

**AGENDA**  
REGULAR CITY COUNCIL MEETING  
COUNCIL CHAMBERS  
5000 CLARK AVENUE  
LAKEWOOD, CALIFORNIA

May 14, 2024

**RECEPTION:** “Lakewood Celebrates . . .” 6:00 p.m.

**CALL TO ORDER** 7:30 p.m.

**INVOCATION:** Reverend Dr. Candace Kelly, Acts Community Bible Church

**PLEDGE OF ALLEGIANCE:** Scout Troop 75

**ROLL CALL:** Mayor Todd Rogers  
Vice Mayor Cassandra Chase  
Council Member David Arellano  
Council Member Steve Croft  
Council Member Jeff Wood

**ANNOUNCEMENTS AND PRESENTATIONS:**

**ROUTINE ITEMS:**

All items listed within this section of the agenda are considered to be routine and will be enacted by one motion without separate discussion. Any Member of Council may request an item be removed for individual discussion or further explanation. All items removed shall be considered immediately following action on the remaining items.

- RI-1 MEETING MINUTES - Staff recommends City Council approve Minutes of the Meetings held April 23, 2024
- RI-2 PERSONNEL TRANSACTIONS - Staff recommends City Council approve report of personnel transactions.
- RI-3 REGISTERS OF DEMANDS - Staff recommends City Council approve registers of demands.
- RI-4 MEETING REPORTS AND AUTHORIZATIONS PURSUANT TO AB1234 - Staff recommends City Council receive and file the report.
- RI-5 MONTHLY REPORT OF INVESTMENT TRANSACTIONS – APRIL 2024 - Staff recommends the City Council receive and file the report.
- RI-6 PERMIT FOR STREET CLOSURE FOR BLOCK PARTY ON AUTRY AVENUE - Staff recommends City Council approve permit be issued to responsible applicant authorizing temporary closure at the requested location on Saturday, May 25, 2024.
- RI-7 NOTICE OF COMPLETION – WELL 13A TREATMENT FACILITY - PW PROJECT 2022-2 - Staff recommends the City Council accept the work constructed by Canyon Springs Enterprises of Hemet in the amount of \$1,068,095.08 and authorize the City Clerk to file the Notice of Completion for the project.

## City Council Agenda

May 14, 2024

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### **ROUTINE ITEMS:** - Continued

RI-8 COUNCIL CHAMBERS IMPROVEMENTS RFP - POTENTIAL SCOPE OF WORK - Staff recommends the City Council provide guidance to staff on the scope of work for the Council Chambers Improvements; and provide guidance to staff on whether to proceed with issuing the RFP for design architectural firms with the selected project scope.

RI-9 AWARD OF BID FOR PUBLIC WORKS PROJECTS NO. 2024-3 AND 2024-5, TOT LOT PLAYGROUND IMPROVEMENTS TO BISCAILUZ PARK AND PLAYGROUND IMPROVEMENTS TO BOYAR PARK - Staff recommends the City Council adopt the plans, specifications, and working details; award a contract for the project in the amount of \$647,369.37 to the low bidder Ortco Inc., and authorize the Mayor to sign the contract in a form approved by the City Attorney; and authorize staff to approve a cumulative total of change orders, as necessary not to exceed \$97,000.

RI-10 AGREEMENT WITH LOS ANGELES COUNTY FOR FINANCING AND CONSTRUCTION OF A TRAFFIC SIGNAL SYNCHRONIZATION PROGRAM (TSSP) ALONG WOODRUFF AVENUE - Staff recommends the City Council approve an Agreement to authorize the County to be the lead agency for a Traffic Signal Synchronization (TSSP) project along Woodruff Avenue; authorize \$269,700 of Measure M Funds for this project; and authorize the City Manager to sign the Agreement in a form approved by the City Attorney.

RI-11 RESOLUTION NO. 2024-14; ESTABLISHING ADMINISTRATIVE FINE FOR CARWASH BEYOND NORMAL HOURS OF OPERATION - Staff recommends the City Council adopt the proposed resolution.

### **REPORTS:**

3.1 SUMMER RECREATION PROGRAMS, CIVIC CENTER BLOCK PARTY PREVIEW AND CATALOG PREVIEW - Staff recommends the City Council receive and file the report.

## **AGENDA**

### **LAKESWOOD HOUSING SUCCESSOR AGENCY**

1. DISPOSITION AND DEVELOPMENT AGREEMENT WITH HABITAT FOR HUMANITY - Staff recommends the City Council enter into a Disposition and Development Agreement with Habitat for Humanity of Greater Los Angeles, and designate staff to execute said agreement.

### **ORAL COMMUNICATIONS:**

#### **CLOSED SESSION:**

CONFERENCE WITH LABOR NEGOTIATORS: Pursuant to Government Code §54957.6

Agency Designated Representative: City Manager, Office of the City Attorney and Liebert Cassidy Whitmore, Director of Finance and Administrative Services, Deputy City Manager, Human Resources Manager, Administrative Assistant II

Employee Organization: Lakewood City Employees' Association

### **ADJOURNMENT**

In compliance with the Americans with Disabilities Act, if you are a qualified individual with a disability and need an accommodation to participate in the City Council meeting, please contact the City Clerk's Office, 5050 Clark Avenue, Lakewood, CA, at 562/866-9771, ext. 2200; or at [cityclerk@lakewoodcity.org](mailto:cityclerk@lakewoodcity.org) at least 48 hours in advance to ensure that reasonable arrangements can be made to provide accessibility to the meeting.

Agenda items are on file in the Office of the City Clerk, 5050 Clark Avenue, Lakewood, and are available for public review during regular business hours. Any supplemental material distributed after the posting of the agenda will be made available for public inspection during normal business hours in the City Clerk's Office. For your convenience, the agenda and the supporting documents are available in an alternate format by request and are also posted on the City's website at [www.lakewoodcity.org](http://www.lakewoodcity.org)

# Routine Items

Routine Item 1 – City Council Minutes  
will be available prior to the meeting.

# DIVIDER SHEET

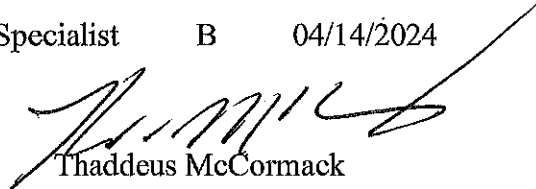
## COUNCIL AGENDA

May 14, 2024

**TO:** The Honorable Mayor and City Council

**SUBJECT:** Report of Personnel Transactions

<u>Name</u>	<u>Title</u>	<u>Schedule</u>	<u>Effective Date</u>
<b>1. FULL-TIME EMPLOYEES</b>			
<b>A. Appointments</b>			
None			
<b>B. Changes</b>			
None			
<b>C. Separations</b>			
None			
<b>PART-TIME EMPLOYEES</b>			
<b>A. Appointments</b>			
None			
<b>B. Changes</b>			
Erik Hernandez	Maintenance Trainee I	B to	
	Maintenance Trainee II	B	04/28/2024
<b>C. Separations</b>			
Lauren Ahlgrim	Community Services Leader III	B	04/14/2024
Alexander Aviles	Maintenance Trainee II	B	05/09/2024
Abby Berry	Community Services Leader II	B	04/14/2024
Jose Hernandez	Community Services Leader III	B	04/14/2024
Alejandra Lopez-Contreras	Community Services Leader III	B	04/14/2024
Briannon Mahr	Community Services Leader III	B	04/14/2024
Lindsay Marksbury	Community Services Leader III	B	04/14/2024
Martine Ordonez Flores	Maintenance Trainee II	B	05/02/2024
Jesus Ruiz	Community Services Leader III	B	04/14/2024
David Sosnowski	Community Services Specialist	B	04/14/2024

  
Thaddeus McCormack  
City Manager

# DIVIDER SHEET

**CITY OF LAKEWOOD  
FUND SUMMARY 4/25/2024**

In accordance with section 2521 of the Lakewood Municipal Code, presented herewith is a summary of obligations to be paid by the City of Lakewood. Each of the following demands has been audited by the Director of Finance and Administrative Services and approved by the City Manager.

1010	GENERAL FUND	246,235.68
1020	CABLE TV	1,263.74
1030	CDBG CURRENT YEAR	1,694.99
1050	COMMUNITY FACILITY	4,266.58
1070	RETIREE BENEFITS	5,286.00
1090	LAKEWOOD EQUESTRIAN CENTER	13,001.26
1623	LA CNTY MEASURE W-REGIONAL	9,474.31
3070	PROPOSITION "C"	470.41
5020	CENTRAL STORES	3,834.18
5030	FLEET MAINTENANCE	33,039.07
7500	WATER UTILITY FUND	26,680.50
8030	TRUST DEPOSIT	3,180.44
		<hr/>
		<b>348,427.16</b>

Council Approval

\_\_\_\_\_  
Date

\_\_\_\_\_  
City Manager

Attest

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Director of Finance and Administrative Services



# CITY OF LAKEWOOD SUMMARY CHECK REGISTER

CHECK DATE	VENDOR NAME	CHECK AMOUNT
04/25/2024	SHAKER NERMINE	1,925.00
04/25/2024	ABRUSCATO, DIANA	429.00
04/25/2024	COASTAL OCCUPATIONAL MEDICAL GROUP	290.00
04/25/2024	ALEX MACIAS DOG TRAINING LLC	390.00
04/25/2024	AMAZON CAPITAL SERVICES INC	5,071.39
04/25/2024	BC RENTALS LLC	1,032.17
04/25/2024	BERG APRIL	455.00
04/25/2024	BIG STUDIO INC	1,590.29
04/25/2024	BISHOP COMPANY	714.68
04/25/2024	C A C E O	108.00
04/25/2024	CALIF. STATE DISBURSEMENT UNIT	650.86
04/25/2024	CALIF STATE FRANCHISE TAX BOARD	759.73
04/25/2024	CALIFORNIA STATE DEPT OF JUSTICE	256.00
04/25/2024	CARDIO PARTNERS INC	1,028.65
04/25/2024	CHICAGO TITLE CO	50.00
04/25/2024	CAMERON WELDING SUPPLY	141.70
04/25/2024	COCHICO, WILFRED Z	32.94
04/25/2024	COMMUNITY FAMILY GUIDANCE CTR	548.33
04/25/2024	CORELOGIC INC	92.50
04/25/2024	COST RECOVERY SYSTEMS INC	9,750.00
04/25/2024	COLOMRICAN INC	828.92
04/25/2024	DANIEL'S TIRE SERVICE INC	628.81
04/25/2024	DR OFFICE WORKS INC	6,853.27
04/25/2024	DUNRITE PEST CONTROL INC	375.00
04/25/2024	EDCO WASTE SERVICES LLC	453.69
04/25/2024	EMPLOYMENT DEVELOPMENT DEPT	40.00
04/25/2024	FREMONTIA HORTICULTURAL INC	621.81
04/25/2024	GANAHL LUMBER COMPANY	520.32
04/25/2024	GOLDEN STATE WATER COMPANY	8,593.58
04/25/2024	GRAINGER W W INC	638.83
04/25/2024	H & H NURSERY	689.06
04/25/2024	HACIENDA SOSEGADO LLC	10,836.50
04/25/2024	HARA M LAWNMOWER CENTER	1,820.46
04/25/2024	HOME DEPOT	3,778.87
04/25/2024	HUMAN SERVICES ASSOCIATION	598.33
04/25/2024	JHM SUPPLY INC	663.65
04/25/2024	JJS PALOMO'S STEEL INC	95.48
04/25/2024	KICK IT UP KIDZ LLC	416.00
04/25/2024	KOSMONT TRANSACTIONS SERVICES INC	2,886.00
04/25/2024	LIEBERT CASSIDY WHITMORE	2,740.50
04/25/2024	LONG BEACH, CITY OF	854.56
04/25/2024	LOS ANGELES CO. REGISTRAR RECORDER	3,180.44
04/25/2024	LA COUNTY DEPT OF PUBLIC WORKS	24,117.75
04/25/2024	LA COUNTY DEPT OF PUBLIC WORKS	76,660.79

# CITY OF LAKEWOOD

## SUMMARY CHECK REGISTER

CHECK DATE	VENDOR NAME	CHECK AMOUNT
04/25/2024	MADRIGAL, ANTONIO	1,600.00
04/25/2024	MAXWELL PLUMBING INC	1,290.50
04/25/2024	MC ENROE, BARBARA	234.00
04/25/2024	MC MASTER-CARR SUPPLY CO	129.14
04/25/2024	MERRIMAC PETROLEUM INC	26,904.50
04/25/2024	MJ BUSINESS INC	990.00
04/25/2024	NGUYEN, DEREK	242.00
04/25/2024	O'REILLY AUTOMOTIVE STORES INC	1,020.40
04/25/2024	OCEAN BLUE ENVIRONMENTAL SERVICES	5,510.23
04/25/2024	PACIFIC EH & S SERVICES INC	500.00
04/25/2024	PATHWAYS VOLUNTEER HOSPICE	548.33
04/25/2024	PAYMENTUS CORPORATION	10,082.82
04/25/2024	UAG CERRITOS I LLC	87.95
04/25/2024	PRECISION AERIAL RENTALS LLC	3,501.88
04/25/2024	OUIIN RENTAL SERVICES	2,995.50
04/25/2024	RON'S MAINTENANCE INC	8,675.00
04/25/2024	RUIZ, TAWNY	206.25
04/25/2024	S & J SUPPLY CO	121.56
04/25/2024	SHUSTER ADVISORY GROUP LLC	2,400.00
04/25/2024	SIEGEL, THEODORE	175.00
04/25/2024	SITEONE LANDSCAPE SUPPLY LLC	3,636.51
04/25/2024	SO CALIF SECURITY CENTERS INC	35.00
04/25/2024	SOUTHERN CALIFORNIA EDISON CO	89.58
04/25/2024	SOUTHLAND INDUSTRIES	1,609.63
04/25/2024	ARIZONA MACHINERY LLC	241.36
04/25/2024	SWANK MOTION PICTURES INC	1,225.00
04/25/2024	T2 SYSTEMS INC	2,920.15
04/25/2024	TGIS CATERING SVCS INC	10,258.89
04/25/2024	THURSTON ELEVATOR CONCEPTS INC	149.00
04/25/2024	TNEMEC COMPANY INC	396.64
04/25/2024	U S BANK NATIONAL ASSOCIATION	45,392.93
04/25/2024	U S POSTAL SERVICE	30,000.00
04/25/2024	UNDERCOVER LIVE ENTERTAINMENT LLC	2,000.00
04/25/2024	HD SUPPLY INC	363.44
04/25/2024	VITAL RECORDS HOLDING LLC	76.94
04/25/2024	WATERLINE TECHNOLOGIES INC	3,200.78
04/25/2024	WAXIE ENTERPRISES INC	913.24
04/25/2024	WESTERN EXTERMINATOR CO	628.40
04/25/2024	WESTERN WATER WORKS SUPPLY CO	16.54
04/25/2024	WILLDAN ASSOCIATES	964.75
04/25/2024	WYNN, LAKYN	48.75
04/25/2024	YOUTH EVOLUTION ACTIVITIES	636.35
04/25/2024	BELLFLOWER COUNCIL OF PTA'S	250.00
04/25/2024	BOYER-HEBRARD, RAYMONDE	939.36

**CITY OF LAKEWOOD  
SUMMARY CHECK REGISTER**

<b>CHECK DATE</b>	<b>VENDOR NAME</b>	<b>CHECK AMOUNT</b>
04/25/2024	CENIDOZA, MICHELLE	250.00
04/25/2024	GILESCASTRO, SENDY	76.00
04/25/2024	HERNANDEZ, JIMMY	40.00
04/25/2024	MAYFAIR HIGH SCHOOL	250.00
04/25/2024	OCHOCO, JOHN	96.00
04/25/2024	REYES, ANGELICA	250.00
04/25/2024	SOULEK, ANA	48.00
	<b>Total:</b>	<b>348,427.16</b>

**CITY OF LAKEWOOD**  
**SUMMARY ACH/WIRE REGISTER APRIL 2024**

ACH date	Amount	Recipient	Purpose	Period
3/27/24	\$124,481.79	CalPERS	Employee Medical Premiums	April 2024
4/2/24	\$1,200,000.00	CAMP	City Investment Deposit	April 2024
4/3/24	\$648,057.63	Various	Employee Payroll	Mar 31-Apr 13, 2024
4/3/24	\$111,491.90	IRS via F&M	Payroll - Federal Taxes	Mar 17-30, 2024
4/4/24	\$30,872.71	EDD	Payroll - State Taxes	Mar 17-30, 2024
4/5/24	\$16,538.51	VOYA	Payroll -Deferred Compensation	Mar 17-30, 2024
4/5/24	\$35,426.31	VOYA	Payroll - Deferred Compensation	Mar 17-30, 2024
4/5/24	\$3,354.61	MidAmerica	Retiree Medical Benefit	Mar 17-30, 2024
4/5/24	\$3,425.00	PARS via U.S. Bank	Payroll - Retirement Plan 1 of 2	Mar 17-30, 2024
4/5/24	\$4,417.49	PARS via U.S. Bank	Payroll - Retirement Plan 2 of 2	Mar 17-30, 2024
4/12/24	\$1,978.82	The Technology Depot	Communications Services 1 of 3	April 2024
4/17/24	\$26,370.93	MidAmerica	Retiree Medical Benefit	April 2024
4/17/24	\$647,711.98	Various	Employee Payroll	Mar 31-Apr 13, 2024
4/17/24	\$112,479.97	IRS via F&M	Payroll - Federal Taxes	Mar 31-Apr 13, 2024
4/19/24	\$31,189.82	EDD	Payroll - State Taxes	Mar 31-Apr 13, 2024
4/19/24	\$15,651.98	VOYA	Payroll -Deferred Compensation	Mar 31-Apr 13, 2024
4/19/24	\$32,216.31	VOYA	Payroll - Deferred Compensation	Mar 31-Apr 13, 2024
4/19/24	\$7,851.82	PARS via U.S. Bank	Payroll - Retirement Plan 1 of 1	Mar 31-Apr 13, 2024
4/19/24	\$3,229.58	MidAmerica	Retiree Medical Benefit	Mar 31-Apr 13, 2024
4/19/24	\$5,045.81	The Technology Depot	Communications Services 2 of 3	April 2024
4/19/24	\$130,679.65	CalPERS	Payroll - Retirement Plan	Mar 17-30, 2024
4/23/24	\$590.26	CalPERS	Payroll - Retirement Plan	April 2024
4/24/24	\$1,500,000.00	CAMP	City Investment Deposit	April 2024
4/25/24	\$157,693.00	CJPIA	ADA Loan Installment 5 of 5	April 2024
4/26/24	\$2,550.00	LCEA	Employee Paid Dues	April 2024
4/26/24	\$706.66	LB Meals on Wheels	Monthly Contribution	March 2024
4/26/24	\$195.00	The Technology Depot	Communications Services 3 of 3	April 2024
4/26/24	\$2,300,000.00	CAMP	City Investment Deposit	April 2024
4/29/24	\$2,100,000.00	CAMP	City Investment Deposit	April 2024
4/30/24	\$254,074.00	CalPERS	Retirmnt-Unfunded Accrued Liab	April 2024
4/30/24	\$130,004.47	CalPERS	Payroll - Retirement Plan	Mar 31-Apr 13, 2024

Council Approval \_\_\_\_\_

Date

City Manager

Attest: \_\_\_\_\_

City Clerk

Director of Finance & Administrative Services

**CITY OF LAKEWOOD  
FUND SUMMARY 5/2/2024**

In accordance with section 2521 of the Lakewood Municipal Code, presented herewith is a summary of obligations to be paid by the City of Lakewood. Each of the following demands has been audited by the Director of Finance and Administrative Services and approved by the City Manager.

1010	GENERAL FUND	171,108.83
1020	CABLE TV	3,090.00
1030	CDBG CURRENT YEAR	402.19
1050	COMMUNITY FACILITY	3,227.89
1090	LAKEWOOD EQUESTRIAN CENTER	11,044.24
1621	LA CNTY MEASURE R	584.00
1622	LA CNTY MEASURE M	16,557.00
1623	LA CNTY MEASURE W-REGIONAL	106.19
1744	LA COUNTY REGIONAL OPEN SPACE	2,920.89
5010	GRAPHICS AND COPY CENTER	394.81
5020	CENTRAL STORES	861.99
5030	FLEET MAINTENANCE	2,836.67
7500	WATER UTILITY FUND	240,924.75
8020	LOCAL REHAB LOAN	24,067.50
8030	TRUST DEPOSIT	1,795.96
		<hr/>
		<b>479,922.91</b>

Council Approval

\_\_\_\_\_  
Date

\_\_\_\_\_  
City Manager

Attest

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Director of Finance and Administrative Services

# CITY OF LAKEWOOD

## SUMMARY CHECK REGISTER

CHECK DATE	VENDOR NAME	CHECK AMOUNT
05/02/2024	MB OLIVER INC	1,280.00
05/02/2024	COASTAL OCCUPATIONAL MEDICAL GROUP	90.00
05/02/2024	ALESHIRE & WYNDER LLP	65.00
05/02/2024	ALEX MACIAS DOG TRAINING LLC	292.50
05/02/2024	ALL CITY MANAGEMENT SERVICES INC	5,900.82
05/02/2024	ALLEN, JOHNNY	260.65
05/02/2024	ALLIANT INSURANCE SERVICES	4,786.00
05/02/2024	ALS GROUP USA CORP	2,069.58
05/02/2024	AMAZON CAPITAL SERVICES INC	2,468.95
05/02/2024	ANIXTER INC	764.98
05/02/2024	ARC DOCUMENT SOLUTIONS LLC	3,323.08
05/02/2024	ARELLANO DAVID	706.58
05/02/2024	BIG STUDIO INC	555.66
05/02/2024	BIOMETRICS4ALL INC	44.25
05/02/2024	BRIZUELA XOCHITL	561.60
05/02/2024	BROWN, BONNIE	226.20
05/02/2024	CAL STATE AUTO PARTS INC	295.27
05/02/2024	CALIFORNIA, STATE OF	675.00
05/02/2024	CAMERON WELDING SUPPLY	174.88
05/02/2024	COLOMRICAN INC	278.48
05/02/2024	DE LAGE LANDEN FINANCIAL SERVICES	394.81
05/02/2024	EEC ACQUISITION LLC	2,315.76
05/02/2024	FONTELA, THAO	1,606.80
05/02/2024	FRONTIER CALIFORNIA INC	2,285.53
05/02/2024	GALLS PARENT HOLDINGS LLC	668.16
05/02/2024	GANAHL LUMBER COMPANY	155.51
05/02/2024	HACIENDA SOSEGADO LLC	10,836.50
05/02/2024	HARA M LAWNMOWER CENTER	833.82
05/02/2024	HAWK, TRUDY (FAHTIEM)	191.10
05/02/2024	HDL COREN & CONE	4,875.00
05/02/2024	HOME DEPOT	3,347.02
05/02/2024	ISES CORPORATION	49,796.00
05/02/2024	JHM SUPPLY INC	230.54
05/02/2024	JONES RICHARD D. A PROF LAW CORP	401.74
05/02/2024	KICK IT UP KIDZ LLC	208.00
05/02/2024	CEDAR FAIR	3,785.00
05/02/2024	KWIK-COVERS	1,059.61
05/02/2024	LAKEWOOD ROTARY CLUB	36.00
05/02/2024	LA COUNTY DEPT OF PUBLIC WORKS	15,147.83
05/02/2024	MARKLEY, ELIZABETH	351.00
05/02/2024	MC ENROE, BARBARA	436.80
05/02/2024	MELROSE MAC INC	3,090.00
05/02/2024	O'REILLY AUTOMOTIVE STORES INC	734.24
05/02/2024	ODP BUSINESS SOLUTIONS LLC	567.29

# CITY OF LAKEWOOD

## SUMMARY CHECK REGISTER

CHECK DATE	VENDOR NAME	CHECK AMOUNT
05/02/2024	PACIFIC TRUCK EQUIPMENT INC	152,982.45
05/02/2024	PE, ARIEL	382.80
05/02/2024	PIERSON, JEREMY L	172.80
05/02/2024	RAFTELIS FINANCIAL CONSULTANTS LLC	14,547.50
05/02/2024	ROGUE AVIATION INC	3,641.93
05/02/2024	SAENZ, ELIZABETH	435.03
05/02/2024	SERVICEWEAR APPAREL INC	270.17
05/02/2024	SKYHAWKS SPORTS ACADEMY LLC	643.50
05/02/2024	SO CALIF SECURITY CENTERS INC	85.21
05/02/2024	SOLID SURFACE CARE INC	2,305.20
05/02/2024	SOMERS ENTERPRISES INC	8,470.00
05/02/2024	SOUTHERN CALIFORNIA EDISON CO	48,149.39
05/02/2024	SOUTHERN CALIFORNIA EDISON CO	11.06
05/02/2024	SOUTHWEST PATROL INC	19,680.00
05/02/2024	STANDARD INSURANCE CO UNIT 22	2,125.10
05/02/2024	ARIZONA MACHINERY LLC	893.61
05/02/2024	STUCKEY, VICKI	706.58
05/02/2024	TETRA TECH INC	26,112.75
05/02/2024	TGIS CATERING SVCS INC	4,960.22
05/02/2024	THE RINKS-LAKEWOOD ICE	273.00
05/02/2024	TRANSAMERICA LIFE INSURANCE COMPANY	1,038.19
05/02/2024	TURF STAR	79.73
05/02/2024	VOORHEES, RONDA	130.00
05/02/2024	WATANABE, BRYCE	1,840.15
05/02/2024	WATER SYSTEM SERVICES LLC	195.00
05/02/2024	WATERLINE TECHNOLOGIES INC	7,530.33
05/02/2024	WESTERN WATER WORKS SUPPLY CO	997.76
05/02/2024	WILLDAN ASSOCIATES	27,903.57
05/02/2024	WYNN, LAKYN	104.00
05/02/2024	CHAFFIN AIR INC.	6,177.00
05/02/2024	GREEN SHIELD ROOFING	17,890.50
05/02/2024	GRIAR, GAUDENCIO JR	250.00
05/02/2024	ONTIVEROS, ESTHER	250.00
05/02/2024	PRADIER, YOLANDA	14.84
05/02/2024	PUMPHERY, JUANITA	250.00
05/02/2024	REYNA, REINA	250.00
<b>Total:</b>		<b>479,922.91</b>

# **D I V I D E R S H E E T**



## **COUNCIL AGENDA**

May 14, 2024

**TO:** The Honorable Mayor and City Council

**SUBJECT:** AB 1234 Meeting Report

### **INTRODUCTION**


Assembly Bill 1234 became effective January 1, 2006. The legislation requires members of a legislative body to provide brief reports on the meetings they attended at the expense of the local agency at the next regular meeting of the legislative body.


### **STATEMENT OF FACT**

- Council Members Jeff Wood and David Arellano attended the Southern California Association of Governments (SCAG) 2023 Regional Conference and General Assembly from May 2-3, 2024. The council members participated in sessions addressing some of the biggest challenges and opportunities facing the region including clean transportation; economic resilience; and complete communities.

### **RECOMMENDATION**

That the City Council receive and file this report.

Paolo Beltran   
Deputy City Manager

  
Thaddeus McCormack  
City Manager

# **D I V I D E R S H E E T**

**COUNCIL AGENDA**

May 14, 2024

**TO:** The Honorable Mayor and City Council**SUBJECT:** Monthly Report of Investment Transactions – April 2024**INTRODUCTION**

In accordance with California Government Code Section 53607, the City Council has delegated to the City Treasurer the responsibility to invest or to reinvest funds, or to sell or exchange securities so purchased. The California Government Code Section 53607 requires that, if such responsibility has been delegated, then the Treasurer “shall make a monthly report of those transactions to the legislative body.” In compliance with this requirement, the Monthly Report of Investment Transactions is being rendered to be received and filed.

**STATEMENT OF MONTHLY ACTIVITY**

Date	Amount at Cost	Investment	Transaction	Rate*
01-Apr-24	\$ 197,446.16	CAMP POOL	Interest	5.440%
01-Apr-24	2,728.75	CORP	Interest	2.950%
02-Apr-24	1,692.00	CORP	Interest	3.384%
02-Apr-24	1,200,000.00	CAMP POOL	Purchase	5.440%
04-Apr-24	164,754.15	CORP	Purchase	4.800%
04-Apr-24	134,600.46	CORP	Purchase	4.800%
04-Apr-24	48,607.21	TREAS	Sell	1.375%
04-Apr-24	165,310.99	TREAS	Sell	1.375%
15-Apr-24	446.42	ABS	Interest	4.870%
15-Apr-24	1,583.33	ABS	Interest	5.000%
15-Apr-24	387.50	ABS	Interest	4.650%
15-Apr-24	15.28	ABS	Interest	0.520%
15-Apr-24	1,683.29	ABS	Interest	5.690%
15-Apr-24	833.38	ABS	Interest	3.390%
15-Apr-24	1,102.50	CORP	Interest	1.050%
15-Apr-24	518.92	ABS	Interest	4.790%
15-Apr-24	862.00	ABS	Interest	4.310%
15-Apr-24	501.21	ABS	Interest	5.230%
15-Apr-24	2.67	ABS	Interest	0.500%
15-Apr-24	1,437.50	CORP	Interest	2.875%

Monthly Investment Transactions  
May 14, 2024  
Page 2

Date	Amount at Cost	Investment	Transaction	Rate*
15-Apr-24	\$ 375.83	ABS	Interest	4.510%
15-Apr-24	2,354.73	ABS	Interest	4.940%
15-Apr-24	902.42	ABS	Interest	4.420%
15-Apr-24	52.06	ABS	Interest	0.550%
15-Apr-24	637.00	ABS	Interest	5.460%
15-Apr-24	1,284.17	ABS	Interest	4.600%
15-Apr-24	3.99	ABS	Interest	0.380%
15-Apr-24	2.93	ABS	Interest	0.340%
15-Apr-24	1,130.83	ABS	Interest	5.900%
15-Apr-24	359.67	ABS	Interest	3.320%
15-Apr-24	366.00	ABS	Interest	3.660%
15-Apr-24	1,311.50	ABS	Interest	5.160%
15-Apr-24	365.33	ABS	Interest	5.480%
15-Apr-24	1,372.87	ABS	Interest	5.230%
15-Apr-24	1,221.21	ABS	Interest	5.530%
15-Apr-24	1,187.50	CORP	Interest	2.500%
15-Apr-24	876.71	ABS	Interest	3.970%
15-Apr-24	4,939.03	ABS	Paydowns	0.520%
15-Apr-24	1,956.45	ABS	Paydowns	0.340%
15-Apr-24	3,479.71	ABS	Paydowns	0.380%
15-Apr-24	3,420.19	ABS	Paydowns	0.500%
15-Apr-24	9,717.70	ABS	Paydowns	0.550%
16-Apr-24	363.33	ABS	Interest	5.450%
17-Apr-24	1,300,000.00	CAMP POOL	Sell	5.440%
18-Apr-24	1,104.54	ABS	Interest	5.410%
18-Apr-24	186.50	ABS	Interest	3.730%
18-Apr-24	169,294.37	TREAS	Sell	1.125%
19-Apr-24	40,000.00	CORP	Purchase	5.652%
22-Apr-24	175,000.00	CORP	Purchase	5.571%
22-Apr-24	2,109.38	FNMA	Interest	0.625%
24-Apr-24	682.50	CORP	Interest	2.100%
24-Apr-24	1,500,000.00	CAMP POOL	Purchase	5.440%
25-Apr-24	1,074.67	FNMA	Interest	3.224%
25-Apr-24	1,505.94	FNMA	Interest	4.819%
25-Apr-24	791.67	FNMA	Interest	5.000%
25-Apr-24	1,171.92	FNMA	Interest	3.430%
25-Apr-24	862.22	FNMA	Interest	2.653%

Date	Amount at Cost	Investment	Transaction	Rate*
25-Apr-24	\$ 571.28	FNMA	Interest	3.750%
25-Apr-24	1,208.73	FNMA	Interest	4.777%
25-Apr-24	1,131.67	FNMA	Interest	4.850%
25-Apr-24	1,472.50	FNMA	Interest	4.650%
25-Apr-24	850.50	FNMA	Interest	4.860%
25-Apr-24	761.37	FNMA	Interest	3.347%
25-Apr-24	1,520.00	FNMA	Interest	4.800%
25-Apr-24	1,501.00	FNMA	Interest	4.740%
25-Apr-24	1,094.51	FNMA	Interest	3.243%
25-Apr-24	1,393.80	FNMA	Interest	4.377%
25-Apr-24	514.69	FNMA	Interest	2.745%
25-Apr-24	1,309.38	FNMA	Interest	4.190%
25-Apr-24	591.38	FNMA	Interest	5.069%
25-Apr-24	296.29	ABS	Interest	5.470%
25-Apr-24	722.50	CORP	Interest	0.850%
25-Apr-24	83.50	FNMA	Paydowns	3.750%
25-Apr-24	520.36	FNMA	Paydowns	3.347%
25-Apr-24	159.52	FNMA	Paydowns	4.777%
25-Apr-24	256.84	FNMA	Paydowns	4.377%
26-Apr-24	75,187.50	CORP	Maturity	0.500%
26-Apr-24	2,300,000.00	CAMP POOL	Purchase	5.440%
29-Apr-24	179,555.19	FNMA	Sell	3.750%
29-Apr-24	2,100,000.00	CAMP POOL	Purchase	5.440%
30-Apr-24	5,156.25	TREAS	Interest	2.750%
30-Apr-24	250.00	TREAS	Interest	0.500%
30-Apr-24	1,181.25	TREAS	Interest	0.750%
30-Apr-24	3,093.75	TREAS	Interest	1.375%
30-Apr-24	16,362.50	TREAS	Interest	3.500%
30-Apr-24	800,000.00	LAIF	Sell	4.300%

\* Rates shown for MMF, LAIF, and CAMP are distribution yields. All others are coupon rates.

