REASONABLE AND ENFORCEABLE IN ACCORDANCE WITH THEIR TERMS.

12.02 Of Caltrans. LIQUIDATED DAMAGES. PURCHASER AND CALTRANS AGREE THAT SHOULD PURCHASER FAIL TO COMPLETE THE PURCHASE OF THE PROPERTY AS HEREIN PROVIDED BY REASON OF DEFAULT OF PURCHASER, THE PARTIES HERETO, BY INITIALING THIS SECTION 12.02 IN THE SPACE PROVIDED BELOW, AGREE THAT IT WOULD BE IMPRACTICAL OR EXTREMELY DIFFICULT TO ASCERTAIN OR FIX ACTUAL DAMAGES TO CALTRANS AS A RESULT OF SUCH FAILURE OR DEFAULT BY PURCHASER, THAT UNDER THE CIRCUMSTANCES EXISTING AS OF THE DATE OF THIS AGREEMENT THE ENTIRE DEPOSIT PROVIDED FOR IN SECTION 2.03(a)(ii) ABOVE IS A REASONABLE ESTIMATE OF CALTRANS' DAMAGES, AND THAT AS CALTRANS' SOLE AND EXCLUSIVE REMEDIES ON ACCOUNT OF SUCH BREACH, CALTRANS SHALL BE ENTITLED TO: (1) RETAIN SAID DEPOSIT AS LIQUIDATED DAMAGES FOR SUCH BREACH BY PURCHASER AND (2) TERMINATE THIS AGREEMENT. THE PAYMENT OF SUCH AMOUNT AS LIQUIDATED DAMAGES IS NOT INTENDED AS A FORFEITURE OR PENALTY, BUT IS INTENDED TO CONSTITUTE LIQUIDATED DAMAGES TO CALTRANS PURSUANT TO CALIFORNIA CIVIL CODE SECTIONS 1671, 1676 AND 1677.

THE PROVISIONS HEREOF RELATE ONLY TO CALTRANS' DAMAGES FOR PURCHASER'S DEFAULTS IN ITS AGREEMENT TO PURCHASE THE PROPERTY AS PROVIDED HEREIN. NOTHING CONTAINED HEREIN SHALL LIMIT OR PRECLUDE, OR BE DEEMED TO LIMIT OR PRECLUDE, THE EXERCISE OR ENFORCEMENT BY CALTRANS OF ANY RIGHTS WHICH EXPRESSLY SURVIVE THE TERMINATION OF THIS AGREEMENT.

Purchaser's Initials: _____ Caltrans' Initials: _____

SECTION 13. MISCELLANEOUS

13.01 Headings. This Agreement shall be construed as a whole, and the subject headings of the paragraphs and subparagraphs of this Agreement are included for convenience only and shall not affect the construction or interpretation of any of its provisions or define the provisions in the portions of this Agreement to which they pertain.

13.02 Assignment. Purchaser may not assign this Agreement, or any portion hereof or any of its rights or interests hereunder, without the express prior written consent of Caltrans, which consent may be conditioned or withheld in Caltrans' sole and absolute discretion, except as set forth herein. Purchaser may, without Caltrans' consent, but upon notice to Caltrans and Escrow Holder, assign any or all of its rights in, to or under this

Agreement to an entity or instrumentality that is wholly controlled by Purchaser. No such assignment (regardless of whether consented to by Caltrans) shall relieve or release Purchaser from any of its obligations hereunder. As a condition to the effectiveness of such assignment, all assignees shall execute an assumption agreement reasonably acceptable to Caltrans under which the proposed assignee agrees to fully assume and be bound by all the terms of this Agreement to be observed or performed by Purchaser.

Caltrans shall be free to assign this Agreement, or any portion hereof or any of its rights or interests hereunder, without the consent or approval of Purchaser.

13.03 Entire Agreement / Amendment. This Agreement (including all exhibits and schedules hereto and other agreements referenced herein) constitute the entire agreement between the parties pertaining to the subject matter contained herein and supersede all prior written or oral agreements, representations and understandings of the parties relating to the subject matter herein. There are no representations, agreements, arrangements, or understandings, oral or written, relating to the subject matter which are not fully expressed herein. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by all the parties hereto.

This Agreement does not affect the enforceability of other written contracts related to the use and resale of the Property or to preserving the historic nature of the Property.

13.04 Counterparts. This Agreement may be executed simultaneously in one or more identical counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. This Agreement shall be fully effective and binding on all parties hereto, as if one or more copies thereof had been executed by all the parties hereto, when all the parties have executed identical counterparts hereof, even though no single counterpart has been executed by all the parties hereto.

13.05 Binding / Successor & Assigns. Except to the extent assignment hereof is prohibited, this Agreement shall be binding on, and shall inure to the benefit of, the parties hereto and their successors and assigns.

13.06 Attorneys' Fees. If any legal action, arbitration or other proceeding is brought by either party involving a dispute between the parties arising out of the interpretation or enforcement of any condition or provision hereof, or by reason of any breach arising hereunder or the sale of the Property, the prevailing party shall be entitled to recover its reasonable attorneys' fees, court costs and expert witness fees incurred in such action or proceeding in addition to any other relief to which such party may be entitled.

13.07 Further Acts. Each party agrees to perform any further acts and execute and deliver any documents that may be reasonably necessary to carry out the provisions in this Agreement.

13.08 Limited Third-Party Beneficiaries. Subject to the remainder of this Section 13.08,

this Agreement is for the sole benefit of the parties hereto and there are no third-party beneficiaries, intended or otherwise. Notwithstanding the foregoing, HCD and the other Seller Parties (and other released persons) are intended third-party beneficiaries of Section 9 hereof, and HCD and the other Indemnified Parties are intended third party beneficiaries of Section 10 hereof.

13.09 Notices. All notices, requests, demands, and other communications required or desired under this Agreement shall be in writing and shall be given by any of the following methods: (i) personal service at the address set forth below, (ii) email transmission in the manner set forth below, or (iii) depositing such notice in the United States mail postage prepaid, addressed to the other as follows:

Caltrans
Division of Right of Way – SR-710, MS6
100 South Main Street
Los Angeles, CA 90012

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

Any notice given by personal service shall be deemed given when received, as verified by a written receipt or proof of service. Any notice given by email transmission shall be deemed given when transmitted, as evidenced by printed email; and any notice given by regular mail shall be deemed given on the fifth (5th) business day after its deposit in the United States mail postage prepaid.

Either party may change its address for purposes of this paragraph by giving the other party written notice of the new address to the other party at the address contained herein.

13.10 Governing Law. This Agreement has been prepared, negotiated, and entered into in the State of California and shall be governed by, construed and enforced in accordance with the internal laws of the State of California and according to its fair meaning, and not in favor of or against any party. Any action or proceeding relating or arising out of this Agreement shall be filed, if a State action, in the Superior Court of the State of California for the County of Los Angeles.

13.11 Severability. If any provision of this Agreement, or the application thereof to any person or circumstance, is held invalid or unenforceable by any court or arbitrator, it is the intent of the parties that all the other provisions of this Agreement, and the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall be construed to be fully valid, enforceable and binding on the parties to the fullest extent permitted by law.

13.12 Survival / No Merger. All covenants, representations, warranties, and other agreements under this Agreement which are expressly stated herein as surviving the close of escrow shall survive the close of escrow and the delivery and recordation of the Director's Deed and the CC&Rs in perpetuity, and shall not merge with or into the Director's Deed or the CC&Rs (or be terminated, limited or otherwise affected thereby).

13.13 Time is of the Essence. Time is of the essence of this Agreement in respect to all provisions of this Agreement that specify a time for performance, including the closing of escrow provided for herein, and failure to comply with this provision shall be a material breach of this Agreement.

13.14 Days / Saturdays, Sundays, and Holidays. Unless otherwise expressly stated, all time periods referred to herein shall be deemed to mean calendar days. If any date by which an election or a notice shall be given, or by which an action shall be taken, hereunder falls on a Saturday, Sunday, federal or state holiday, then the date by which such election or notice shall be given or such action shall be taken is extended to 5:00 p.m. on the next business day following such Saturday, Sunday, federal or state holiday.

13.15 Waiver. Waiver by one party of the performance of any covenant, condition or promise shall not invalidate this Agreement, nor shall it be a waiver by such party of such covenant, condition or promise in the future or of any other covenant, condition, or promise hereunder. Any waiver, to be effective, shall be express, in writing and signed by the waiving party, and shall be delivered to the other party. The exercise by a party of any remedy provided in this Agreement or at law shall not prevent the exercise by that party of any other remedy provided in this Agreement or at law.

13.16 Construction. As used in this Agreement, the masculine, feminine, or neuter gender and the singular or plural numbers shall each be deemed to include the other whenever the context so indicates. Each party hereto acknowledges and agrees that each has had independent counsel review and participated in the negotiation and drafting of this Agreement, and each hereby fully waives the application of any law, statute or rule of construction or interpretation, including without limitation California Civil Code Section 1654, to the effect that any ambiguities are to be construed against the drafting party.

13.17 Exhibits. All exhibits and schedules attached to this Agreement are hereby incorporated by reference herein and specifically made a part of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

CALTRANS:

Recommended for Approval by:

STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION

By: _____ Date: _____
Angus Chan
Senior Right of Way Agent

By: _____ Date: _____
Heriberto Salazar
Supervising Right of Way Agent, 710 Sales

Approved:

By: _____ Date: _____
Dan Murdoch
Deputy District Director, Right of Way

PURCHASER:

By: _____ Date: _____
City of South Pasadena

By: _____ Date: _____
City of South Pasadena

Attached Exhibits

Exhibits "A"

Director's Deed/Legal Description of Property

Exhibit "B"

Deleted

Exhibit "C"

Declaration of Covenants, Conditions & Restrictions

Recording Requested by
DEPARTMENT OF TRANSPORTATION

When recorded, Mail to:
STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION
District 7, Right of Way Division
Office of R/W Engineering
100 South Main Street, MS 13
Los Angeles, CA 90012

Space above this line for Recorder's Use
APN: 5317-012-902 EA: 0R0002

RWPS: J. White
Written by: R.G.
Checked by: J.A.

R/W Map No.: F1533-7
Date: 8-18-2022

S. of Columbia St. and W. of Fremont Ave.

**DIRECTOR'S DEED
GRANT**

District	County	Route	Post	Number
07	LA	710	PM 31.1	DD 68600-01-01

The State of California, acting by and through its Director of Transportation, hereinafter called STATE, hereby grants to _____

_____ hereinafter called GRANTEE, that real property in the City of South Pasadena, County of Los Angeles, State of California, described as follows:

See Exhibit "A", attached.

This conveyance is subject to special assessments, if any, and the Declaration of Covenants, Conditions, and Restrictions (Caltrans 710 Affordable Sales Program) recorded concurrently herewith, whereby, among other things, the State of California has deferred its equity in the property pursuant to the Affordable Sales Program Regulations.

MAIL TAX
STATEMENTS TO:

Subject also to the following, in accordance with U.S. DOT Order 1050.2A, DOT Standard Title VI Assurances and Non-Discrimination Provisions:

A. The GRANTEE, for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that:

In the event facilities are constructed, maintained, or otherwise operated on the property described in this deed for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, the GRANTEE will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities.

B. In the event of breach of any of the above Non-discrimination covenants, the STATE will have the right to enter or re-enter the lands and facilities thereon, and the above-described lands and facilities will there upon revert to and vest in and become the property of the STATE and its assigns.


EXHIBIT "A"

LEGAL DESCRIPTION

DD 68600-01-01:

The East 184 feet of Lot 9, of George W. Stimson's Subdivision, of a portion of Porter and Green Tract, in the City of South Pasadena, County of Los Angeles, State of California, as shown on map recorded in Book 13, page 42, of Miscellaneous Records, as acquired by the State of California (State Parcel No. 68600) by deed recorded January 29, 1974, in Book D6153, page 213, as Instrument No. 625, of Official Records, in the Office of the Registrar-Recorder/County Clerk of said county.

This real property description has been prepared by me, or under my direction, in conformance with the Professional Land Surveyors' Act.

Signature 
Licensed Land Surveyor

Date 08-22-2022
DD 68600-01-01



This conveyance is executed pursuant to the authority vested in the Director of Transportation by law and, in particular, by the Streets and Highways Code.