## INVESTMENT GLOSSARY

### ABS (Asset-Backed Securities)

A mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond.

**AGENCY (U.S. Government Agency Issues)**

Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises. There are no portfolio percentage limits for U. S. Government Agency issues.

**BOND (Municipal Bonds or Note)**

Registered treasury notes or bonds issued by states or municipalities, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 United States, in addition to California.

**CAMP (California Asset Management Program) Pool and Term**

A Joint Powers Authority established in 1989 by the treasurers and finance directors of several California public agencies to provide an investment tool at a reasonable cost. Participation is limited to California public agencies. The Pool option offers daily liquidity with a variable rate of return. In recent years the Term option was added offering an investment tool for a fixed period (up to one year) and a fixed rate of return.

**CD (Certificate of Deposit)**

Negotiable CDs are issued by large banks and are freely traded in secondary markets as short term (2 to 52 weeks), large denomination (\$100,000 minimum) CDs, that are either issued at a discount on its par value, or at a fixed interest rate payable at maturity.

**COM (Commercial Paper)**

Commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a nationally recognized statistical-rating organization.

**CORP (Corporate Notes)**

Medium-term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States, or any state and operating within the United States.

**FNMA (Federal National Mortgage Association)**

A government-sponsored, privately owned corporation established to create a secondary market for Federal Housing Administration mortgages.

**LAIF (Local Agency Investment Fund, State of California)**

The Treasurer of the State of California administers this investment pool, providing a high-level of liquidity and strong safety through diversification of investments.

**MMF (Money Market Fund)**

This is a money market interest-bearing checking account that is fully insured and collateralized.

**SUPRA (Supra-National Agency Bonds or Notes)**

Supranational bonds and notes are debt of international or multi-lateral financial agencies. The debt is used to finance economic/infrastructure development, environmental protection, poverty reduction and renewable energy around the globe, rated AAA, highly liquid and issued in a range of maturities.

**TREAS (U.S. Treasury Notes)**

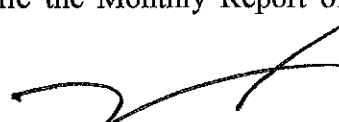
A Treasury obligation of the U.S. Government to provide for the cash flow needs of the Federal Government.

**RECOMMENDATION**

It is recommended that the City Council receive and file the Monthly Report of Investment Transactions rendered for the month of April 2024.



Jose Gomez  
Director of Finance & Administrative Services



Thaddeus McCormack  
City Manager

# **D I V I D E R S H E E T**



## **COUNCIL AGENDA**

May 14, 2024

**TO:** The Honorable Mayor and City Council

**SUBJECT:** Application for Street Closure (Block Party)

### **INTRODUCTION**

The City Council adopted Resolution No. 2008-5, establishing rules and regulations pertaining to the temporary closing of local City streets. The resolution was adopted pursuant to provisions of the Vehicle Code authorizing the City Council to adopt rules and regulations for the temporary closing of a portion of the street for celebrations or special events when the City Council finds such closing necessary for the safety and protection of persons who are to use that portion of the street during the temporary closing.

### **STATEMENT OF FACT**

The City Clerk's Office was contacted by a resident, Georgia Shepherd, with a request to hold a block party at 5800-5853 Autry Avenue, from 11:00 a.m. to 7:00 p.m. on Saturday, May 25. A copy of the resolution outlining the rules and regulations pertaining to the temporary closure of local City streets was given to the applicant, together with the forms for obtaining signatures of all residents within the area to be closed (map attached).

The staff of the Public Works Department has reviewed the map and canvassed the area of proposed closure for traffic safety conditions. They will provide a determination regarding the appropriate types and placement of barricades and warning devices to be utilized at the location.


Should the Council approve the request for temporary street closure, the Public Works Department will arrange for the placement and removal of the barricades for the event. Notification of said closure will be provided to the Sheriff's Station and the appropriate Fire Station.

### **SUMMARY**

A resident has complied with all the necessary requirements to obtain a street closure permit for a block party to be held on May 25, 2024. Such closing would provide a measure of safety and protection for persons who are to use a portion of the street during the temporary closure.

### **RECOMMENDATION**

Staff recommends that a permit be issued to the responsible applicant, Georgia Shepherd, authorizing temporary closure at 5800-5853 Autry Avenue, from 11:00 a.m. to 7:00 p.m. on Saturday, May 25.

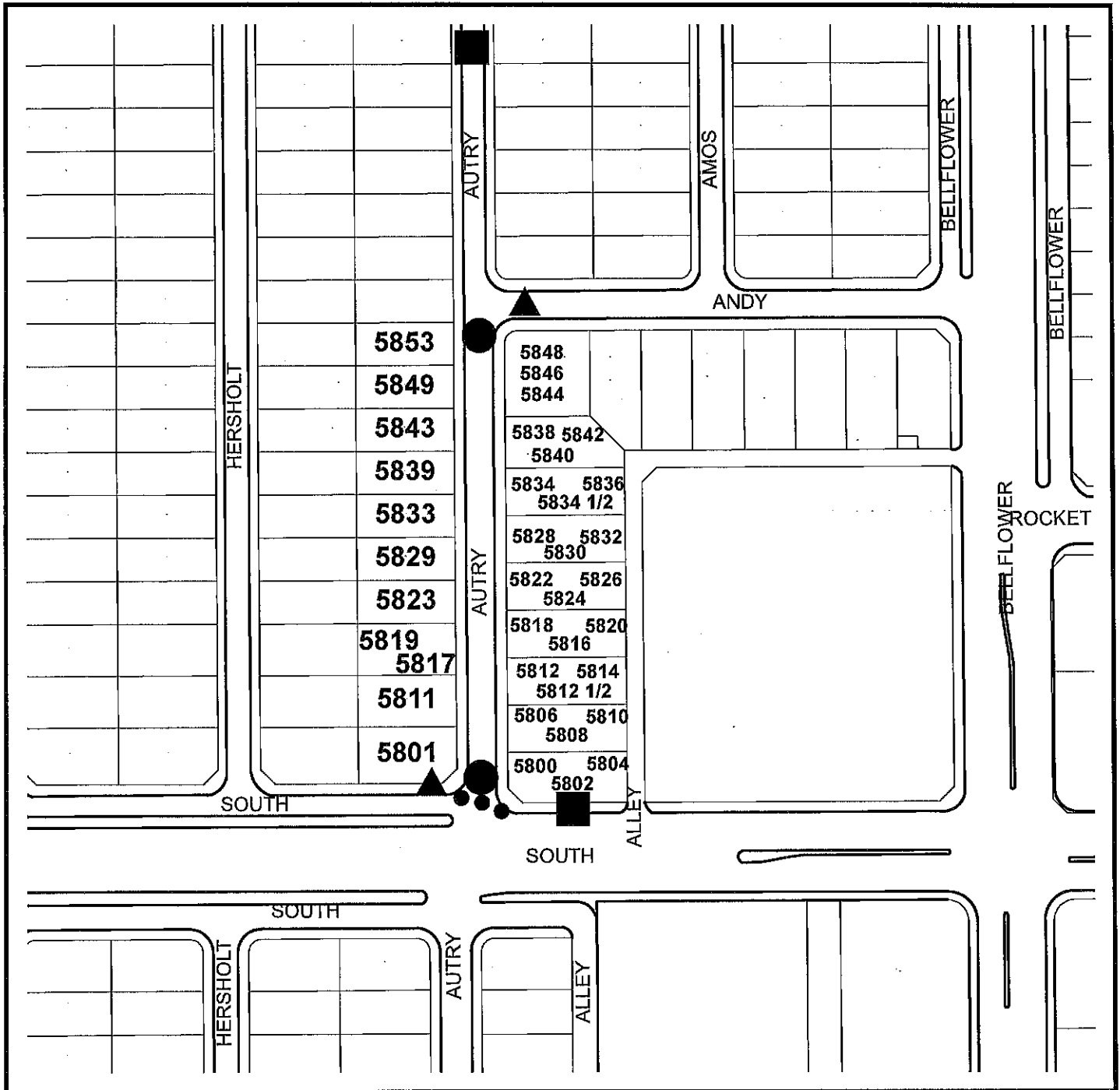
  
Thaddeus McCormack  
City Manager

# BLOCK PARTY

## MAY 25, 2024

### 11 A.M. - 7 P.M.

### 5800 - 5853 AUTRY AVENUE



- 2 FULL CLOSURE POINT "ROAD CLOSED" SIGN
- 2 ADVANCED WARNING "ROAD CLOSED AHEAD" SIGNS
- ★ 0 "NO RIGHT TURN" SIGN
- ▲ 2 "NO LEFT TURN" SIGN
- 10 CONES
- 6 BARRICADES
- 8 DELINEATORS



# DIVIDER SHEET

## **COUNCIL AGENDA**

May 14, 2024

**TO:** The Honorable Mayor and City Council

**SUBJECT:** Notice of Completion – Well 13A Treatment Facility - PW Project 22-02

### **INTRODUCTION**

Well 13A is located in Candleverde Park which is the southwest corner of Palo Verde Avenue and Candlewood Street. It was put in service in 2003. Lab reports indicated that the water quality from this well exceeded the drinking water maximum contaminant level (MCL) for at least one constituent. The water treatment facility constructed by this project will bring the MCL in compliance with standards.

### **STATEMENT OF FACT**

The treatment facility was constructed at Plant 13 on Palo Verde Avenue. It is on the west side at the rear of the two existing steel water tanks. The filter units to treat the water were installed under a separate contract. This project completed various piping connections, electrical work and disinfection hookup.


On June 28, 2022 the City Council awarded a contract for the project in the amount of \$968,000 to Canyon Springs Enterprises of Hemet and authorized staff to approve a cumulative total of contract change orders not to exceed \$150,000. Some upgrades were needed, some unknown conditions were encountered to include a buried pipe which resulted in the need for additional asphalt paving, a new roof hatch, filter blow-off and a new recycle pump to name a few. Total amount of added work was \$100,095.08.

The final amount of the construction contract was \$1,068,095.08.

### **RECOMMENDATION**

That the City Council accept the work constructed by Canyon Springs Enterprises of Hemet for "Well 13A Treatment Facility - PW Project 22-02" in the amount of \$1,068,095.08 and authorize the City Clerk to file the Notice of Completion for the project.

Kelli Pickler   
Director of Public Works

  
Thaddeus McCormack  
City Manager

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## **COUNCIL AGENDA**

May 14, 2024

**TO:** The Honorable Mayor and City Council

**SUBJECT:** Council Chambers Improvements RFP – Potential Scope of Work

### **INTRODUCTION**

Staff previously received direction to consider potential improvements of the City Council Chambers. To proceed with design development, staff will issue an RFP to architectural firms to onboard a designer to begin design documents suitable for public bid. Staff is requesting the concurrence of the City Council to proceed with issuing the RFP to architectural design firms with the below-selected scope of work for the project.

### **STATEMENT OF FACT**

Staff is working with our consultant Ardurra on the development of the RFP. The professional services of an architecture team will be sought for this project. The phases of design include Schematic Design (concept preparation and options evaluations), Design Development (layout and refinement of the preferred alternative to resolve conflicts and determine estimated costs) and Construction Documents (preparation of Plans and Specifications for bidding). The proposed Scope of Services would address the refurbishment and improvement of the City Council Chambers. Based on preliminary meetings with City administration and staff, the below potential scope of work was identified:

#### Potential Scope of Work

1. Evaluation of and upgrade of ADA accessibility
2. Evaluation of best use of space including the dais and seating configuration for the audience, staff and City Council
3. Evaluation of audio-visual system and its control system
4. Evaluation of computer monitors and its associated system on the dais
5. Evaluation of lighting conditions suitable for broadcast
6. Evaluation of security and access controls
7. Design the replacement of cameras and the supporting AV system as needed, to include:
  - a) Installation of new cameras and associated AV systems
  - b) Remote camera controller
  - c) Multiple pan-tilt-zoom remote cameras
  - d) Upgrade of video monitors
  - e) Upgrade of audio system
  - f) Wiring and support infrastructure

8. Design new studio flood lighting, ambient lighting and a lighting control system
9. Design use improvements to include:
  - a) Improve acoustics and replace acoustic ceiling tiles
  - b) Replace carpeting
  - c) Refabrication of dais
  - d) Re-upholster of audience chairs and replace City Council chairs
  - e) Paint


If City Council recommends staff proceed with issuing the RFP to architectural firms for the design development, staff would evaluate the proposals, and return to the Council with a recommendation to approve the successful firm's proposal at which time staff would seek a project appropriation to fund the design development fees and establish a total project.

### **RECOMMENDATION**

Staff recommends that the City Council:

- (1) Provide guidance to staff on the scope of work for the Council Chambers Improvements.
- (2) Provide guidance to staff on whether to proceed with issuing the RFP for design architectural firms with the selected project scope.

Kelli Pickler   
Director of Public Works

  
Thaddeus McCormack  
City Manager

# DIVIDER SHEET



## COUNCIL AGENDA

May 14, 2024

**TO:** The Honorable Mayor and City Council

**SUBJECT:** Award of Bid for Public Works Projects No. 2024-03 and 2024-05  
Tot Lot Playground Improvements to Biscailuz Park & Playground Improvements to Boyar Park

### INTRODUCTION

On May 7<sup>th</sup>, 2024 the City Clerk received three bids for the Tot Lot Playground Improvements to Biscailuz Park & Playground Improvements to Boyar Park projects. The work generally consists demolition, grading, concrete foundations, play equipment installation, fencing, rubberized surfacing and installation, and miscellaneous related improvements required by the contract documents.

### STATEMENT OF FACT

Six contractors purchased plans and specifications, and three submitted a bid proposal. A bid summary is below:

RANK	BIDDER	BASE BID AMOUNT
1	Ortco Inc.	\$647,369.37
2	Playfoundations Inc.	\$798,751.00
3	Elegant Construction Inc.	\$850,000.00

The lowest responsible bidder is Ortco Inc. in the lump sum base bid amount of \$647,369.37. Staff has verified with the State Contractors License Board that Ortco Inc. is properly licensed for the work. References contacted by staff provided favorable comments on the quality of their work and they have completed similar types of work for various public agencies. Staff also recommends that a contingency of 15% be included, since there could be unforeseen, unexpected conditions, once construction begins. There are adequate funds in the project account for this work.

### Related Service Agreement

The consulting engineering firm of Ardurra has an agreement with the City of Lakewood to assist with various engineering matters. Staff has requested a proposal to provide project management, contract administration, construction materials testing and inspection, and construction observation for the project. Staff is still awaiting this proposal and anticipates returning to council at a future council meeting for authorization for this work.

Award of Bid for Public Works Projects No. 2024-03 and 2024-05

Tot Lot Playground Improvements to Biscailuz Park & Playground Improvements to Boyar Park

May 14, 2024

Page 2 of 2

### **SUMMARY**

Bids have been received on Public Works Contracts 24-03 and 24-05. Staff recommends the contract be awarded to the lowest responsible bidder, Ortco Inc., and that \$97,000 in project funds be authorized for contingency purposes.

### **RECOMMENDATION**

Staff recommends that the City Council:

- (1) Adopt the plans, specifications, and working details for the subject project.
- (2) Award a contract for the "Tot Lot Playground Improvements to Biscailuz Park & Playground Improvements to Boyar Park", Public Works Contracts 2024-03 & 2024-05, in the amount of \$647,369.37 to the low bidder Ortco Inc., and authorize the Mayor to sign the contract in a form approved by the City Attorney.
- (3) Authorize staff to approve a cumulative total of change orders, as necessary not to exceed \$97,000.

Kelli Pickler  
Director of Public Works



Thaddeus McCormack  
City Manager



# **D I V I D E R S H E E T**

## COUNCIL AGENDA

May 14, 2024

**TO:** The Honorable Mayor and City Council

**SUBJECT:** Agreement with Los Angeles County for Financing and Construction of a Traffic Signal Synchronization Program (TSSP) along Woodruff Avenue

### INTRODUCTION

The County of Los Angeles has proposed to act as lead agency on a project to upgrade and synchronize traffic signals along Woodruff Avenue from Firestone Boulevard to Willow Street. The City of Lakewood and the County need to enter into an agreement setting forth procedures and funding each need to follow for the Lakewood portion of the project.

### STATEMENT OF FACT

The project will coordinate timing phases for all eight of the signalized intersections along Woodruff Avenue within City boundaries. Coordination along a corridor assists in moving more vehicles with less interruption of traffic flow.

The County estimates the total project cost for the corridor to be \$5,176,000. The project cost within Lakewood is estimated to be \$1,503,000. Proposed funding is as shown below:

\$525,100	Contribution by the County to fund a portion of City cost
\$708,200	Metro contribution towards City share
<u>\$269,700</u>	<u>Cost share by the City</u>
\$1,503,000	Project Cost for signal upgrades within Lakewood

It is proposed to use Measure M Funds for the City cost share of \$269,700. Adequate Measure M Funds are available.

### RECOMMENDATION

That the City Council:

1. Approve an Agreement with the County of Los Angeles to authorize the County to be the lead agency for a Traffic Signal Synchronization (TSSP) project along Woodruff Avenue. The Agreement also sets forth funding obligations.
2. Authorize \$269,700 of Measure M Funds for this project.
3. Authorize the City Manager to sign the Agreement in a form approved by the City Attorney.

Kelli Pickler  
Director of Public Works

Thaddeus McCormack  
City Manager

## AGREEMENT

THIS AGREEMENT, made and entered into by and between the CITY OF LAKEWOOD, a municipal corporation in the County of Los Angeles, hereinafter referred to as CITY, and the COUNTY OF LOS ANGELES, a political subdivision of the State of California (hereinafter referred to as COUNTY):

## WITNESSETH

WHEREAS, to assist in the traffic flow, CITY, the City of Bellflower, the City of Long Beach, the City of Downey and COUNTY desire to modify and synchronize the traffic signals along Woodruff Avenue from Firestone Boulevard to Willow Street, a portion of which is within CITY, and which work is hereinafter referred to as PROJECT; and

WHEREAS, the proposed improvements are jurisdictionally shared between CITY, the City of Bellflower, the City of Long Beach, the City of Downey and COUNTY, and separate agreements between the City of Bellflower and COUNTY, the City of Long Beach and COUNTY are being executed covering the portions of PROJECT within the City of Bellflower's, the City of Long Beach's, jurisdictions; and

WHEREAS, PROJECT is within the shared geographical boundaries of CITY, the City of Bellflower, the City of Long Beach, the City of Downey and COUNTY; and

WHEREAS, PROJECT is of general interest to CITY, the City of Bellflower, the City of Long Beach, the City of Downey and COUNTY;

WHEREAS, for the purpose of providing funding for PROJECT, COUNTY, as lead agency, on February 26, 2018, entered into an amended Memorandum of Understanding No. P00F3309 (MOU) with the Los Angeles County Metropolitan Transportation Authority (Metro); and

WHEREAS, COUNTY is willing to utilize and share with CITY the funding provided for in COUNTY/Metro MOU P00F3309 to finance a portion of COST OF PROJECT; and

WHEREAS, COST OF PROJECT includes the COST OF PRELIMINARY ENGINEERING, COST OF CONSTRUCTION CONTRACT, and COST OF CONSTRUCTION ADMINISTRATION; and

WHEREAS, the total COST OF PROJECT is currently estimated to be Five Million One Hundred Seventy-Six Thousand and 00/100 Dollars (\$5,176,000.00); and

WHEREAS, under the MOU, Metro will provide to COUNTY a grant (GRANT) of up to a maximum of One Million Nine Hundred Ninety-Two Thousand

and 00/100 Dollars (\$1,992,000.00) for PROJECT; and

WHEREAS, allocation of the Metro grant is currently estimated to be, Seven Hundred Eight Thousand Two Hundred and 00/100 Dollars (\$708,200.00) towards CITY's jurisdictional share, Fifty-Three Thousand Nine Hundred Dollars and 00/100 (\$53,900.00) towards COUNTY's jurisdictional share, Four Hundred Eighty-Four Thousand Five Hundred Dollars and 00/100 (\$484,500.00) towards the City of Bellflower's jurisdictional share, and Seven Hundred Forty-Five Thousand Four Hundred and 00/100 Dollars (\$745,400.00) towards the City of Long Beach's jurisdictional share.

WHEREAS, CITY is willing to finance its jurisdictional share of COST OF PROJECT currently estimated to be One Million Five Hundred Three Thousand and 00/100 Dollars (\$1,503,000.00) by claiming its share of COUNTY/Metro grant funds, currently estimated to be Seven Hundred Eight Thousand Two Hundred and 00/100 Dollars (\$708,200.00) and contributing other CITY funds in the amount of Two Hundred Sixty-Nine Thousand Seven Hundred and 00/100 Dollars (\$269,700.00) to finance a portion of the COST OF PROJECT; and

WHEREAS, COUNTY agrees to contribute Five Hundred Twenty-Five Thousand One Hundred and 00/100 Dollars (\$525,100.00) to finance a portion of CITY's COST OF PROJECT; and

WHEREAS, CITY agrees to contribute funds in the amount of Two Hundred Sixty-Nine Thousand Seven Hundred and 00/100 Dollars (\$269,700.00) to finance a portion of the COST OF PROJECT; and

WHEREAS, CITY'S estimated share is the sum of the costs of actual quantities of construction contract items utilized within CITY jurisdiction plus thirty (30) percent of that for PRELIMINARY ENGINEERING cost, twenty (20) percent of that for CONSTRUCTION ADMINISTRATION cost, twenty (20) percent of that for contingencies, and three and a half (3.5) percent of combined costs of PRELIMINARY ENGINEERING and CONSTRUCTION ADMINISTRATION towards contract city liability trust fund altogether estimated to be One Million Five Hundred Three Thousand and 00/100 Dollars (\$1,503,000.00); and

WHEREAS, BASIC TRAFFIC SIGNAL TIMING involves the timing parameters for the general operation of a traffic signal, which typically include, but is not limited to, defining the phases, attributes and timing values for each permitted phase, pedestrian movement, and assigning detection; and

WHEREAS, COORDINATION TRAFFIC SIGNAL TIMING involves the timing parameters that allow multiple traffic signals to be synchronized with each other, which typically include defining coordination cycle lengths, offsets and time of day operations for each traffic signal coordination plan; and

WHEREAS, COUNTY agrees to be responsible to perform or cause to be performed the PRELIMINARY ENGINEERING, solicitation of construction bids

and award of CONSTRUCTION CONTRACT, and CONSTRUCTION ADMINISTRATION for PROJECT; and

WHEREAS, COUNTY agrees to be responsible to perform or cause to be performed the equipment and system testing and develop and implement the BASIC TRAFFIC SIGNAL TIMING and COORDINATION TRAFFIC SIGNAL TIMING for PROJECT; and

WHEREAS, such a proposal is authorized and provided for by the provisions of Sections 6500 and 23004, et seq., of the Government Code and Sections 1685 and 1803 of the California Streets and Highways Code.

NOW, THEREFORE, in consideration of the mutual benefits to be derived by CITY and COUNTY and of the promises herein contained, it is hereby agreed as follows:

(1) DEFINITIONS:

- a. The term JURISDICTION, as referred to in this AGREEMENT, shall be defined as the area within the jurisdictional boundary of each governmental entity party to this AGREEMENT.
- b. PRELIMINARY ENGINEERING, as referred to in this AGREEMENT, shall consist of environmental findings and approvals/permits; design survey; soils report; traffic index and geotechnical investigation; preparation of plans, specifications, and cost estimates; right-of-way engineering; utility engineering; and all other necessary work prior to advertising of PROJECT for construction bids.
- c. COST OF CONSTRUCTION CONTRACT, as referred to in this AGREEMENT, shall consist of the actual payments to the construction contractor(s) for PROJECT and the total of all payments to utility companies or contractor(s) for the relocation of facilities necessary for the construction of PROJECT, and the cost of any additional unforeseen work that is necessary for the construction of PROJECT.
- d. CONSTRUCTION ADMINISTRATION as referred to in this AGREEMENT shall consist of construction contract administration, construction inspection, materials testing, construction survey, traffic detour, signing and striping, construction engineering, utility relocation and coordination matters, changes and modifications of plans and specifications for PROJECT necessitated by unforeseen or unforeseeable field conditions encountered during construction of PROJECT, construction contingencies, and all other necessary work after advertising of PROJECT for construction bids to cause PROJECT to be constructed in accordance with said plans and specifications approved by CITY and COUNTY.

- e. COST OF PROJECT, as referred to in this AGREEMENT, shall consist of the COST OF CONSTRUCTION CONTRACT and costs of PRELIMINARY ENGINEERING, CONSTRUCTION ADMINISTRATION, BASIC TRAFFIC SIGNAL TIMING, and COORDINATION TRAFFIC SIGNAL TIMING for traffic signals within PROJECT limits, right-of-way acquisition and clearance matters, and all other work and materials necessary to construct PROJECT in accordance with the approved plans and shall include currently effective percentages added to total salaries, wages, and equipment costs to cover overhead, administration, and depreciation in connection with any or all of the aforementioned items.
- f. Completion of PROJECT as referred to in this AGREEMENT shall be defined as the date of field acceptance of construction of PROJECT by COUNTY and an electronic notification to CITY'S City Manager that the improvements within CITY'S JURISDICTION are completed and transferred to CITY for purpose of operation and maintenance.

(2) CITY AGREES:

- a. To finance CITY'S share of COST OF PROJECT, the actual amount of which is to be determined by a final accounting, pursuant to paragraph (4) c., below.
- b. To deposit with COUNTY, following execution of this AGREEMENT and upon demand by COUNTY, CITY funds in the amount of Two Hundred Sixty-Nine Thousand Seven Hundred and 00/100 Dollars (\$269,700.00) hereinafter referred as CITY'S PAYMENT. Said demand will consist of a billing invoice prepared by COUNTY and delivered to CITY.
- c. To obtain and grant to COUNTY any necessary temporary right of way within CITY for the construction of PROJECT at no cost to COUNTY.
- d. To issue to COUNTY a no-fee permit(s) authorizing COUNTY to construct those portions of PROJECT with CITY highway right of way on condition that the COUNTY'S contractor meets the insurance requirements as required and approved by the CITY's Risk Manager.
- e. To cooperate with COUNTY in conducting negotiations with and, where appropriate, issue notices to public utilities and owners of substructure and overhead facilities regarding the relocation, removal, operation, and maintenance of all surface and underground utilities and facilities, structures, and transportation services, which interfere with the proposed construction. Where utilities have been installed in CITY streets or on CITY property, CITY will provide the necessary right of way for the relocation of those utilities and facilities that interfere with the construction of PROJECT. CITY will take all necessary steps to grant, transfer, or assign all prior rights over utility companies and owners of



substructure and overhead facilities when necessary to construct, complete, and maintain PROJECT.

- f. To authorize COUNTY to represent CITY pursuant to this AGREEMENT, in negotiations pertaining to the advertisement of PROJECT for construction bids, award, and administration of the construction contract and in all things necessary and proper to complete PROJECT.
- g. Upon completion of PROJECT: (1) to accept full and complete ownership of, and responsibility for, the PROJECT; and (2) to maintain in good condition and at CITY expense all improvements constructed as part of PROJECT within CITY'S JURISDICTION, including the BASIC TRAFFIC SIGNAL TIMING and the COORDINATION TRAFFIC SIGNAL TIMING to support synchronization of traffic signals on Woodruff Avenue.

(3) COUNTY AGREES:

- a. To perform or cause to be performed the preliminary engineering, contract administration, construction inspection and engineering, utility engineering and relocation, traffic detour, BASIC TRAFFIC SIGNAL TIMING, TRAFFIC SIGNAL COORDINATION TIMING, and final signing and striping for PROJECT.
- b. To act as lead agency, prepare the necessary environmental documents, and make the required environmental findings for PROJECT pursuant to the California Environmental Quality Act.
- c. To contribute toward CITY'S share of COST OF PROJECT, currently estimated to be Five Hundred Twenty-Five Thousand One Hundred and 00/100 Dollars (\$525,100.00).
- d. To submit an invoice to CITY in the amount of Two Hundred Sixty-Nine Thousand Seven Hundred and 00/100 Dollars (\$269,700.00) upon adoption of this AGREEMENT by COUNTY.
- e. To obtain CITY'S approval of plans for PROJECT prior to advertising for construction bids.
- f. To advertise PROJECT for construction bids, to award and to administer the construction contract, and to act on behalf of CITY in all negotiations pertaining thereto.
- g. To administer the design and construction of PROJECT in accordance with all regulations and requirements of Metro relating to the expenditure of Proposition C Local Return funds and Proposition C Twenty-five Percent (25%) Discretionary funds and Memorandum of Understanding

No. P000F3309 between COUNTY and Metro. COUNTY'S records for PROJECT shall be open to inspection and subject to audit and reproduction by COUNTY and Metro, or any of their duly authorized representatives, and shall be retained by COUNTY for a period of not less than seven (7) years after final payment to contractor(s) for PROJECT.

- h. To ensure that CITY and all officers and employees of CITY are named as additional insured parties under the construction contractor's(s) Contractor's General Liability and automobile insurance policies.
- i. To furnish to CITY, within one hundred eighty (180) calendar days after final Board acceptance of PROJECT, a final accounting of the actual CITY'S share of COST OF PROJECT including an itemization of actual unit costs and actual contract quantities for PROJECT.
- j. To perform or cause to be performed the equipment and system testing and to develop and implement the BASIC TRAFFIC SIGNAL TIMING and COORDINATION TRAFFIC SIGNAL TIMING for the PROJECT.
- k. To return any unexpended CITY funds if COUNTY fails to complete all or a portion of PROJECT within CITY'S JURISDICTION.

(4) IT IS MUTUALLY UNDERSTOOD AND AGREED AS FOLLOWS:

- a. The financial obligations of COUNTY pursuant to this AGREEMENT are conditional upon COUNTY obtaining reimbursement from Metro pursuant to Memorandum of Understanding No. P00F3309 between COUNTY and Metro. If COUNTY and/or Metro fails to provide its financial contribution, then COUNTY shall refund CITY'S payment within ninety (90) calendar days after notice from Metro to COUNTY that Metro funds are not available.
- b. The final accounting of the actual total COST OF PROJECT shall allocate said total cost between CITY and COUNTY based on the previously agreed upon improvements and/or work completed. Thus, the cost of all work or improvements (including all engineering, administration, and all other costs incidental to PROJECT work), previously agreed upon as CITY'S share of the COST OF PROJECT, shall be borne by CITY. The cost of all work or improvements (including all engineering, administration, and all other costs incidental to PROJECT work), previously agreed upon as COUNTY'S share of the COST OF PROJECT, shall be borne by COUNTY.
- c. That if at final accounting CITY'S share of COST OF PROJECT exceeds CITY'S PAYMENT, as set forth in paragraph (2) b., above, CITY shall pay to COUNTY the additional amount upon demand. Said demand

shall consist of a billing invoice prepared by COUNTY. Conversely, if the CITY'S is less than CITY'S PAYMENT, COUNTY shall refund the difference to CITY without further action by CITY.

- d. That if CITY'S PAYMENT, as set forth in paragraph (2) b., above is not delivered to COUNTY office, which is described on the billing invoice prepared by COUNTY within sixty (60) calendar days after the date of said invoice, notwithstanding the provisions of Government Code Section 907, COUNTY may satisfy such indebtedness, including interest thereon, from any funds of CITY on deposit with COUNTY after giving notice to CITY of COUNTY'S intention to do so.
- e. CITY shall review the final accounting invoice prepared by COUNTY and report in writing any discrepancies to COUNTY within sixty (60) calendar days after the date of said invoice. Undisputed charges shall be paid by CITY to COUNTY within sixty (60) calendar days after the date of said invoice. COUNTY shall review all disputed charges and submit a written justification detailing the basis for those charges within sixty (60) calendar days of receipt of CITY'S written report. CITY shall then make payment of the previously disputed charges or submit justification for nonpayment within sixty (60) calendar days after the date of COUNTY'S written justification.
- f. COUNTY at any time may, at its sole discretion, designate an alternative payment mailing address and an alternative schedule for payment of CITY funds if applicable. CITY shall be notified of such changes by invoice prepared by COUNTY and delivered to CITY.
- g. During construction of PROJECT, COUNTY shall furnish an inspector or other representative to perform the functions of an inspector. CITY may also furnish, at no cost to COUNTY, an inspector or other representative to inspect construction of the PROJECT. CITY shall have no obligation to inspect the PROJECT and no liability shall be attributable as a result of CITY'S inspection or failure to inspect. Said inspectors shall cooperate and consult with each other, but the orders of COUNTY inspector to the contractor or any other person in charge of construction shall prevail and be final, and COUNTY inspector shall be responsible for the proper inspection of PROJECT as needed.
- h. This AGREEMENT may be amended or modified only by mutual written consent of COUNTY and CITY. Amendments and modifications of a nonmaterial nature may be made by the mutual written consent of the parties.
- i. Any correspondence, communication, or contact concerning this AGREEMENT shall be directed to the following:

CITY: Ms. Kelli Pickler  
Director of Public Works  
City of Lakewood  
5050 Clark Avenue  
Lakewood, CA 90712-0158

COUNTY: Mr. Mark Pestrella  
Director of Public Works  
Los Angeles County Public Works  
P.O. Box 1460  
Alhambra, CA 91802-1460

- j. COUNTY and CITY acknowledge and recognize that the improvements contemplated by this AGREEMENT provide significant regional and local benefits with respect to reducing traffic congestion. COUNTY and CITY further acknowledge and recognize that the cost of defending claims and lawsuit arising from the improvements contemplated by this AGREEMENT is paid for by public monies and both parties share an interest in reducing the amount of public monies spent on defending claims and lawsuits where possible without prejudicing their respective defenses.
- k. In the event that a claim lawsuit is brought against COUNTY and CITY based on the allegation that the design, construction, maintenance, or operation of the improvements constructed under this AGREEMENT proximately caused injuries or damage, COUNTY and CITY agree to cooperate as much as possible with respect to defending the claim or lawsuit without causing prejudice to their respective defenses to the claim or lawsuit. Upon receipt of the claim or lawsuit, the COUNTY and CITY, through their respective agents if appropriate, shall promptly investigate the matter. COUNTY and CITY shall then meet and confer promptly regarding whether a joint defense is appropriate or if one party should tender its defense and indemnification to the other party.
- l. Neither COUNTY nor any officer or employee of COUNTY shall be responsible for any damage or liability occurring by reason of any act or omission on the part of CITY under or in connection with any work, authority, or jurisdiction delegated to, assumed by, or determined to be the responsibility of CITY under this AGREEMENT. It is also understood and agreed that, pursuant to Government Code, Section 895.4, CITY shall fully indemnify, defend, and hold COUNTY harmless from any liability imposed for injury (as defined by Government Code, Section 810.8) occurring by reason of any act or omission on the part of CITY under or in connection with any work, authority, or jurisdiction delegated to or determined to be the responsibility of CITY under this AGREEMENT. Where liability for injury (as defined by Government Code, Section 810.8) is sought to be imposed under Section 830, et

seq., of the Government Code for a dangerous condition of property owned by or under the control of CITY, CITY shall fully defend, indemnify, and hold COUNTY harmless from any and all liability arising from such dangerous condition.

- m. Neither CITY nor any officer or employee of CITY shall be responsible for any damage or liability occurring by reason of any act or omission on the part of COUNTY under or in connection with any work, authority, or jurisdiction delegated to or determined to be the responsibility of COUNTY under this AGREEMENT. It is also understood and agreed that, pursuant to Government Code, Section 895.4, COUNTY shall fully indemnify, defend, and hold CITY harmless from any liability imposed for injury (as defined by Government Code, Section 810.8) occurring by reason of any act or omission on the part of COUNTY under or in connection with any work, authority, or jurisdiction delegated to or determined to be the responsibility of COUNTY under this AGREEMENT.
- n. It is understood and agreed that the provisions of Assumption of Liability Agreement No. 32062 between CITY and COUNTY, adopted by the Board of Supervisors on December 27, 1977, and currently in effect, are inapplicable to this AGREEMENT.

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IN WITNESS WHEREOF, the parties hereto have caused this AGREEMENT to be executed by their respective officers, duly authorized, by the CITY OF LAKEWOOD on \_\_\_\_\_, 2024, and by the COUNTY OF LOS ANGELES on \_\_\_\_\_, 2024.

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
Director of Public Works

APPROVED AS TO FORM:

DAWYN R. HARRISON  
County Counsel

By \_\_\_\_\_  
Deputy

CITY OF LAKEWOOD

By \_\_\_\_\_  
City Manager

ATTEST:

By \_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

By \_\_\_\_\_  
City Attorney

SP:\TSM\TRA\TSSP\2009 Call/GW/Woodruff TSSP/8 Cost Estimate/Funding Agreements

# **D I V I D E R S H E E T**

## **COUNCIL AGENDA**

May 14, 2024

**TO:** The Honorable Mayor and City Council

**SUBJECT:** Establishing Administrative Fine for Carwash Beyond Normal Hours of Operation

### **INTRODUCTION**

The Lakewood Municipal Code prohibits commercial carwashes from operating before 7:00 am and after 8:00 pm. The current fines related to car wash operating outside of hours of operation are set at different amounts based on the number of violations. Over the past two years, Lakewood has experienced an increase in commercial car washes hosting special themed events operating outside their normal hours of operation prompting noise and traffic concerns.

### **STATEMENT OF FACT**

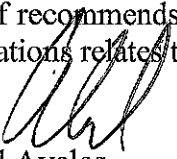
Lakewood Municipal Code (LMC) section 4900 establishes non-judicial fines for violations of the hours of operation. As stated above, the fees are set at different amounts based on the number of violations as follows: first offense \$100, second offense \$200 and third offense \$500.

In October 2023, Neighborhood Preservation officers issued citations to a commercial carwash for operating beyond the allowed hours of operation. The carwash was hosting a nightly for-profit Halloween themed carwash event. Despite repeated citations, the carwash continued to operate the carwash beyond the allowed the hours of operation. One possible deterrent for this occurring again would be to increase the fine amounts.

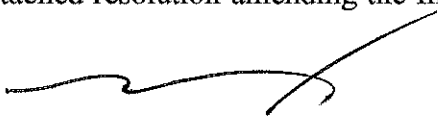
State law limits the fine for these types of citations to a maximum amount of \$1,000 per violation. Due to the special themed event popularity, nominal administrative citation fines have not served as a deterrent to keep these events within the car wash normal operating hours. Raising the fine to the maximum State allowance should help to deter car washes from operating outside normal hours.

### **STAFF RECOMMENDATION**

Staff recommends that the City Council adopt the attached resolution amending the fine for the violations related to carwash hours of operation.



Abel Avalos  
Director of Public Safety



Thaddeus McCormack  
City Manager



- (e) Each guest unit shall have a minimum floor area as follows: Efficiency and studio units, 600 square feet; one-bedroom units, 750 square feet; two-bedroom units, 900 square feet. No guest unit shall have more than two (2) bedrooms. Each guest room shall contain a kitchen facility containing a range cook-top, automatic dishwasher, microwave or conventional oven, full-size refrigerator, two-basin sink, and adequate cookware, flatware, and dishware.
- (f) Guest units may have primary access directly from an exterior walkway.
- (g) A manager of at least 21 years of age shall be on the premises at all times.
- (h) A laundry room containing at least one (1) pair of washing machines and dryers for each 50 guest units shall be provided to guests for their use, or a washer and dryer shall be provided in each guest unit.
- (i) The following accessory uses may be allowed in conjunction with an extended stay hotel:
  - (1) A Gymnasium or Health Club consisting of a defined space and/or room(s) where exercise equipment, machines, and related equipment is available for use by guests only. May include adjacent restrooms and showers.
  - (2) Meeting and Conference Rooms.
  - (3) Office Support Services consisting of a defined space and/or room(s) where facsimiles, photocopying, report binding, computer access, and similar facilities are available for guests only.
  - (4) Recreational Facilities including saunas, spas, swimming pools, tennis courts, and similar such facilities for use by guests only.
  - (5) Bingo, Casinos, Gambling, and Games of Chance are not permitted accessory uses.

(Added by Ord. 2003-8)

**12. Tobacco and Nicotine Product Sales.** Sales of tobacco and nicotine products may be established in the C-4 zone or less restrictive zone districts, subject to a conditional use permit. No conditional use permit shall be issued for a tobacco and nicotine product sales facility in violation of the following:

- (a) No portion of the tobacco and nicotine product sales facility shall be within one thousand (1,000) feet of the property boundary of any church, public or private school, or college, library, public playground or park, building and facilities owned and maintained by any public entity for the public use, or any noncommercial establishment operated by a bona fide religious organization, or any establishment likely to be used primarily by minors;
- (b) For the purpose of this subsection:
  - (1) "Public park or playground" includes parks, playgrounds, swimming pools, and athletic fields of the City, a school district, or a church or a religious organization.
  - (2) "Church" includes any building which is used primarily for religious worship and related religious activities, as well as the grounds thereof.
  - (3) "School or college" means an institution of learning which offers instruction and other courses of study required by the California Education Code, or which is maintained pursuant to standards set forth by the State Board of Education. This definition also includes nursery schools, kindergartens, day schools, elementary schools, junior high schools, senior high schools, community or junior colleges, colleges or universities, and any special institution of learning under the State Department of Education.
- (c) Notwithstanding the foregoing or the provisions of Section 9392.A.1 regarding nonconformity abatement and termination, no conditional use permit shall be required for a tobacco and nicotine product sales facility that was operating in any zone district with a valid business license issued by the City for that purpose prior to the effective date of this section as amended, provided that:
  - (1) The facility operates continuously with a valid business license without substantial change in mode, character or expansion of the operation;
  - (2) There is no break in continuous operation greater than one hundred eighty (180) days; and
  - (3) Any repair or remodeling does not change the nature of the facility and does not increase the square footage of the business used for the sale of tobacco and nicotine products.

(Added by Ord. 2013-9)

**13. Commercial Carwash.** Any self-service or full-service permanent facility offering hand and/or mechanical car washing, which includes detailing, waxing, and/or cleaning of vehicles. Carwash facilities may include outdoor vacuums, vacuum stations, and other outdoor equipment and activities normally associated with a carwash. Other activities and uses may co-locate with a carwash as deemed acceptable by the Planning and Environment Commission. The review of any proposed design shall consider and mitigate any identified impacts to adjacent properties, including those from noise, light, glare, vibration, parking, circulation and appropriate stacking distance for access lanes.

(a) Any commercial carwash that was approved with a conditional use permit prior to and that was valid on the effective date of this Ordinance shall remain as a fully authorized land use. Any proposed modification to such a previously approved carwash shall be subject to the provisions listed in Subsection 9347.D.11.

(Added by Ord. 2018-6)

(b) Hours of Operation. Commercial carwashes shall not be open to the public for operation prior to 7 a.m. and shall not operate after 8 p.m. everyday.

(Amended by Ord. 2018-9)

**9351. LIMITATION ON USES PERMITTED.** Every use permitted in a C-4 zone shall be subject to the conditions and limitations set forth in Section 9341, with the following exceptions:

**B.** In the C-4 zone no building shall exceed a height determined by the total floor area in which said total floor area shall not exceed ten (10) times the buildable area of such parcel of land upon which the building is located. In determining the total floor area of the building, the cellar floor space, parking floor space, ramps, and roof structure space shall not be included.

**C. HELIPORTS.** No heliport or helistop shall be permitted within the City of Lakewood except in Zone C-4, and M-1, and Zone M-2, and then only pursuant to and in accordance with a Conditional Use Permit granted in accordance with the terms and provisions of this Chapter. No Conditional Use Permit for heliport or helistop shall be granted unless all the terms and provisions of this Code are complied with pertaining thereto and unless the particular heliport or helistop has been found to be reasonably necessary or convenient in the area in which it is proposed to be located; and it is further found that its use and operation will not adversely effect in a substantial way the character of the neighborhood and will not be detrimental to the public health, safety and welfare. In addition to those conditions that may be imposed by the City Planning Commission or City Council in granting such a Conditional Use Permit, the following conditions shall apply:

1. As used herein, heliport shall include helistop.
2. Heliports shall be divided into two classes as follows:
  - (a) Private heliports defined as heliport used only by helicopters while engaged in the personal or business operations of the person or company maintaining such heliport.
  - (b) Public heliports defined as heliports regularly used by helicopters carrying persons or property for hire or used for the conduct of flight instruction for hire or used as a base for charter or rental of helicopters.
3. No permit for heliport shall be granted by the City Planning Commission unless the applicant first has received approval of the Federal Agency and the State Aeronautics Commission wherever required. Whether or not approval of the State Aeronautics Commission or Federal Aviation Agency is required, all such applications shall be reported to said agency in detail by the City with a request for Federal and State recommendations pertaining to the granting of the use and restrictions to be placed thereon. No such permit shall be granted unless said Federal and State agencies have reported thereon, or sixty days have elapsed from the date of formal request to said agencies for said report.
4. Any Conditional Use Permit granted hereunder shall be subject to any restriction or regulation imposed by the Federal Aviation Agency of the State Aeronautics Commission in the granting of any permit by said agency.
5. In the granting of Conditional Use Permit, the City Planning Commission or City Council shall impose any additional reasonable or necessary condition as suggested or recommended or required by the Federal Aviation Agency, the State Aeronautics Commission, the City Engineer, the City Fire Warden and the law enforcement agency of the City. Before any Conditional Use Permit is granted, the City Planning Commission or City Council shall request of and receive from the City Engineer, Fire Warden, law enforcement agency, reports in writing pertaining to said application and necessary or required conditions to be imposed.
6. Each permit shall be subject to the condition that the surface of the heliport be such that dust, dirt or other objectionable matter will not be blown onto the adjoining property by helicopter operations.
7. Each such permit granted shall be subject to the condition that all provisions of the Building, Fire and Health Code are complied with at all times, including such special provisions thereof as may be applicable in the case of heliports and helicopters.
8. No permit shall be granted unless the person owning or controlling the premises to be used has given his consent to such use.
9. Each permit shall be subject to the condition that the permittee neither authorize, allow or permit the use of his facilities by persons, firms or corporations violating any provisions of this Code pertaining to the operation of helicopters or any safety regulation prescribed by an agency of the Federal Government or the State of California, and on the further condition that helicopters from said heliport be operated in accordance with minimum safe altitudes as prescribed by this Code and in accordance with traffic patterns, or approach routes for a heliport as are prescribed by the Federal Aviation Agency.

**CHAPTER 9**  
**ADMINISTRATIVE CITATION PROVISIONS**  
**(Added by Ord. 2004-3)**

**4900. APPLICABILITY.**

**A. ADMINISTRATIVE CITATION.** This Chapter provides for administrative citations that are in addition to all other legal remedies, criminal and civil, which may be pursued by the City to address any violations of this Code and other ordinances of the City. This Chapter does not apply to violations of Part 5, Chapter 2, Article III, commencing with Section 3250, of the Lakewood Municipal Code.

**B. ADMINISTRATIVE FINE.** An administrative fine shall be assessed by means of an administrative citation issued by an Enforcement Officer, and shall be paid directly to the City of Lakewood. Fines shall be established in an administrative fine schedule adopted by resolution of the City Council. Fines shall be collected in accord with the procedures specified in this chapter. Payment of a fine shall not excuse failure to correct the violation nor shall it bar further enforcement action by the City.

**C. ADMINISTRATIVE CITATIONS THAT MAY BE TREATED AS MISDEMEANORS.** Any person who violates the same provision, or fails to comply with the same requirement, of the Lakewood Municipal Code more than three times within a twelve-month period shall be guilty of a misdemeanor for each violation committed thereafter within the same twelve-month period. Any person who violates or fails to comply with this code and who refuses to identify himself or herself to an enforcement officer, making it impossible to issue an administrative citation, shall be guilty of a misdemeanor.

**4901. DEFINITIONS.**

**A. "CITY"** means the City of Lakewood.

**B. "CITED PARTY"** means a legally responsible person who has been issued an administrative citation.

**C. "CONTINUING VIOLATION"** means any condition or activity in violation of the Municipal Code or ordinances that continues beyond the date given in the administrative citation to correct the violation.

**D. "ENFORCEMENT OFFICER"** means any employee of the City of Lakewood or agent for the City authorized to enforce provisions of this code.

**E. "LEGALLY RESPONSIBLE PERSON"** means any person who creates, allows, commits, or maintains a violation of the Lakewood Municipal Code or a Lakewood ordinance. It includes a natural person, heirs, executors, administrators, assigns, firm, partnership, corporation, its successors or assigns, or the agent of any of the aforesaid. The term "legally responsible person" includes but is not limited to a property owner, tenant, person with a legal interest in real property, or person in possession of real property.

**F. "LEGAL INTEREST"** means any interest that is represented by a deed, deed of trust, quitclaim deed, mortgage, lease, judgment lien, tax or assessment lien, mechanic's lien or other similar interest, which is recorded with the County Recorder.

**G. "HEARING OFFICER"** means the person designated by the City Manager to determine the validity of the violation stated on the citation.

**4902. SCOPE.** This chapter provides for administrative penalties for any violation of this code or a City ordinance, which may be pursued in lieu of any other legal remedy, criminal or civil, to address any such violation of this code. The city attorney, city prosecutor, or their assistants, have sole discretion to determine whether a violation will be prosecuted criminally or civilly or otherwise as authorized by law.

**4903. ADMINISTRATIVE CITATION.**

**A. AUTHORITY TO CITE.** Whenever an Enforcement Officer determines that a violation of this Code or a City ordinance has occurred, the Enforcement Officer shall have the discretion to issue an administrative citation, in lieu of a judicial citation or misdemeanor, to any legally responsible person. (Amended by Ord. 2014-4)

**B. CITATION CONTENTS.** Administrative citations shall contain the following:

1. The date and location of the violation and the approximate time the violation was observed;
2. The code section or ordinance violated and a description of how the section was violated;
3. The actions required to correct the violation;
4. An order prohibiting the continuation or the repeated occurrence of the code violation;
5. The consequences of failing to correct the violation;

6. The amount of the fine imposed for the violation;
7. The date by which a fine must be paid;
8. The location at which a fine must be paid;
9. Information regarding the procedures to contest the citation;
10. The name and signature of the enforcement officer.

**4904. AMOUNT OF FINE.**

**A. SCHEDULE OF FINES.** The amount of the fine imposed for a code violation shall be set forth in the schedule of administrative fines established by resolution of the City Council.

**B. REPEAT VIOLATIONS.** The schedule of administrative fines shall specify any increased fines for repeat violations of the same code provisions by the same responsible person within 12 months from the date of an administrative citation.

**C. LATE CHARGES.** The schedule of administrative fines shall specify the amount of any charges imposed for the payment of a fine after its due date.

**4905. SATISFACTION OF ADMINISTRATIVE CITATION.**

**A. TIME TO PAY.** The fine shall be paid to the City within 30 days from the date of the administrative citation.

**B. WAIVER OF ADMINISTRATIVE HEARING.** Payment of the fine without requesting an administrative hearing waives the cited party's right to the administrative hearing and appeal process.

**C.** Repealed.

**D. REQUEST AN ADMINISTRATIVE HEARING.** A cited party may contest a citation in writing, not later than 15 days after service of the citation. The request shall be submitted in writing as directed on the citation and shall include a statement of reasons the citation is being contested. The request shall be accompanied by a deposit in the full amount of the fine or a request for an advance deposit hardship waiver.

A hearing will not be scheduled unless the full amount of the fine is deposited, or the City finds the cited party unable to do so and waives the deposit requirement.

A request for an advance deposit hardship waiver shall be filed at the Community Development Department on an advance deposit hardship waiver application form, available from the department, at the time an administrative hearing is requested. The Director of Finance or his designee may issue an advance deposit hardship waiver but only if the person requesting the waiver submits a sworn affidavit, together with supporting documents, demonstrating to the satisfaction of the Director of Finance the person's financial inability to deposit with the City the full amount of the fine in advance of the hearing. Documentation of financial hardship must include, at a minimum, tax returns, financial statements, bank account records, salary records, or similar documents acceptable to the Director of Finance, demonstrating that the cited party is unable to deposit the fine.

The Director of Finance or his designee shall issue a written decision specifying the reasons for issuing or denying the waiver. The decision shall be served by United States mail or by personal service upon the cited party. If service is by mail, service is complete upon depositing the decision in the mail. If the Director of Finance or his designee determines that an advance deposit hardship waiver is not warranted, the cited party shall remit the full amount of the fine to the City within 10 days of service of the written decision to grant or deny an advance deposit hardship waiver.

(Amended by Ord. 2014-4)

**4906. ADMINISTRATIVE HEARING AND APPEAL PROCESS.**

**A. ADVANCE DEPOSIT OF FINE.** No hearing to contest an administrative citation before a Hearing Officer shall be held unless the fine has been deposited in advance in accord with Section 4905.D, or an advance deposit hardship waiver has been issued in accord with Section 4905.D.

**B. PREHEARING DISMISSAL OF CITATION.** The City Attorney or City Prosecutor may dismiss an administrative citation at any time if it is determined to have been issued in error, in which event any deposit will be refunded.

**C. TIME OF ADMINISTRATIVE HEARING.** The administrative hearing shall be scheduled not later than 60 days after receipt of the request for a hearing to contest the citation. The cited party shall be notified in writing at least ten days before the date of the hearing of the date, time and location of the hearing. Notice may be served personally upon the cited person or mailed by U.S. mail with first class postage prepaid. Mailed notice shall be addressed to the property owner as shown on the last available equalized tax roll, or if there is no such address then in care of the property address. If the cited party is not the property owner, the notice shall be mailed to the last known address of the cited party.

Service of notice is complete upon personal service on the cited party or upon depositing the notice of hearing in the U.S. mail in Lakewood, California. Failure of any person to receive the mailed notice shall not affect the validity of any proceeding or order regarding administrative citations.

**D. APPOINTMENT OF ADMINISTRATIVE HEARING OFFICER.** The hearing shall be conducted by an Administrative Hearing Officer appointed by the City Manager to perform such hearings.

**E. REQUEST FOR CONTINUANCE OF HEARING.** The cited party may request one continuance of the hearing, but in no event may the continued hearing begin later than ninety days after receipt of the request for hearing from the cited party.

**F. FAILURE TO ATTEND ADMINISTRATIVE HEARING.** The cited party, or that person's representative, may attend the hearing in person or, in lieu of attending, may submit an Appearance by Written Declaration on a form provided by the City for that purpose.

1. If the cited party or his or her representative fails to attend the scheduled hearing and fails to submit an Appearance by Written Declaration on the form provided by the City for that purpose, he or she shall have waived his or her right to an administrative hearing. The Administrative Hearing Officer shall then dismiss the challenge to the administrative citation, and shall mail a written notice to that effect to the cited party. The advance deposit shall then become the property of the City.

2. A cited party who has requested an administrative hearing may request in writing that his or her challenge to the citation be dismissed and the hearing canceled. Upon receipt of such request, the Director of Community Development shall dismiss the challenge to the administrative citation, cancel the pending hearing, and issue a written notice to that effect. The advance deposit shall then become the property of the City. (Amended by Ord. 2014-4)

3. If a hearing was scheduled after approval of an advance deposit hardship waiver form and then dismissed at the request of the cited party, the cited party shall pay the fine to the City within 7 days after written notice to do so. If the cited party obtained an advance deposit hardship waiver and neither attended the hearing nor submitted an Appearance by Written Declaration, the cited party shall pay the fine to the City within 7 days after written notice to do so.

**G. PROCEDURE AT ADMINISTRATIVE HEARING.** Administrative hearings are informal, and formal rules of evidence and discovery do not apply. Hearsay evidence is permitted. Evidence shall be relevant to the issues to be decided. Each party shall have the opportunity to present evidence in support of his or her case and to cross-examine witnesses. The city bears the burden of proof at an administrative hearing to establish a violation. The citation is prima facie evidence of the violation. The enforcement officer who issued the citation is not required to participate in the hearing unless requested by the cited party. The Administrative Hearing Officer shall use preponderance of the evidence as the standard of proof in deciding the issues. Evidence shall be submitted under penalty of perjury.

**H. DECISION OF ADMINISTRATIVE HEARING OFFICER.** At the conclusion of the hearing or within 15 days thereafter, the Administrative Hearing Officer shall render a decision as follows:

1. Determine that the violation for which the citation was issued occurred, and require payment of the pertinent fine not later than seven days after the date of such determination, in the event that an Advanced Deposit Hardship Waiver had been approved. If the violation has not been corrected by the date of the hearing, the Director of Community Development shall send a notice of the required correction date, within 10 days of receipt of the Administrative Hearing Officer's decision.

2. Determine that the violation for which the citation was issued occurred, but that the responsible party has introduced credible evidence of mitigating circumstance warranting imposition of a lesser fine than that prescribed in the schedule of administrative fines, or no fine at all, and imposing such lesser fine, if any.

3. Determine that the violation for which the citation was issued did not occur or that the condition did not constitute a violation of the code.

(Amended by Ord. 2014-4)

(Revised 2014)

**I. ADMINISTRATIVE ORDER.** The Administrative Hearing Officer shall issue a written decision entitled "Administrative Order" no later than fifteen days after the date on which the administrative hearing concludes. The Administrative Order shall be served upon the responsible person by personal service or by first class mail as provided in Section 4906.C.

The Administrative Order shall become final on the date of mailing or other service; it shall notify the responsible person of his or her right to appeal as provided in subsection K of this section. If the hearing officer determines as described in subsection H.2 or H.3 immediately above, and the responsible party has deposited the penalty with the City, the Administrative Order shall order a partial or full refund of the deposit.

(Amended by Ord. 2014-4)

**J. FINE DUE.**

1. If the Administrative Order imposes a fine in the amount set forth in the schedule of administrative fines, or imposes a fine in a lesser amount, and the cited party has filed, and the Director of Finance has approved, an advance deposit hardship waiver, then the fine imposed shall become immediately due and owing to the City and if not paid may be collected as provided in this chapter.

2. If the fine was paid to the City before the administrative hearing and the Administrative Order imposes a fine in that amount, the fine paid shall immediately become the property of the City. If a fine is imposed in an amount less than the amount paid to the City before the administrative hearing, the amount imposed shall immediately become the property of the City and the excess shall be refunded within 30 days of the date of the Administrative Order.

**K. APPEAL OF ADMINISTRATIVE ORDER.** A cited party who objects to the Hearing Officer's administrative order may obtain review of the administrative citation by filing an appeal with the Superior Court in Los Angeles County in accord with Section 53069.4 of the California Government Code. Such appeal must be filed within twenty days after mailing or personal service of the Administrative Order to the cited party. The cited party shall within 10 days of filing a notice of appeal with the Superior Court serve upon the City Clerk either in person or by first-class mail a copy of the notice of appeal. If the responsible person fails to timely file a notice of appeal, the Administrative Order shall be final.

**L. FAILURE TO COMPLY WITH THE ADMINISTRATIVE ORDER.** Failure to comply with an Administrative Order directing the abatement of a continuing violation is a misdemeanor. In that event, or if the City prevails in an appeal of such an Order to the Superior Court and the cited party does not comply with the Administrative Order, the City may file a criminal misdemeanor action against the cited party. Filing a criminal misdemeanor action does not preclude the City from using any other legal remedy available to gain compliance with the Administrative Order.

**M. ONLY ABATEMENT DISCHARGES THE VIOLATION.** Payment of the fine under this Chapter shall not excuse nor discharge any continuation or repeated occurrence of the code violation that is the subject of the administrative citation. Only abatement of the cited condition discharges the violation.

**4907. LATE PAYMENT CHARGES.** Any cited person who fails to pay the City any fine imposed in accord with this Chapter on or before the date that the fine is due shall be liable for the payment of any applicable late payment charges set forth in the schedule of administrative fines.

**4908. COLLECTION OF DELINQUENT FINES.** The City may use all available legal means to collect past due fines and other related costs.

1. Any person who fails to pay any fine shall be liable in any action or collection procedure brought by the city for all costs incurred to obtain payment of the delinquent amount, including, but not limited to, administrative costs, collection costs, and attorneys' fees.

2. Collection costs shall be in addition to any penalties, interest, and late charges imposed upon the delinquent obligation.

3. Commencement of an action to collect a delinquent fine shall not preclude issuance of one or more additional citations to the legally responsible party if the violation or violations persist after the date for correcting them as stated in the Administrative Order.

**4908.1. COLLECTION BY LIEN.** If the fine owed by a cited party is for one or more Lakewood Municipal Code or City ordinance violations on the cited party's property, and the citation was issued to abate a nuisance as defined by the Lakewood Municipal Code or City ordinance, and the amount has been delinquent 90 days or more, the delinquent amount shall become a lien on the property on which the violations occurred.

**4908.2 NOTICE OF LIEN HEARING.** The Director of Finance shall give written notice to the cited party of a hearing before the City Council regarding the delinquent fine amount and related costs. The notice shall be mailed by first class mail at least 14 days before the hearing. The notice shall state:

1. The citation or citations resulting in the delinquent fine amount;
2. The total of the delinquent fine amount and related costs;
3. The date the delinquent fine amount was due;
4. The street address, Assessor's parcel number, and legal description of the property upon which the violations occurred;
5. The date, hour, and place of the hearing;
6. A statement that the cited party or other legally responsible person may appear and be heard;
7. A statement that unless the fine amount is paid by the date specified in a resolution by the City Council, the total amount due will become a lien and special assessment on the property.

**4908.3 LIEN HEARING.** At the lien hearing the City Council shall:

1. Hear and consider all competent evidence about the delinquent fine amount;
2. If it finds the amount is delinquent, make a finding of fact confirming that the delinquent fine amount and related costs are due the City as costs of nuisance abatement;
3. Order the total amount due to be paid to the City within 5 days, after which the amount due will become a lien on the property.

**4908.4 RECORDED LIEN.** If the amount due is not paid within 5 days after the City Council confirms it and orders it paid, the amount due shall constitute a lien upon the real property upon which the nuisance violations existed and shall be a special assessment against the property. The lien shall continue until the amount due and interest, computed at 6% per annum from the date of the City Council's confirmation, is paid or until it is discharged of record.

If the amount due is not paid as required by the City Council's order, a notice of lien shall be recorded in the Office of the County Recorder and delivered to the County Tax Collector. The notice of lien shall substantially be in the following form:

NOTICE OF LIEN  
CLAIM OF THE CITY OF LAKEWOOD

By the authority of Lakewood Municipal Code §4903, an administrative citation or citations were issued regarding nuisance abatement at the real property described below. Fines were assessed for the nuisance. By action of the Lakewood City Council, recorded in its official minutes, the fines and related costs were confirmed as delinquent and assessed against the property as costs of nuisance abatement.

The delinquent amount was not paid, therefore the City of Lakewood claims a lien on the real property for the costs of abatement in the amount of \$ \_\_\_\_\_, which shall be a lien on the real property until it is paid, with interest at the rate of 6% per annum from the \_\_\_\_ day of \_\_\_\_\_, 2 [insert the date the City Council confirmed the delinquent fines and related costs]. The lien shall continue until paid in full and discharged of record. It shall also be a personal obligation against [insert name of property owner]. The real property upon which a lien is claimed is that certain parcel of land in the City of Lakewood, County of Los Angeles, State of California, described as follows:

[Insert legal description.]

Dated this \_\_\_\_ day of \_\_\_\_\_, 2\_\_\_\_.

CITY OF LAKEWOOD

By:  
Director of Finance

**4908.5 SPECIAL ASSESSMENT.** After the lien is confirmed and recorded, a certified copy of it shall be filed with the County Auditor. The description of the parcel reported to the Auditor shall be the one used by the County Assessor's map book for the current year. The County Auditor shall enter each assessment on the county tax roll for the reported parcel of land. The amount of the assessment shall be collected at the time and in the manner of ordinary municipal taxes. If delinquent, the amount is subject to the same penalties and procedure of foreclosure provided for ordinary municipal taxes. As an alternative method, the County Tax Collector, in his discretion, may collect the assessment without reference to the general taxes, by issuing separate bills and receipts for the assessment. Laws relating to the levy, collection, and enforcement of county taxes shall apply to such special assessment.

The Director of Finance may receive the amount due on the abatement costs and issue receipts at any time after the confirmation of the statement, before August 1<sup>st</sup> of that current year. The City Council may order a refund of any lien or assessment paid under this section if it finds that all or part of the assessment has been erroneously levied. An assessment or part thereof shall not be refunded unless a claim is filed with the City Clerk on or before March 1<sup>st</sup> after taxes become due and payable. The claim shall be verified by the person who pays the tax, or his guardian, executor, or administrator.

**4909. RECOVERY OF CODE ENFORCEMENT ABATEMENT COSTS.** The administrative citation process described in this Chapter does not preclude the City from recovering any other code violation or nuisance abatement costs incurred by the City in performing its code enforcement efforts.

**4910. SERVICE PROCEDURES FOR ISSUING ADMINISTRATIVE CITATIONS.** An administrative citation in a form approved by the City Attorney may be issued to a legally responsible person by an Enforcement Officer as set forth in Section 4903 of this Chapter in the following manner:

**A. PERSONAL SERVICE OF ADMINISTRATIVE CITATION.** In any case where an administrative citation is issued to an individual, corporation, or a business, the Enforcement Officer shall attempt to:

1. Locate the individual, corporation, or business and serve the administrative citation on the responsible party.
2. Obtain on the administrative citation the signature of the person in violation of this Code, or in cases in which the violation of this Code is by a corporation or business, the signature of an employee or agent.
3. If the cited party refuses or is unavailable to sign the administrative citation, the refusal to sign or unavailability shall not affect the validity of the citation or of subsequent proceedings. Refusal or unavailability to sign the administrative citation shall be noted on the citation.

**B. SERVICE OF CITATION BY MAIL.** If the Enforcement Officer is unable to serve the cited party, the administrative citation shall be mailed to the responsible person by certified mail, postage prepaid, return receipt requested. Simultaneously, the same notice may be sent by regular mail. If a notice sent by certified mail is returned unsigned, then service shall be deemed effective by regular mail, if the notice that was sent by regular mail was not returned by the Post Office within a reasonable time.

**C. SERVICE OF CITATION BY POSTING NOTICE.** If the Enforcement Officer does not succeed in serving the cited party personally, or by certified mail or regular mail, the Enforcement Officer shall post the administrative citation on any real property within the City in which the City has knowledge that the cited party has a legal interest or which the cited party occupies, and such posting shall be effective service.

**D. SERVICE OF CITATION BY PUBLICATION.** If the Enforcement Officer does not succeed in serving the cited party personally, by certified or regular mail, and the City is not aware that the responsible party has a legal interest in any real property within the City, the Enforcement Officer shall cause the administrative citation to be published in a newspaper likely to give actual notice to the cited party. The publication shall be once a week for four successive weeks in a newspaper published at least once a week. A newspaper regularly circulated or delivered in Lakewood is a newspaper likely to give actual notice.



RESOLUTION NO. 2024-14

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKEWOOD ESTABLISHING THE AMOUNT OF THE ADMINISTRATIVE FINE FOR OPERATING A COMMERCIAL CAR WASH BEYOND THE HOURS OF OPERATION PERMITTED IN THE LAKEWOOD MUNICIPAL CODE.