Dated _____
APPROVED AS TO FORM AND
PROCEDURE

ATTORNEY
DEPARTMENT OF
TRANSPORTATION
*Certificate of Execution
Required for all Director's
Deeds*

STATE OF CALIFORNIA
DEPARTMENT OF
TRANSPORTATION

By _____
Director of Transportation

By _____
Attorney in Fact

*This Space Reserved for
California Transportation Commission
Certification*

COUNTY OF LOS ANGELES

CITY OF SOUTH PASADENA



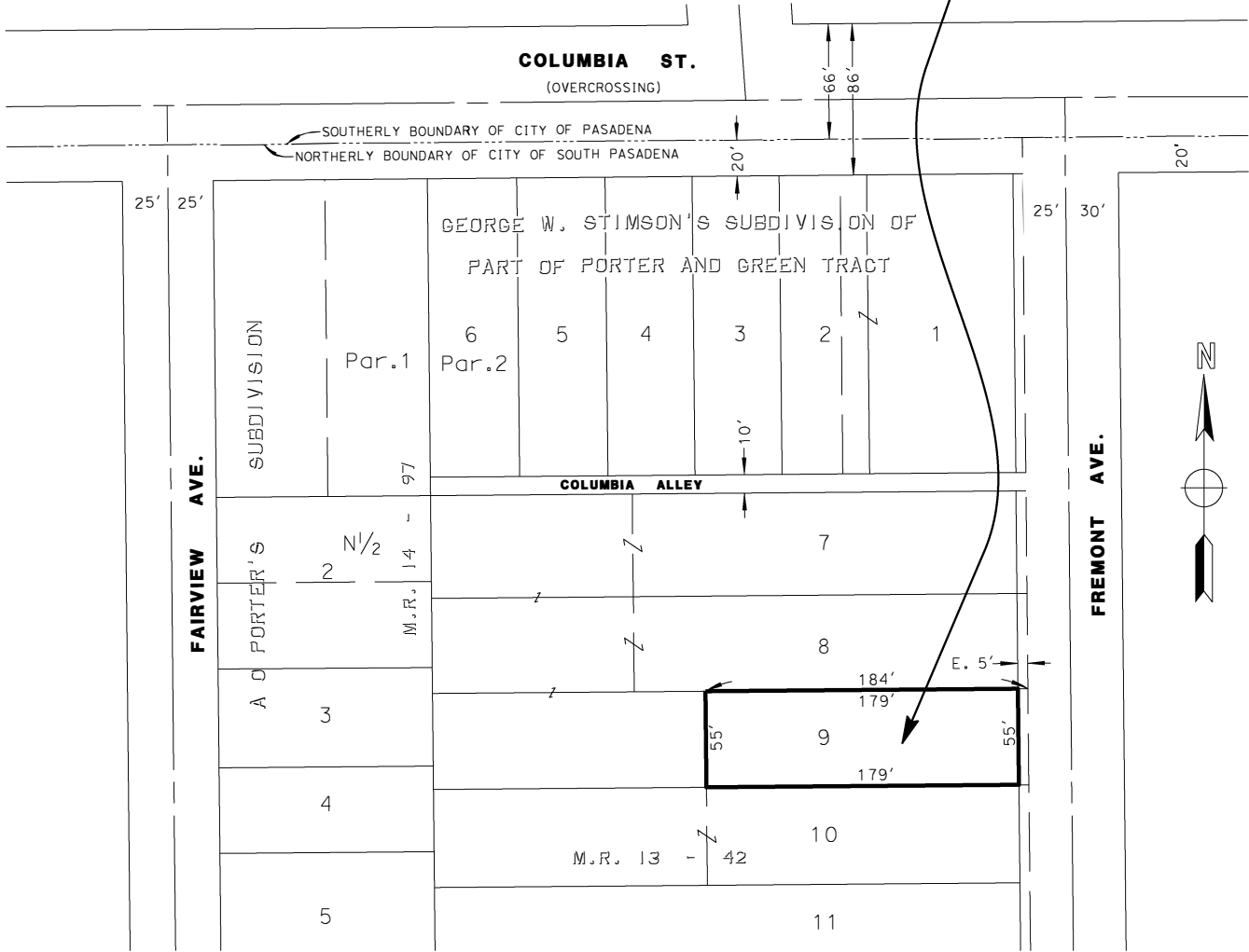
NOTES
All distances are in feet unless otherwise noted.
LEGEND

STATE OF CALIFORNIA CALIFORNIA STATE TRANSPORTATION AGENCY DEPARTMENT OF TRANSPORTATION					
RIGHT OF WAY DIRECTOR'S DEED DD 68600-01-01					
NOT TO SCALE					
REF.: R/W MAP NO. F1533-7			DATE: 08-18-2022		
DISTRICT	COUNTY	ROUTE	SHEET PM	SHEET NO.	TOTAL SHEETS
07	LA	710	31.1	1	2

**CITY OF SOUTH PASADENA
COUNTY OF LOS ANGELES**

PARCEL NO. AREA
DD 68600-01-01 9,845 SF

9,845 S.F.
DD
68600-01-01



NOTES

All distances are in feet unless otherwise noted.