THE CITY COUNCIL OF THE CITY OF LAKEWOOD HEREBY RESOLVES AS FOLLOWS:

SECTION 1. Pursuant to Section 4900, et seq., of the Lakewood Municipal Code, the City Council hereby sets the amount of the administrative fine for each violation of Section 9350(B)(13)(b) of the Code to be \$1,000.00.

SECTION 2. This Resolution is intended to and shall amend all prior City Council resolutions pertaining to the establishment of the amounts of administrative fines, which resolutions shall otherwise remain in full force and effect.

SECTION 3. If any section, subsection, subdivision, paragraph, sentence, clause or phrase in this Resolution, or any part hereof, is held invalid or unconstitutional, such decision shall not affect the validity of the remaining sections or portions of this Resolution. The City Council hereby declares that it would have adopted each section, subsection, subdivision, paragraph, sentence, clause or phrase in this Resolution irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases may be declared invalid or unconstitutional.

SECTION 4. The City Clerk shall certify to the adoption of this Resolution.

ADOPTED AND APPROVED THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2024.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

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*Reports*

## **COUNCIL AGENDA**

May 14, 2024

**TO:** The Honorable Mayor and City Council

**SUBJECT:** Summer Programs, Civic Center Block Party Preview and Catalog Preview

### **INTRODUCTION**

Lakewood's tradition of providing fun, safe, family-friendly programming is detailed in this summer's Recreation and Community Services catalog, which became available online beginning Thursday, May 23. Residents received postcards directing them to the city's website to view the interactive online catalog. Additionally, a limited number of hard copies of the catalog are available for pick up at city parks and community centers, Lakewood City Hall and Lakewood's libraries. The vibrant cover features the phrase "Fun in the Sun" and includes a collage of photos reflecting summer activities such as aquatics programs, the Civic Center Block Party, Summer Day Camp and Lakewood Youth Sports.

### **STATEMENT OF FACT**

There are hundreds of programs and special events offered to help residents fill their summer calendar. From the Finally It's Friday series, to various recreation classes, residents have many options to make this a summer filled with activities within the community.

As advertised, the ever-popular Summer Concerts in the Park series and the Civic Center Block Party add to the action-packed season. To provide an overview of the programs and events planned for the summer of 2024, highlights of the variety of activities offered are described in the following report.

### **Contract Classes**

Over 500 classes are advertised in this summer's recreation catalog. Department staff have worked closely with contract class instructors to offer a broad age range of programs, both new and familiar.

New travel trips including a trip to watch a Los Angeles Sparks Basketball Game and a trip to Universal CityWalk are planned for this summer. Also, youth can participate in new summer camps including a Kids Summer Art Camp, Stay Cool Ice Skating Camp, and Tennis Camp 4 Kids.

Registration for contract classes began Thursday, May 23, for residents and Monday, June 3 for non-residents. While registering online is encouraged, mail-in, walk-in and phone registrations are also accepted. Most contract classes begin the week of June 17.

### **Summer Concerts in the Park**

The Summer Concerts in the Park series will offer eight Thursday night concerts featuring a slate of summer tunes. The series begins Thursday, June 13, with the Motown/Soul sounds of the ever-popular Stone Soul. Hollywood U2, a U2 tribute band, follows on June 20. Other musical genres include 80s, Country, Classic Rock, and two other tribute bands this year. The concert series will end on August 8 with Knyght Ryder, playing 80s hits. The free concerts are held at Del Valle Park from 6:30 to 8 p.m. Residents are encouraged to bring the family and enjoy an evening of music. Each week, food trucks will provide concessions with proceeds of the profits benefitting Lakewood community groups.

### **Finally It's Friday Family Programs**

Smaller, family-friendly special events are offered throughout the summer on Fridays with the Finally It's Friday series. These events typically attract fewer than 500 attendees and thus offer easy access and fun for attendees. Kicking off the series on June 21, with a Movie Night under the Stars featuring Trolls: Band Together. These free or low cost programs offer an opportunity for Lakewood families to start the weekend together with a night of family entertainment. Other family friendly activities include FUN-Tastic Family Nights on July 19, featuring Mad Science L.A., and on September 20, featuring a Reptile Show by Paramount Pet Entertainment; Movie Nights under the Stars on July 12 and August 16; Family Scavenger Hunt at Lakewood Center on July 26; Parents Night Out, Kids Night In on August 2; and a Play at Palms Community BBQ on August 9.

### **Lakewood Youth Sports**

The Lakewood Youth Sports (LYS) summer season consists of t-ball, baseball, and softball. Teams are organized at each park with nearly 1,000 youth participating citywide. The 2024-25 season will mark Lakewood Youth Sports' 68<sup>th</sup> year. Participants may register for their preferred home park, where practices may be hosted by their team. Games for each age group will be played at designated sites, determined after registration is complete. Registration began Saturday, April 27. The LYS Opening Day Ceremony will be at Mayfair Park on Saturday, June 15 and playoffs and championship games will take place on August 8 and 10.

### **Park Programs**

Summer park hours are expanded to allow for supervision and recreation activities for youth who are no longer in school. Recreation Leaders are on site from 11 a.m. to 8 p.m., Monday through Friday to facilitate a safe, clean, and most of all fun environment to enjoy. Staff are ready to offer indoor games and crafts during the warmer hours of the day, and outdoor game and sports equipment for youth looking to get in some physical activity. Staff are trained to interact with and provide safe oversight of their park facilities to ensure a secure space for children to enjoy all summer long all while giving parents comfort that their children are being supervised.

### **Older Adult Programs**

Lakewood's older adults always have a plethora of fun activities from which to choose, and the summer is no different. The Weingart Senior Center is open weekdays from 9 a.m. to 5:30 p.m. and Saturdays from 9 a.m. to 1 p.m., offering free and low cost artistic classes, special interest programs and educational classes. The fitness room is open weekdays from 9 a.m. to 3 p.m. Fitness classes, such as chair exercise and aerobics, are available on a daily schedule, and passive activities such as billiards, cards and puzzles are available daily. Additionally, the 32<sup>nd</sup> annual Senior Health Fair, providing free medical screenings and information, will take place on Friday, June 21, from 10 a.m. to 12 p.m.

The Burns Community Center continues to offer fun Active+ classes including free fitness classes such as Stretch and Tone, chair volleyball, Walking Club and a new cardio circuit class. Participants can enjoy other free classes such as the Burns Poker Club, Burns Book Club and Active+ basketball free play at the Hoover Middle School Gym on Monday evenings. Water aerobics for those over 50 and lap swim are also available at Mayfair Pool on Sundays. Pickleball continues to grow and is now offered weekdays in various locations. Pickleball can be played Monday, Wednesday and Friday mornings 9-11 a.m. at Mayfair Park. Evening Pickleball is available Tuesdays and Thursdays 6-8 p.m. at Mayfair Park, and Wednesdays and Fridays 6-8 p.m. at Bolivar Park.

### **Aquatics**

Staff have worked diligently planning and preparing for the summer aquatics season. Particular emphasis on recruitment of the lifeguard/swim instructor job class. The recruitment process has been successful and a full slate of aquatics programs will be offered at both Mayfair and McCormick pools this summer.

The season began with recreation swim sessions at Mayfair Pool over the Memorial Day Weekend, May 25-27, and a session of pre-summer swim lessons from Tuesday, May 28 to Friday, June 7.

Daily pool operations will commence at Mayfair and McCormick Pools on Saturday, June 15 and will run through Sunday, August 25. While McCormick Pool will be open through the Labor Day Weekend, Mayfair Pool will remain open on weekends through the month of September.

Recreation swim sessions at both pool are offered 1-2:30 p.m. and 2:45-4:15 p.m., daily. Themed Family Nights take place every Friday night for the summer (from 6:45 to 8:15 p.m.) Admission for these events remains affordable at only \$3 for residents and \$5 for non-residents.

#### **Mayfair Pool Family Nights**

June 21	Family Day Special
July 12	Sundae Fun-Day
July 26	Grandparents Appreciation Day
August 9	Float with Friends
August 23	Back to School Swim

#### **McCormick Pool Family Nights**

June 28	Dip n' Dance
July 19	School Supply Splash
August 2	It's All Fun n' Games
August 16	Popsicle Pool Party

Wading pools are a fun place for youngsters, ages 3-7, to keep cool, splash, and play. Wading pools are free and in operation from Saturday, June 15 through Sunday, August 25. Pools will also be in operation for the Labor Day holiday weekend, August 31-September 2. To maximize responsible water usage, sister parks will have alternating daily wading pool schedules, with every pool open on weekends. The busiest wading pool, Mayfair Park, and the singular ADA accessible wading pool at Palms Park, will be open daily.

The department will continue an evening wading pool schedule on Wednesdays, June 19 through August 21. Wading Pool Wednesdays, invites residents to enjoy wading pool fun at Del Valle, Mayfair, Palms, and San Martin Parks from 5 to 7:30 p.m. The wading pools will not be drained between 4 and 5 p.m., however staff will perform routine maintenance and cleaning of the wading pool area during this time.

### **Civic Center Block Party**

The Civic Center Block Party (Block Party) is returning on Saturday, June 29 from 4 to 9 p.m. Staff representing all city departments are planning this blockbuster event. This year's event will include familiar components from past years including the event finale, a spectacular fireworks display. Clark Avenue will be closed from Del Amo Boulevard north to Hardwick Street at 6 a.m. on Saturday, June 29 to support event activities.

Event components include the following:

- A Family Fun Zone with kids' amusements and carnival games
- "On the Block" food court featuring popular Lakewood eateries
- Live entertainment featuring The MVPs
- Shop Lakewood and Community Organization Promotional Booths
- 15 minute fireworks display

Family Fun Zone activities will begin at 4 p.m. with ticket sales ending at 8 p.m. More than 20 kid-oriented attractions and carnival games will be offered. Tickets for all activities will be sold only at the venue. Lakewood community organizations and Lakewood Center Mall businesses will participate in this year's Block Party by providing free promotional material and information about their business or organization.

This year's event will once again include the "On the Block" food court, featuring Lakewood eateries and specialty food trucks offering a wide variety of food, desserts and beverages. Sales will be handled at each booth or truck, with no advance purchase of tickets. Most food vendors will accept cash, credit card, Venmo, Zelle, and Apple Pay—forms of payment accepted will be posted at each booth or truck. The Mayfair High School Girls' Volleyball team will operate an all-drink station that will sell affordable drinks such as water, Gatorade and soft drinks, providing access to beverages with a shorter wait. Food booths will close at 9 p.m. in advance of the fireworks display.

The MVPs, a well-known cover band will perform starting at 5 p.m. The high-energy entertainment group will give the audience a dynamic show covering many musical styles, including some familiar patriotic tunes.

The event finale is a spectacular 15-minute fireworks display by Fireworks America, a leader in the pyrotechnics industry. The choreographed display is complemented with patriotic music for those in proximity to the main stage and near the launch area adjacent to the Costco parking lot.

The public is encouraged to use Civic Center Way to access free parking behind city hall and The Centre. Additional accessible parking spaces will be designated in the parking lot directly behind city hall. Parking for recreational vehicles and trailers is prohibited at Lakewood Center and in the Civic Center Complex.

Nearly 200 city staff are assigned to work during the course of the event, monitoring the various event components, assisting Block Party attendees, entertainers, On the Block Food Court and Fun Zone vendors, and handling crowd control issues, such as litter collection, replenishing event supplies, distributing handouts, and staffing the first aid stations. Event staff will be identifiable, as they will be wearing a Block Party signature t-shirt.

Additionally, the Los Angeles County Sheriff's Department will provide uniformed security on foot throughout the event complex. Their highly visible presence, combined with Community Safety Officers and Sheriff Explorers, provides a greater sense of safety and security for all event attendees.

### **Training**

Staff training is a vital part of planning for the summer season. This year, staff will participate in a slate of organized trainings including Community CPR/First Aid/AED, Bloodborne Pathogens Certification, facility-specific trainings, Lakewood Youth Sports administration training, New Recreation Leader training and Summer Recreation Leader Orientation.

### **Calendared Events**

The following event calendar gives an overview of several summer events:

<b><u>DATE</u></b>	<b><u>EVENT</u></b>
May 25	Mayfair Pool opens for Memorial Weekend recreation swim
June 10	Day Camp begins
June 13	Summer Concerts in the Park Series begins
June 15	Mayfair and McCormick Pools begin daily schedule
June 15	LYS Opening Day Ceremony at Mayfair Park
June 15	Wading pools begin daily schedule
June 17	Park programs begin at parks and summer hours of operation begin for all facilities.
June 21	Finally it's Friday series begins
June 29	Civic Center Block Party
August 3	LYS Sports Awards
August 8-10	LYS Playoffs and Championship Games
August 25	Final day of full operation schedule at Mayfair and McCormick Pools
Aug. 26-Sept. 25	Post summer recreation swim sessions at Mayfair Pool



**SUMMARY**

The Recreation and Community Services Department is prepared to offer a slate of classes, special events, and programs to provide a fun and safe summer for residents of all ages.

**RECOMMENDATION**

Staff recommends the City Council receive and file this report.

Valarie Frost, Director VF  
Recreation and Community Services



Thaddeus McCormack  
City Manager

# **D I V I D E R S H E E T**

# *Housing Successor*

## **COUNCIL AGENDA**

May 14, 2024

**TO:** Honorable Mayor and Members of the City Council

**SUBJECT:** Disposition, Development and Grant Agreement with Habitat for Humanity of Greater Los Angeles

### **INTRODUCTION**

The City of Lakewood (“City”), in its capacity as Housing Successor to the former Lakewood Redevelopment Agency (“Agency”), has been negotiating with Habitat for Humanity of Greater Los Angeles (“Habitat”) for the development 37 affordable for-sale townhomes. The non-contiguous sites, which were acquired by the Redevelopment Agency in 2012, are zoned Multi-Family Residential, are located within a quarter mile radius on the east side of Lakewood (Attachments 1 and 2). The sites will be sold to Habitat in exchange for the development of for-sale affordable housing. Per California Health and Safety Code Section 341760.1, the sites must be developed with affordable housing as established by the California Department of Housing and Community Development (“HCD”).

### **STATEMENT OF FACTS**

On September 27, 2022, the City Council approved a Deposit and Exclusive Negotiating Agreement (“ENA”) between the City and Habitat. Under the ENA, the City and Habitat negotiated diligently and in good faith, resulting in the draft Disposition, Development and Grant Agreement (“DDA”) (Attachment 5).

Habitat proposes to construct 37 for-sale townhomes for low-income persons (33 units on City owned sites and four units on Habitat owned site). The proposed development will be a mixture of two- and three-bedroom townhomes on the four sites with attached two-car garages and on-site guest parking for a total combined parking count of 90 spaces (Attachment 3). Habitat proposes a Craftsman style of architecture for the development (Attachment 4). As proposed, the development will clean up four long vacant sites, increase the City’s supply of quality affordable housing which count towards the goals of the 2021-2029 Housing Element, and help increase the value of neighboring properties.

The proposed Declaration of Conditions, Covenants and Restrictions in the DDA requires Habitat to sell the 37 units to buyers with incomes between 30% and 80% of the area median income for a term not less than 45 years as required by State Law. Habitat receives funding from various public entities such as the Department of Housing and Urban Development and California Department of HCD that is leveraged to increase access to affordable, low-income home ownership opportunities. Habitat also receives support from corporate donors and private individual donors who are supportive of Habitat’s mission to provide affordable for-sale housing to qualified households. These sources allow Habitat to develop quality affordable home ownership opportunities and they are able to secure affordable financing for qualified low-income, first time homebuyers.

private individual donors who are supportive of Habitat’s mission to provide affordable for-sale housing to qualified households. These sources allow Habitat to develop quality affordable home ownership opportunities and they are able to secure affordable financing for qualified low-income, first time homebuyers.

Habitat is able to keep the mortgages on the properties at an affordable rate while maintaining a market rate value of the properties by securing silent subordinate mortgages on the homes. The new homeowner only pays on the first mortgage which is affordable for low-income families. The new homeowner will only pay 30% of their gross income for housing costs, which include mortgage principle, interest, property taxes, insurance and HOA fees, if applicable. The silent subordinate mortgages are non-performing, non-interest bearing residential home loans that are secured by a deed of trust, with terms ranging from five to 45 years, depending on the source. The silent mortgages typically bear no interest and may be forgiven if the homeowner lives in the home for a prescribed period of time and complies with all other recorded covenants and restrictions.

The townhomes will be restricted to buyers that meet the affordability requirements as established by California HCD. See current income limits below.

HCD Income Limits LA County	Household Size	1	2	3	4	5	6	7	8
	Extremely Low (30%)	29,130	33,270	37,450	41,610	44,940	48,270	51,600	54,930
	Very Low (50%)	48,550	55,450	62,400	69,350	74,900	80,450	86,000	91,550
	Low (80%)	77,680	88,720	99,840	110,960	119,840	128,720	137,600	146,480

In addition, the City will provide \$760,000 in state grant funds to cover the cost of various off-site improvements, including: street widening, the installation of new curb and gutters, new sidewalks, new driveway approaches, the relocation two power poles, and the installation of new parkway landscaping. The funds will come from the Permanent Local Housing Allocation (PLHA) grant. PLHA funds can only be used for the development of affordable housing and housing related assistance, such as rehabilitation and accessibility. The City received it’s initial three-year allocation of \$1,155,105 in April of this year. The City will continue to receive PLHA grant funds on an annual basis.

While the townhomes cannot be restricted solely to Lakewood residents, every effort will be made to market and outreach to people that live and/or work in Lakewood and to local community groups. Habitat is proposing to use a “grass roots” approach to market the properties locally. They will conduct outreach with neighborhood mailers, postcards, flyers, social media posts, and attend community events. In addition, Habitat will offer a homebuyer workshops in the City for those for those interested in purchasing a Habitat townhome.

The homeowner selection process is based on a point system. The criteria that Habitat uses to screen applicants is:

- 1) Demonstrate Eligibility (30-80% if the area median income)
- 2) Demonstrate the Ability to Pay (strong work history, good credit, down payment funds available)
- 3) Demonstrate Need (through personal statement, describe living conditions, disproportionate rent-to-income ratio, over-crowding, high crime, etc.)
- 4) Willingness to Partner (willing to be an ambassador and contribute sweat equity)
- 5) Household members must be U.S Citizens or Permanent Legal Residents
- 6) Applicants must be first time home buyers (could not have owned a home in the last three years)

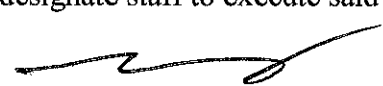
Habitat also gives special consideration to Active or Retired members of the Armed Forces and their immediate families.

If the DDA is approved by the City Council, Habitat expects construction to begin in July of 2025, with first affordable homes expected to sell in October of 2026.

### **RECOMMENDATION**

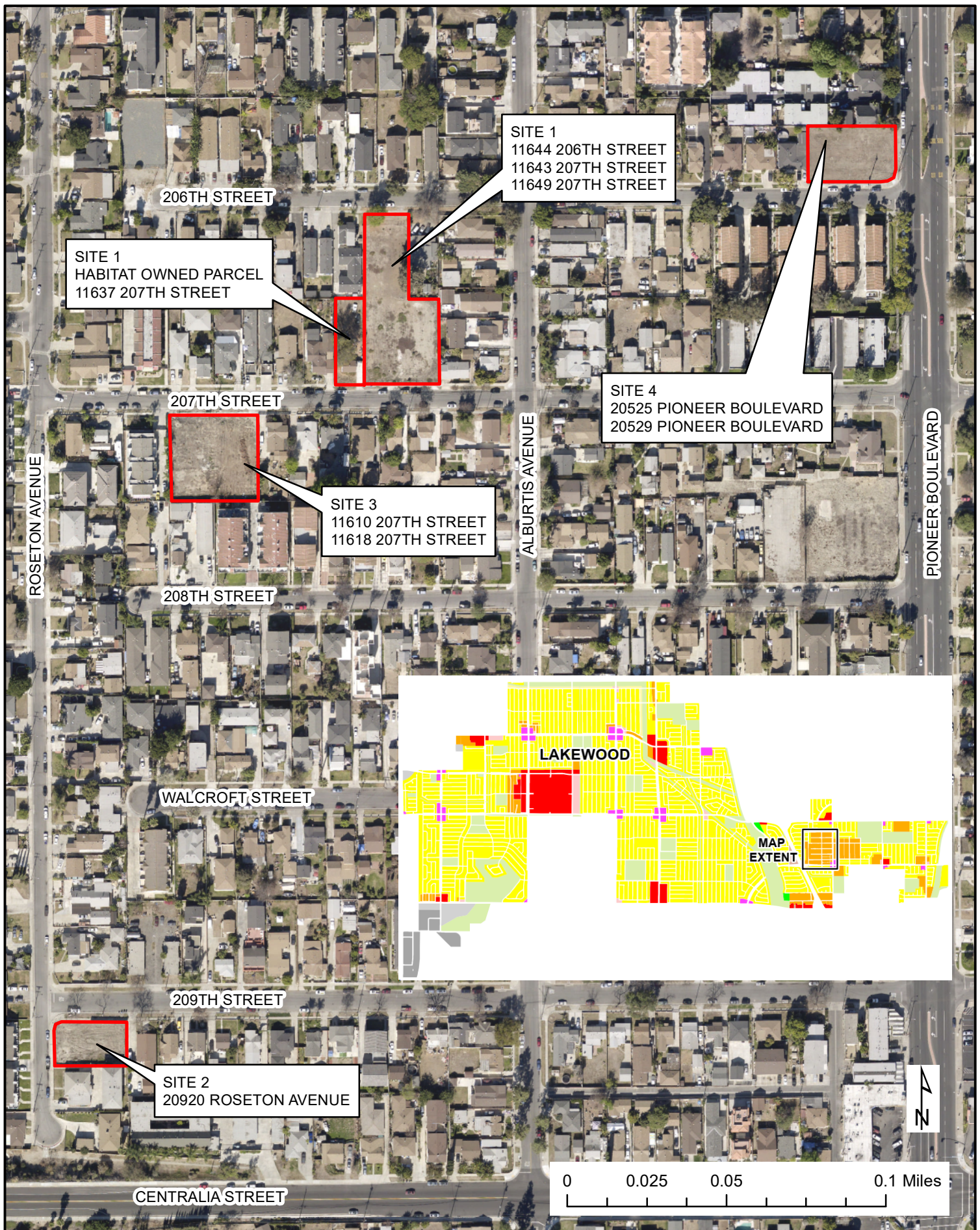
Staff recommends that the City Council enter into a Disposition and Development Agreement with Habitat for Humanity of Greater Los Angeles, and designate staff to execute said agreement.

  
Abel Avalos  
Director of Community Development

  
Thaddeus McCormack  
City Manager

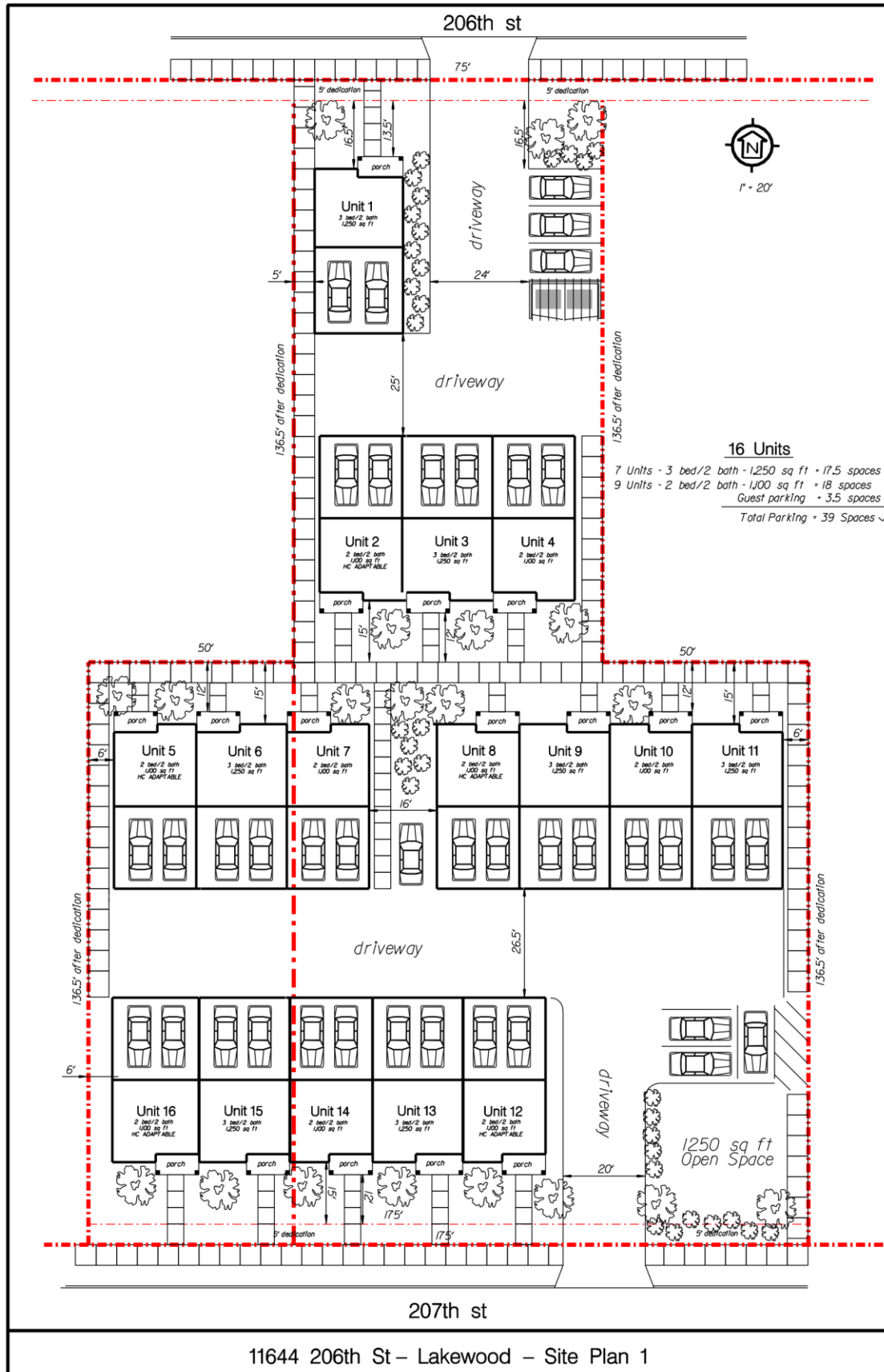


# ATTACHMENT 1



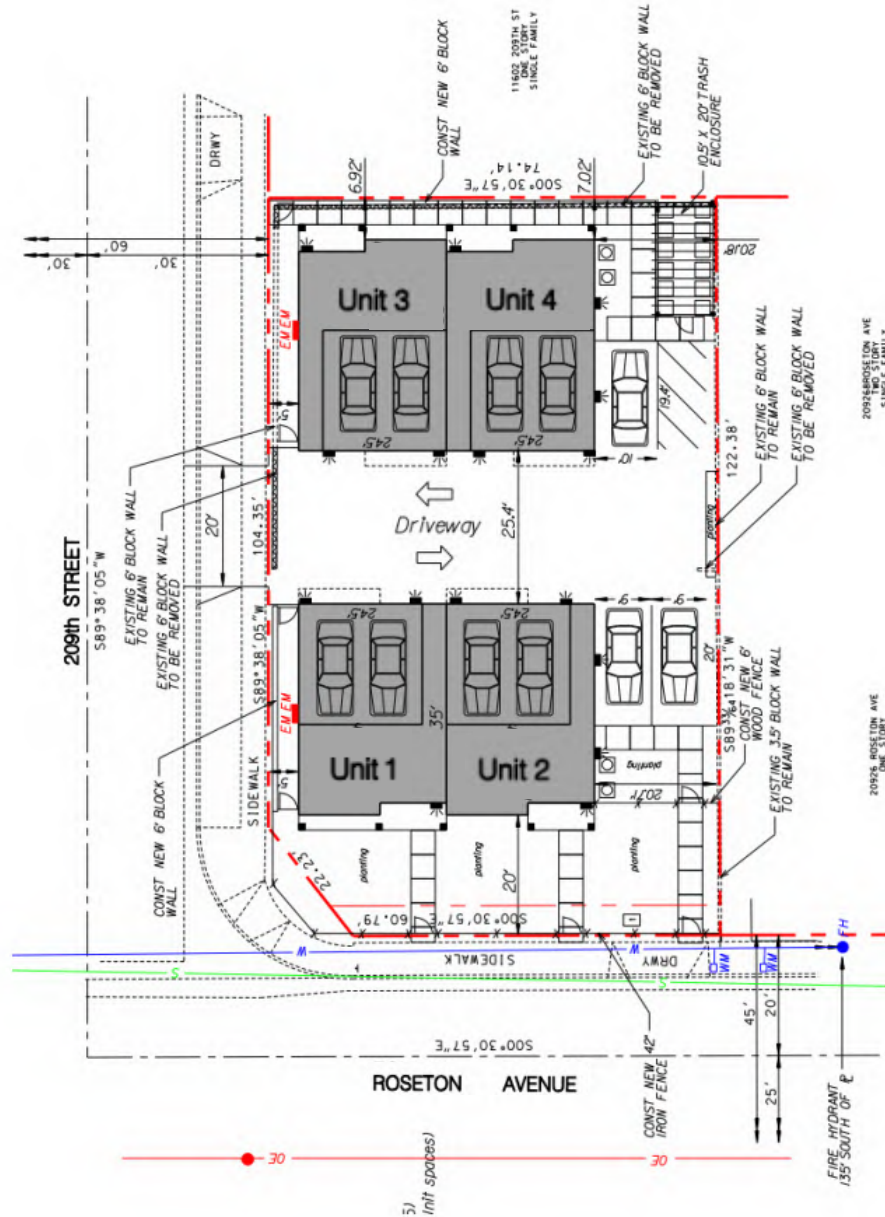


# ATTACHMENT 3





# ATTACHMENT 3



4 Units  
 Four Units - 3 bed/2 bath - 1,350 sq ft = 10 spaces  
 Guest parking = 1 spaces  
 Total Parking = 11 Spaces  
 10 Spaces provided



# ATTACHMENT 3



## 10 Units

Five Units - 3 bed/2 bath - 1,250 sq ft - 12.5 spaces

Five Units - 2 bed/2 bath - 1,000 sq ft - 10 spaces

Guest parking - 2.25 spaces

Total Parking - 25 Spaces ✓



# ATTACHMENT 3



## 7 Units

Four Units - 3 bed/2 bath - 1,250 sq ft = 10 spaces  
 Three Units - 2 bed/2 bath - 1,100 sq ft = 6 spaces  
 Guest parking = 1.60 spaces  
 Total Parking = 17 Spaces  
 16 Spaces Provided



20525 Pioneer Blvd - Lakewood - Site Plan 4



# ATTACHMENT 4

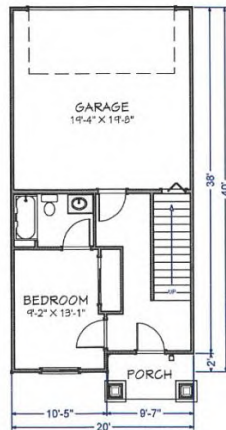


16 Units

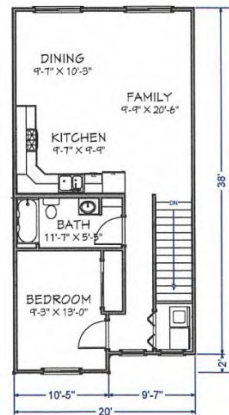
7 - 3 Bedroom/2 Bath - 1,250 Sq ft

9 - 2 Bedroom/2 Bath - 1,100 Sq ft

2 bedroom - 2 bath - 1100 sq ft

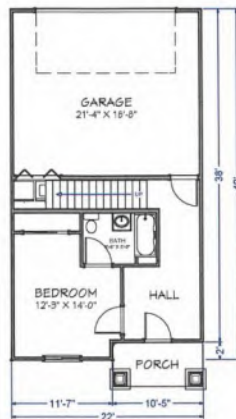


FIRST FLOOR



SECOND FLOOR

3 bedroom - 2 bath - 1250 sq ft



FIRST FLOOR



SECOND FLOOR

11644 206<sup>th</sup> St – Lakewood – Site 1 Floor Plan and Rendering

# ATTACHMENT 5

**DISPOSITION, DEVELOPMENT AND GRANT AGREEMENT  
(20920 Roseton Avenue, 20525-29 Pioneer Boulevard,  
11610-18 207<sup>th</sup> Street, 11644 206<sup>th</sup> Street and  
11643-49 207<sup>th</sup> Street)**

by and among

**CITY OF LAKEWOOD**

and

**HABITAT FOR HUMANITY OF  
GREATER LOS ANGELES**

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## **SCHEDULE OF ATTACHMENTS**

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ATTACHMENT E	LIST OF DUE DILIGENCE REPORTS
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ATTACHMENT G	FORM OF RELEASE OF CONSTRUCTION COVENANTS

## **DISPOSITION, DEVELOPMENT AND GRANT AGREEMENT**

**THIS DISPOSITION, DEVELOPMENT AND GRANT AGREEMENT (20920 Roseton Avenue, 20525-29 Pioneer Boulevard, 11610-18 207th Street, and 11644 206th Street & 11643-49 207th Street)** (“Agreement”) dated for identification purposes only as of May 14, 2024, is made and entered into by and among the **CITY OF LAKEWOOD**, a California municipal corporation (“City”) and **HABITAT FOR HUMANITY OF GREATER LOS ANGELES**, a California nonprofit public benefit corporation (“Habitat” or “Developer”), with reference to the following:

### **RECITALS**

The following Recitals are a substantive part of this Agreement. Capitalized terms used in these Recitals and not otherwise defined shall have the meaning set forth in Section 1.1.

A. The former Lakewood Redevelopment Agency (“**Former Agency**”) was formed in accordance with all applicable laws. In accordance with California Health and Safety Code Section 34172, the Former Agency was dissolved as of February 1, 2012. The City is the successor to the “housing assets” (as defined in California Health and Safety Section 34176) of the Former Agency (“**Housing Successor**”).

B. In its capacity as Housing Successor, City owns certain real property at 20920 Roseton Avenue, 20525-29 Pioneer Boulevard, 11610-18 207th Street, 11644 206th Street, and 11643-49 207th Street, Lakewood, California (APNs 7059-011-900, 7059-019-900, 7059-019-901, 7059-019-902, 7059-014-900, 7059-014-901, 7059-015-901, 7059-015-900 and 7059-015-902), as described in the Legal Description attached as Attachment A (collectively, the “**Property**”). The Property is vacant land and was purchased by the Former Agency using low and moderate income housing funds for the purpose of constructing affordable housing.

C. Habitat is a California nonprofit public benefit corporation whose purpose is to construct and sell affordable for-sale housing. Developer desires to acquire ownership of the Property and construct thirty seven (37) townhomes on the Property and certain real property already owned by Habitat located at 11637 207th Street (the “**Habitat Property**”) (each, a “**Unit**”) and related improvements in accordance with the terms hereof (collectively, the “**Project**”).

D. City has agreed to sell the Property to Developer in consideration of an aggregate of Twenty Thousand Dollars (\$20,000) (the “**Purchase Price**”) and the covenants and obligations set forth herein.

E. Developer anticipates that it will utilize, to the extent available, sweat equity, corporate sponsorships, construction financing, and public funds to finance the Project. The newly constructed Units to be built on the Property shall be held for sale to Low Income Households all at an Affordable Sales Price. The Units restricted for sale to Low Income Households to be constructed on the Property shall be collectively referred to herein as the “**Restricted Units**” or individually referred to as a “**Restricted Unit**.”

F. City is requiring certain off-site improvements in connection with the construction of the Project. To facilitate construction of the off-site improvements, City desires to grant to Developer certain funds to be used to complete the off-site improvements.

G. In consideration of the conveyance of the Property and the other obligations of City set forth herein, Developer is willing to accept the statutorily authorized occupancy restrictions and other conditions set forth herein.

H. The conveyance of the Property pursuant to the terms and conditions of this Agreement are in accordance with the City's affordable housing goals and objectives in its capacity as Housing Successor and the purpose of improving communities through affordable and safe housing in accordance with applicable state and local laws.

**NOW, THEREFORE,** City and Developer hereby agree as follows:

## **1. DEFINITIONS**

### **1.1. Defined Terms**

As used in this Agreement, the following capitalized terms shall have the following meanings:

***“Additional Endorsements”*** is defined in Section 3.5.

***“Affiliate”*** means any person or entity directly or indirectly, through one or more intermediaries, controlling, controlled by or under common control with a party which, if the party is a partnership or limited liability company, shall include each of the constituent members or general partners, respectively, thereof. The term “control” as used in the immediately preceding sentence, means, with respect to a person that is a corporation, the right to the exercise, directly or indirectly, of not less than 50% of the voting rights attributable to the shares of the controlled corporation, and, with respect to a person that is not a corporation, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of the controlled person.

***“Affordable Housing Cost”*** means, for Low Income Households, the monthly debt service payment on a third party purchase money mortgage used to purchase a Restricted Unit, which will result in Affordable Monthly Housing Expenses that do not exceed an “affordable housing cost” for the appropriate income level as calculated pursuant to Health and Safety Code Section 50052.5(b). For any Lower Income Household that has a Gross Income that equals or exceeds seventy percent (70%) of the area median income adjusted for actual family size, the monthly debt service payment on a third party purchase money mortgage used to purchase a Restricted Unit shall result in Affordable Monthly Housing Expenses that do not exceed thirty percent (30%) of the monthly Gross Income of the Household. The term “adjusted for family size appropriate to the unit” shall have the meaning set forth in Health and Safety Code Section 50052.5(h) or its successor statute(s).

***“Affordable Monthly Housing Expenses”*** means aggregate monthly housing expenses that include all of the following associated with the Restricted Unit, estimated or known as of the date of the proposed purchase of the Restricted Unit: (i) principal and interest payments on a mortgage loan(s) including any loan insurance fees associated therewith (a first lien mortgage loan is required hereunder to bear a fixed rate of interest and require level payments throughout its thirty (30) year term); (ii) property taxes and assessments; (iii) fire and casualty insurance covering replacement value of property improvements; (iv) any homeowner association fees; (v) a reasonable utility allowance; and (vi) estimated property maintenance and repairs.

***“Affordability Period”*** means the period commencing upon the closing of escrow for the sale of the Affordable Unit to a Qualified Buyer and terminating no earlier than the forty fifth (45<sup>th</sup>) anniversary thereof.

***“Affordable Resale Price”*** means the sales price to be used when a Qualified Buyer sells an Affordable Unit to an Eligible Purchaser. Such sales price shall not exceed fair market value, and shall be paid for with financing that results in an Affordable Housing Cost to the Eligible Purchaser.

***“Affordable Sale Price”*** means the sales price of a Restricted Unit, which shall not exceed fair market value, and shall be paid for with financing that results in an Affordable Housing Cost to the Qualified Buyer.

***“Affordable Unit”*** means each of the newly constructed residential units in the Project which shall be available to, occupied by or held for sale exclusively to Low Income Households.

***“Agreement”*** means this Disposition, Development and Grant Agreement, including all Recitals, Attachments, agreements entered into in the form of an Attachment, and all other agreements entered into by and between the Parties in connection therewith, which are hereby incorporated herein, and includes all amendments and modifications thereto.

***“Attachment(s)”*** means any or all of Attachments A through H to this Agreement, and any amendments or modifications thereto.

***“Business Day(s)”*** means Monday through Friday, except for federal and state holidays.

***“Challenge”*** is defined in Section 7.2.1.

***“Challenge Notice”*** is defined in Section 7.2.1.

***“City Conditions Precedent to Closing”*** is defined in Section 3.7.1.

***“City Grant Deed”*** means one or more grant deeds conveying title to the Property from City to Developer substantially in the form of Attachment C.

***“City Indemnitees”*** means City, and its council, boards, commissions, officers, employees, representatives, consultants, contractors and agents.

***“City Manager”*** means the City Manager of the City or his/her designated representative.

***“Closing”*** means the date upon which the City Grant Deed is recorded in the Official Records, all of the conditions precedent set forth in Section 3.7 hereof are satisfied or deemed satisfied, and all additional documents received by Escrow to be recorded in connection therewith (if any) are recorded in the Official Records. In no event shall the closing date exceed the Outside Closing date as defined herein.

***“Condition of Title”*** is defined in Section 3.4.

**“Conveyance”** means the transfer of fee title to the Property to Developer. The Conveyance shall occur upon Closing.

**“County”** means the County of Los Angeles, California.

**“Declaration”** means a Declaration of Covenants, Conditions and Restrictions substantially in the form of Attachment D to be recorded against the Property and the Habitat Property at Closing.

**“Developer”** means Habitat for Humanity of Greater Los Angeles, a California nonprofit public benefit corporation, and any permitted successors and assigns.

**“Developer Indemnitees”** means Habitat, and its boards, officers, employees, representatives, consultants, contractors and agents.

**“Developer’s Environmental Reports”** is defined in Section 3.2.2.

**“Disbursement Request”** is defined in Section 4.3.

**“Due Diligence Period”** means the time period that begins on the Effective Date and ends ninety (90) days from the Effective Date.

**“Due Diligence Reports”** means the environmental and other reports regarding the Property prepared by or on behalf of the City or in its possession, a complete list of which is set forth in Attachment E hereto.

**“Effective Date”** means the date this Agreement is executed by City and Developer.

**“Eligible Purchaser”** means a household purchasing an Affordable Unit upon resale of the Affordable Unit by the Qualified Buyer or a subsequent Eligible Purchaser, which such household must (a) qualify as a Low Income Household, as appropriate to the Affordable Unit, and (b) meet the other requirements set forth herein for buyers of an Affordable Unit, including, without limitation, the requirement that the buyer(s) agree to occupy the Affordable Unit as their primary residence and restrict the sale of the Affordable Unit to Eligible Purchasers at an Affordable Resale Price for the remaining term of the Affordability Period.

**“Environmental Laws”** means any and all present and future federal, state and local laws (whether under common law, statute, ordinance, rule, regulation or otherwise), court or administrative orders or decrees, requirements of permits issued with respect thereto, and other requirements of governmental authorities relating to the environment or to any Hazardous Substance or Hazardous Substance Activity (including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. § 9601, *et seq.*), as heretofore or hereafter amended from time to time (“CERCLA”), and the applicable provisions of the Health and Safety Code and the Water Code, and any and all successor statutes and regulations, orders, decrees, guidelines, or pronouncements promulgated thereunder).

**“Environmental Reports”** mean the environment reports and assessments in the possession of City set forth in the List of Due Diligence Reports attached hereto as Attachment E.

**“Escrow”** is defined in Section 3.3.

**“Escrow Agent”** means a qualified escrow company approved in writing by the Parties.

**“Escrow Costs”** are defined in Section 3.3.

**“Event of Default”** is defined in Section 7.1.

**“Exceptions”** is defined in Section 3.4.

**“First Time Homebuyer”** means a person who has not owned and occupied their own home in the last three years.

**“Governmental Regulations”** means all local, state, and federal laws, ordinances, rules, requirements, resolutions, policy statements and regulations (including, without limitation, those relating to land use, subdivision, zoning, environmental, labor relations, prevailing wage, notification of sale to employees, Hazardous Substance, occupational health and safety, water, earthquake hazard reduction and building and fire codes; and including all Environmental Laws) bearing on the demolition, alteration, replacement, repair, refurbishing, improvement, construction, maintenance, management, use, or operation of the Project.

**“Grant”** is defined in Section 4.3.

**“Grant Amount”** is defined in Section 4.3.

**“Gross Income”** shall mean the total annual gross income of all members of a Household 18 and over, determined in accordance with Section 6914 of Title 25 of the California Code of Regulations.

**“Habitat Property”** is defined in Recital C.

**“Habitat Subordinate Mortgage Assistance”** means a subordinate mortgage loan made by Habitat to a Qualified Buyer for the purchase of an Affordable Unit bearing a fixed interest rate and requiring no payments of principal or interest. The loan and any outstanding interest may be assumable by an Eligible Purchaser. Unless assumed by an Eligible Purchaser, all outstanding principal and interest shall be due and payable upon the resale of the Affordable Unit. The loan shall be subject to such other terms and conditions as agreed to by the Parties.

**“Hazardous Substance”** means any substance, material, or waste which is or becomes regulated by any local governmental authority, the State of California, or the United States Government, including, but not limited to, any material or substance which is (i) defined as a “hazardous waste”, “acutely hazardous waste”, “extremely hazardous waste”, or “restricted hazardous waste” under Section 25115, 25117 or 25122.7, or listed pursuant to Section 25140 of the California Health and Safety Code, Division 20, Chapter 6.5 (Hazardous Waste Control Law), (ii) defined as a “hazardous substance” under Section 25316 of the California Health and Safety Code, Division 20, Chapter 6.8 (Carpenter-Presley-Tanner Hazardous Substance Account Act), (iii) defined as a “hazardous material”, “hazardous substance”, or “hazardous waste” under Section 25501 of the California Health and Safety Code, Division 20, Chapter 6.95 (Hazardous Materials Release Response Plans and Inventory), (iv) defined as a “hazardous substance” under Section 25281 of the California Health and Safety Code, Division 20, Chapter 6.7 (Underground Storage of Hazardous Substances), (v) petroleum, petroleum based products and petroleum additives and derived substances, (vi) asbestos and lead based paint, (vii) polychlorinated biphenyls, (viii) listed

under Article 9 or defined as “hazardous” or “extremely hazardous” pursuant to Article 11 of Title 22 of the California Code of Regulations, Chapter 20, (ix) designated as “hazardous substances” pursuant to Section 311 of the Clean Water Act (33 U.S.C. Section 1317), (x) defined as a “hazardous waste” pursuant to Section 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq. (42 U.S.C. Section 6903), (xi) defined as “hazardous substances” pursuant to Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. Section 9601 et seq., (xii) methyl-tert butyl ether, (xiii) mold, fungi, viruses and bacterial matter, or (xiv) any other toxic substance, whether in the form of a solid, liquid, gas or any other form whatsoever, which by any Governmental Regulations either requires special handling in its use, transportation, generation, collection, storage, handling, treatment or disposal, or is defined as “hazardous” or harmful to human health or the environment.

***“Hazardous Substance Activity”*** means any actual, proposed or threatened storage, holding, existence or suspected existence, release or suspected release, emission, discharge, generation, processing, abatement, removal, disposition, treatment, handling or transportation of any Hazardous Substance from, under, into, on, above, or across the Property or any other use of or operation on the Property that creates a risk of Hazardous Substance contamination of the Property.

***“HCD”*** means the California Department of Housing and Community Development or any successor entity.

***“Household”*** means one or more persons purchasing and occupying a Restricted Unit.

***“HUD”*** shall mean the United States Department of Housing and Urban Development.

***“Improvements”*** shall mean and include any improvement of whatsoever character constructed on, around, under or over on the Property existing as of the date of Closing and any rehabilitation, construction, demolition, remediation and grading done on the Property by Developer subsequent to Closing, as well as all buildings, structures, fixtures, foundations, excavation, parking, landscaping, underground installations, and other work, construction and improvement of whatsoever character undertaken or constructed on, around, under or over the Property by Developer.

***“List of Due Diligence Reports”*** means the list included in Attachment E hereto.

***“Losses and Liabilities”*** means and includes all claims, causes of action, liabilities, losses, damages (including, without limitation, penalties, fines and monetary sanctions), injuries, expenses, charges, penalties or costs of whatsoever character, nature and kind, including reasonable attorney’s fees and costs incurred by the indemnified party with respect to counsel of its choice, whether to property or to person, whether by direct or derivative action, and whether known or unknown, suspected or unsuspected, latent or patent.

***“Low Income Household”*** means a Household whose annual Gross Income does not exceed the California state income limits for a “Low Income” Household (as defined in Health and Safety Code Section 50079.5) for Los Angeles County, adjusted for actual Household size, as published annually by HCD pursuant to Health and Safety Code Section 50093.

**“Notice”** means a notice in the form prescribed by Section 8.1.

**“Official Records”** means the official records of the Los Angeles County Recorder’s Office.

**“Outside Closing Date”** means June 30, 2024. The Outside Closing Date may be extended upon the written approval of the City Manager and Developer.

**“Parties”** mean City and Developer; **“Party”** means City or Developer.

**“Permitted Exceptions”** shall mean those encumbrances, liens, taxes, assessments, easements, rights of way, leases, covenants, agreements or other exceptions affecting title to the Property as of the date of recordation of the City Grant Deed which are not disapproved in writing by the Developer.

**“Permitted Mortgage”** shall mean a conveyance of a security interest in the Property to secure a construction loan to finance the development of the Project, or any conveyance of a security interest in a Property to secure any refinancing to the extent it repays a Permitted Mortgage Loan, or the conveyance of title to the mortgagee or its assignee in connection with a foreclosure or a deed in lieu of foreclosure of such loan.

**“Permitted Mortgage Loan”** shall mean the obligations secured by a Permitted Mortgage.

**“Permitted Transfer”** shall mean assignment of all or any part of this Agreement or any right therein, or the sale, agreement to sell, transfer, encumbrance, conveyance or assignment of the Property or any portion thereof or interest therein to any of the following:

- a. The granting of easements, licenses or permits to facilitate the development of the Property; or
- b. The encumbrance of the Property by a Permitted Mortgage; or
- c. The sale or lease to a Qualified Buyer of any Affordable Unit in accordance with the terms of this Agreement.

**“Preliminary Title Report”** is defined in Section 3.4.

**“Project”** means the acquisition of the Property by Developer, and improvement of the Property and the Habitat Property by constructing the Improvements such that upon completion, the Improvements will consist of thirty-seven (37) newly constructed townhomes, and other improvements in accordance with this Agreement.

**“Property Purchase Price”** means Twenty Thousand Dollars (\$20,000).

**“Qualified Buyer”** means a Household (a) whose income does not exceed the income set forth herein for a Low Income Household, as designated herein; (b) whose members meet the other requirements set forth herein for buyers of a Restricted Unit, including, without limitation, the requirement that the buyer(s) agree to occupy a Restricted Unit as their primary residence and restrict the sale of any Affordable Unit to Eligible Purchasers at an Affordable Resale Price for the Affordability Period; and (c) whose household members who will be on title as owners of the Restricted Unit are First Time Homebuyers as defined herein.



***“Release of Construction Covenants”*** means a release of construction covenants substantially in the form of Attachment G hereto.

***“Representatives”*** means the agents, employees, members, independent contractors, affiliates, principals, shareholders, officers, Executive Directors, council members, board members, committee members, and planning and other commissioners, partners, attorneys, accountants, representatives, and staff of the referenced entity and the predecessors, heirs, successors and assigns of all such persons.

***“Restricted Unit Closing”*** means the closing of an escrow conveying title to a Restricted Unit to a Qualified Buyer.

***“Restricted Units”*** is defined in Recital E.

***“Right of Entry and License Agreement (Due Diligence)”*** means a Right of Entry and License Agreement in a form acceptable to the parties.

***“Schedule of Performance”*** means that certain Schedule of Performance attached hereto as Attachment F, as may be amended from time to time.

***“Scope of Development”*** means that certain Scope of Development attached hereto as Attachment B, as may be amended from time to time.

***“Title Company”*** means any qualified title company approved in writing by the Parties.

***“Unit”*** is defined in Recital C.

#### 1.2. Singular and Plural Terms

Any defined term used in the plural herein shall refer to all members of the relevant class and any defined term used in the singular shall refer to any number of the members of the relevant class.

#### 1.3. Accounting Principles

Any accounting term used and not specifically defined herein shall be construed in conformity with, and all financial data required to be submitted herein shall be prepared in conformity with, generally accepted accounting principles applied on a consistent basis or in accordance with such other principles or methods as are reasonably acceptable to the President of Developer.

#### 1.4. References and Other Terms

Any reference to any document shall include such document both as originally executed and as it may from time to time be modified. References herein to Sections and Attachments shall be construed as references to this Agreement unless a different document is named. References to subparagraphs shall be construed as references to the same Section in which the reference appears. The term “document” is used in its broadest sense and encompasses agreements, certificates, opinions, consents, instruments and other written material of every kind. The terms “including” and “include” mean “including (include), without limitation.”

1.5. Recitals and Attachments Incorporated; Attachments Additional Consideration

The Recitals are a substantive part of this Agreement, and are hereby incorporated by this reference. All Attachments, as now existing and as the same may from time to time be amended or modified, are incorporated herein by this reference. Each Attachment or agreement delivered by City, Developer or another party substantially in the form of an Attachment hereto in connection with this Agreement is required as and constitutes consideration for City's and/or Developer's obligations hereunder.

1.6. Effective Date

This Agreement shall become binding and the rights and obligations herein shall vest with the respective Parties upon the Effective Date.

**2. REPRESENTATIONS AND COVENANTS**

2.1. Representations by the Developer

Developer hereby represents and warrants to City as follows:

2.1.1. Organization

Habitat is duly organized in the State of California, and validly existing and in good standing under the laws of the State of California and has the power and authority to own and purchase property and carry on its business as is now being conducted.

2.1.2. Authority

Habitat has the legal power, right and authority to execute, deliver and enter into this Agreement and any and all other agreements and documents required to be executed and delivered by Habitat in order to carry out, give effect to, and consummate the transactions contemplated by this Agreement, and to perform and observe the terms and provisions of all of the above. The parties who have executed this Agreement and all other documents or instruments executed and delivered, or to be executed and delivered, pursuant to this Agreement are authorized to execute and deliver the same on behalf of Habitat and all actions required under Habitat's organizational documents and applicable governing law for the authorization, execution, delivery and performance of this Agreement and all other documents or instruments executed and delivered, or to be executed and delivered pursuant hereto, have been duly taken.

2.1.3. Valid and Binding Agreements

This Agreement and all other documents or instruments which have been executed and delivered pursuant to or in connection with this Agreement constitute or, if not yet executed or delivered, will constitute when so executed and delivered, legal, valid and binding obligations of Habitat, enforceable against it in accordance with their respective terms, except as enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws and court decisions or general principles of equity.

#### 2.1.4. Contingent Obligations

Habitat does not have any contingent obligations or any contractual agreements which could materially adversely affect the ability of Habitat to carry out its obligations hereunder.

#### 2.1.5. Litigation

To Habitat's knowledge, no action, suit or proceedings are pending or threatened before any governmental department, commission, board, bureau, agency or instrumentality to which Habitat is or may be made a party or to which any of its property is or may become subject, which has not been fully disclosed to the City and which could materially adversely affect the ability of Habitat to carry out its obligations hereunder.

#### 2.1.6. No Conflict

Habitat's execution and delivery of this Agreement and any other documents or instruments executed and delivered, or to be executed or delivered, pursuant to this Agreement, and the performance of any provision, condition, covenant or other term hereof or thereof, do not or will not conflict with or result in a breach of any statute, rule or regulation, or any judgment, decree or order of any court, board, commission or agency whatsoever binding on Habitat, or any provision of the organizational documents of Habitat, or will conflict with or constitute a breach of or a default under any agreement to which Habitat is a party, or will result in the creation or imposition of any lien upon any assets or property of Habitat, other than liens established pursuant hereto.

#### 2.1.7. No Developer Bankruptcy

To Habitat's knowledge, no attachments, execution proceedings, assignments for the benefit of creditors, insolvency, bankruptcy, reorganization, receivership or other proceedings are pending or threatened against Habitat, nor are any of such proceedings contemplated by Habitat. Habitat is able to pay its debts when they come due.

Each of the foregoing representations shall be deemed to be a representation and warranty as of the date of execution of this Agreement and as of the date of Closing.

### 2.2. Representations by City

City hereby represents and warrants to Developer as follows:

#### 2.2.1. Organization

City is duly organized in the State of California, and validly existing and in good standing under the laws of the State of California and has the power and authority to purchase, own and sell property and carry on its business as now being conducted.

#### 2.2.2. Authority

City has the legal power, right and authority to execute, deliver and enter into this Agreement and any and all other agreements and documents required to be executed and delivered by the City in order to carry out, give effect to, and consummate the transactions contemplated by this Agreement, and to perform and observe the terms and provisions of all of the

above. The parties who have executed this Agreement and all other documents or instruments executed and delivered, or to be executed and delivered, pursuant to this Agreement are authorized to execute and deliver the same on behalf of the City and all actions required under City's organizational documents and applicable governing law for the authorization, execution, delivery and performance of this Agreement and all other documents or instruments executed and delivered, or to be executed and delivered pursuant hereto, have been duly taken.

#### 2.2.3. Valid and Binding Agreements

This Agreement and all other documents or instruments which have been executed and delivered pursuant to or in connection with this Agreement constitute or, if not yet executed or delivered, will constitute when so executed and delivered, legal, valid and binding obligations of City, enforceable against it in accordance with their respective terms, except as enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws and court decisions or general principles of equity.

#### 2.2.4. Title to Property.

City holds good and marketable title to the Property, and upon the recordation of the City Grant Deed, the Developer will have good and marketable title to the Property and there will exist thereon or with respect thereto no mortgage, lien, pledge or other encumbrance of any character whatsoever other than those liens approved by the Developer, liens for current real property taxes and assessments not yet due and payable, and liens in favor of the Developer or approved in writing by the Developer.

#### 2.2.5. Contingent Obligations

City does not have any contingent obligations or any contractual agreements which could materially adversely affect the ability of the City to carry out its obligations hereunder.

#### 2.2.6. Litigation

To City's knowledge, no action, suit or proceedings are pending or threatened before any governmental department, commission, board, bureau, agency or instrumentality to which City is or may be made a party or to which any of its property is or may become subject, which has not been fully disclosed to Developer and which could materially adversely affect the ability of the City to carry out its obligations hereunder.

#### 2.2.7. No Conflict

City's execution and delivery of this Agreement and any other documents or instruments executed and delivered, or to be executed or delivered, pursuant to this Agreement, and the performance of any provision, condition, covenant or other term hereof or thereof, do not or will not conflict with or result in a breach of any statute, rule or regulation, or any judgment, decree or order of any court, board, commission or agency whatsoever binding on City, or any provision of the organizational documents of City, or will conflict with or constitute a breach of or a default under any agreement to which City is a party, or will result in the creation or imposition of any lien upon any assets or property of City, other than liens established pursuant hereto.

#### 2.2.8. No City Bankruptcy

To City's knowledge, no attachments, execution proceedings, assignments for the benefit of creditors, insolvency, bankruptcy, reorganization, receivership or other proceedings are pending or threatened against the City, nor are any of such proceedings contemplated by City.

### 2.3. Limitation Upon Change in Ownership, Management and Control of Developer

#### 2.3.1. Prohibition

The identity and qualification of Developer as an experienced and successful residential housing developer are of particular concern to the City. It is because of this identity and these qualifications that City has entered into this Agreement with the Developer. No voluntary or involuntary successor in interest of Developer shall acquire any rights or powers under this Agreement by assignment, operation of law or otherwise, nor shall Developer make any total or partial sale, transfer, conveyance, encumbrance to secure financing (excluding, without limitation, the grant of a deed of trust to secure funds necessary for construction financing of the Project), distribution, assignment or lease of the whole or any part of the Property or any material change in the management or control of Developer (including, without limitation, a change in the identity of the Developer, or a change in the management or control of Developer) prior to the sale of the Restricted Units to a Qualified Buyer except as expressly set forth herein. Any purported transfer, voluntary or by operation of law, in violation of this Section 2.3 shall constitute a default hereunder and shall be void and City shall have the cumulative options to terminate this Agreement, and to seek all remedies available at law or equity. No transfer or assignment shall relieve the Developer from its obligations hereunder.

#### 2.3.2. Permitted Transfers by Developer

Notwithstanding any other provision of this Agreement to the contrary, the prior approval of City for a conveyance of the Property or any interest therein or part thereof shall not be required in connection with a Permitted Transfer.

#### 2.3.3. City Consideration of Requested Transfer

Developer shall provide City with at least sixty (60) days prior written notice of its intent to assign, finance, refinance or transfer the Property (excluding a Permitted Transfer or any proposed sale of a Unit in accordance with Section 5 hereof) or this Agreement or effect a material change in the management or control of Developer and shall request any approval sought for such assignment or transfer. The notice shall be accompanied by evidence regarding the proposed transferee's development, operation and management qualifications and experience and its financial commitments and resources.

After receipt of Developer's written request for City approval of an assignment or transfer pursuant to this Section 2.3.3, City shall use commercially reasonable efforts to promptly respond in writing (but in no event later than thirty (30) days) either approving the proposed assignee or transferee or requesting further information required by City in order to determine whether or not to grant the requested approval. Upon receipt of such a request for further information, Developer shall promptly furnish to City such requested information.

#### 2.3.4. Successors and Assigns

All of the terms, covenants and conditions of this Agreement shall be binding upon Developer and any permitted successors and assigns of Developer, except in the case of the sale of a Restricted Unit in accordance with Section 5.

### **3. DISPOSITION OF SITE; ENVIRONMENTAL MATTERS**

#### 3.1. Transfer of Property

City is the owner in fee of the Property. In consideration of payment of the Property Purchase Price and such other covenants and consideration as set forth in this Agreement, and upon satisfaction of City's Conditions Precedent to Closing, City shall convey the fee interest in the Property to Developer. The Closing shall occur no later than the Outside Closing Date. City shall convey all of City's interest in the Property to Developer by execution of the City Grant Deed.

#### 3.2. Condition of the Property; Environmental

##### 3.2.1. Disclosure

Prior to Closing, City shall deliver to Developer copies of the Due Diligence Reports. Other than as may be set forth in the list of Environmental Reports included in the List of Due Diligence Reports set forth herein, City hereby represents and warrants to Developer that City has not received any prior written notice or communication from any government agencies having jurisdiction over the Property, notifying City or any third party of, and City has no actual knowledge of, the presence of surface or subsurface zone Hazardous Materials in, on, or under the Property, or any portion thereof.

##### 3.2.2. Developer's Investigation of the Property

Developer shall have the opportunity to investigate the condition of the Property during the Due Diligence Period. Developer may elect to proceed with the Closing prior to the expiration of the Due Diligence Period. Developer represents that except for the indemnifications, representations, warranties and covenants of City contained in this Agreement, it has relied and shall rely solely upon (i) its own expertise and that of Developer's consultants in purchasing the Property, and (ii) Developer's own knowledge of the Property based on its investigations and inspections. Developer has conducted, or by the Closing will conduct, such inspections and investigations of the Property as Developer deemed or shall deem necessary, including, but not limited to, the physical and environmental conditions of the Property and shall rely upon same. Developer acknowledges and agrees that except for the indemnifications, representations and warranties of City herein, upon Closing, City shall sell and convey to Developer and Developer shall accept the Property "as is, where is," with all faults and defects (latent and apparent). Except for the indemnifications, representations and warranties of City contained herein and in any documents executed and delivered by City at Closing pursuant to this Agreement, Developer further acknowledges and agrees that there are no oral agreements, warranties or representations, collateral to or affecting the Property by City or any agent, employee or contractor of City or any third party. Developer acknowledges that the Property Purchase Price reflects the "as is" nature of this sale and any faults, liabilities, defects or other adverse matters that may be associated with the Properties.

During Developer's Due Diligence Period, representatives of Developer shall have the right to access the Property during regular business hours and upon reasonable Notice to City for the purpose of obtaining data and conducting surveys and tests necessary to reasonably assess the suitability of the Property for the Project. Any surveys and tests conducted on the Property by Developer's representatives shall be done at the sole expense of Developer and only after (i) Developer has secured any necessary permits from the appropriate governmental agencies and (ii) Developer has delivered to City a copy of the Right of Entry and License Agreement (Due Diligence) fully executed and acknowledged by Developer and satisfied the conditions precedent to Developer's entry onto the Property set forth therein.

During the Due Diligence Period, Developer shall have the right, at its sole cost and expense, to engage its own environmental consultant ("**Developer's Environmental Consultant**"), to make such investigations as Developer deems necessary, including without limitation any "Phase 1" and/or "Phase 2" investigations of the Property or any portion thereof, and City shall promptly be provided a copy of all reports and test results provided by Developer's Environmental Consultant (the "**Developer's Environmental Reports**").

### 3.2.3. Developer Approval or Disapproval of Condition of Property

(A) Physical Condition of Property. Developer shall approve or disapprove of the physical condition of the Property within Developer's Due Diligence Period. Developer's approval of the physical condition of the Property shall be both a City's and a Developer's Condition Precedent to the Closing. If Developer, based upon Developer's soils and engineering reports, disapproves of the physical condition of the Property, then Developer may, in Developer's sole discretion, terminate the Escrow and this Agreement by written Notice to City.

(B) Environmental Condition of Property. In addition, Developer shall approve or disapprove of the environmental condition of the Property within Developer's Due Diligence Period. Developer's approval of the environmental condition of the Property shall be both a City's and Developer's Condition Precedent to the Closing. If Developer disapproves of the environmental condition of the Property, then Developer may terminate the Escrow and this Agreement by written Notice to City.

(C) Notice to Proceed or Terminate. Prior to the termination of Developer's Due Diligence Period, Developer may deliver to City and Escrow Agent either (i) Notice of Developer's intention to proceed with the acquisition of the Property ("**Developer's Notice to Proceed**"), or (ii) Notice of Developer's intention to terminate Escrow and this Agreement ("**Developer's Notice to Terminate**"). Escrow for the Property and this Agreement shall terminate upon delivery of Developer's Notice to Terminate. If Developer elects to complete the Closing, Developer shall be deemed to have accepted the environmental, physical and other conditions of the Property upon the Closing.

### 3.2.4. Required Disclosures After Closing

After the Closing, Developer shall notify City, and provide to City a copy or copies, of all environmental permits, disclosures, applications, entitlements or inquiries relating to the Property, including notices of violation, notices to comply, citations, inquiries, clean-up or abatement orders, cease and desist orders, reports filed pursuant to self-reporting requirements and reports filed or applications made pursuant to any Governmental Requirement relating to Hazardous Materials and underground tanks.

Developer shall report to City, reasonably promptly after each incident, any unusual or potentially important incidents with respect to the environmental condition of the Property. In the event of a release of any Hazardous Materials into the environment, Developer shall, reasonably promptly after the release, furnish to City a copy of any and all reports relating thereto and copies of all correspondence with governmental agencies relating to the release. Upon request, Developer shall furnish to City a copy or copies of any and all other environmental entitlements or inquiries relating to or affecting the Property including, but not limited to, all permit applications, permits and reports.

### 3.2.5. Duty to Prevent Hazardous Material Contamination

After the Closing, Developer shall take all reasonably customary and necessary precautions to prevent the release of any Hazardous Substance onto the Property or into the environment in connection with the use or development thereof in violation of applicable Governmental Regulations. Such precautions shall include complying with and causing all activities on the Property to comply with all Governmental Regulations with respect to Hazardous Substance. In addition, the Developer shall install and utilize such equipment and implement and adhere to all procedures, requirements and restrictions imposed by Governmental Regulations pertaining to the disclosure, storage, use, removal and disposal of Hazardous Substance. Developer further covenants that it shall not, except for customary materials used and applied in accordance with all Governmental Regulations and in the ordinary course of constructing, maintaining and operating the Improvements or customarily utilized by households for domestic purposes in accordance with all Governmental Regulations, (i) deposit Hazardous Substance in, on or upon the Property, in violation of any applicable Governmental Regulations, nor (ii) permit the deposit of Hazardous Substance in, on or upon the Property in violation of any applicable Governmental Regulations.