LEGEND

||||||| STATE RETAINS ACCESS RIGHTS

**STATE OF CALIFORNIA
CALIFORNIA STATE TRANSPORTATION AGENCY
DEPARTMENT OF TRANSPORTATION**

**RIGHT OF WAY
DIRECTOR'S DEED
DD 68600-01-01**

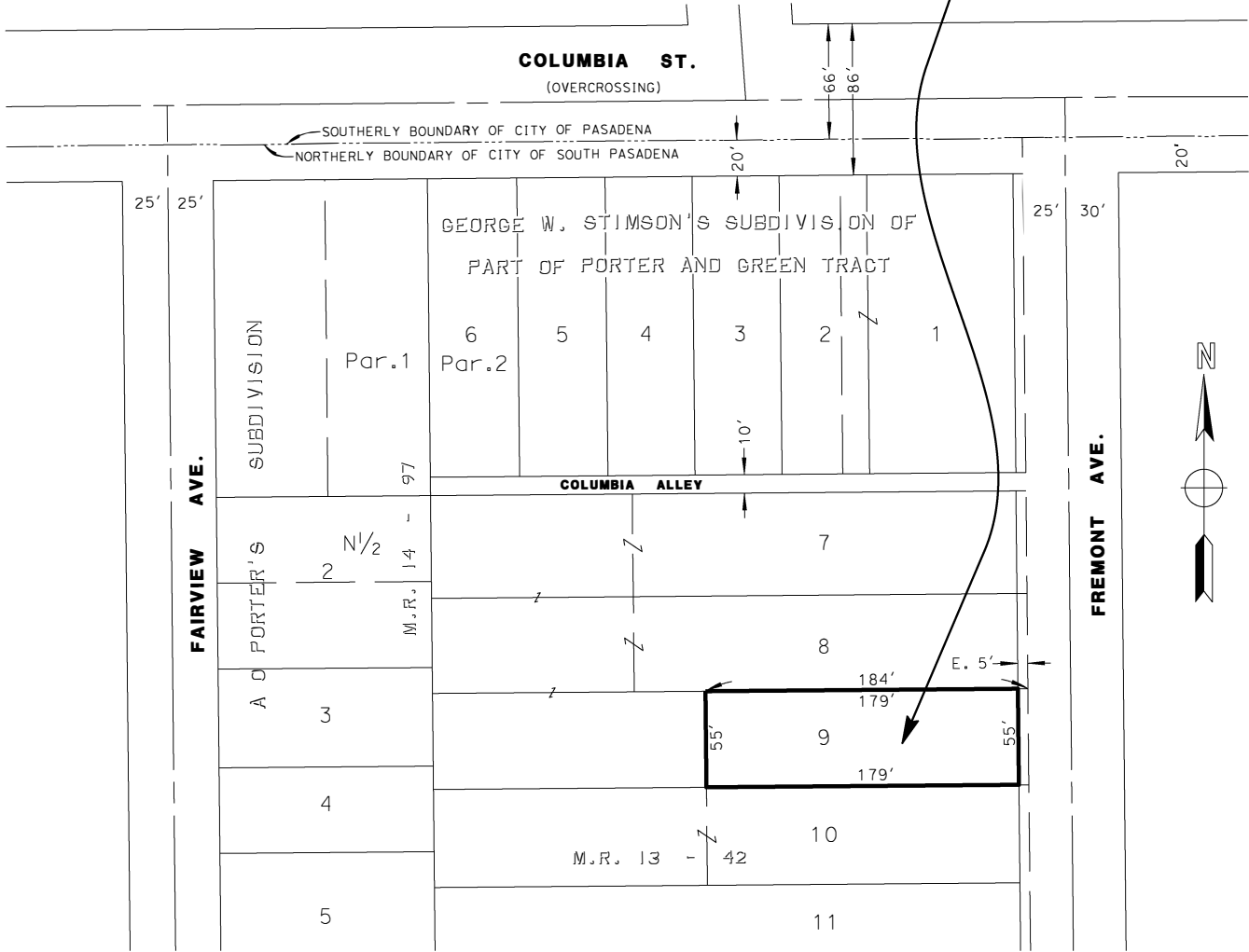
NOT TO SCALE

REF.: R/W MAP NO. F1533-7				DATE: 08-18-2022	
DISTRICT	COUNTY	ROUTE	SHEET PM	SHEET NO.	TOTAL SHEETS
07	LA	710	31.1	2	2

**CITY OF SOUTH PASADENA
COUNTY OF LOS ANGELES**

PARCEL NO. AREA
DD 68600-01-01 9,845 SF

9,845 S.F.
DD
68600-01-01



NOTES

All distances are in feet unless otherwise noted.

LEGEND

||||||| STATE RETAINS ACCESS RIGHTS

**STATE OF CALIFORNIA
CALIFORNIA STATE TRANSPORTATION AGENCY
DEPARTMENT OF TRANSPORTATION**

**RIGHT OF WAY
DIRECTOR'S DEED
DD 68600-01-01**

NOT TO SCALE

REF.: R/W MAP NO. F1533-7				DATE: 08-18-2022	
DISTRICT	COUNTY	ROUTE	SHEET PM	SHEET NO.	TOTAL SHEETS
07	LA	710	31.1	2	2

Free Recording Pursuant to
Government Code Section 27383 at the
Request of the California Department
of Transportation

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

California Department of Housing and
Community Development
P.O. Box 952052
Sacramento, California 94252-2052
Attn: General Counsel

225 Fremont Ave, S. Pasadena CA 91030

(Space Above This Line for Recorder's Use)

**DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
(CALTRANS STATE ROUTE 710 SALES PROGRAM)**

**THIS DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
(CALTRANS STATE ROUTE 710 SALES PROGRAM) ("Use and Resale Covenant")** is dated _____, 20__, for reference purposes only, by and among the City of South Pasadena, ("**City**"), the California Department of Transportation, a department of the State of California ("**Caltrans**"), and Department of Housing and Community Development (HCD) Monitoring Entity. City is purchasing that certain real property, consisting of land and all buildings thereon, in the City of South Pasadena with a street address of 225 Fremont Avenue, South Pasadena, California 91030, and a legal description found in Exhibit A attached hereto and made a part hereof ("**Property**"). Capitalized terms used in this Use and Resale Covenant not already defined above have the meanings given to them in Section 2 below. This Use and Resale Covenant is made with reference to the following facts:

RECITALS

A. WHEREAS, in 1979 the Legislature passed Senate Bill 86, commonly referred to as the "Roberti Act" (herein, as may be amended from time to time, the "**Act**") which added, in part, Sections 54235 through 54238.7 to the California Government Code wherein the Legislature found and declared that the sale of certain surplus residential properties by Caltrans would directly serve an important public purpose; Caltrans, pursuant to the Act, is selling the Property to the City, subject to the provisions of this document;

B. WHEREAS, in accordance with the Act, Caltrans has developed a program as more particularly set forth in Chapter 9.5, Division 2 of Title 21 of the California Code of Regulations

(herein, the “*Regulations*”) to make certain historic homes available for public and community use;

C. WHEREAS, Caltrans has identified City as being eligible to purchase the Property at Caltrans’ original acquisition price in accordance with the Act;

D. WHEREAS, to effectuate the sale of the Property to City, City has agreed to use and resale controls in accordance with the Act and evidenced by this Use and Resale Covenant; and

E. WHEREAS, Caltrans has determined the Property is “excess real property” within the meaning of Streets and Highways Code Section 118.6 and approved the sale;

NOW, THEREFORE, in consideration of the substantial economic benefits inuring to City and the public purposes to be achieved under the Act, City, Caltrans, and the Monitoring Entity hereby declare and agree as follows:

Section 1. Extraordinary Provisions.

1.1 Purchase Price. Caltrans and City agree that City’s purchase price for the Property is Caltrans’ original acquisition price Caltrans and City further agree that City’s purchase price complies with Government Code section 54239.4, subdivision (b)(1)(A).

1.2 City Acknowledgments.

- (a) City understands and agrees to abide by all the provisions of this Use and Resale Covenant.
- (b) City hereby takes the Property subject to certain restrictions and limitations of the full enjoyment and use of the Property as set forth in this Use and Resale Covenant. City acknowledges that City may not enjoy the same economic benefits from owning the Property that City would enjoy if this Use and Resale Covenant did not exist.
- (c) Absent the assistance provided by Caltrans and the provisions of this Use and Resale Covenant, the Property could not be made available to City.
- (d) In recognition of the acknowledgements and agreements stated herein, City accepts and agrees to the provisions of this Use and Resale Covenant with the understanding that this Use and Resale Covenant will remain in full force and effect to limit use and transfer of the Property unless terminated pursuant to the terms herein.
- (e) City covenants and agrees for itself, its successors, its assigns, and every successor interest in the Property or any part thereof, that City, such successors and such assignees, shall regularly and continuously use the Property only for the purposes authorized in this Use and Resale Covenant.