### 3.2.6. Environmental Inquiries

In the event that, after Closing, Developer discovers the presence of Hazardous Substance under or upon the Property in violation of applicable Governmental Regulations, or there is a release of Hazardous Substance on or from the Property, the Developer shall provide to City a copy of any environmental permits, disclosures, applications, entitlements or inquiries relating to such Hazardous Substance, including any notices of violation, notices to comply, citations, inquiries, clean up or abatement orders, cease and desist orders, reports filed pursuant to self reporting requirements and reports filed or applications made pursuant to any Governmental Regulations relating to Hazardous Substance and underground tanks including, specifically, without limitation, the following:

- i. All required reports of releases of Hazardous Substance, including notices of any release of Hazardous Substance as required by any Governmental Regulations;
- ii. All notices of suspension of any environmental permits;
- iii. All notices of violation from federal, state or local environmental authorities;
- iv. All orders under the State Hazardous Waste Control Act and the State Hazardous Substance Account Act and corresponding federal statutes, concerning investigation, compliance schedules, clean up, or other remedial actions;



v. All orders under the Porter Cologne Act, including corrective action orders, cease and desist orders, and clean up and abatement orders;

vi. Any notices of violation from OSHA or Cal OSHA concerning employees' exposure to Hazardous Materials; and

vii. All complaints and other pleadings filed against the Developer relating to the Developer's storage, use, transportation, handling or disposal of Hazardous Substance on the Property.

In the event that a release of Hazardous Substance into the environment occurs on the Property following the Closing in violation of applicable Governmental Regulations, the Developer shall promptly and fully remediate such Hazardous Substance in accordance with all Governmental Regulations. Upon request of City, the Developer shall furnish to City a copy of any and all other environmental documents or inquiries relating to or affecting the Property from time to time during Developer's ownership or possession thereof.

### 3.3. Escrow

Not later than thirty (30) days after the Effective Date, the Parties shall open escrow (the "**Escrow**") for the Conveyance with Escrow Company.

Developer shall pay the customary and usual Escrow fees, charges and costs which arise from the Escrow (the "**Escrow Costs**"), and prepare and enter into such escrow instructions as are reasonably acceptable to Developer, City and Escrow Agent.

### 3.4. Review of Title

Not later than thirty (30) days after the Effective Date, City shall cause Title Company or another title company mutually acceptable to the Parties to deliver to Developer a standard preliminary title report with respect to the Property, together with legible copies of the documents underlying the exceptions (the "**Exceptions**") set forth in the Preliminary Title Report (collectively, the "**Preliminary Title Report**").

Developer shall have sixty (60) days from receipt of the Preliminary Title Report to give Notice to City and the Escrow Agent of Developer's approval or disapproval of the Preliminary Title Report, including without limitation any Exceptions. If Developer notifies City of Developer's disapproval of any items with respect to the Preliminary Title Report, City shall have the right, but not the obligation, to remove any disapproved items after receiving Notice of Developer's disapproval or provide assurances reasonably satisfactory to Developer that such items will be removed or remedied on or before the Closing. City shall exercise such right by Notice to Developer within ten (10) days of receipt of Notice from Developer of Developer's disapproval. If City cannot or does not elect to remove any disapproved items, Developer shall have ten (10) days after the expiration of City's ten (10) day election period to either (i) give City Notice that Developer intends to proceed with the Conveyance subject to the disapproved items or (ii) give City Notice that Developer does not elect to accept the Conveyance and elects to terminate the Escrow and this Agreement, whereupon any sums deposited by Developer into Escrow and all interest earned thereon shall be returned to Developer.

The Exceptions to title approved by Developer as provided herein shall hereinafter be referred to as the "**Permitted Exceptions**" and/or the "**Condition of Title.**" Developer shall

have the right to approve or disapprove in the manner provided in this Section any Exception reported by the Title Company or otherwise discovered after Developer has approved the Condition of Title (which are not created by Developer).

### 3.5. Title Insurance

Concurrently with the Closing, the Title Company shall issue and deliver to Developer, at Developer's cost, a CLTA owner's policy of title insurance, together with the Additional Endorsements (the "**Title Policy**"), insuring that ownership of the Property is vested in Habitat. The Title Policy shall be in such amount as is reasonably requested by Developer; provided, however, that the Title Company shall, if requested by Developer, provide any endorsements reasonably requested by Developer (the "**Additional Endorsements**"). The cost of the Additional Endorsements shall be borne by Developer. City shall cooperate with and assist Developer in obtaining any Additional Endorsements, including any required indemnities that are customary and reasonable, or special coverage reasonably requested by Developer.

### 3.6. Submittals into Escrow

The Parties shall submit documents and funds into Escrow as set forth in this Section.

#### 3.6.1. Submittals by Developer

At least five (5) Business Days prior to Closing, Developer shall submit (or take such action as to cause) into Escrow the following:

- (A) One originally executed copy of the City Grant Deed, duly executed by Developer and acknowledged.
- (B) The Declaration, duly executed by Habitat and acknowledged.
- (C) Any other documents or other deliverables reasonably requested by City or the Escrow Agent.
- (D) Funds sufficient to cover the Purchase Price, and costs of Escrow and Title to be paid by Developer in accordance herewith.

#### 3.6.2. Submittals by City

At least five (5) Business Days prior to Closing, City shall submit into Escrow the following:

- (A) The City Grant Deed, duly executed by City and acknowledged.
- (B) The Declaration, duly executed by City and acknowledged.
- (C) A non-foreign transferor affidavit in a form acceptable to Escrow Agent.
- (D) Any other documents or other deliverables reasonably requested by Developer or the Escrow Agent.

### 3.7. Conditions Precedent to Closing

Closing is conditioned upon satisfaction of the terms and conditions set forth in this Section.

#### 3.7.1. City's Conditions.

City's obligation to close Escrow and convey the Property to Developer is conditioned upon the satisfaction or written waiver by City of each and every one of the conditions precedent (A) through (G), inclusive, described below ("**City's Conditions Precedent to Closing**"), which are solely for the benefit of City, and which shall be satisfied or waived by the time periods provided for herein. City at its option may terminate this Agreement without notice and/or opportunity to cure if any of the conditions precedent set forth below are not satisfied by the Developer or waived in writing by City by the Outside Closing Date.

(A) Physical Condition of Property. Developer shall not have elected to cancel Escrow and terminate this Agreement due to the physical condition of the Property and shall not have delivered to City a Developer's Notice to Terminate.

(B) Environmental Condition of Property. Developer shall not have elected to cancel Escrow and terminate this Agreement due to the environmental condition of the Property and shall not have delivered to City a Developer's Notice to Terminate.

(C) Execution of City Documents. Developer shall have executed and delivered into Escrow the City Grant Deed, the Declaration, and such other documents as may be reasonably requested by City in connection therewith and all of which shall be in a form acceptable to City.

(D) No Litigation. No litigation shall be pending or threatened by any third parties which seeks to enjoin the transactions contemplated herein.

(E) No Default. There shall exist no condition, event or act which would constitute an event of default by Developer under this Agreement, or which, upon the giving of notice or the passage of time, or both, would constitute an event of default.

(F) Representations and Warranties. All representations and warranties of Developer herein contained and contained in this Agreement shall be true and correct as if made on and as of the date of Closing.

(G) Purchase Price. Developer shall have deposited into Escrow the Property Purchase Price, plus any other funds required by Escrow or Title in connection with the Closing.

#### 3.7.2. Developer's Conditions

Developer's obligation to close Escrow on the Property is conditioned upon the satisfaction or written waiver by Developer of each and every one of the conditions precedent (A) through (H), inclusive, described below (the "**Developer's Conditions Precedent to Closing**"), which are solely for the benefit of Developer, and which shall be satisfied or waived by the time periods provided for herein:

(A) Physical Condition of Property. Developer shall not have elected to cancel Escrow and terminate this Agreement due to the physical condition of the Property and shall not have delivered a Developer's Notice to Terminate to City.

(B) Environmental Condition of Property. Prior to the expiration of the Developer's Due Diligence Period, Developer shall not have elected to cancel Escrow and terminate this Agreement due to the environmental condition of the Property and shall not have delivered a written notice not to proceed to City.

(C) Execution of Documents. City shall have executed and delivered into Escrow the City Grant Deed, the Declaration, and any other documents required by Habitat, Escrow or Title to which City is a signatory or Party in accordance herewith.

(D) Review and Approval of Title. Developer shall have reviewed and approved the Condition of Title, as provided in Section 3.4 of this Agreement.

(E) Title Policy. The Title Company shall, upon payment of the Title Company's regularly scheduled premium, be irrevocably committed to issue a Title Policy to Developer, including any Additional Endorsements, in accordance with Section 3.5 of this Agreement.

(F) No Litigation. No litigation shall be pending or threatened by any third parties which seeks to enjoin the transactions contemplated herein.

(G) No Default. There shall exist no condition, event or act which would constitute an event of default by City under the Agreement, or which, upon the giving of notice or the passage of time, or both, would constitute an event of default.

(H) Representations and Warranties. All representations and warranties of City herein contained and contained in this Agreement shall be true and correct as if made on and as of the date of Closing.

### 3.7.3. Termination of Escrow

Escrow may be terminated as set forth in this Section.

(A) Developer's Notice to Terminate during Developer's Due Diligence Period. In the Event that Developer delivers a Developer's Notice to Terminate to City prior to the expiration of Developer's Due Diligence Period, Escrow shall be terminated, City shall pay all escrow termination charges and this Agreement shall be terminated.

(B) Escrow Not in Condition to Close. If the Escrow is not in a condition to close by the Outside Closing Date or such later date as may be agreed to by the Parties, for a reason other than a default hereunder by either party, then either Party which has fully performed under this Agreement may, in writing, demand the return of money, documents or property and terminate the Escrow and this Agreement. If either Party makes a written demand for the return of its money, documents or property, this Agreement shall not terminate until ten (10) business days after the Escrow Agent shall have delivered copies of such demand to the other Party at the respective addresses set forth in this Agreement. If any objections are raised by written Notice within such ten (10) day period, the Escrow Agent is authorized to hold all money, documents or property until instructed by a court of competent jurisdiction or by mutual written

instructions of the Parties. If no such objections are timely made, the Escrow Agent shall immediately return the demanded money and/or documents, and the escrow cancellation charges shall be paid by the undemanding Party. Termination of the Escrow shall be without prejudice as to whatever legal rights, if any, either Party may have against the other arising from this Agreement. If no demands are made, the Escrow Agent shall proceed with the Closing as soon as possible consistent with the terms of this Agreement.

#### 3.7.4. Close of Escrow

Provided that both Developer's Conditions Precedent to Closing and the City's Conditions Precedent to Closing have been satisfied or waived in writing, the Conveyance of the Property shall close. The Closing shall occur on or before the Outside Closing Date.

### 3.8. Indemnification

#### 3.8.1. By Developer

Following the Conveyance, Developer agrees to save, protect, defend, indemnify and hold harmless the City Indemnitees from and against any and all Losses and Liabilities (including, without limitation, reasonable attorneys' and consultants' fees, investigation and laboratory fees, and remedial and response costs), but excluding the extent to which such loss or liability arises from the active negligence or intentional misconduct of City, which may now or in the future be incurred or suffered by the City Indemnitees, in connection with, by reason of, resulting from or arising in any manner whatsoever as a direct or indirect result of (i) the ownership (or possession) by Developer of all or any part of the Property for purposes of any Governmental Regulations regulating Hazardous Substance released onto the Property following the Conveyance, (ii) any act or omission on the part of Developer, or its representatives, contractors, volunteers, or invitees with respect to the Property, (iii) as a result of the death of any person or any accident, injury, loss, or damage whatsoever caused to any person or to the property of any person resulting from the alleged negligent or intentional acts or omissions of Developer, its officers, agents, volunteers, contractors or employees, in the performance of its obligations under this Agreement, (iv) the presence on or under, or the escape, seepage, leakage, spillage, discharge, emission or release from the Property of any Hazardous Substance first released and/or occurring on the Property following the Conveyance, (v) any environmental or other condition of the Property relating to any Hazardous Substance first released and/or occurring following the Conveyance, and (vi) any Losses and Liabilities incurred with respect to the Property under any Governmental Regulations relating to Hazardous Substance first released and/or occurring on the Property following the Conveyance. Developer's obligations under this Section shall survive any Restricted Unit Closing or any termination of this Agreement.

#### 3.8.2. By City

Following the Conveyance, City agrees to save, protect, defend, indemnify and hold harmless the Developer Indemnitees from and against any and all Losses and Liabilities (including, without limitation, reasonable attorneys' and consultants' fees, investigation and laboratory fees, and remedial and response costs), but excluding the extent to which such loss or liability arises from the active negligence or intentional misconduct of Developer, which may now or in the future be incurred or suffered by Developer, in connection with, by reason of, resulting from or arising in any manner whatsoever as a direct or indirect result of (i) the ownership (or possession) of all or any part of the Property for purposes of any Governmental Regulations

regulating Hazardous Substance released and/or occurring on the Property before the Conveyance, (ii) any act or omission on the part of City, or its Representatives, contractors or invitees with respect to the Property, (iii) the presence on or under, or the escape, seepage, leakage, spillage, discharge, emission or release from the Property of any Hazardous Substance first released and/or occurring on the Property before the Conveyance, (iv) any environmental or other condition of the Property first released and/or occurring before the Conveyance, and (v) any Losses and Liabilities incurred with respect to the Property under any Governmental Regulations relating to Hazardous Substance first released and/or occurring on the Property before the Conveyance. City's obligations under this Section shall survive any Restricted Unit Closing or any termination of this Agreement.

### 3.9. Occupants of the Property

The interest to be conveyed in the Property by City to Developer shall be conveyed free of any possession or right of possession except that of Developer.

## 4. **DEVELOPMENT OF THE SITE**

### 4.1. Scope of Development

Developer covenants and agrees to construct on the Property and the Habitat Property at least thirty-seven (37) newly built townhomes and related improvements. The specifications of the Units and the Project shall be as set forth in the Scope of Development.

### 4.2. Construction of Improvements

Following the Closing, Developer shall promptly begin and thereafter diligently prosecute to completion the construction of the Project as provided in the Scope of Development.

### 4.3. Off-Site Improvements and Grant

In connection with the construction of the Project, City is requiring certain offsite improvements, as set forth in the Conditions of Approval issued by the City (the "**Work**"). In consideration of the construction of the Project on the Property, City hereby grants to Developer (the "**Grant**") up to Seven Hundred Sixty Thousand Six Hundred Dollars (\$760,600) (including any increases which may be approved by City, the "**Grant Amount**") to perform the Work. If the cost of the Work exceeds the Grant Amount, Developer shall not be required to fund the remainder of the Work; instead, Developer shall be permitted to apply for an increase in the Grant Amount. City shall not unreasonably condition, withhold or delay approval of a request for an increase in the Grant Amount.

Developer shall submit disbursement requests (each, a "**Disbursement Request**") to City for Grant funds as it develops the Project and performs the Work. Each Disbursement Request shall set forth a description of the Work for which Grant funds are sought, and supporting documentation for the cost of the Work in such form as is reasonably acceptable to City. Developer shall submit Disbursement Requests no more frequently than monthly. City shall not unreasonably withhold or delay approval of any Disbursement Request. City shall process Disbursement Requests and release Grant funds to Developer within thirty (30) days of receipt of a Disbursement Request. Developer covenants and agrees to use the Grant proceeds solely to perform the Work.

#### 4.4. Land Use Restrictions

The Developer shall construct the Project consistent with applicable Governmental Regulations, including (without limitation) all applicable zoning, planning and design review requirements of the City and all permits and entitlements relating thereto.

#### 4.5. Permits and Entitlements

Prior to commencement of any work of improvement upon the Property, the Developer shall, at its own expense, secure or cause to be secured any and all permits, entitlements or approvals which may be required by the City of Lakewood in accordance with its Municipal Code and land use entitlement process and by any other governmental entity with jurisdiction over the Property and/or the Project in accordance with applicable Governmental Regulations.

#### 4.6. Materials

Developer shall construct the Units using sustainable materials and environmentally friendly building practices and will obtain and install energy saving appliances.

#### 4.7. Preparation

Developer shall perform all preparation of the Property following the Closing. The Developer shall carry out or cause to be carried out such activities in compliance with all applicable Governmental Regulations.

#### 4.8. Bodily Injury and Property Damage Indemnification

Developer agrees to and shall defend, indemnify and hold the City Indemnitees harmless from and against all liability, loss, damage, costs, or expenses (including without limitation attorneys' fees and costs) arising from or as a result of the death of any person or any accident, injury, loss, or damage whatsoever caused to any person or to the property of any person resulting from the acts or omissions of Developer, its officers, agents or employees in the performance of its obligations under this Agreement, except to the extent of any active negligence or intentional misconduct of City or its Representatives.

#### 4.9. Compliance with Laws

##### 4.9.1. General

Developer shall comply with all Governmental Regulations in the construction, use and operation of the Project, including all applicable federal, state and local statutes, ordinances, regulations and laws, including without limitation, all applicable federal, state, and local labor standards, zoning and development standards, building, plumbing, mechanical and electrical codes, and all other provisions of the applicable Municipal Code, and all applicable disabled and handicapped access requirements, including without limitation the Americans With Disabilities Act, 42 U.S.C. § 12101, *et seq.*, Government Code § 4450, *et seq.*, and Government Code § 11135, *et seq.*

##### 4.9.2. Nondiscrimination in Employment

Developer certifies and agrees that all persons employed or applying for employment by it, its affiliates, subsidiaries, or holding companies, and all subcontractors, bidders

and vendors, are and will be treated equally by it without regard to, or because of race, color, religion, ancestry, national origin, sex, age, pregnancy, childbirth or related medical condition, medical condition (cancer related) or physical or mental disability, and in compliance with Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000, *et seq.*, the Federal Equal Pay Act of 1963, 29 U.S.C. § 206(d), the Age Discrimination in Employment Act of 1967, 29 U.S.C. § 621, *et seq.*, the Immigration Reform and Control Act of 1986, 8 U.S.C. § 1324b, *et seq.*, 42 U.S.C. § 1981, the California Fair Employment and Housing Act, Government Code § 12900, *et seq.*, the California Equal Pay Law, Labor Code § 1197.5, Government Code § 11135, the Americans with Disabilities Act, 42 U.S.C. § 12101, *et seq.*, and all other applicable anti-discrimination laws and regulations of the United States and the State of California as they now exist or may hereafter be amended.

#### 4.10. Local, State and Federal Laws

Developer hereby agrees to carry out development, construction (as defined by applicable law) and operation of the Improvements on the Property, including, without limitation, any and all public works (as defined by applicable law), in conformity with all applicable federal and state labor laws. City acknowledges and agrees that Developer's business model contemplates the use of donated labor and materials, and, as such, volunteers are not paid wages by Developer.

#### 4.11. Release of Construction Covenants

Upon the completion of construction of the Restricted Units in accordance herewith, Developer shall request, and City shall deliver (which delivery shall not be unreasonably withheld or delayed) a Release of Construction Covenants, which shall be promptly recorded in the Official Records. Notwithstanding the foregoing, in the event required to transfer a Restricted Unit to a Qualified Buyer in accordance herewith, such Release of Construction Covenants may be requested and delivered for one or more Restricted Units individually.

### 5. **SALE OF THE UNITS**

#### 5.1. Sales; Proceeds

Developer acknowledges that the purpose of the conveyance of the Property is to encourage affordable homeownership among Qualified Buyers. Pursuant to such purpose, upon the completion of construction of each Restricted Unit, and notwithstanding that the contract price for the sale of the Units shall be at fair market value, the terms of the financing utilized in the sale of each Affordable Unit shall result in an Affordable Housing Cost to the Qualified Buyer of each Restricted Unit consistent with applicable requirements of this Agreement, and all applicable Governmental Regulations at the time of sale of the Restricted Unit.

The purchase price of the Restricted Unit shall be financed by the Qualified Buyer with a combination of a conventional first priority mortgage loan from a third party commercial lender at a fixed rate of interest requiring level annual payments of principal and interest over thirty (30) years, and such other subordinate "silent" loans and grants which may or may not require periodic payments of principal and interest as are available (such as CalHOME, WISH, or a Habitat subordinate loan) to assist the Qualified Buyer at the Restricted Unit Closing to purchase the Restricted Unit and pay escrow, title and other closing costs. Developer shall be entitled to retain all cash proceeds of the sales of the Restricted Units.



Developer covenants and agrees to sell the following Units to the following groups of Qualified Buyers:

- (i) thirty-seven (37) Units shall be held for sale and sold to Low Income Households.

#### 5.2. Qualified Buyer Requirements

Subject to the requirements of all applicable Governmental Regulations, upon the sale of the Restricted Units, any proposed Qualified Buyer must (i) demonstrate qualification as a Qualified Buyer; (ii) agree to occupy the Restricted Unit as his or her primary residence at all times during the Affordability Period; and (iii) agree to the resale and other restrictions set forth herein and in the Declaration. The proposed buyer must be legally residing in the United States and have appropriate documentation demonstrating such legal residence.

#### 5.3. Initial Sale of Units

Developer shall be permitted to sell the Restricted Units at fair market value, provided that the financing used to purchase the Restricted Unit results in an Affordable Housing Cost. The Qualified Buyer shall be required to obtain a conventional, third party mortgage for a portion of the purchase price, plus one or more subordinate loans which may or may not require monthly payments, provided that the total of all payments do not exceed an Affordable Housing Cost. After completion of the Project, Developer shall sell and transfer title to the Restricted Units in the Project to Qualified Buyers in accordance with the procedures set forth herein.

#### 5.4. Determining Qualified Buyer Status

Developer shall not sell or otherwise transfer a Restricted Unit until such time as Developer has satisfied the conditions set forth in this Agreement, including the requirement that the proposed buyer of a Restricted Unit provide evidence that it is a Qualified Buyer. Developer shall be responsible to determine whether a proposed buyer is a Qualified Buyer. In order to verify the buyer's status as a Qualified Buyer, Developer shall obtain the identity of the proposed buyers and adequate information evidencing the income of the proposed buyer Household and the buyer's Household status as a Qualified Buyer. Said information shall be obtained not less than six (6) months prior to the proposed transfer and shall include original or true copies of pay stubs, income tax records or other financial documents. Said information shall be sufficient for Developer to verify the Household income and eligibility of the proposed buyer as a Qualified Buyer, and to perform a calculation as to whether the Restricted Unit is available to such buyer at an Affordable Housing Cost. Developer shall request any additional information reasonably required to verify the proposed buyer's Qualified Buyer status.

##### 5.4.1. Qualified Buyer Selection

Developer covenants and agrees to select Qualified Buyers in accordance with this Agreement. In addition, the tenant selection policies and criteria shall:

- (1) Be consistent with the purpose of providing housing for Low Income Households;
- (2) Be reasonably related to program eligibility and the applicants' ability to perform the obligations of the mortgage(s);

- (3) Provide for the selection of buyers in accordance with a written plan.
- (4) Give prompt written notification to any rejected applicant of the grounds for any rejection.

5.4.2. Income of Qualified Buyer of the Affordable Units; Affordable Housing Cost

Developer shall obtain a completed income computation and certification form from the prospective buyer(s) of the Restricted Units, together with a copy of all back-up supporting information, in such form as may be reasonably determined by Developer. Developer shall not transfer title to the Restricted Unit to a prospective buyer(s) until the conditions set forth herein have been satisfied. Developer shall obtain a certification from each Household purchasing a Restricted Unit demonstrating that such Household is a Qualified Buyer, will occupy the Restricted Unit as its primary residence at all times and meets the eligibility requirements established for the Restricted Unit. Developer shall prepare a computation demonstrating that the Restricted Unit will be sold to the prospective buyer with financing resulting in an Affordable Housing Cost. Developer shall verify the income certifications and computations by obtaining appropriate supporting documentation.

Developer shall obtain one or more of the following, as appropriate to the Household of the proposed buyer(s):

- a. three (3) paycheck stubs from the proposed purchaser's three (3) most recent pay periods (and the same from any other member of the Household eighteen (18) years old or older);
- b. a true copy of an income tax return from the proposed purchaser for the most recent tax year in which a return was filed (and the same from any other member of the Household eighteen (18) years old or older);
- c. an income verification certification from the employer of the proposed purchaser and any other member of the Household eighteen (18) years old or older;
- d. an income verification certification from the Social Security Administration and/or the California Department of Social Services if the proposed purchaser or any other member of the Household eighteen (18) years old or older receives assistance from such agencies; or
- e. a reasonable alternate form of income verification if none of the above forms of verification is available.

5.5. Marketing of Units

Developer shall comply with all applicable Governmental Requirements when marketing the sale of the Units. Developer anticipates that it will use a "grass roots" approach to market the Units locally, such as advertisements in local newspapers, in an effort to attract Qualified Buyers. To the extent permitted by law, Developer will establish and implement a homebuyer local preference and priority program or policy. Marketing of Units will be conducted in substantial compliance with a marketing plan approved by City.

## **6. COVENANTS AND RESTRICTIONS**

### **6.1. Use Covenants**

Developer covenants and agrees for itself, its successors, its assigns, and every successor in interest to the Property or any part thereof, that upon the acquisition of the Property and during the development of the Project and thereafter, Developer shall devote the Property solely to the uses specified in, and otherwise comply with the terms and conditions of, this Agreement and the Declaration. All uses conducted on the Property, including, without limitation, all activities undertaken by the Developer pursuant to this Agreement, shall conform to all applicable laws.

### **6.2. Nondiscrimination Covenants**

Developer covenants by and for itself and any successors in interest that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property, or any part of it, nor shall the Developer or any person claiming under or through it, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the Property, including the Affordable Units, or any portion thereof. The foregoing covenants shall run with the land.

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

Developer shall refrain from restricting the sale of the Property, including the Affordable Units, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code. All such deeds, contracts or subcontracts shall contain or be subject to substantially the following nondiscrimination and nonsegregation clauses:

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

location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land.”

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

b. In contracts: “There shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in connection with the performance of this contract nor shall the contracting party himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, sublessees, subtenants, contractors, subcontractors or vendees with respect to the premises.”

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

c. In leases: “Lessee herein covenants by and for itself, its successors and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) and (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955 and Section 12955.2 of the Government Code in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the premises herein leased nor shall the lessee or any person claiming under or through the lessee, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sublessees, subtenants, or vendees in the premises herein leased.

Notwithstanding paragraph (1), with respect to familial status, paragraph (1) shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in paragraph (1) shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to paragraph (1).”

### 6.3. Affordable Housing Covenants; Declaration.

Developer shall execute, acknowledge, and deliver to escrow the Declaration to be recorded with respect to the Property concurrently with the Closing. The Declaration contains those portions of this Agreement relating to affordable housing requirements and related matters, and is incorporated herein by this reference. In consideration of City's conveyance of the Property to Developer, Developer covenants and agrees to develop and sell the Units in the Project in accordance with the Declaration.

### 6.4. Schedule of Performance

The Parties covenant and agree to utilize commercially reasonable efforts to perform their respective obligations hereunder in a timely manner, and, to the extent set forth therein, in accordance with the Schedule of Performance.

### 6.5. Conflict with Declaration

In the event of a conflict between this Agreement and the Declaration, the provisions of the Declaration shall control.

## 7. **DEFAULTS, REMEDIES AND TERMINATION**

### 7.1. Defaults - General

Subject to the extensions of time approved in writing by the Parties, failure or delay by either party to timely perform, comply with or observe any of the conditions, provisions, terms, covenants or representations of this Agreement, constitutes a default under this Agreement. As provided hereinbelow, the party who so fails or delays must immediately commence to cure, correct or remedy such failure or delay, and shall complete such cure, correction or remedy with diligence. The injured party shall give written notice of default to the party in default, specifying the default complained of by the injured party. Failure or delay in giving such notice shall not constitute a waiver of any default, nor shall it change the date of default.

Except as required to protect against further damages, the injured party may not institute legal proceedings against the party in default until an Event of Default (as such term is hereinafter defined) has occurred. For purposes of this Agreement, an "**Event of Default**" for purposes of instituting legal proceedings by a non-defaulting party against the defaulting party shall mean a failure to satisfy, timely perform, comply with or observe any of the conditions, provisions, terms, covenants or representations contained in this Agreement, including any Attachment, such failure having continued uncured or without the defaulting party commencing to diligently cure for thirty (30) calendar days after notice thereof in writing is mailed by the injured party to the defaulting party; provided, however, that if a different period or notice requirement is specified for any particular default under any other provision of this Agreement, including any of the Attachments, the specific provision shall control; and provided further, that if such failure is not reasonably capable of being cured within such thirty (30) day or different period, despite the defaulting party's good faith and timely efforts, such time as is reasonably necessary to complete such cure but in no event shall such time exceed ninety (90) calendar days after notice thereof is mailed to the defaulting party.

## 7.2. Remedies and Rights of Termination Prior to Conveyance

Prior to Conveyance, the sole remedy of the Parties for an Event of Default shall be termination. Termination by either Party shall be subject to the conditions set forth below.

### 7.2.1. Termination by Developer.

In the event that, prior to the Conveyance:

(A) City does not sign this Agreement within thirty (30) calendar days after the date of signature by Developer; or

(B) Developer does not approve the Condition of Title to the Property in accordance herewith or fails to obtain title insurance in compliance herewith despite diligently pursuing the issuance of such insurance; or

(C) City does not tender Conveyance of the Property, in the manner and condition, by the Outside Closing Date or such later date agreed to by the Parties, and Developer has fully performed its obligations hereunder; or

(D) Developer fails after reasonable diligence, to secure the right, upon acquisition of title and payment of fees, to obtain entitlements, approvals or permits necessary for the development of the Property pursuant to this Agreement; or

(E) Developer fails after reasonable diligence to secure sufficient financing for the Project; or

(F) During the Due Diligence Period, the title, environmental, soils or geologic conditions of the Property are determined to be not in all respects entirely suitable for the use or uses to which the Property will be put, and Developer determines that solely for that reason, development of the Project is economically infeasible; or

(G) there is a land use lawsuit (“**Challenge**”) brought against the development of the Property in accordance with this Agreement, including a Challenge under state or federal environmental laws, and said Challenge either legally prevents Developer or City from performing its obligations under this Agreement, or, if successful, would prevent Developer from constructing the Improvements in substantially the form contemplated by this Agreement, then Developer may deliver a notice of such challenge (the “**Challenge Notice**”) to City requesting that such impediment to City’s or Developer’s performance of its obligations be eliminated on or before expiration of the “Minimum Period” provided below. Developer and City shall cooperate with each other in seeking to diligently resolve the Challenge. During the pendency of the Challenge, the Developer shall not be obligated to proceed with construction of the Improvements or any other matters subject to a *force majeure* delay as a result of such Challenge, and all deadlines set forth in the Schedule of Performance with respect to such matters shall be extended during the period of such Challenge. If, prior to expiration of the Minimum Period, such Challenge is not eliminated or otherwise resolved in a manner which would permit Developer to construct the Improvements in substantially the form contemplated by this Agreement, then Developer may, at its option and upon written notice delivered to City not later than sixty (60) calendar days after the expiration of the Minimum Period, terminate this Agreement. The “**Minimum Period**” shall mean a period of time commencing upon delivery of the Challenge Notice and ending one hundred and eighty (180) calendar days from the date of City’s receipt of the Challenge Notice; or

(H) either City or Developer is prevented from performing their obligations under this Agreement for an uninterrupted period in excess of one hundred and eighty (180) calendar days because of an event of *force majeure* described in Section 8.6 of this Agreement; or

(I) there exists a condition, event or act which constitutes an Event of Default by City under this Agreement or which, upon the giving of notice or the passage of time, or both, would constitute an Event of Default by City as of the Closing; or

(J) not all representations and warranties of City herein contained are true and correct as if made on and as of the Closing;

then this Agreement may, at the option of the Developer, be terminated by written notice thereof to City prior to the Conveyance. Except as otherwise expressly provided herein, following such termination, neither City nor the Developer shall have any further rights against or liability to the other under this Agreement as to any Property or otherwise with respect to the subject matter of this Agreement.

#### 7.2.2. Termination by City

In the event that, prior to the Conveyance:

(A) Developer (or any successor in interest) assigns or attempts to assign this Agreement or any rights in it, or in the Property or any part thereof, except as expressly permitted herein; or

(B) there is a change in the ownership of Developer, or with respect to the identity of the parties in control of Developer, or the degree thereof, contrary to the provisions herein, except as expressly permitted therein; or

(C) Developer does not submit any documents, as required by this Agreement, in satisfactory form and in the manner and by the dates respectively provided in this Agreement; or

(D) there is a Challenge brought against the development of the Property in the manner contemplated by this Agreement and said Challenge either legally prevents City or Developer from performing their obligations under this Agreement, or, if successful, would prevent Developer from constructing the Improvements in substantially the form contemplated by this Agreement, and this Challenge is not eliminated within one hundred and eighty (180) calendar days; or

(E) either City or Developer is prevented from performing its obligations under this Agreement for an uninterrupted period in excess of one hundred and eighty (180) calendar days because of an event described in Section 8.6 of this Agreement; or

(F) Developer does not take title to the Property on tender of Conveyance pursuant to this Agreement by the Outside Closing Date; or

(G) Developer does not secure the right, conditioned only upon acquisition of title and payment of fees, to obtain permits from governmental agencies as required

necessary for the development of the Property in accordance with the Schedule of Performance;  
or

(H) Developer fails despite diligent effort to secure the financing necessary for the acquisition, development and operation of the Project by the date specified in the Schedule of Performance; or

(I) there exists a condition, event or act which resulted in the termination of, or constitutes an Event of Default by Developer, or which, upon the giving of notice or the passage of time, or both, would constitute an Event of Default by Developer as of the Closing; or

(J) not all representations and warranties of Developer herein contained and contained in this Agreement are true and correct as if made on and as of the Closing; or

(K) the Closing does not occur by the Outside Closing Date or such later date as agreed to by the Parties;

then this Agreement may, at the option of the City, be terminated by written notice thereof to the Developer. Except as otherwise expressly provided herein, following such termination, neither City nor the Developer shall have any further rights against or liability to the other under this Agreement. City's indemnification obligations under this Agreement shall remain in force following such termination with respect to any events occurring or claims accruing prior to the date of such termination. In the event of the City's exercise of such termination, the right of termination provided in this Section shall be City's sole and exclusive remedy.

### 7.3. Remedies of the Parties for Default After Conveyance

If after Conveyance an Event of Default occurs, the non-defaulting party shall have such rights as are afforded under applicable law, including, without limitation, an action for specific performance, and the defaulting party will be liable to the other party for any damages caused by the default and other relief as is afforded by applicable law, except as set forth herein.

### 7.4. Limitation on Liability

Notwithstanding the foregoing, neither Developer nor City shall in any event be entitled to, and each hereby waives and releases, any right to seek loss of profits or any special, incidental or consequential damages of any kind or nature from the other Party arising out of or in connection with this Agreement or the termination hereof, and in connection with such waiver each Party is familiar with and hereby waives the provision of Section 1542 of the California Civil Code which provides as follows:

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



## 7.5. Legal Actions

### 7.5.1. Institution of Legal Actions

In addition to any other rights or remedies and subject to the restrictions otherwise set forth in this Agreement, either party may institute an action at law or equity to cure, correct or remedy any Event of Default, to recover damages as provided herein for any Event of Default, or to obtain any other remedy consistent with the purpose of this Agreement. Such legal actions may be instituted in the Superior Court of the County of Los Angeles, State of California, or in the Federal District Court in the Central District of California.

### 7.5.2. Applicable Law

The laws of the State of California shall govern the enforcement of this Agreement.

### 7.5.3. Acceptance of Service of Process

In the event that any legal action is commenced by Developer against City, service of process on the City shall be made by personal service upon the City Manager, or in such other manner as may be provided by law.

In the event that any legal action is commenced by City against Developer, service of process on Developer shall be made by personal service upon the President or Executive Director of Developer or in such other manner as may be provided by law, whether made within or without the State of California.

## 7.6. Rights and Remedies are Cumulative

To the extent permitted by law and except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative, and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same time or different times, of any other rights or remedies for the same Event of Default or any other Event of Default by the other party.

## 7.7. Inaction Not a Waiver of Default

Any failure or delay by either party in asserting any of its rights and remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies, or deprive either such party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

## 7.8. Attorneys' Fees

In any action between the Parties to interpret, enforce, reform, modify, rescind or otherwise in connection with any of the terms or provisions of this Agreement, the prevailing Party in the action or other proceeding shall be entitled, in addition to damages, injunctive relief or any other relief to which it might be entitled, reasonable costs and expenses including, without limitation, litigation costs, expert witness fees and reasonable attorneys' fees and costs.

As used herein, the terms "attorneys' fees" or "attorneys' fees and costs" means the reasonable fees and expenses of counsel to the Parties hereto (including, without limitation, in-

house or other counsel employed by City or Developer) which may include printing, duplicating and other expenses, air freight charges, and fees billed for law clerks, paralegals and others not admitted to the bar but performing services under the supervision of an attorney. The terms “attorneys’ fees” or “attorneys’ fees and costs” shall also include, without limitation, all such reasonable fees and expenses incurred with respect to appeals, arbitrations and bankruptcy proceedings, and whether or not any action or proceeding is brought with respect to the matter for which said fees and expenses were incurred.

## **8. GENERAL PROVISIONS**

### **8.1. Notices, Demands and Communications Between the Parties**

All notices, demands, requests, elections, approvals, disapprovals, consents or other communications given under this Agreement shall be in writing (“**Notice**”) and shall be given by personal delivery, certified mail, return receipt requested, or overnight guaranteed delivery service and addressed as follows:

To City:                      City of Lakewood  
5050 Clark Avenue  
Lakewood, CA 90712  
Attention: City Manager

To Developer:              Habitat for Humanity of  
Greater Los Angeles, Inc.  
8739 Artesia Blvd.  
Bellflower, CA 90706  
Attention: President

Any Notice shall be deemed received upon receipt if delivered by hand or messenger, and shall be deemed received on the third day from the date it is postmarked if delivered by registered or certified mail, return receipt requested.

### **8.2. Conflicts of Interest**

No member, official or employee of the City shall have any direct or indirect interest in this Agreement, nor participate in any decision relating to the Agreement which is prohibited by law.

### **8.3. Warranty Against Payment of Consideration for Agreement**

Developer warrants that it has not paid or given and will not pay or give, any third person any money or other consideration for obtaining this Agreement, other than normal costs of conducting business and costs of professional services such as project managers, architects, engineers, attorneys, and public relations consultants.

### **8.4. Nonliability of Developer and City Officials and Employees**

No member, partner, director, official, employee, representative or agent of the Developer shall be personally liable to City, or any successor in interest thereof, in the event of any default or breach by Developer under the terms of this Agreement.

No member, official, employee, representative or agent of City shall be personally liable to Developer, or any successor in interest thereof, in the event of any default or breach by City under the terms of this Agreement.

#### 8.5. Approvals by City and Developer

Approvals required of the Parties shall be given within the time set forth in this Agreement, the Schedule of Performance or, if no time is given, within a reasonable time. Wherever this Agreement requires the City or Developer to approve any contract, document, plan, proposal, specification, drawing or other matter, such approval shall not be unreasonably withheld or delayed, unless expressly provided to the contrary.

#### 8.6. Force Majeure; Extension of Times of Performance

Failure by either Party to perform shall not be deemed a default hereunder and times for performance shall be extended as provided herein where delays are due to war; insurrection; strikes; lockouts; riots; floods; earthquakes; fires; casualties; acts of God; acts of the public enemy; epidemics; pandemics; quarantine restrictions; freight embargoes; lack of transportation; governmental restrictions or priority; litigation; unusually severe weather; inability to secure necessary labor, materials or tools; delays of any contractor or supplier; acts of the other Party; acts of failure to act of any public or governmental agency or entity or similar causes beyond the control and without the fault of the Party claiming an extension of time to perform (collectively, a “*Force Majeure*” delay); provided, however, that the Party claiming the existence of a Force Majeure delay and an extension of its obligation to perform shall notify the other Party in writing of the nature of the matter causing the delay within thirty-five (35) Business Days of the occurrence thereof (including a description of the Force Majeure event causing such conditions and Developer’s efforts to complete the development of the Project in spite of such conditions).

Provided that written Notice is given by the Party seeking an extension of time pursuant to this provision, the extension of time to perform shall commence to run from the time of the commencement of the cause and shall continue only for the period of the Force Majeure delay; provided, however, in no event shall performance be excused pursuant to this Section for any Force Majeure delay for a cumulative period of more than three (3) months. If said Force Majeure delay extends for more than three (3) months, either Party may terminate this Agreement upon fifteen (15) days written notice to the other Party.

Notwithstanding the foregoing, provided that written Notice of the Force Majeure event was given in a timely manner, Developer shall be entitled to an extension of its obligation to complete development of the Project on the Property for up to two additional three (3) month periods (for a total of up to nine (9) consecutive months, but provided that any extension shall only be for the period of the Force Majeure delay if the period of such delay is less than such extension period) if Developer demonstrates that as a result of a Force Majeure event, conditions are such that no commercially reasonable person or entity exercising timely and consistent commercially reasonable best efforts could obtain financing or complete construction of the Project. Developer shall notify City in writing of its exercise of such additional three (3) month periods (including a description of the Force Majeure event causing such conditions and Developer’s efforts to complete the development of the Project in spite of such conditions) not later than thirty (30) days prior to the expiration of the three (3) month period specified above.

Times of performance under this Agreement may also be extended in writing by mutual agreement of City and Developer.

8.7. Applicable Law; Interpretation

The laws of the State of California shall govern the interpretation of this Agreement. This Agreement shall be construed as a whole and in accordance with its fair meaning and as though both of the parties participated equally in its drafting.

8.8. Inspection of Books and Records, Reports

Upon five (5) Business Days prior written notice, City or its designee has the right at all reasonable times during normal business hours to inspect the books and records and other related documents of the Developer pertaining to the satisfaction of its obligations hereunder as reasonably necessary for purposes of enforcing the provisions of this Agreement. Such books, records and related documents shall be maintained by the Developer at locations as agreed by the parties. Throughout the term of this Agreement, the Developer shall submit to City reasonable written progress reports as and when reasonably requested by City on all matters pertaining to the Project or the Property.

8.9. Administration

This Agreement shall be administered by the City Manager. Whenever a reference is made in this Agreement to an action, finding or approval to be undertaken by the City, the City Manager is authorized to act unless specifically provided otherwise or the context should require otherwise. The City Manager shall have the authority to issue interpretations, waive provisions and enter into extensions, modifications, and amendments of this Agreement. Notwithstanding the foregoing, the City Manager may in his or her sole and absolute discretion refer any matter to the City Council, for action, direction or approval.

8.10. Mutual Cooperation

Each Party agrees to cooperate with the other in this transaction and, in that regard, to sign any and all documents which may be reasonably necessary, helpful or appropriate to carry out the purposes and intent of this Agreement.

8.11. Ground Breaking and Grand Openings

City shall cooperate with Developer staff in the organization of any Project-related ground breaking, grand openings or any other such inaugural events/ceremonies sponsored by the Developer and celebrating the development which is the subject of this Agreement.

8.12. Independent Contractor

The parties agree that the Developer, in the performance of this Agreement shall act as and be an independent contractor and shall not act in the capacity of an agent, employee or partner of the City.

8.13. Time

Time is of the essence in this Agreement.

#### 8.14. Third Party Beneficiaries

This Agreement is made and entered into for the sole protection and benefit of the City, and its successors and assigns, and Developer, and its permitted successors and assigns, and no other person or persons shall have any right of action hereon.

### **9. ENTIRE AGREEMENT, WAIVERS AND AMENDMENTS**

This Agreement includes thirty-six (36) pages, signature pages, and Attachments A through G which together constitute the entire understanding and agreement of the Parties. Duplicate originals of this Agreement may be executed, each of which shall be deemed to be an original. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

Except as otherwise provided herein, this Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the parties with respect to all or any part of the subject matter hereof. All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of City or Developer, and all amendments hereto must be in writing and signed by the appropriate authorities of the City and Developer.

*[Signatures on Next Page]*

IN WITNESS WHEREOF, City and Developer have signed this Disposition, Development and Grant Agreement as of the date set forth above.

**“City”**

**CITY OF LAKEWOOD**, a California municipal corporation

By: \_\_\_\_\_

Its: \_\_\_\_\_

APPROVED AS TO FORM:

CITY ATTORNEY

By: \_\_\_\_\_

CITY CLERK

By: \_\_\_\_\_

**[SIGNATURE PAGE TO DISPOSITION, DEVELOPMENT  
AND GRANT AGREEMENT]**

**[PAGE 1 OF 2]**

**“DEVELOPER”**

**HABITAT FOR HUMANITY OF GREATER  
LOS ANGELES, INC.**, a California nonprofit  
public benefit corporation

By: \_\_\_\_\_  
Erin Rank, President and CEO

**[SIGNATURE PAGE TO DISPOSITION, DEVELOPMENT  
AND GRANT AGREEMENT]**

**[PAGE 2 OF 2]**

## ATTACHMENT A

### LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF LAKEWOOD IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

**PARCEL 1:**

THAT PORTION OF THE EAST 13 ACRES OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 12, TOWNSHIP 4 SOUTH, RANGE 12. WEST, IN THE RANCHO LOS COYOTES, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON A COPY OF A MAP MADE BY CHARLES T. HENLEY, RECORDED IN BOOK 41819, PAGE 141 ET SEQ., OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, SHOWN AS PARCEL 38 ON LICENSED SURVEYOR'S MAP FILED IN [BOOK 19, PAGE 34](#) OF RECORD OF SURVEYS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM THAT PORTION THEREOF AS CONVEYED TO THE STATE OF CALIFORNIA, BY DEED RECORDED MAY 2, 1963 IN [BOOK D2014, PAGE 17](#) OF OFFICIAL RECORDS, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWESTERLY CORNER OF SAID PARCEL 38;  
THENCE ALONG THE NORTHERLY LINE OF SAID PARCEL, NORTH 89° 35' 05" EAST, 142.38 FEET TO THE NORTHEASTERLY CORNER OF SAID PARCEL;  
THENCE ALONG THE EASTERLY LINE OF SAID PARCEL, SOUTH 0° 40' 33" EAST, 2.66 FEET;  
THENCE SOUTH 89° 26' 25" WEST, 104.35 FEET;  
THENCE SOUTH 53° 31' 41" WEST, 22.23 FEET TO A POINT IN A LINE THAT IS PARALLEL WITH AND DISTANT EASTERLY 20.00 FEET, MEASURED AT RIGHT ANGLES, TO THE WESTERLY LINE OF SAID PARCEL;  
THENCE SOUTH 89° 19' 27" WEST, 20.00 FEET TO SAID WESTERLY LINE;  
THENCE ALONG SAID WESTERLY LINE NORTH 0° 40' 23" WEST, TO THE POINT OF BEGINNING.

[APN: 7059-011-901](#)

**PARCEL 2:**

LOT 3 AS SHOWN ON LICENSED SURVEYOR'S MAP, IN THE CITY OF LAKEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, FILED IN [BOOK 19, PAGE\(S\) 36](#) RECORD OF SURVEYS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THE WEST 205.00 FEET OF SAID LAND.

EXCEPT THE NORTH 44.00 FEET OF THE REMAINDER OF SAID LAND.

[APN: 7059-019-900](#)

**PARCEL 3:**

THE EASTERLY 45 FEET OF THE WESTERLY 205 FEET OF PARCEL 3 IN THE CITY OF LAKEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER LICENSED SURVEYOR'S MAP FILED IN [BOOK 19, PAGE 36](#) RECORD OF SURVEYS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

[APN: 7059-019-901](#)



PARCEL 4:

THE NORTH 44 FEET OF PARCEL 3, IN THE CITY OF LAKEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER LICENSED SURVEYOR'S MAP FILED IN [BOOK 19, PAGE 36](#) RECORD OF SURVEYS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THE WEST 205 FEET THEREOF.

[APN: 7059-019-902](#)

PARCEL 5:

PARCELS 187, 188 AND 189, AS SHOWN ON LICENSED SURVEYORS MAP OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 12, TOWNSHIP 4 SOUTH, RANGE 12 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE RANCHO LOS COYOTES, CITY OF LAKEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN [BOOK 18, PAGE 33](#) OF RECORDS OF SURVEY, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THE SOUTHERLY 5 FEET OF THE NORTHERLY 30 FEET AS GRANTED TO THE CITY OF LAKEWOOD BY DEED RECORDED JANUARY 4, 2011 AS [INSTRUMENT NO. 20110015937 OF OFFICIAL RECORDS](#).

PARCEL 6:

PARCELS 190, 191 AND 192, AS SHOWN ON LICENSED SURVEYOR'S MAP, IN THE CITY OF LAKEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN [BOOK 18, PAGE 33](#) OF RECORDS OF SURVEY, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THE SOUTHERLY 5 FEET OF THE NORTHERLY 30 FEET AS GRANTED TO THE CITY OF LAKEWOOD BY DEED RECORDED JANUARY 4, 2011 AS [INSTRUMENT NO. 20110015937 OF OFFICIAL RECORDS](#).

[APN: 7059-014-900](#), APN: [APN 7059-014-](#)

[901](#)

PARCEL 7:

PARCEL NOS. 80, 81, AND 82, AS SHOWN ON LICENSED SURVEYOR'S MAP, FILED IN [BOOK 19, PAGE 36](#) OF RECORD OF SURVEYS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

[APN: 7059-015-900](#)

PARCEL 8:

PARCELS 115, 116 AND 117, IN THE CITY OF LAKEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON A LICENSED SURVEYOR'S MAP OF A PORTION OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 12, TOWNSHIP 4 SOUTH, RANGE 12 WEST, IN THE RANCHO LOS COYOTES, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, FILED IN [BOOK 19, PAGE 36](#) OF RECORD OF SURVEYS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

[APN: 7059-015-901](#)

PARCEL 9:

PARCELS 78 AND 79 OF LICENSED SURVEYOR'S MAP, FILED IN [BOOK 19, PAGE 36](#) OF RECORD OF SURVEYS, IN THE CITY OF LAKEWOOD, AS PER MAP RECORDED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

[APN: 7059-015-902](#)

**ATTACHMENT B**  
**SCOPE OF DEVELOPMENT**

Developer shall construct thirty seven (37) townhomes on the Property and certain real property already owned by Developer located at 11637 207th Street and related improvements.

**ATTACHMENT C**  
**CITY GRANT DEED**

(Attached)

TO BE RECORDED AND WHEN  
RECORDED RETURNED TO:

**Habitat for Humanity of  
Greater Los Angeles**  
8739 Artesia Blvd.  
Bellflower, CA 90706  
Attention: President

---

Mail tax statements to return address above.

APNs: 7059-011-901, 7059-019-902, 7059-019-900, 7059-019-901, 7059-014-900, 7059-014-901, 7059-015-901, 7059-015-900 and 7059-015-902

Documentary Transfer Tax is \$\_\_\_\_\_

### **GRANT DEED**

Pursuant to Assembly Bill 1X 26, enacted in June 2011, and modified by the Supreme Court of the State of California in the matter of California Redevelopment Association, et al. v. Ana Matosantos, et al, Case No. S194861, and further modified by Assembly Bill 1484, enacted in June 2012, and other subsequent legislation (collectively, the “Dissolution Act”), the Lakewood Redevelopment Agency (“Redevelopment Agency”) was dissolved effective February 1, 2012.

On January 24, 2012, the City of Lakewood, a municipal corporation (“City”), adopted City Council Resolution 2012-3, whereby the City elected to retain the affordable housing assets and related housing functions of the former Redevelopment Agency in accordance with Section 34176(a) of the California Health and Safety Code, effective upon the dissolution of the Redevelopment Agency on February 1, 2012.

In accordance with the Dissolution Act, the City filed a “Housing Assets Transfer Form,” which was approved by the California Department of Finance by letter dated August 29, 2012. As a result, the Property (as defined below) became a housing asset of the City pursuant to, and in accordance with, the Dissolution Act. City now desires to convey such Property for affordable housing purposes. ACCORDINGLY, FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, the **CITY OF LAKEWOOD**, a California municipal corporation, successor agency to the Housing Assets of the Lakewood Redevelopment Agency (“**Grantor**”) hereby grants, transfers and assigns to **HABITAT FOR HUMANITY OF GREATER LOS ANGELES**, a California nonprofit public benefit corporation (“**Grantee**”), all of its right, title and interest in and to that certain improved real property (the “**Property**”) described on the attached Exhibit “A” incorporated herein by this reference together with all improvements, fixtures, tenements, hereditaments and appurtenances thereto. Such Property is and shall remain real property. By this Grant Deed, Grantor is acting under the Community Redevelopment Law of California to carry out the public purposes of that certain Disposition and Development Agreement (11644 206<sup>th</sup> Street, 20920 Roseton Avenue, 11610-18 207<sup>th</sup> Street, 20525-29 Pioneer Boulevard and 11643-49 207<sup>th</sup> Street) (the “**Agreement**” or “**DDA**”), dated May 14, 2024, and entered into by and between Grantor and Grantee.

SUBJECT TO:

1.

(a) Taxes and assessments which are a lien, but which are not yet billed, or are billed but are not yet due and payable, including non-delinquent real property taxes and non-delinquent special assessments.

(b) All covenants, conditions, easements, restrictions, liens, encumbrances, other matters of record, and all matters affecting the status of title which are discoverable by an accurate survey; and

(c) All laws, regulations or ordinances (including, but not limited to, zoning, building and environmental laws, regulations and ordinances) applicable to the Property.

2. Title to the Property is conveyed hereto subject to all recorded liens, encumbrances, covenants, encroachments, assessments, easements, leases and taxes.

3. The Grantee covenants and agrees for itself and its successors, assigns and any successor in its interest to the Property, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, national origin, ancestry, age, physical handicap, medical condition, marital status, sex or sexual orientation in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property or any portion thereof, nor shall the Grantee itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, leases, subtenants, sublessees, or vendees in the Property or any portion thereof. The foregoing covenants shall run with the land.

All deeds, leases or contracts made relative to the Property, the Improvements thereon, or any part thereof shall contain or be subject to substantially the following non-discrimination or non-segregation clauses:

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

(b) In leases: "The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions:

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

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

4. Prior to the recordation of a Release of Construction Covenants issued by Grantor for the improvements to be constructed on the Property or on any part thereof:

(a) Grantor shall have the right at its option to reenter and take possession of the Property hereby conveyed (or portion thereof) with all improvements thereon, and to terminate and revest in Grantor fee title to the Property hereby conveyed (or portion thereof) to Grantee if Grantee (or its successors in interest) shall commit a default under the DDA.

(b) The right to reenter, repossess, terminate and revest, and the provisions below regarding the application of proceeds, shall be subject to and be limited by and shall not defeat, render invalid, or limit:

(i) Any *bona fide* mortgage or deed of trust or other security interest of sale or leaseback or other conveyance for financing, provided that such mortgage, deed of trust, security instrument, sale and leaseback or conveyance for financing is permitted by the DDA; or

(ii) Any rights or interests provided in the DDA for the protection of the holders of such *bona fide*, permitted mortgages, deeds of trust, or other security instruments, the lessor under such sale and leaseback, or the grantee under such other conveyance for financing.

(c) The right to reenter, repossess, terminate and revest shall not apply to the Property, or portions thereof, for which a Release of Construction Covenant has been issued by Grantor and recorded.

(d) Subject to the rights of holders of security interests as stated in this paragraph 4, in the event title to the Property or any part thereof is revested in Grantor as provided

in this paragraph 4, Grantor shall, pursuant to its responsibilities under state law, use its diligent and good faith efforts to resell the Property or such part thereof as soon and in such manner as Grantor shall find feasible and consistent with the objectives of such law to a qualified and responsible party or parties (as determined by Grantor), who will assume the obligation of making or completing the Improvements (as defined below in paragraph 5) or such other improvements in their stead as shall be satisfactory to Grantor and in accordance with the uses specified for such Property or any part thereof. Upon such resale of the Property or any part of the Property and satisfaction of obligations owed to the holder of any mortgage, deed of trust or other security interest authorized by the DDA, the proceeds thereof shall be applied:

(i) First, to reimburse Grantor, for all costs and expenses reasonably incurred by Grantor, including salaries of personnel engaged in such action, in connection with the recapture and resale of the Property, or any part thereof; all taxes, assessments and water and sewer charges with respect to the Property or any part of the Property; any payments made or necessary to be made to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults or acts of the Developer, its successors or transferees; any expenditures made or obligations incurred with respect to the making or completion of the agreed improvements on the Property, or any part of the Property; and any amounts otherwise owing to the Grantor by the Developer and its successor or transferee; and; and

(ii) Second, to reimburse Grantee, its successor or transferee, up to the amount equal to the costs incurred for the development of the Property, or any part of the Property, or for the construction of the Restricted Units.

(iii) Any balance remaining after such reimbursements shall be retained by Grantor as its property.

(e) To the extent that this right of reverter involves a forfeiture, it must be strictly interpreted in favor of Grantor, the party for whose benefit it is created. This right is to be interpreted in light of the fact that Grantor hereby conveys the Property to Grantee for development and not for speculation in undeveloped land.

[signature page follows]



IN WITNESS WHEREOF, Grantor and Grantee have caused this instrument to be executed on their behalf by their respective officers thereunder duly authorized, as of the date set forth above.

GRANTOR:

**CITY OF LAKEWOOD**

By: Exhibit – Do Not Sign

Name: \_\_\_\_\_

Its: \_\_\_\_\_

APPROVED AS TO FORM:

CITY ATTORNEY

By: Exhibit – Do Not Sign

ATTEST:

CITY CLERK

By: Exhibit – Do Not Sign

Grantee hereby accepts and approves each of the covenants, conditions and restrictions set forth in this Grant Deed.

GRANTEE:

**HABITAT FOR HUMANITY OF  
GREATER LOS ANGELES**, a California  
nonprofit public benefit corporation

By: *Exhibit – Do Not Sign*  
Erin Rank, President and CEO

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
 ) §  
County of \_\_\_\_\_ )

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

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

WITNESS my hand and official seal.

Signature of Notary

(Affix seal here)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
 ) §  
County of \_\_\_\_\_ )

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

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

WITNESS my hand and official seal.

Signature of Notary

(Affix seal here)

## EXHIBIT A

### LEGAL DESCRIPTION OF THE PROPERTY

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF LAKEWOOD IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

#### PARCEL 1:

THAT PORTION OF THE EAST 13 ACRES OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 12, TOWNSHIP 4 SOUTH, RANGE 12. WEST, IN THE RANCHO LOS COYOTES, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON A COPY OF A MAP MADE BY CHARLES T. HENLEY, RECORDED IN BOOK 41819, PAGE 141 ET SEQ., OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, SHOWN AS PARCEL 38 ON LICENSED SURVEYOR'S MAP FILED IN [BOOK 19, PAGE 34](#) OF RECORD OF SURVEYS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM THAT PORTION THEREOF AS CONVEYED TO THE STATE OF CALIFORNIA, BY DEED RECORDED MAY 2, 1963 IN [BOOK D2014, PAGE 17](#) OF OFFICIAL RECORDS, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWESTERLY CORNER OF SAID PARCEL 38;  
THENCE ALONG THE NORTHERLY LINE OF SAID PARCEL, NORTH 89° 35' 05" EAST, 142.38 FEET TO THE NORTHEASTERLY CORNER OF SAID PARCEL;  
THENCE ALONG THE EASTERLY LINE OF SAID PARCEL, SOUTH 0° 40' 33" EAST, 2.66 FEET;  
THENCE SOUTH 89° 26' 25" WEST, 104.35 FEET;  
THENCE SOUTH 53° 31' 41" WEST, 22.23 FEET TO A POINT IN A LINE THAT IS PARALLEL WITH AND DISTANT EASTERLY 20.00 FEET, MEASURED AT RIGHT ANGLES, TO THE WESTERLY LINE OF SAID PARCEL;  
THENCE SOUTH 89° 19' 27" WEST, 20.00 FEET TO SAID WESTERLY LINE;  
THENCE ALONG SAID WESTERLY LINE NORTH 0° 40' 23" WEST, TO THE POINT OF BEGINNING.

[APN: 7059-011-901](#)

#### PARCEL 2:

LOT 3 AS SHOWN ON LICENSED SURVEYOR'S MAP, IN THE CITY OF LAKEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, FILED IN [BOOK 19, PAGE\(S\) 36](#) RECORD OF SURVEYS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THE WEST 205.00 FEET OF SAID LAND.

EXCEPT THE NORTH 44.00 FEET OF THE REMAINDER OF SAID LAND.

[APN: 7059-019-900](#)

#### PARCEL 3:

THE EASTERLY 45 FEET OF THE WESTERLY 205 FEET OF PARCEL 3 IN THE CITY OF LAKEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER LICENSED SURVEYOR'S MAP FILED IN [BOOK 19, PAGE 36](#) RECORD OF SURVEYS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

[APN: 7059-019-901](#)

PARCEL 4:

THE NORTH 44 FEET OF PARCEL 3, IN THE CITY OF LAKEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER LICENSED SURVEYOR'S MAP FILED IN [BOOK 19, PAGE 36](#) RECORD OF SURVEYS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THE WEST 205 FEET THEREOF.

[APN: 7059-019-902](#)

PARCEL 5:

PARCELS 187, 188 AND 189, AS SHOWN ON LICENSED SURVEYORS MAP OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 12, TOWNSHIP 4 SOUTH, RANGE

12 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE RANCHO LOS COYOTES, CITY OF LAKEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN [BOOK 18, PAGE 33](#) OF RECORDS OF SURVEY, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THE SOUTHERLY 5 FEET OF THE NORTHERLY 30 FEET AS GRANTED TO THE CITY OF LAKEWOOD BY DEED RECORDED JANUARY 4, 2011 AS [INSTRUMENT NO. 20110015937 OF OFFICIAL RECORDS](#).

PARCEL 6:

PARCELS 190, 191 AND 192, AS SHOWN ON LICENSED SURVEYOR'S MAP, IN THE CITY OF LAKEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN [BOOK 18, PAGE 33](#) OF RECORDS OF SURVEY, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THE SOUTHERLY 5 FEET OF THE NORTHERLY 30 FEET AS GRANTED TO THE CITY OF LAKEWOOD BY DEED RECORDED JANUARY 4, 2011 AS [INSTRUMENT NO. 20110015937 OF OFFICIAL RECORDS](#).

[APN: 7059-014-900](#), APN: [APN 7059-014-901](#)

PARCEL 7:

PARCEL NOS. 80, 81, AND 82, AS SHOWN ON LICENSED SURVEYOR'S MAP, FILED IN [BOOK 19, PAGE 36](#) OF RECORD OF SURVEYS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

[APN: 7059-015-900](#)

PARCEL 8:

PARCELS 115, 116 AND 117, IN THE CITY OF LAKEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON A LICENSED SURVEYOR'S MAP OF A PORTION OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 12, TOWNSHIP 4 SOUTH, RANGE 12 WEST, IN THE RANCHO LOS COYOTES, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, FILED IN [BOOK 19, PAGE 36](#) OF RECORD OF SURVEYS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

[APN: 7059-015-901](#)

PARCEL 9:

PARCELS 78 AND 79 OF LICENSED SURVEYOR'S MAP, FILED IN [BOOK 19, PAGE 36](#) OF RECORD OF SURVEYS, IN THE CITY OF LAKEWOOD, AS PER MAP RECORDED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

[APN: 7059-015-902](#)

**ATTACHMENT D**

**DECLARATION**

(Attached)



RECORDING REQUESTED BY )  
AND WHEN RECORDED MAIL TO: )  
 )  
City of Lakewood )  
5050 Clark Avenue )  
Lakewood, California 90712 )  
Attention: City Manager )  
Project: Habitat Scattered Sites )

(Space above for Recorder's Use Only)

**DECLARATION OF CONDITIONS, COVENANTS AND RESTRICTIONS**  
**(WITH AFFORDABLE HOUSING COVENANTS)**

This **DECLARATION OF CONDITIONS, COVENANTS AND RESTRICTIONS** (this “**Declaration**”) is made as of \_\_\_\_\_, 2024 by and between **HABITAT FOR HUMANITY OF GREATER LOS ANGELES**, a California nonprofit public benefit corporation (“**Developer**”) and the **CITY OF LAKEWOOD**, a California municipal corporation (“**City**”).

**RECITALS**

A. City and Developer have entered into that certain Disposition and Development Agreement (11644 206<sup>th</sup> Street, 20920 Roseton Avenue, 11610-18 207<sup>th</sup> Street, 20525-29 Pioneer Boulevard, and 11643-49 207<sup>th</sup> Street) (the “**DDA**”), which is incorporated herein by this reference. Pursuant to the DDA, City has conveyed certain real property to Developer located at 11644 206<sup>th</sup> Street, 20920 Roseton Avenue, 11610-18 207<sup>th</sup> Street, 20525-29 Pioneer Boulevard, and 11643-49 207<sup>th</sup> Street, in the City of Lakewood (APNs 7059-011-901, 7059-019-902, 7059-019-900, 7059-019-901, 7059-014-900, 7059-014-901, 7059-015-901, 7059-015-900 and 7059-015-902 (as legally described in Exhibit A hereto, the “**Property**”) for the purpose of developing affordable housing. The Property consists of vacant land and was held by City in its capacity as the “housing successor” to the former Lakewood Redevelopment Agency in accordance with Health & Safety Code Section 34176. All capitalized terms not defined herein shall have the meaning set forth in the DDA.

B. Developer has agreed to construct thirty seven (37) townhomes on the Property and on certain real property located at 11637 207<sup>th</sup> Street, as legally described in Exhibit B hereto (the “**Habitat Property**”) (collectively, the “**Restricted Units**”) and to restrict the sale of the Restricted Units in accordance with certain covenants, conditions and restrictions as set forth herein. This Declaration is intended to ensure that Developer, its successors and assigns, and every successor in interest to the Restricted Units or any part thereof, shall occupy and sell the Restricted Units in accordance with the terms and conditions of this Declaration.

C. The development of the Project and restriction of the sale of the Restricted Units to Qualified Buyers pursuant to the terms and conditions of this Declaration are in accordance with the purpose of improving communities through affordable and safe housing and applicable provisions of state and local laws.

## AGREEMENT

NOW, THEREFORE, the parties hereto agree and covenant as follows:

### **ARTICLE I** **NONDISCRIMINATION**

Section 1. Nondiscrimination. Developer covenants by and for itself and any successors in interest that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Properties, or any part of it, nor shall the Developer or any person claiming under or through it, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the Property, including the Affordable Unit, or any portion thereof. The foregoing covenants shall run with the land.

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

Section 2. Nondiscrimination Clauses. Developer shall refrain from restricting the sale of the Property, including the Affordable Unit, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code. All such deeds, leases, contracts or subcontracts shall contain or be subject to substantially the following nondiscrimination and nonsegregation clauses:

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

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

b. In leases: “The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the premises herein leased.”

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

a. In contracts: “There shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in connection with the performance of this contract nor shall the contracting party himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, sublessees, subtenants, contractors, subcontractors or vendees with respect to the premises.”

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

The covenants in this Article I shall run with the Property in perpetuity.