- (f) City further agrees not to challenge the terms and provisions of this Use and Resale Covenant or any right of Caltrans, or the Monitoring Entity created hereunder and acknowledges that the same are not an unreasonable restraint on any right to transfer the interest of the City in the Property.
- (g) City acknowledges that Government Code section 54239.4, subdivision (b) imposes additional requirements upon City that are not reflected in this Use and Resale Covenant, and that full compliance with this Use and Resale Covenant does not equate to full compliance with Government Code section 54239.4, subdivision (b).
- (h) City acknowledges that Government Code section 54239.4, subdivision (b)(1)(O) authorizes the Monitoring Entity to review, adopt, amend, and repeal standards, forms, or definitions to implement Government Code section 54239.4, subdivisions (b)(1)(C) through (N), inclusive.

Section 2. Definitions.

As used in this Use and Resale Covenant, the capitalized terms set forth below shall have the following meanings:

- (a) “*Event of Default*” is defined in Section 6.1.
- (b) “*Monitoring Entity*” means Department of Housing and Community Development.
- (c) “*Notice*” is defined in Section 7.2.

Section 3. Use of the Property.

3.1 Resale. City shall resell the Property within two (2) years of the close of escrow that transfers title of the Property from Caltrans to City. Monitoring Entity may grant the City up to one two-year extension of time to resell the Property if City demonstrates sufficient progress on the sale of the Property. Sufficient progress includes:

- (a) Proof that the Property has been listed for 180 days at a price that does not exceed fair market value based on comparable sales in the City of South Pasadena with no offers; or
- (b) Unexpected structural damage to the Property due to a natural disaster or similar occurrence; or
- (c) Other proof of progress at the discretion of the Monitoring Entity’s Director.

3.2 Affordable Housing. If City does not resell the Property within the period described in Section 3.1 (including any extension(s) granted by the Monitoring Entity), then City shall cause the Property to be used as either of the following:

- (a) As an affordable rental to lower income and moderate-income households, as defined by Health and Safety Code sections 50052.5 and 50079.5, respectively. Such use shall be for no less than 55 years.
- (b) If the Property is a single-family residence, then as owner-occupied affordable housing for no less than 45 years, with the Property being sold to a person or family of low or moderate income at an affordable price, as defined by Government Code section 62250. The Property may then only be resold at an affordable price to a person or family of low or moderate income.

Section 4. Use of the Proceeds After Resale.

4.1 Required Use of Proceeds. City shall use the proceeds from the resale of the Property described in Section 3.1 to finance the production or acquisition of at least three (3) housing units that meet all the following criteria:

- (a) The housing units must be affordable to persons and families of low or moderate-income, as defined by Health and Safety Code section 50093; and
- (b) Either through its ownership of the housing units or by regulatory agreement if it does not own the housing units, City shall cause each housing unit to be made available at an affordable sales price or an affordable rent, as defined in Health and Safety Code sections 50052.5 and 50053; and
- (c) If a housing unit is used as a rental, then it shall be available at an affordable rent for no less than 55 years; and
- (d) If a housing unit is used as an owner-occupied affordable housing unit, then it shall be so used for no less than 45 years; and
- (e) Each housing unit is within the 91030 postal ZIP code.

4.2 Monitoring. City shall monitor compliance with the regulatory agreement described in Section 4.1(b). City may charge a fee to recover the cost of this monitoring.

4.3 Sites for Housing Units. The housing units described in Section 4.1 may be produced or acquired on a single site or on multiple sites.

4.4 Timeline for Production and Acquisition. City shall commence construction or complete acquisition of all housing units described in Section 4.1 by December 31, 2025.

Monitoring Entity may grant the City two two-year extensions if it demonstrates sufficient progress on the development or acquisition of the housing units. Sufficient progress includes:

- (a) An executed option agreement or exclusive negotiation agreement for the purchase of property intended for conversion to affordable units; or
- (b) Completed project entitlements or building permits; or
- (c) Executed purchase agreements and draft covenants for the acquisition or rehabilitation of market rate units for the purpose of conversion to affordable units, or a combination thereof; or
- (d) Other proof of progress at the discretion of the Monitoring Entity's Director.

4.5 Use of Surplus Funds. Any surplus funds remaining after the completion of the construction of the housing units described in Section 4.1 shall be used at the discretion of City for the production or acquisition of rental or for-sale housing affordable to persons and families of low or moderate-income, as defined by Health and Safety Code section 50093.

Section 5. Termination.

5.1 Termination of Use and Resale Covenant. This Use and Resale Covenant shall cease to encumber the Property upon resale pursuant to Section 3.1. However, the terms of the Use and Resale Covenant shall remain enforceable under applicable law and as a contract between Monitoring Entity and City to ensure compliance of Sections 4.1 through 4.5.

Section 6. Default and Remedies.

6.1 Event of Default. The occurrence of any one of the following events or circumstances shall constitute an "***Event of Default***" by City under this Use and Resale Covenant.

- (a) City's failure to comply with the requirements in Sections 4.1 through 4.5, or Section 3.2, as applicable.
- (b) City's failure to comply with Government Code section 54239.4, subdivision (b)(1)(I).
- (c) City's failure to comply with Government Code section 54239.4, subdivision (b)(1)(J).

6.2 Remedies. Upon the occurrence of an Event of Default by City, the Monitoring Entity may exercise the remedy set forth below:

- (a) The City shall pay a fine to the Monitoring Entity of an amount equal to the funds generated through the resale of the Property, pursuant to Section 3.1. minus the purchase

price described in Section 1.1. Fines shall be deposited into an account held by the Monitoring Entity pursuant to Government Code section 54239.4(b)(1)(K).

6.3 Not Subject to Appeal. Pursuant to Government Code section 54239.4(b)(1)(N), an Event of Default shall be determined by the Monitoring Entity and is not subject to appeal.

Section 7. Miscellaneous.

7.1 Nondiscrimination. City covenants by and for itself and its successors and assigns that there shall be no discrimination against or segregation of a person or a group of persons on account of sex, race, color, religion, ancestry, national origin, ethnic group identification, age, mental disability, physical disability, medical condition, genetic information, marital status, gender, gender identity, gender expression, familial status, source of income, veteran or military status, or sexual orientation in the transfer, use, or occupancy of the Property, nor shall City, any person claiming under or through City, establish or permit any such practice or practices of discrimination or segregation with reference to the use, occupancy, or transfer of the Property.

7.2 Notices. Notice shall be in writing and sufficiently given or delivered if transmitted by (a) registered or certified United States mail, postage prepaid, return receipt requested, (b) personal delivery, or (c) nationally recognized private courier services, in every case addressed as follows:

If to City: [to be inserted]

If to the Monitoring Entity [to be inserted]

Any such Notice transmitted in accordance with this Section 7.2 shall be deemed delivered upon receipt, or upon the date delivery was refused. Any party may change its address for notices by written Notice given to the other party in accordance with the provisions of this Section 7.2.

7.3 Attorneys' Fees for Enforcement. If any action or legal proceeding is instituted by City or the Monitoring Entity arising out of this Use and Resale Covenant, the prevailing party therein shall recover reasonable attorneys' fees and costs in connection with such action or proceeding. For purposes of this Use and Resale Covenant, reasonable fees include the fees and costs of any in-house counsel for the Monitoring Entity, which shall be based on: (i) the employee's hourly rate on the employee's salary, (ii) forty-one and eight-tenths percent (41.8%) of the employee's hourly salary rate to reflect non-salary direct and indirect costs, and (iii) five percent (5%) of the employee's hourly salary rate to reflect central service costs.

7.4 Integration. This Use and Resale Covenant constitutes an integration of the entire understanding and agreement of Caltrans, City, and the Monitoring Entity with respect to the subject matter hereof. Any representations, warranties, promises, or conditions, whether written or oral, not specifically and expressly incorporated in this Use and Resale Covenant, shall not be binding on any of the parties, and City and the Monitoring Entity each acknowledge that in entering into this Use and Resale Covenant they have not relied upon any representation,

warranty, promise or condition, not specifically and expressly set forth in this Use and Resale Covenant. All prior discussions and writings have been, and are, merged and integrated into, and are superseded by, this Use and Resale Covenant.

7.5 Severability. In the event that any provision of this Use and Resale Covenant is determined to be illegal or unenforceable, such determination shall not affect the validity or enforceability of the remaining provisions hereof, all of which shall remain in full force and effect.

7.6 Headings. The headings within this Use and Resale Covenant are for the purpose of reference only and shall not limit or otherwise affect any of the terms of this Use and Resale Covenant.

7.7 Time for Performance. Time is of the essence in the performance of the terms of this Use and Resale Covenant. All dates for performance or cure shall expire at 5:00 p.m. on the performance or cure date. Any performance date which falls on a Saturday, Sunday, or a holiday specified in Code of Civil Procedure section 135 is automatically extended to the next day that is not a Saturday, Sunday, or holiday.

7.8 Amendments. Any modification or waiver of any provision of this Use and Resale Covenant or any amendment thereto shall be in writing and signed by the authorized representatives of both the Monitoring Entity and the City.

7.9 Controlling Use and Resale Covenant. City covenants that City has not executed and will not execute any other agreement with provisions contradictory to or in opposition to the provisions of this Use and Resale Covenant. City understands and agrees that this Use and Resale Covenant shall control the rights and obligations between City and the Monitoring Entity with respect to the subject matter contained herein.

7.10 Exhibits. The Exhibits and Attachments attached hereto are a material part of this Use and Resale Agreement and are incorporated herein by this reference.

7.11 Governing Law. This Use and Resale Covenant shall be governed by, and construed and enforced in accordance with, the laws of the State of California.

7.12 Counterparts. This Use and Resale Covenant may be signed in counterparts, each of which shall constitute an original.

7.13 Recordation. Caltrans shall cause this Use and Resale Covenant to be recorded in the Official Records.

7.14 Interpretation. Each party hereto acknowledges and agrees that each has had independent counsel review and participate in the negotiation and drafting of this Use and Resale Covenant, and each hereby fully waives the application of any law, statute or rule of construction

or interpretation, including without limitation Civil Code section 1654, to the effect that any ambiguities are to be construed against the drafting party.

7.15 Assignment by Caltrans to the Monitoring Entity. Upon this Use and Resale Covenant being recorded in the Official Records, Caltrans assigns all the rights, duties, and benefits granted to it by this Use and Resale Covenant to the Monitoring Entity, and the Monitoring Entity accepts such assignment.

IN WITNESS WHEREOF, City, Monitoring Entity, and Caltrans have executed this Use and Resale Covenant as of the date written above.

CITY:

MONITORING ENTITY:

California Department of Housing and
Community Development, an agency of the
State of California

By: _____

Its: _____

CALTRANS:

California Department of Transportation,
an agency of the State of California

By: _____

Its: _____

ALL SIGNATURES MUST BE NOTARIZED.

----- Attach All Purpose California Notary Acknowledgment -----

EXHIBIT A – LEGAL DESCRIPTION

**THIS PAGE
INTENTIONALLY
LEFT BLANK**



City Council Agenda Report

ITEM NO. 22

DATE: February 7, 2024

FROM: Arminé Chaparyan, City Manager *AC*

PREPARED BY: Luis Frausto, Management Services Director
Tiara Solorzano, Management Assistant

SUBJECT: **Approval of City Council Meeting Minutes for October 5, 2022**

Recommendation

It is recommended that the City Council approve the minutes for the October 5, 2022, Regular City Council Meeting.

Executive Summary

Attached for the City Council's consideration and approval are meeting minutes for various dates as listed on the agenda and hereby included as attachments to this staff report.

Background

The City Clerk's Division is responsible for producing meeting minutes for the City Council meetings. Meeting minutes are used as the official record of the actions taken by the City at the direction of the City Council.

Key Performance Indicators and Strategic Plan

This item aligns with the Management Services Department's Key Performance Indicator to provide quick access to information and accountability, ensuring public transparency.

Fiscal Impact

There is no fiscal impact anticipated as Division staff is facilitating the work related to this project.

Attachment: October 5, 2022 Regular City Council Meeting Minutes

**THIS PAGE
INTENTIONALLY
LEFT BLANK**

ATTACHMENT

October 5, 2022, Regular City Council Meeting Minutes

**THIS PAGE
INTENTIONALLY
LEFT BLANK**



**CITY OF SOUTH PASADENA
CITY COUNCIL - REGULAR MEETING**

**MINUTES
WEDNESDAY, OCTOBER 5, 2022, AT 7:00 P.M.**

CALL TO ORDER:

The Regular Meeting of the South Pasadena City Council was called to order by Mayor Cacciotti on Wednesday, October 5, 2022, at 7:25 P.M. The City Council Chambers are located at 1424 Mission Street, South Pasadena, California.