## **ARTICLE II**

### **GENERAL DUTIES OF DEVELOPER**

Section 1. Maintenance. Developer, or its successor in interest, shall maintain the Property and all of the improvements thereon in good condition and in accordance with the terms and conditions of the DDA and in conformity with all applicable Governmental Regulations, including, without limitation, the City of Lakewood Municipal Code.

Section 2. No Nuisance. Developer shall not maintain, cause to be maintained, or allow to be maintained on or about the Property any public or private nuisance, including without limitation, the conduct of criminal activities set forth in the nuisance abatement provisions of the Uniform Controlled Substances Act (Health & Safety Code Sections 11570, et seq.) or the Street Terrorism Enforcement and Prevention Act (Penal Code Sections 186.22 et seq.) or any successor statute or law.

Section 3. Construction of the Project. Developer shall complete the construction of the Restricted Units on the Property and the Habitat Property in a timely manner and in accordance with the DDA and all applicable laws, regulations and entitlements. No demolition or construction activities shall be undertaken on the Property or the Habitat Property without a validly issued building permit in accordance with the requirements of the City of Lakewood Municipal Code.

Section 4. No Hazardous Materials Activity. Developer shall not engage in any Hazardous Substance Activity in violation of Environmental Laws and shall comply with all Governmental Regulations in connection with the development of the Restricted Units.

In addition, Developer shall take all necessary precautions to prevent the release into the environment of any Hazardous Substance which are located in, on or under the Property' in violation of Environmental Laws. Such precautions shall include compliance with all Governmental Regulations with respect to any Hazardous Substance. In addition, Developer shall install and utilize such equipment and implement and adhere to such procedures as are consistent with commercially reasonable standards with respect to the disclosure, storage, use, removal and disposal of Hazardous Substance. Notwithstanding the foregoing, this Declaration shall not prohibit the use of such products in quantities as are customarily used in the construction, maintenance, rehabilitation or management of residential developments or associated buildings and grounds, or used in residential activities in a manner typical of other comparable residential developments, or substances commonly ingested by a significant population living within the Project including without limitation alcohol, aspirin, tobacco and saccharine.

## **ARTICLE III**

### **AFFORDABLE HOUSING OBLIGATIONS**

Section 1. Restricted Units. Developer acknowledges that the purpose of City's transfer of the Property is to encourage affordable homeownership among Low Income Households. Pursuant to such purpose, Developer covenants and agrees to construct on the Property and the Habitat Property, and make available and sell, the Restricted Units to Qualified

Buyers at an Affordable Sales Price consistent with applicable requirements of the DDA and this Declaration.

Section 2. Sale of Restricted Units. Developer covenants and agrees to make available and sell the Restricted Units solely to Qualified Buyers at an Affordable Sales Price. Developer covenants and agrees to sell the following Units to the following groups of Qualified Buyers:

- (i) Thirty seven (37) Units shall be held for sale and sold to Low Income Households.

Section 3. Maximum Sales Price. Developer covenants and agrees that the Restricted Units shall be sold at an Affordable Sales Price; provided, however, that the maximum sales price for the Restricted Units shall not exceed the fair market value of the units.

Section 4. Selection of Buyers. Developer shall be responsible for the selection of a Qualified Buyer for the Restricted Units constructed on the Property. Developer shall ensure that the Restricted Units are sold in compliance with the income eligibility and other criteria set forth herein.

Section 5. Income of Buyers. Developer shall obtain an income computation and certification form completed by the prospective buyer of a Restricted Unit, together with a copy of all back-up supporting information, demonstrating that the Household qualifies as a Low Income Household. Developer shall not transfer title to the Restricted Unit to the prospective buyer until Developer has confirmed that the Household qualifies as a Qualified Buyer. Developer shall perform a computation demonstrating that the Restricted Unit will be sold to the prospective buyer at an Affordable Sales Price with financing that results in an Affordable Housing Cost. Developer shall verify the income certifications and computations as provided by the proposed buyer.

Developer shall obtain at least one of the following, as appropriate to the Household of the proposed buyer:

- a. three (3) paycheck stubs from the proposed purchaser's three (3) most recent pay periods (and the same from any other adult member of the Household);
- b. a true copy of an income tax return from the proposed purchaser(s) for the most recent tax year in which a return was filed (and the same from any other member of the Household eighteen (18) years old or older);
- c. an income verification certification from the employer of the proposed purchaser and any other member of the Household eighteen (18) years old or older;
- d. an income verification certification from the Social Security Administration and/or the California Department of Social Services if the proposed purchaser or any other member of the Household eighteen (18) years old or older receives assistance from such agencies; or

e. an alternate form of income verification if none of the above forms of verification is available to Developer.

Section 6. Term of Covenants. This Declaration shall be reconveyed and released as to each Restricted Unit upon the sale of such Restricted Unit to a Qualified Buyer. Upon such sale, City and each Qualified Buyer of an Affordable Unit shall enter into a declaration that requires that the resale of such Affordable Unit by the Qualified Buyer is restricted to resale exclusively to Eligible Purchasers at an Affordable Resale Price until such date as is forty five (45) years from the date of the initial sale of the Affordable Unit to the Qualified Buyer by Developer (the “**City/Buyer Declaration**”).

Section 7. Owner Occupancy. The City/Buyer Declaration shall provide that each Affordable Unit is restricted to occupancy by the owners of the Affordable Unit. Developer covenants and agrees to disclose such restriction to Qualified Buyers of the Restricted Units and obtain written acknowledgement of receipt of such disclosure.

Section 8. Disclosure Requirements. Prior to the execution of a purchase and sale agreement between Developer and any purchaser of an Affordable Unit, Developer shall disclose in writing to each Qualified Buyer the fact that the Property is burdened by the requirements stated in this Declaration, which will remain in effect for the term described herein.

Section 9. Resale Restriction. The City/Buyer Declaration shall provide that the Affordable Unit may be sold by a Qualified Buyer or subsequent Eligible Purchaser during the Affordability Period only to an Eligible Purchaser at an Affordable Resale Price.

Section 10. Financing Resulting in an Affordable Housing Cost. Developer shall sell each Affordable Unit to a Qualified Buyer only with financing resulting in Affordable Housing Cost. For purposes hereof, financing resulting in an Affordable Housing Cost means that the Affordable Sales Price of the Affordable Unit will be paid with a down payment plus one or more mortgages secured by a deed of trust, provided that Affordable Monthly Housing Expenses shall not exceed Affordable Housing Cost. With respect to financing to be obtained by the initial Qualified Buyer, it is contemplated that the Qualified Buyer will obtain a first mortgage from a third party bank lender resulting in Affordable Monthly Housing Expenses not to exceed Affordable Housing Cost. Additionally, the Qualified Buyer may obtain CalHOME, HOP or WISH loans or similar grants or loans from programs available to the Qualified Buyer, if any. Any difference between the Affordable Sales Price of the Affordable Unit and the total of the down payment, first mortgage, and any grants or loans received will be paid with a loan from Developer secured by a subordinate position deed of trust requiring no periodic payments of principal or interest.

For purposes hereof:

“**Affordability Period**” means the period commencing upon the closing of escrow for the sale of the Affordable Unit to a Qualified Buyer and terminating no earlier than the forty fifth (45th) anniversary of the sale of the Affordable Unit to a Qualified Buyer.

***“Affordable Housing Cost”*** means, for Low Income Households, the monthly debt service payment on a third party purchase money mortgage used to purchase a Restricted Unit, which will result in Affordable Monthly Housing Expenses that do not exceed an “affordable housing cost” for the appropriate income level as calculated pursuant to Health and Safety Code Section 50052.5(b). In addition, for any Lower Income Household that has a Gross Income that equals or exceeds seventy percent (70%) of the area median income adjusted for actual family size, the monthly debt service payment on a third party purchase money mortgage used to purchase a Restricted Unit shall result in Affordable Monthly Housing Expenses that do not exceed thirty percent (30%) of the monthly Gross Income of the Household. The term “adjusted for family size appropriate to the unit” shall have the meaning set forth in Health and Safety Code Section 50052.5(h) or its successor statute(s).

***“Affordable Monthly Housing Expenses”*** means aggregate monthly housing expenses that include all of the following associated with the Restricted Unit, estimated or known as of the date of the proposed purchase of the Restricted Unit: (i) principal and interest payments on a mortgage loan(s) including any loan insurance fees associated therewith (a first lien mortgage loan is required hereunder to bear a fixed rate of interest and require level payments throughout its thirty (30) year term); (ii) property taxes and assessments; (iii) fire and casualty insurance covering replacement value of property improvements; (iv) any homeowner association fees; (v) a reasonable utility allowance; and (vi) estimated property maintenance and repairs.

***“Affordable Resale Price”*** means the sales price to be used when a Qualified Buyer sells an Affordable Unit to an Eligible Purchaser and means a price equal to the total of (i) any second or third mortgage assistance procured or assumed by the buyer that does not require periodic payment of principal and interest, plus (ii) the amount of a first mortgage which results in an Affordable Housing Cost to the buyer, plus (iii) the amount of the down payment to be made by the buyer. The Affordable Resale Price may equal but shall not exceed the fair market value of the Affordable Unit.

***“Affordable Sales Price”*** means the sales price of a Restricted Unit to a Qualified Buyer which may equal but shall not exceed the fair market value of the Unit. The Affordable Sales Price shall be paid by a down payment plus one or more mortgages secured by a deed of trust (including, without limitation, a purchase money first mortgage loan, any grants or subordinate loans received by the Qualified Buyer, and/or a subordinate loan from Developer), provided that principal and interest payments on the mortgages plus ownership costs shall not exceed an Affordable Housing Cost.

***“Affordable Units”*** means each of the newly constructed residential units in the Project which shall be available to, occupied by or held for sale exclusively to Qualified Buyers who are also Low Income Households at an Affordable Sales Price.

***“Eligible Purchaser”*** means a household purchasing an Affordable Unit upon resale of the Affordable Unit by the Qualified Buyer or a subsequent Eligible Purchaser, which such household must (a) qualify as a Low Income Household, and (b) meet the other requirements set forth herein for buyers of an Affordable Unit, including, without limitation, the requirement that the buyer(s) agree to occupy the Affordable Unit as their primary residence and restrict the

sale of the Affordable Unit to Eligible Purchasers at an Affordable Resale Price for the remaining term of the Affordability Period.

**“Gross Income”** shall mean the total annual gross income of all members of a Household 18 and over, determined in accordance with Section 6914 of Title 25 of the California Code of Regulations.

**“Household”** means one or more persons purchasing or occupying a Restricted Unit.

**“Low Income Household”** means a Household whose annual Gross Income does not exceed the California state income limits for a “Low Income” Household (as defined in Health and Safety Code Section 50079.5 for Los Angeles County), adjusted for actual Household size, as published annually by HCD pursuant to Health and Safety Code Section 50093.

**“Restricted Unit Closing”** means the closing of an escrow conveying title to the Restricted Unit to a Qualified Buyer at an Affordable Sales Price.

**“Restricted Unit(s)”** means each of the thirty seven (37) newly constructed residential units in the Project which shall be available to, occupied by or held for sale exclusively to Qualified Buyers who are Low Income Households.

Section 11. Owner Occupancy. Developer shall require each Qualified Buyer to agree that they will occupy the Affordable Unit as their primary residence for the Affordability Period. The City/Buyer Declaration shall provide that Owner’s attempt to rent or actual rental of the Affordable Unit for any purpose during the Affordability Period shall entitle City to exercise all available legal and equitable remedies under the City/Buyer Declaration.

It is expressly understood, acknowledged, and covenanted by the Developer for itself, its successors and assigns, that the Affordable Unit or any part thereof shall only be used and maintained as an owner-occupied residential unit. Therefore, the Qualified Buyer and any Eligible Purchaser, its successor or its assigns, shall not rent, lease, or sublease the Affordable Unit (including any improvement or fixture thereto), or otherwise transfer or attempt to transfer a tenancy or leasehold interest in the Affordable Unit (including any improvement or fixture thereto) or any part thereof. Developer may enter into an Interim Lease with a Qualified Buyer solely in accordance with the DDA.

#### **ARTICLE IV** **ENFORCEMENT**

Section 1. Remedies. Subject to the notice and cure rights of the Developer set forth in the DDA, in the event of default or breach of any of the terms or conditions of this Declaration by Developer, its heirs, executors, administrators or assigns, City may pursue the remedy thereof by any and all means of enforcement, both in equity and at law, as provided by the laws of the State of California, including, but not limited to, injunctive relief and/or specific performance.



By way of example and not limitation, if any default, breach or violation is not cured to the satisfaction of City within the applicable cure period, City may declare a default hereunder and may take any one or more of the following actions:

(a) Collect all rents and income in connection with the sale or lease of any Restricted Unit, if any, and use the same and the reserve funds for the construction, sale, operation and maintenance of the Restricted Unit.

(b) Take possession of the Restricted Unit and bring any action necessary to enforce any rights of the City growing out of the construction or sale of the Restricted Unit, and construct and sell the Restricted Unit in accordance with the terms of this Declaration until such time as City, in its sole discretion, shall determine that the Developer is again in a position to resume construction and sale of the Restricted Unit in accordance with the terms of this Declaration.

(c) Apply to any court, state or federal, for specific performance of this Declaration or for the appointment of a receiver to take over and construct, operate and sell the Restricted Unit in accordance with the terms of this Declaration, or for such other relief as may be appropriate. It is agreed by the Developer that the injury to City arising from a default under any of the terms of this Declaration would be irreparable and that the amount of compensation which would provide adequate relief to City, in light of the purposes and requirements of the programs applicable to the Restricted Unit, would be impossible to ascertain.

(d) Seek such other appropriate remedies as may be available under the law.

In the event that the breach or violation involves selling the Restricted Unit for a price in excess of an Affordable Sales Price or other charges in excess of those permitted under this Declaration, City may demand the return of such excess proceeds or other charges to the affected households.

The remedies of City hereunder and under the DDA are cumulative, and the exercise of one or more of such remedies shall not be deemed an election of remedies and shall not preclude the exercise by City of any one or more of its other remedies.

Section 2. Rights of City. As a party to this Declaration, City is entitled to the following rights:

a. City has the right, but not the obligation, to enforce all of the provisions of this Declaration.

b. Any amendment to the Declaration shall require the written consent of City.

c. This Declaration does not in any way infringe on the right or duties of the City of Lakewood to enforce any of the provisions of its Municipal Code including, but not limited to, the abatement of dangerous buildings.

Section 3. Cumulative Remedies. The remedies herein provided for breach of the covenants contained in this Declaration shall be deemed cumulative, and none of such remedies shall be deemed exclusive.

Section 4. Failure to Enforce. The failure to enforce any of the covenants contained in this Declaration shall not constitute a waiver of the right to enforce the same thereafter.

Section 5. Third Party Beneficiary. This Declaration is made and entered into for the sole protection and benefit of the City and its respective successors and assigns, and Developer, and its permitted successors and assigns, and no other person or persons shall have any right of action hereon.

## **ARTICLE V**

### **GENERAL PROVISIONS**

Section 1. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in all force and effect.

Section 2. Construction. The provisions of this Declaration shall be liberally construed for the purpose of developing and maintaining the Restricted Units and restricting the sale of the Affordable Units in accordance with this Declaration and the DDA. The article and section headings have been inserted for convenience only, and shall not be considered or referred to in resolving questions of interpretation or construction.

Section 3. Amendments. This Declaration may be amended only by the written agreement of Developer and City.

Section 4. Notices. Any notice permitted or required to be delivered as provided herein from one party to another shall be in writing and may be delivered either personally or by first-class or registered mail. If delivery is made by mail, it shall be deemed to have been delivered seventy-two (72) hours after a copy of same has been deposited in the United States Mail, postage prepaid. Notices to Developer shall be sent to Habitat for Humanity, 8739 Artesia Blvd., Bellflower, CA 90706, Attn: President. Notices to City shall be sent to City at City of Lakewood, 5050 Clark Avenue, Lakewood, California 90712, Attention: City Manager. Such addresses may be changed from time to time by notice in writing, which shall be made by certified mail to the other party in accordance with this Section 4.

Section 5. Term of Declaration. This Declaration shall be reconveyed and released by City as to each Restricted Unit upon the sale of such Restricted Unit to a Qualified Buyer.

*[Signatures on Next Page]*

**IN WITNESS WHEREOF**, City and Developer have executed this Declaration as of the date set forth above.

**City:**

**CITY OF LAKEWOOD**, a California municipal corporation

By: Exhibit – Do Not Sign

Name: \_\_\_\_\_

Its: City Manager

**ATTEST:**

By: Exhibit – Do Not Sign

Its: \_\_\_\_\_

**APPROVED AS TO FORM:**

By: Exhibit – Do Not Sign

Its: \_\_\_\_\_

[DECLARATION SIGNATURE PAGE 1 OF 2]

**DEVELOPER:**

**HABITAT FOR HUMANITY OF GREATER  
LOS ANGELES**, a California nonprofit public  
benefit corporation

By: *Exhibit – Do Not Sign*  
Erin Rank, President and CEO

[DECLARATION SIGNATURE PAGE 2 OF 2]

EXHIBIT A  
LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF LAKEWOOD IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

THAT PORTION OF THE EAST 13 ACRES OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 12, TOWNSHIP 4 SOUTH, RANGE 12. WEST, IN THE RANCHO LOS COYOTES, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON A COPY OF A MAP MADE BY CHARLES T. HENLEY, RECORDED IN BOOK 41819, PAGE 141 ET SEQ., OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, SHOWN AS PARCEL 38 ON LICENSED SURVEYOR'S MAP FILED IN [BOOK 19, PAGE 34](#) OF RECORD OF SURVEYS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM THAT PORTION THEREOF AS CONVEYED TO THE STATE OF CALIFORNIA, BY DEED RECORDED MAY 2, 1963 IN [BOOK D2014, PAGE 17](#) OF OFFICIAL RECORDS, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWESTERLY CORNER OF SAID PARCEL 38;  
THENCE ALONG THE NORTHERLY LINE OF SAID PARCEL, NORTH 89° 35' 05" EAST, 142.38 FEET TO THE NORTHEASTERLY CORNER OF SAID PARCEL;  
THENCE ALONG THE EASTERLY LINE OF SAID PARCEL, SOUTH 0° 40' 33" EAST, 2.66 FEET;  
THENCE SOUTH 89° 26' 25" WEST, 104.35 FEET;  
THENCE SOUTH 53° 31' 41" WEST, 22.23 FEET TO A POINT IN A LINE THAT IS PARALLEL WITH AND DISTANT EASTERLY 20.00 FEET, MEASURED AT RIGHT ANGLES, TO THE WESTERLY LINE OF SAID PARCEL;  
THENCE SOUTH 89° 19' 27" WEST, 20.00 FEET TO SAID WESTERLY LINE;  
THENCE ALONG SAID WESTERLY LINE NORTH 0° 40' 23" WEST, TO THE POINT OF BEGINNING.

[APN: 7059-011-901](#)

PARCEL 2:

LOT 3 AS SHOWN ON LICENSED SURVEYOR'S MAP, IN THE CITY OF LAKEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, FILED IN [BOOK 19, PAGE\(S\) 36](#) RECORD OF SURVEYS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THE WEST 205.00 FEET OF SAID LAND.

EXCEPT THE NORTH 44.00 FEET OF THE REMAINDER OF SAID LAND.

[APN: 7059-019-900](#)

PARCEL 3:

THE EASTERLY 45 FEET OF THE WESTERLY 205 FEET OF PARCEL 3 IN THE CITY OF LAKEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER LICENSED SURVEYOR'S MAP FILED IN [BOOK 19, PAGE 36](#) RECORD OF SURVEYS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

[APN: 7059-019-901](#)

PARCEL 4:

THE NORTH 44 FEET OF PARCEL 3, IN THE CITY OF LAKEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER LICENSED SURVEYOR'S MAP FILED IN [BOOK 19, PAGE 36](#) RECORD OF SURVEYS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THE WEST 205 FEET THEREOF.

[APN: 7059-019-902](#)

PARCEL 5:

PARCELS 187, 188 AND 189, AS SHOWN ON LICENSED SURVEYORS MAP OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 12, TOWNSHIP 4 SOUTH, RANGE

12 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE RANCHO LOS COYOTES, CITY OF LAKEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN [BOOK 18, PAGE 33](#) OF RECORDS OF SURVEY, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THE SOUTHERLY 5 FEET OF THE NORTHERLY 30 FEET AS GRANTED TO THE CITY OF LAKEWOOD BY DEED RECORDED JANUARY 4, 2011 AS [INSTRUMENT NO. 20110015937 OF OFFICIAL RECORDS](#).

PARCEL 6:

PARCELS 190, 191 AND 192, AS SHOWN ON LICENSED SURVEYOR'S MAP, IN THE CITY OF LAKEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN [BOOK 18, PAGE 33](#) OF RECORDS OF SURVEY, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THE SOUTHERLY 5 FEET OF THE NORTHERLY 30 FEET AS GRANTED TO THE CITY OF LAKEWOOD BY DEED RECORDED JANUARY 4, 2011 AS [INSTRUMENT NO. 20110015937 OF OFFICIAL RECORDS](#).

[APN: 7059-014-900](#), APN: [APN 7059-014-901](#)

PARCEL 7:

PARCEL NOS. 80, 81, AND 82, AS SHOWN ON LICENSED SURVEYOR'S MAP, FILED IN [BOOK 19, PAGE 36](#) OF RECORD OF SURVEYS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

[APN: 7059-015-900](#)

PARCEL 8:

PARCELS 115, 116 AND 117, IN THE CITY OF LAKEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON A LICENSED SURVEYOR'S MAP OF A PORTION OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 12, TOWNSHIP 4 SOUTH, RANGE 12 WEST, IN THE RANCHO LOS COYOTES, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, FILED IN [BOOK 19, PAGE 36](#) OF RECORD OF SURVEYS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

[APN: 7059-015-901](#)

PARCEL 9:

PARCELS 78 AND 79 OF LICENSED SURVEYOR'S MAP, FILED IN [BOOK 19, PAGE 36](#) OF RECORD OF SURVEYS, IN THE CITY OF LAKEWOOD, AS PER MAP RECORDED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

[APN: 7059-015-902](#)

EXHIBIT B  
LEGAL DESCRIPTION

The land referred to herein below is situated in the City of Lakewood in the County of Los Angeles, State of California, and is described as follows:

That portion of the Northeast quarter of the Northeast quarter of section 12, township 4 South, range 12 West, San Bernardino Meridian, Rancho Los Coyotes, in the City of Lakewood, County of Los Angeles, State of California, shown as Parcels 83 and 84 on licensed surveyor's map filed in Book 19, Page 36 of record of surveys.

APN: 7059-015-008



A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
 ) §  
County of \_\_\_\_\_ )

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

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

WITNESS my hand and official seal.

Signature of Notary

(Affix seal here)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
 ) §  
County of \_\_\_\_\_ )

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

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

WITNESS my hand and official seal.

Signature of Notary

(Affix seal here)

**ATTACHMENT E**  
**LIST OF DUE DILIGENCE REPORTS**

(To be inserted below)

## **Due Diligence Reports**

### **11610 – 11618 207<sup>th</sup> St.**

- Converse Consultant Proposal – Phase I Environmental Site Assessment – 11610 – 11618 207<sup>th</sup> St.
- Demo and Sewer Cap Permit – 11610 – 11618 207<sup>th</sup> St.
- Resolution No. LRA 2009-11 – A Resolution of the Lakewood Redevelopment Agency Approving Agreement for Acquisition of Real Property in the City of Lakewood – 11610 – 11618 207<sup>th</sup> St.
- Aerial View – 11610-11618 207<sup>th</sup> St.
- Parcel Map – 11610-11618 207<sup>th</sup> St.
- Converse Consultants Invoice
- Document #20100159208 – Grant Deed
- Document #20110015937 – Road Deed

### **11644 206<sup>th</sup> St. and 11643 – 11649 207<sup>th</sup> St.**

- Document #20080196614 – Grant Deed
- LRA Minutes – January 8, 2008
- Parcel Map – 11644 206<sup>th</sup> St. and 11643 – 11649 207<sup>th</sup> St.
- Resolution No. LRA 2008-1 – A Resolution of the Lakewood Redevelopment Agency Approving Agreement for Acquisition of Real Property in the City of Lakewood – 11643 207<sup>th</sup> St.
- Building Permits – Demolition – 11643 – 11647 207<sup>th</sup> St.
- South Coast Air Quality Management District - Notification of Demolition or Asbestos Removal – 11643 – 11647 207<sup>th</sup> St.
- Aerial Map – 11644 206<sup>th</sup> St. and 11643 – 11649 207<sup>th</sup> St.
- Preliminary Title Report – 11644 206<sup>th</sup> St. and 11643 -11649 207<sup>th</sup> St.
- Application for Building Permit – Demo – 11644 206<sup>th</sup> St.
- Resolution No. LRA 2008-15 – A Resolution of the Lakewood Redevelopment Agency Approving Agreements for Acquisition of Real Property in the City of Lakewood – 11644 206<sup>th</sup> St. and 11649 207<sup>th</sup> St.

### **20525 – 20529 Pioneer Blvd.**

- Resolution No. LRA 2004-9 – A Resolution of the Lakewood Redevelopment Agency Approving Agreement for Acquisition of Real Property in the City of Lakewood – 20525 Pioneer Blvd.
- Preliminary Title Report – 20525 – 20529 Pioneer Blvd.
- Application for Building Permit – Demolition – 20529 Pioneer Blvd.
- ArcMap – 20525 – 20529 Pioneer Blvd.
- Document #043104145 – Grant Deed
- Document #96403339 – Trustee's Deed Upon Sale

- SCS Engineers – Asbestos Report – 20525 Pioneer Blvd.
- The JCP Report – Statutory Natural Hazard Disclosure Statement – 20525 Pioneer Blvd.
- Aerial Map – 20525 – 20529 Pioneer Blvd.
- Parcel Map – 20525 – 20529 Pioneer Blvd.
- Demo and Sewer Cap Permit – 20525 Pioneer Blvd.
- South Coast Air Quality Management District - Notification of Demolition or Asbestos Removal – 20525 Pioneer Blvd.

**20920 Roseton Ave.**

- Aerial Map – 20920 Roseton Ave.
- Building Permits – Demolition – 20920 Roseton Ave.
- South Coast Air Quality Management District - Notification of Demolition or Asbestos Removal – 20920 Roseton Ave.
- Pacific Soils Engineering, Inc. – Compaction Test Results – 20920 Roseton Ave.
- 2010 Parcel Map – 20920 Roseton Ave.
- Preliminary Title Report – 20920 Roseton Ave.
- Document #20090099009 – Grant Deed
- Resolution No. LRA 2008-15 - A Resolution of the Lakewood Redevelopment Agency Approving Agreement for Acquisition of Real Property in the City of Lakewood – 20920 Roseton Ave.
- Document #20110015936 – Road Deed
- 2023 Parcel Map – 20920 Roseton Ave.

**ATTACHMENT F**  
**SCHEDULE OF PERFORMANCE**

(Attached)

**ATTACHMENT F**  
**SCHEDULE OF PERFORMANCE**

(11644 206th Street, 20920 Roseton Avenue, 11610-18 207th Street,  
20525-29 Pioneer Boulevard, and 11643-49 207th Street)

*A date for performance as set forth herein may be extended for up to twelve (12) months in a writing signed by City and Developer at any time prior to the occurrence of such date.*

- |  |   |
|--|---|
| 1. <u>Execution of Agreement.</u> DDA authorized, executed and delivered to Developer by City.   | Effective Date.   |
| 2. <u>Open Escrow.</u> The Parties shall open Escrow with the escrow company for the conveyance of the Property.   | Not later than thirty (30) days after the Effective Date.   |
| 3. <u>Developer 90-Day Due Diligence Period.</u> Developer shall have, at its sole cost and expense, the right to conduct soils and engineering and environmental assessments. | Beginning upon the Effective Date and expiring ninety (90) days from Effective Date. Developer may elect to proceed with the Closing prior to the expiration of the Due Diligence Period. |
| 4. <u>Environmental Disclosure.</u> City shall deliver or make available to Developer copies of City's Environmental Reports for review.                                       | Not later than thirty (30) days after the Effective Date.   |
| 5. <u>Delivery of Preliminary Title Report.</u> City shall cause Title to deliver to Developer for review and approval a standard Preliminary Title Report for each Property.  | Not later than thirty (30) days after the Effective Date.   |

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|-----|---|--|
| 6.  | <u>Developer Approval or Disapproval of Condition of Property and Notice to Proceed.</u> Developer shall approve or disapprove, and notify City of its approval or disapproval, of the physical and environmental condition of the Property and deliver to City and Escrow Agent its Notice of Intention to Proceed or Terminate. | Within ten (10) days of the expiration of Developer's Due Diligence Period.  |
| 7.  | <u>Developer Review of Preliminary Title Report.</u> Developer shall give Notice to City and Escrow of its approval or disapproval of Preliminary Title Report.   | Within thirty (30) days of receipt of Preliminary Title Report.  |
| 8.  | <u>Amendments to Title.</u> City shall cause Title to remove any disapproved items by Developer.  | Within ten (10) days of Notice from Developer of any disapproved items.  |
| 9.  | <u>Approval-Conceptual Design, Site Design and Drawings.</u> City will approve or disapprove the design and drawings for the Property.  | Within six (6) months of Effective Date.   |
| 10. | <u>Developer Submittals into Escrow.</u> Developer and City shall submit into escrow the deliverables listed in Section 3.6 of the DDA.   | At least five (5) business days prior to Closing.  |
| 11. | <u>Closing Procedure.</u> Escrow shall close when the Parties' conditions precedent have been satisfied or waived. The Escrow Agent shall Close the Escrow as described in the Agreement.   | Closing is the time and day the Grant Deed for the Property is filed in the Official Records of Los Angeles County, but in no event later than the Outside Closing Date (June 30, 2024) or any extension thereof in accordance with the DDA. |
| 12. | <u>Commencement of Construction.</u> Developer shall commence construction of the Project.  | Within 120 days of the receipt of Building Permits.  |
| 13. | <u>Obtain Building Permits.</u> Developer shall pay for and obtain issuance of all necessary building permits.  | Prior to commencement of construction.   |



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|--|--|
| 14. <u>Submission of Marketing Plans.</u><br>Developer shall submit the Marketing and Selection Plan to City for its approval.   | Not later than 90 days after commencement of construction.                             |
| 15. <u>Selection of Qualified Buyers.</u><br>City and Developer shall select and approve Qualified Buyers for the Affordable Units.  | Not later than 90 days prior to completion of construction.                            |
| 16. <u>Completion of Construction.</u><br>Developer shall obtain a Certificate of Occupancy.   | Not later than forty-eight (48) months after commencement of construction.             |
| 17. <u>Confirmation that proposed buyers remain Qualified Buyers.</u><br>Developer shall submit such documentation as is requested by City to demonstrate that previously approved Qualified Buyers continue to remain so qualified. | Not later than 90 days prior to the proposed close of escrow for the sale of any Unit. |
| 18. <u>Completion of sale to Qualified Buyers.</u> Developer and Qualified Buyers shall close escrow for the sale of the Units.  | Not later than 150 days from the issuance of Certificate of Occupancy.                 |

**ATTACHMENT G**  
**FORM OF RELEASE OF CONSTRUCTION COVENANTS**

(Attached)

TO BE RECORDED AND WHEN  
RECORDED RETURNED TO:

**Habitat for Humanity of  
Greater Los Angeles**  
8739 Artesia Blvd.  
Bellflower, CA 90706  
Attention: President

---

SPACE ABOVE THIS LINE FOR RECORDER'S USE

### FORM OF RELEASE OF CONSTRUCTION COVENANTS

WHEREAS, the **CITY OF LAKEWOOD**, a California municipal corporation ("**City**") has entered into that certain Disposition and Development Agreement dated as of May 14, 2024 (the "**Agreement**") with **HABITAT FOR HUMANITY OF GREATER LOS ANGELES**, a California non-profit corporation ("**Developer**") relating to property in the City of Lakewood described as set forth in Exhibit A (the "**Property**"). All capitalized terms not defined herein shall have the meaning ascribed to them in the Agreement; and

WHEREAS, pursuant to the Agreement, upon the completion of the construction of Project or any Restricted Unit, the City is required to issue for recordation a Release of Construction Covenants ("**Release**") acknowledging the completion of the Restricted Units and releasing certain obligations and rights of the Developer set forth in the Agreement and the Grant Deed given by City to Developer for the Property; and

WHEREAS, Developer has completed construction of the Restricted Units as required by the Agreement, and has requested that the City issue the Release; and

WHEREAS, City has inspected and determined that the construction of the Project has been satisfactorily completed and now desires to issue the Release pursuant to the terms and conditions of the Agreement.

NOW THEREFORE, it is hereby acknowledged and certified by the City that:

1. The construction of the Project has been completed in accordance with the Agreement.
2. The issuance and recording of this Release shall cancel and release any rights, remedies or controls that the parties would otherwise have or be entitled to exercise under the Agreement or the Grant Deed for the Property as a result of a default in or breach of any provision thereof prior to completion of the construction of the Project.

IN WITNESS WHEREOF, City has executed this Release which is effective on the date set forth above.

**CITY OF LAKEWOOD**

By: Exhibit – Do Not Sign  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

APPROVED AS TO FORM:

CITY ATTORNEY

By: Exhibit – Do Not Sign

ATTEST:

CITY CLERK

By: Exhibit – Do Not Sign

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )  
County of \_\_\_\_\_ )

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

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

WITNESS my hand and official seal.

Signature \_\_\_\_\_

EXHIBIT A

LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN IS SITUATED IN THE COUNTY OF LOS ANGELES,  
STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

APN \_\_\_\_ - \_\_\_\_ - \_\_\_\_