ROLL CALL:

<u>PRESENT</u>	Mayor	Michael A. Cacciotti
	Mayor Pro Tem	Jon Primuth
	Councilmember	Jack Donovan
	Councilmember	Diana Mahmud
	Councilmember	Evelyn G. Zneimer

ABSENT None.

Yolanda Chavez, Interim Records Specialist, announced a quorum.

CITY STAFF PRESENT:

Arminé Chaparyan, City Manager; Andrew Jared, City Attorney; Yolanda Chavez, Interim Records Specialist and Tiara Solorzano, Administrative Secretary were present at Roll Call. Other staff members presented reports or responded to questions as indicated in the minutes.

PLEDGE OF ALLEGIANCE

The Flag Salute was led by Mayor Cacciotti.

CLOSED SESSION ANNOUNCEMENTS

1. CLOSED SESSION ANNOUNCEMENTS

A. CONFERENCE WITH LEGAL COUNSEL: EXISTING LITIGATION
(Government Code Section 54956.9(d)(1))

1. James v. City of South Pasadena (CDCA, Case No. 2:21-cv-08256-DSF-KK)

2. City of South Pasadena v. California Department of Transportation (LASC Case No. 21STCP01779)
3. Shahid Abbas v. City of South Pasadena (LASC Case No. 22STCV19084)

B. CONFERENCE WITH LEGAL COUNSEL: POTENTIAL LITIGATION (INITIATING)

Government Code Section 4956.9(d)(4)

Number of Potential Cases: 1

C. CONFERENCE WITH LEGAL COUNSEL: POTENTIAL LITIGATION (THREATENED)

Government Code Section 54956.9(d)(2)

Number of Potential Cases: 1

City Attorney Andrew Jared reported that City Council recessed into closed session at 5:07 P.M. with all members present, and no reportable action taken. During the public comment portion of Closed Session, a motion was made by Councilmember Zneimer and seconded by Councilmember Donovan to limit public comment to one minute. Council recessed from Closed Session at 7:05 P.M.

PUBLIC COMMENT

2. PUBLIC COMMENT – GENERAL (NON-AGENDA ITEMS)

In-Person Comments:

Anne Bagasao commented on Indigenous people and Housing Element.

Yvonne La Rose commented on Domestic Violence Awareness Month.

Zoom Public Comments:

Ella Hushagen commented on Just Cause Ordinance.

Taylor commented on traffic conditions on Fremont Avenue.

John commented on relocation assistance and Just Cause Ordinance.

PRESENTATION

3. PRESENTATION OF A PROCLAMATION DECLARING OCTOBER 5, 2022, AS “WALK OR BIKE TO SCHOOL DAY” IN THE CITY OF SOUTH PASADENA

Deputy Community Services Director Lucy Hakobian and Director of Community Services Sheila Pautsch presented the proclamation.

4. STAFF RECOGNITION

Staff Introductions:

Management Services Department:
Luis Frausto, Management Services Director

Deputy City Manager Domenica Megerdichian introduced Management Services Director Luis Frausto.

Community Department:
Mackenzie Goldberg, Assistant Planner

Community Development Director Angelica Frausto-Lupo introduced Assistant Planner Mackenzie Goldberg.

COMMUNICATIONS/CHANGES TO THE AGENDA

5. COUNCILMEMBER COMMUNICATIONS

Councilmember Zneimer spoke on attending the Transitional Housing Ribbon Cutting in Baldwin Park and the City Open House, the Finance Commission meeting, and the Southern California Edison meeting.

Councilmember Donovan spoke on Caltrans properties with squatters. He also spoke on the War Memorial Building available for rent.

Councilmember Mahmud requested a second to have Southern California Edison to present the annual grid reliability to the City Council. Councilmember Zneimer seconded the request.

Councilmember Mahmud spoke on meetings attended for Southern California Edison, Clean Power Alliance, and County Department of Public Health.

Mayor Pro Tem Primuth spoke on meetings attended regarding Caltrans homes, Mobility Transportation and Infrastructure Commission, and Supervisor Barger meeting.

Mayor Cacciotti requested a second to have staff explore and come back to Council at staff's determination regarding recommendations regarding a relocation ordinance for South Pasadena renters. Mayor Pro Tem Primuth seconded the request.

Mayor Cacciotti spoke on events attended in the City, electrification, South Pasadena Chamber event, meetings regarding electrification efforts, and "Bike and Walk to School" day.

6. CITY MANAGER COMMUNICATIONS

City Manager Chaparyan spoke on the City Open House event and shared information regarding the upcoming District 4 Town Hall.

7. REORDERING OF, ADDITIONS, OR DELETIONS TO THE AGENDA

None.

CONSENT CALENDAR

COUNCIL MOTION AND ACTION:

A motion was made by Councilmember Mahmud and seconded by Councilmember Zneimer to approve Consent Calendar Items No. 8 and 9 including the additional document on Item No. 9. Councilmember Mahmud requested to pull Item No. 10 for separate discussion. Councilmember Zneimer requested to pull Item No. 11 for separate discussion. The motion carried 5-0, to approve items no. 8 and 9, by the following vote:

AYES: Mahmud, Donovan, Zneimer, Primuth, Mayor Cacciotti,
NOES: None.
ABSENT: None.
ABSTAINED: None.

8. **APPROVAL OF PREPAID WARRANTS IN THE AMOUNT OF \$14,972.88; GENERAL CITY WARRANTS IN THE AMOUNT OF \$196,952.17; ONLINE PAYMENTS IN THE AMOUNT OF \$12,811.23; PAYROLL IN THE AMOUNT OF \$813,114.43**

Recommendation

It is recommended that the City Council approve the Warrants as presented.

A motion was made to approve recommendation on the Consent Calendar.

9. **AUTHORIZE THE CITY MANAGER TO EXECUTE A LEASE AGREEMENT WITH AXON ENTERPRISE INC., FOR THE LEASE OF 36 BODY-WORN CAMERAS, UNLIMITED VIDEO DATA STORAGE, AND 36 ELECTRONIC CONTROL DEVICES, FOR A FIVE-YEAR TERM NOT-TO-EXCEED \$365,053.05**

Recommendation

It is recommended the City Council authorize the City Manager to execute a lease agreement with Axon Enterprise, Inc. for 37 Body-Worn Cameras, unlimited video data storage, and 36 Electronic Control Devices for a five-year term in the amount not to exceed \$365,053.05.

A motion was made to approve recommendation on the Consent Calendar.

10. **AUTHORIZE THE CITY MANAGER TO EXECUTE A CONTRACT WITH BLUE RIBBON PROPERTY INSPECTIONS FOR RESIDENTIAL INSPECTION SCOPE OF REPAIRS AND COST OF REPAIRS, FOR A TOTAL NOT-TO-EXCEED AMOUNT OF \$102,183**

Recommendation

It is recommended that the City Council authorize the City Manager to execute an agreement with Blue Ribbon Property Inspections for residential inspection scope of repairs and cost of repairs services related to the Caltrans surplus unoccupied properties, for a total not-to-exceed amount of \$102,183.

Councilmember Mahmud requested to pull Item No. 10 for separate discussion.

Councilmember Mahmud inquired on estimates being accurate and inclusive of prevailing wage. Community Development Director Frausto-Lupo responded to questions raised by the Council.

COUNCIL MOTION AND ACTION:

Councilmember Mahmud requested that descriptions with prevailing wages be added to the scope of work description.

A motion was made by Councilmember Mahmud and seconded by Mayor Pro Tem Primuth to approve Item No. 10, as presented by staff with direction to include prevailing wages be added to scope of work description. The motion carried 5-0, by the following vote:

AYES: Mahmud, Donovan, Zneimer, Primuth, Mayor Cacciotti,
NOES: None.
ABSENT: None.
ABSTAINED: None.

11. AWARD OF CONTRACT TO JK PROPERTIES FOR HOLIDAY LIGHTS AND DÉCOR DISPLAY IN THE DOWNTOWN BUSINESS DISTRICT; APPROPRIATION OF GENERAL FUND RESERVES IN THE AMOUNT OF \$36,000

Recommendation

It is recommended that the City Council:

1. Appropriate an additional \$36,000 from General Fund reserves to the City Manager's Community Engagement Account 101-2020-2012-8190, for holiday lights and décor in the downtown district; and
2. Approve of an agreement with JK Properties in the amount of \$50,715 for the purchase, installation, and maintenance of holiday lights (\$31,210), and the rental, installation, and removal of holiday décor for \$19,505.

Councilmember Zneimer requested to pull Item No. 11 for separate discussion.

Councilmember Zneimer requested a staff presentation regarding the contract amount, the amount requested and City trees.

Management Analyst Mary Jerejian, Deputy City Manager Domenica Megerdichian and Deputy Public Works Director Anteneh Tesfaye gave a presentation and responded to Council questions.

Laurie Wheeler, Chamber of Commerce President, responded to Council questions.

COUNCIL MOTION AND ACTION:

A motion was made by Councilmember Mahmud and seconded by Councilmember Zneimer to approve Item No. 11, as presented by staff with additional document. The motion carried 5-0, by the following vote:

AYES: Mahmud, Donovan, Zneimer, Primuth, Mayor Cacciotti
NOES: None.
ABSENT: None.
ABSTAINED: None.

PUBLIC HEARING

12. FIRST READING AND INTRODUCTION OF AN ORDINANCE AMENDING ARTICLES XI (“PURCHASING”) AND XIII (“AWARDING PUBLIC WORKS CONTRACTS”) OF THE SOUTH PASADENA MUNICIPAL CODE PERTAINING TO PURCHASING POLICIES

ORDINANCE

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA, AMENDING SECTION 2.99-29 OF ARTICLE XI RELATING TO “PURCHASING PROCEDURES”, AND SECTIONS 2.99-35 AND 2.99-37 OF ARTICLE XIII “AWARDING PUBLIC WORKS CONTRACTS” OF CHAPTER 2 OF THE SOUTH PASADENA MUNICIPAL CODE

Recommendation

It is recommended that the City Council read by title only for the first reading, waiving further reading, and introduce an ordinance to amend South Pasadena Municipal Code Section 2.99-29 of Article XI “Purchasing”, and Sections 2.99-35 and 2.99-37 of Article XIII “Awarding Public Works Contracts”.

Interim Finance Director Ken Louie gave a presentation on the Public Hearing item.

Councilmember Mahmud expressed concerns to bring item back.

City Attorney Jared spoke on the item and gave a recommendation to bring item back with amendments suggested by Councilmember Mahmud.

City Manager requested additional time to bring back at a later date.

In Person Public Comment:

Alan Ehrlich commented on the item and the Ordinance.

COUNCIL MOTION AND ACTION:

A motion was made by Councilmember Mahmud and seconded by Mayor Pro Tem Primuth to bring item back with amendments at staff’s determination based on workload. The motion carried 5-0, by the following vote:

AYES: Mahmud, Donovan, Zneimer, Primuth, Mayor Cacciotti,
NOES: None.
ABSENT: None.
ABSTAINED: None.

ACTION/DISCUSSION

13. CONSIDERATION OF APPROVAL OF THE SOUTH PASADENA PEAFOWL MANAGEMENT PLAN

Recommendation

It is recommended that the City Council review and consider the proposed Peafowl Management Plan. The draft plan provides educational guidance for City Staff and residents on how to manage the peafowl population in the City of South Pasadena.

Lieutenant Tom Jacobs gave a presentation on the item.

Staff and Raptor Events Consultant Jonathan Gonzalez responded to Council questions.

COUNCIL MOTION AND ACTION:

After an extensive discussion, a motion was made by Councilmember Zneimer and seconded by Mayor Pro Tem Primuth to approve the staff’s recommendation. The motion carried 5-0, by the following vote:

- AYES:** Mahmud, Donovan, Zneimer, Primuth, Mayor Cacciotti,
- NOES:** None.
- ABSENT:** None.
- ABSTAINED:** None.

14. FINANCE QUARTERLY UPDATE – QUARTER ENDED SEPTEMBER 30, 2022

Recommendation

It is recommended that the City Council receive and file the Finance Quarterly Report for the Quarter Ended September 30, 2022.

Interim Finance Director Ken Louie gave a presentation on the item.

Councilmember Mahmud expressed her appreciation for the graphics presented in the presentation.

Mayor Cacciotti made comments on investment returns.

Hearing no opposition, the item was received and filed.

PUBLIC COMMENT – CONTINUED

15. CONTINUED PUBLIC COMMENT – GENERAL

None.

ADJOURNMENT

There being no further matters, Mayor Cacciotti adjourned the meeting of the City Council at 9:20 P.M., to the next Regular City Council meeting scheduled on Wednesday, October 19, 2022.

Respectfully submitted:

Mark Perez
Deputy City Clerk

Approved:

Evelyn G. Zneimer
Mayor

Attest:

Mark Perez
Deputy City Clerk

Approved at City Council Meeting: