

Lawndale Successor Agency
OVERSIGHT BOARD
REGULAR MEETING

AGENDA

March 17, 2016

4:00 PM

Lawndale City Council Chambers
14717 Burin Avenue, Lawndale, California 90260

- A. CALL TO ORDER
- B. ROLL CALL / INTRODUCTIONS – Board Members: Patricia Flynn, Joann Higdon, Steve Mandoki, Wayne Schaller, Michael Stewart, John Vinke, Barry Waite
- C. PLEDGE OF ALLEGIANCE
- D. PUBLIC COMMENTS
- E. CONSENT CALENDAR
 - 1. MINUTES of the Oversight Board meeting of January 27, 2016
- F. ADMINISTRATION – NEW BUSINESS
 - 1. Exclusive Negotiation Agreement between the Lawndale Successor Agency and Arroyo Seco Development Group relating to the Agency-owned site at the southwest corner of Hawthorne Boulevard and Manhattan Beach Boulevard.
 - 2. Amendment to the Consultant Services Agreement between the Lawndale Successor Agency and Overland, Pacific & Cutler, Inc. for property management, right-of-way, and acquisition and relocation services.
- G. ITEMS FROM SECRETARY/ADMINISTRATIVE CLERK
- H. ITEMS FROM BOARD MEMBERS
- I. ADJOURNMENT

Oversight Board Agenda
March 17, 2016

The next Oversight Board meeting is tentatively scheduled for **Thursday, January 19, 2017.**

Copies of staff reports or other written documentation relating to each agenda item are on file with the Oversight Board and are available for public inspection prior to the meeting.

It is the intention of the Oversight Board to comply with the Americans with Disabilities Act (ADA) in all respects. If, as an attendee or a participant at this meeting, you will need special assistance beyond what is normally provided, the Board will attempt to accommodate you in every reasonable manner. Please contact the Lawndale Community Development Department at (310) 973-3230, at least forty-eight (48) hours prior to the meeting to inform us of your particular needs and to determine if accommodation is feasible.

CERTIFICATION

Pursuant to the requirements of Government Code Section 54954.2, agendas for each Oversight Board meeting must be posted at least 72 hours in advance in a location that is freely accessible to members of the public. As the Secretary/Administrative Clerk of the Oversight Board, I declare under penalty of perjury that I caused the Oversight Board Agenda to be posted on **March 10, 2016** in accordance with the provisions of State Law and local regulations.



Perry Banner, Acting Secretary/Administrative Clerk

**MINUTES OF THE
LAWNDALE SUCCESSOR AGENCY
OVERSIGHT BOARD REGULAR MEETING
JANUARY 27, 2016, 4 PM**

A. CALL TO ORDER

The regular meeting of the Lawndale Successor Agency Oversight Board was called to order at 4:04 p.m. in the City Hall council chamber, 14717 Burin Avenue, Lawndale, California by Member Stewart.

B. ROLL CALL

Board Members Present: Patricia Flynn, Michael Stewart, John Vinke,
Steve Mandoki, Wayne Schaller

Board Members Absent: Joann Higdon, Barry Waite

Also Present: Joe Perez, Community Development Director, Perry Banner,
Community Development Manager and Ken Louie, Finance Director

C. PLEDGE OF ALLEGIANCE

Flag Salute - led by Board Member Vinke

D. PUBLIC COMMENTS

None

E. CONSENT CALENDAR

1. Minutes of the Oversight Board meeting of June 1, 2015
2. Minutes of the Oversight Board meeting of September 21, 2015

A motion by Board Member Vinke to approve the Oversight Board meeting minutes of June 1, 2015 and September 21, 2015. Motion seconded by Board Member Schaller. Motion carried unanimously with Chair Waite and Board Member Higdon absent.

F. ADMINISTRATION – NEW BUSINESS

1. ROPS 16-17 AND ADMINISTRATIVE BUDGET - Community Development Manager Banner delivered the staff report. Staff recommends that the Oversight Board adopt Resolution No. 2016-1 approving ROPS 16-17; Resolution No. 2016-2 approving the tenth Administrative Budget for the period July 1, 2016 to June 30, 2017; and authorizing staff to revise the ROPS 16-17 and the tenth Administrative Budget as required by the California Department of Finance.

A motion by Board Member Mandoki to adopt Resolution No. 2016-1 approving ROPS 16-17; Resolution No. 2016-2 approving the tenth Administrative Budget for the period July 1,

2016 to June 30, 2017; and authorizing staff to revise the ROPS 16-17 and the tenth Administrative Budget as required by the California Department of Finance. Motion seconded by Board Member Flynn. Motion carried unanimously with Chair Waite and Board Member Higdon absent.

G. ITEMS FROM SECRETARY/ADMINISTRATIVE CLERK

Joe Perez, Community Development Director gave the Oversight Board an update on the project on the southwest corner of Hawthorne Blvd. and Manhattan Beach Blvd. Currently, there are three developers remaining after two rounds of interviews.

Board Member Flynn asked about any interest by national chains. **Director Perez** stated that several national chain restaurants have been inquiring.

Board Member Stewart asked about how the streetscape is to look. **Director Perez** stated that the early renderings that have been presented feature gathering space on the corner, landscaping, attractive facades and buildings, and parking behind.

H. ITEMS FROM BOARD MEMBERS

Board Member Mandoki stated that today is Director Perez's last day and thanked him for his service to the Oversight Board and to the City.

I. ADJOURNMENT

There being no further business to conduct, the meeting was adjourned at 4:20 p.m.

Board Member Michael Stewart
on behalf of Chair Barry Waite

ATTEST:

Perry Banner, Acting Community Development Director
/clc

RESOLUTION NO. 2016-05

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE
LAWNDALE SUCCESSOR AGENCY APPROVING THE
MINUTES OF THE OVERSIGHT BOARD MEETING OF
JANUARY 27, 2016**

WHEREAS, the Oversight Board of the Lawndale Successor Agency met on March 17, 2016;
and

WHEREAS, at the Oversight Board meeting of March 17, 2016, the Oversight Board considered the minutes of the January 27, 2016 meeting and the approval of said minutes.

NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE LAWNDALE REDEVELOPMENT AGENCY DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The foregoing recitals are true and correct and incorporated herein, and, together with information provided by the Successor Agency staff and the public, form the basis for the approvals, findings, resolutions, and determinations set forth below.

SECTION 2. That the Oversight Board hereby approves the minutes of the January 27, 2016 Oversight Board meeting.

SECTION 3. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications or this Resolution that can be given effect without the invalid provision or application, and to the end the provisions of this Resolution are severable. The Oversight Board declares that the Oversight Board would have adopted this Resolution irrespective of the invalidity or any particular portion of this Resolution.

SECTION 4. Pursuant to Health and Safety Code section 34179(h), all actions taken by the Oversight Board may be reviewed by the State of California Department of Finance, and, therefore, this Resolution shall not be effective for five (5) business days, pending a request for review by the State of California Department of Finance.

SECTION 5. The Secretary of the Successor Agency or the authorized designee is directed to post this Resolution on the Successor Agency's website pursuant to the Dissolution Act.

PASSED, APPROVED, AND ADOPTED this 17th day of March, 2016.

Chair

ATTEST:

State of California)
County of Los Angeles) SS
City of Lawndale)

I, Perry Banner, Secretary of the Oversight Board of the Successor Agency of the Lawndale Redevelopment Agency, do hereby certify that the Members of the Oversight Board of the Successor Agency to the Lawndale Redevelopment Agency duly approved and adopted the foregoing **Resolution No. 2016-05** at a regular meeting of said Oversight Board held on the 17th day of **March, 2016**, by the following roll call vote:

Ayes:

Noes:

Absent:

Abstain:

Secretary



**OVERSIGHT BOARD TO THE
SUCCESSOR AGENCY TO THE
LAWDALE REDEVELOPMENT AGENCY**

14717 BURIN AVENUE, LAWDALE, CALIFORNIA 90260
PHONE (310) 973-3200, FAX (310) 644-4556
www.lawndalecity.org

DATE: March 17, 2016

TO: Honorable Chairman and Board Members

FROM: Perry A. Banner, Acting Community Development Director 

SUBJECT: Exclusive Negotiation Agreement between the Successor Agency and Arroyo Seco Development Group

BACKGROUND

On February 1, 2016, the Successor Agency authorized staff to prepare an Exclusive Negotiation Agreement (ENA) with Arroyo Seco Development Group for the Agency-owned property located at the southwest corner of Hawthorne Boulevard and Manhattan Beach Boulevard.

It was a standard practice of California redevelopment agencies, and now successor agencies, to enter into an ENA with a developer during the period that the terms of a disposition and development agreement (DDA) were being negotiated. Typically, a successor agency requires that a developer provide a proforma, site plan, elevations, a list of proposed tenants, and evidence of financing before agreeing to sell its property. The cost to a developer of providing the items listed above is considerable and many are often unwilling to undertake those expenditures if an agency is also free to market the property to other developers. The ENA provides a developer with the assurance that their expenditures will likely lead to an agreement with a successor agency.

On March 7, 2016, the Successor Agency approved the Exclusive Negotiation Agreement (ENA) with Arroyo Seco Development Group.

STAFF REVIEW

Staff has worked with Arroyo Seco Development Group to prepare an ENA that provides a basic understanding between Arroyo Seco and the Successor Agency. The ENA commits the Agency to negotiating with only Arroyo Seco for 240 days. During that time period, staff and Arroyo Seco would negotiate a DDA to be approved by the Successor Agency and the Oversight Board. The DDA is a purchase and sale agreement that establishes the terms of the sale of the Agency property and describes the development that Arroyo Seco would construct.

The ENA generally describes some of the Agency requirements that are likely to be included in the DDA. The ENA requires Arroyo Seco to more fully describe its proposed development to the Successor Agency. The ENA would require that Arroyo Seco provide the Agency with material describing the tenants to be included, a proforma establishing the financial feasibility of the project, a site plan and elevations, a financial statement, and information on potential tenants.

The ENA requires an administrative fee of \$20,000 to be provided by Arroyo Seco. If negotiations do not result in the approval of a DDA with Arroyo Seco, the Successor Agency would deduct the cost of the Agency attorney's fees and third party expenses that resulted from the preparation of the ENA and return the balance to Arroyo Seco. If negotiations are successful, the administrative fee would be applied toward the deposit for the DDA.

FUNDING

No additional funding required.

RECOMMENDATION

It is recommended that the Oversight Board adopt Resolution No. 2016-3 approving the Exclusive Negotiation Agreement between the Successor Agency and Arroyo Seco Development Group for the Successor Agency-owned site located at Hawthorne and Manhattan Beach Boulevards.

Attachments: 1. Exclusive Negotiation Agreement
 2. Oversight Board Resolution No. 2016-06

**EXCLUSIVE NEGOTIATION AGREEMENT
WITH ARROYO SECO DEVELOPMENT GROUP FOR THE
DEVELOPMENT OF THE SOUTHWEST CORNER OF HAWTHORNE
AND MANHATTAN BEACH BOULEVARDS**

THIS EXCLUSIVE NEGOTIATION AGREEMENT (“Agreement”) is made this ___ day of _____, 2016, by and between the Successor Agency to the Lawndale Redevelopment Agency, a public body, corporate and politic (“Agency”), and Arroyo Seco Development Group, a California limited liability company (“Developer”).

RECITALS

The parties enter into this Agreement on the basis of the following facts, understandings, and intentions:

A. The Agency is a public body, corporate and politic, exercising governmental functions and powers and organized and existing under the Community Redevelopment Law of the State of California (Health and Safety Code Sections 33000, *et seq.*); and

B. The Agency is the owner of a 59,744 square foot property (“Site”), which occupies the Southwest corner at the intersection of Hawthorne and Manhattan Beach Boulevards, in the City of Lawndale, California. The Site is depicted on the map attached as Exhibit “A”; and

C. Health and Safety Code Section 34191.5 required each successor agency to prepare a Long Range Property Management Plan (LRPMP) after receiving a Finding of Completion from the State Department of Finance; and

D. In accordance with Health & Safety Code Section 34191.5, each successor agency is to use its LRPMP to identify all successor agency-owned real property, and to address the disposition and use of the real properties; and

E. The Agency received its Finding of Completion from the Department of Finance on April 12, 2013; and

F. The Agency’s LRPMP was approved by the Department of Finance on June 18, 2014; and

G. The Developer has experience in the redevelopment of real property similar to the Site and in connection with such redevelopment has worked with redevelopment successor agencies. The term “Developer,” as used herein, refers to Arroyo Seco Development Group and any affiliate of such entity that may be involved, if at all, in the Developer’s activities under this Agreement, as elected by Developer in its discretion. Nothing in this Agreement shall create any personal obligation or liability of the Executive Director or any Agency member, staff member, employee, or agent of Agency for any obligation of Agency under this Agreement. Nothing in this Agreement shall create any personal obligation or liability of the Executive Director or any Agency member, staff member, employee, or agent of Agency for any obligation of Agency

under this Agreement and, conversely, nothing in this Agreement shall create any personal obligation or liability of any partner, member, principal, shareholder, employee, or agent of Developer for any obligation of Developer under this Agreement. All obligations of Developer as set forth herein shall be the joint and several obligations of Developer and any affiliate of Developer involved, at Developer's election, in the Developer's activities under this Agreement; and

H. The Agency desires to effectuate the Redevelopment Plan for the Lawndale Economic Revitalization Project Area by providing for the redevelopment of the Site; and

I. The Developer represents that it will submit a proposal to develop the Site consistent with all laws, ordinances, regulations, and zoning requirements of both the Agency and the City of Lawndale, including but not limited to, the Hawthorne Boulevard Specific Plan; and

J. The Agency and Developer desire, for the period set forth herein, to negotiate diligently and in good faith to prepare a Purchase and Sale Agreement, Disposition and Development Agreement, owner participation agreement, or equivalent agreement (each and collectively, a "PSA"), whereby the Developer would acquire title to and develop the Site, among other terms and provisions of the PSA.

NOW, THEREFORE, and in consideration of the mutual covenants contained herein, the parties mutually agree to the following:

SECTION 1. NATURE OF NEGOTIATIONS.

A. Good Faith. The Agency and the Developer agree that, for the period set forth in Section 2 herein, they will negotiate diligently and in good faith to prepare and enter into a PSA for the development of the Site. The development will be subject to all rules, regulations, standards, and criteria set forth in the Agency's Redevelopment Plan for the Lawndale Economic Revitalization Project and the City's General Plan, applicable specific plans and zoning regulations (which may necessitate amendment or other modification to accommodate Developer's proposed redevelopment) and this Agreement. Agency agrees, for the period stated below, not to negotiate with any other person or entity regarding redevelopment of the Site or any portion thereof without the prior written consent of Developer, which Developer may withhold in its sole and absolute discretion. Nothing in this Agreement shall be deemed a covenant, promise or commitment by Agency, the City of Lawndale, or any subdivision of the City or the Agency, with respect to the sale of property or the approval of any redevelopment of the Site or otherwise. Agency's acceptance of this Agreement is merely an agreement to enter into a period of exclusive negotiations according to the terms hereof, reserving final discretion and approval by Agency as to any actions required of it. Recital Paragraphs "A" through "J," inclusive are incorporated by reference as substantive provisions of this Agreement.

B. Site. The proposed development ("Project") shall be located upon all or a portion of the real property designated as the Site, as shown in the "Site Map," attached hereto as Exhibit "A" and incorporated herein by this reference. The Agency encourages the Developer to consider acquiring additional property adjacent to the Site to be a part of the Project. As the

Agency does not have the power of eminent domain the Agency will not acquire surrounding property for the Developer.

C. Environmental Review. The parties intend to negotiate the terms of the PSA during the term of this Agreement. The Developer will have the sole responsibility to pursue and obtain any necessary environmental approvals for the Project. In the event that Developer is required, by applicable law, to undertake environmental review of any proposed project for the Site, the City shall be deemed the lead agency for such review, and Developer shall deposit with the City all funds necessary to cover the cost of such environmental review.

D. Use and Transfer Restrictions. This Agreement shall not be assigned by Developer without the prior written approval of Agency, which approval may be withheld at the sole and complete discretion of the Agency.

E. Nature of the Project. The design of the Project shall be consistent with the City's design guidelines. Developer shall also obtain architectural review and approval for the Project from the City's Planning Commission. The Developer will be solely responsible for obtaining all approvals and entitlements for the Project, arranging the financing for the Project, and constructing all improvements upon the Site, subject to the terms and conditions of the PSA.

F. Financial Provisions. The parties further agree to the following, subject to the terms and provisions of the PSA:

1. Developer shall be responsible for financing and constructing all improvements.
2. Developer shall pay for all necessary public improvements and all of the City's fees incurred in processing the Project, without assistance of the Agency.
3. Payment of prevailing wages, if required, in connection with the Project will be the sole responsibility of the Developer.

SECTION 2. PERIOD OF NEGOTIATIONS.

A. Period of Exclusive Negotiation. Agency and Developer agree to negotiate for two hundred forty (240) days after the execution date of the Agreement in order to enter into a PSA. The term may be extended for up to two (2) additional ninety (90) day periods, upon the mutual written agreement of the Developer and Agency acting through and in the discretion of the Agency's Executive Director. If, upon the expiration of such initial and any extended period of time, Agency and Developer have not each approved and executed a PSA, this Agreement shall automatically terminate and Developer shall have no further rights regarding the subject matter of this Agreement or the Site.

B. Agency Approval. Developer understands and acknowledges that if negotiations culminate in a PSA, the PSA shall be effective only after and if the PSA has been considered and approved by the Agency, Oversight Board and City Council after a public hearing thereon as required by law.

C. Termination. Either party may terminate this Agreement for cause, upon forty-five (45) days' written notice to the other party, and the obligations of each party shall thereafter cease with neither party being liable to the other for any costs or expense except as otherwise described herein.

SECTION 3. DEVELOPER'S RESPONSIBILITIES.

A. Preparation of Feasibility Studies. During the period of negotiation, Developer will prepare such studies, reports, and analysis as shall be necessary to permit Developer to determine preliminarily, the initial feasibility of the Project, subject to any further rights granted Developer with respect to the foregoing. During the period of negotiation the Developer shall submit the items described below to the Agency. Failure to timely submit these documents in a manner approved by the Agency shall be cause for termination of this Agreement:

i. An estimated proforma budget for the development and construction of the Project.

ii. A "Site Plan" specifying tenants contacted and those from whom commitments, letters of intent, or other expressions of interest have been or are proposed to be obtained, as well as the minimum square footage per proposed tenant. The Site Plan shall also describe all pads to be constructed on the Site and specify the various proposed uses of each pad.

iii. Adequate disclosure of Developer's principals, partners, joint ventures, negotiators, consultants, professional employees, or other associates of the Developer who are participants or principals of the Project, and other reasonable and relevant information, as requested by Agency, concerning the above.

iv. A statement of Developer's financial capabilities, including contemplated or potential sources of equity and construction and permanent loan financing and financial contributions, if any, by proposed tenants of the Project relating to their premises, in connection with Developer's satisfaction of its obligations relating to the Project.

v. The preliminary site design of the Project, as reasonably required by the Agency based on available information. This information shall be sufficient, to the extent feasible and practicable, to allow Agency to evaluate site configuration, architectural design and similar issues.

vi. All information necessary to show proposed and potential tenant availability and interest, the nature of the proposed and potential tenants, and the financial strength and resources of such tenants. Agency agrees, to the maximum extent permitted by law, to keep confidential all proprietary financial and other information submitted by Developer to the Agency in connection with Developer's satisfaction of its obligations under this Agreement, at all times during the term of this Agreement. Moreover, the parties agree that the financial information which is required to be submitted to Agency pursuant to this Section shall not be retained by the Agency.

B. Confirmation of Anchor Restaurant Tenant. On or before the expiration of one hundred eighty (180) days following the Effective Date of this Agreement, Developer shall provide the Agency written confirmation designating the anchor restaurant tenant to occupy the Property. The written confirmation shall be a letter from the proposed retail tenant and shall include that the tenant has: (1) reviewed and approved the Property subject to the proposed tenants' final real estate committee (or other necessary) approval; and (2) reviewed and approved the Site Plan and Floor Plan. The letter of intent shall also represent that the Developer and the proposed retail tenant have agreed to enter into good faith negotiations of a lease or other written agreement for use of the described tenant space. If this provision is not fully complied with on or before the one hundred eighty (180) day period, Agency may terminate this Agreement.

C. Mobile Home Park Closure and Tenant Relocation. Upon full execution and approval of the PSA, Developer, at its sole cost and expense, shall take all actions necessary for the private closure of the Blue Bonnet Mobile Home Park ("Park"), which is located on the Site at 4432 Manhattan Beach Boulevard. As part of the Park closure, Developer shall negotiate and compensate (if necessary), at its sole cost and expense, for the removal and possible relocation of the approximately four (4) tenants in possession in the Park. Developer shall comply with all applicable federal, state and local regulations, including but not limited to the California Mobile Home Residency Law and Section 17.38 of the City of Lawndale Municipal Code, which regulates mobile home park conversion and relocation assistance.

D. Administrative Fee. Concurrent with the execution of this Agreement by Developer, Developer shall pay to Agency an administrative fee ("Administrative Fee") in the amount of Twenty Thousand Dollars (\$20,000.00), in the form of a cash deposit, cashier's check or personal check. Should Developer submit a personal check which fails to clear, this Agreement shall automatically terminate. The Administrative Fee shall be used to reimburse Agency for its attorney's fees and third party expenses if negotiations do not result in the execution of a PSA. In the event, at the end of the negotiation period, a PSA is not executed, the balance of the Administrative Fee shall be refunded to Developer, less the costs set forth above. If negotiations result in the execution of a PSA, the balance of the Administrative Fee shall be applied to the good faith deposit to be required under such PSA.

The Administrative Fee shall be deposited in an interest-bearing account with a bank or trust company selected by the Agency and reasonably acceptable to Developer. Interest, if any, shall be added to the Administrative Fee and held as additional security for the Developer's obligations hereunder. Upon termination of this Agreement, the balance of the Administrative Fee, less charges against the Administrative Fee deducted as provided herein, shall be returned to the Developer unless such termination shall have occurred as a result of Developer's default under this Agreement in which event Agency shall be entitled, as its sole and exclusive remedy, to retain the entire amount of the Administrative Fee, as the total liquidated and agreed damages compensable to Agency for such default of Developer. Agency and Developer agree that Agency's actual damages which could result from default by Developer of its obligations under the Agreement are uncertain and would be impractical or extremely difficult to determine. In no event will Developer's liability under this Agreement exceed the then-outstanding balance of the Administrative Fee.

E. Negotiations. Developer shall negotiate exclusively with the Agency's negotiating team and with no third parties unless expressly authorized to do so by the Agency's negotiating team. During the period of negotiations, no statements will be made by either the Developer or the Agency without first making reasonable efforts to consult with the other party.

F. No Obligation by Agency. Developer acknowledges that Agency is under no obligation to enter into any proposed PSA or other agreement, subject to Agency's obligations to negotiate in this Agreement, and that any actions taken or investments made by Developer in anticipation of a proposed agreement prior to such agreement being considered and approved by Agency's Board and/or the City Council after a public hearing and signed and delivered, are undertaken at Developer's sole risk and expense. Prior to the execution and delivery of an agreement by Agency, any reliance by Developer on any representations or promises by City or Agency staff or consultants, or individual Council or Board members, is undertaken at Developer's sole risk and expense.

SECTION 4. AGENCY'S RESPONSIBILITIES.

A. Agency Assistance. The Agency shall cooperate fully in providing Developer with appropriate information and assistance.

B. Preparation of Agreement. The PSA shall include, among other relevant terms, the agreements between Agency and Developer regarding the design of the Project and other business terms determined necessary or desirable for inclusion in the PSA. Within sixty (60) days of the approval of this Agreement by the Agency's Board, Agency shall provide Developer with an initial draft of the PSA. Agency's counsel's attorneys' fees incurred in connection with the preparation of the PSA shall be deducted from the Administrative Fee.

If the negotiations culminate in a PSA signed by Developer, such Agreement shall become effective only after the public hearing and approvals described in Section 2(B), above.

SECTION 5. PSA DEPOSIT.

If the negotiations contemplated by this Agreement result in the execution of a PSA, the PSA will require that Developer submit to the Agency a deposit, in the form of a cash deposit, cashier's check or other form of security acceptable to the Agency, to insure that the Developer will proceed diligently and in good faith to perform all of the Developer's obligations under the PSA ("Deposit"). This Deposit is in addition to the Administrative Fee described in Section 3(D), above. The amount and terms of the Deposit shall be outlined in the PSA. Any remaining portion of the Administration Fee shall be applied against Developer's obligation for the Deposit under the PSA.

SECTION 6. MISCELLANEOUS.

A. Brokerage Commissions. The Agency represents that it has engaged no broker, agent, or finder in connection with this transaction, and the Developer agrees to hold the Agency harmless from any claim by any broker, agent, or finder retained by the Developer and Agency shall not be liable to pay any real estate commission or any broker's fees which may arise in relation to the Project or the transfer of title to the Site.

B. Ownership of Documents. If the negotiations contemplated by this Agreement do not result in the execution of a PSA, Developer shall provide Agency, at no cost or expense to Agency, with copies of any third party consultant, contractor, or subcontractor reports, studies, analysis, site plan layouts, engineering studies, memorandums, or similar documents, excluding legally privileged or confidential items, regarding the proposed development which were prepared during the period of negotiations, which documents shall become the property of Agency, on a nonexclusive basis with Developer, and Developer shall have no claim for compensation as a result of the exercise by Agency of its rights of nonexclusive ownership of the documents and materials hereunder. Developer may retain copies of such documents for its own use and shall have an unrestricted right to use such documents including all concepts embodied therein.

Such delivery of copies of documents by Developer to Agency shall be made without any representation, warranty, or liability whatsoever by the Developer as to the accuracy or sufficiency of the contents of such documents and shall be made subject to the rights of the preparers of such documents including, without limitation, the copyrights (if any) associated with such documents. Agency acknowledges that any use of such documents for other projects and/or use of uncompleted documents without specific written authorization by Developer will be at Agency's or the applicable third party's sole risk and without liability to Developer, and Agency shall indemnify the Developer for all damages concerning, affecting, or relating to Agency resulting therefrom.

C. Purpose of Contract.

1. Agency's acceptance of this Agreement is merely an agreement to enter into a period of exclusive, good faith negotiations according to the terms hereof, reserving final discretion and approval by Agency as to any actions required of it.

2. Nothing contained herein shall constitute a waiver, amendment, promise or agreement by Agency or City (or any of its departments or boards) as to the granting of any approval, permit, consent or other entitlement in the exercise of any approval, permit, consent or other entitlement in the exercise of City's regulatory capacity or function.

3. It is expressly understood and agreed by the parties that this is an agreement regarding the conduct of contract negotiations only and does not convey any interest in the Site whatsoever. It is further agreed and understood that this Agreement does not imply any obligation on the part of the Agency to enter into any agreement that may result from negotiations contemplated herein.

D. Corporate Authority. The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) entering into this Agreement does not violate any provision of any other agreement to which said party is bound.

E. Amendment. This Agreement may only be amended by a document in writing signed by the parties.

F. Notices. All notices, including without limitation all approvals and consents, required or permitted under this Agreement shall be delivered in person or by facsimile, by overnight mail courier, or by registered or certified mail, postage prepaid, return receipt requested, to each party at its address shown below, or to any other notice address designated in writing by such party:

Agency: Successor Agency to the Lawndale Redevelopment Agency
14717 Burin Avenue
Lawndale, CA 90260
Attention: Executive Director
Telephone: (310) 973-3200

Developer: Arroyo Seco Development Group, LLC
Attention: Steve Boss, Manager
480 S. Orange Grove, Blvd, Unit 12
Pasadena, CA 91105
Telephone: (818) 968-4612

G. Termination for Default. Either party may terminate this Agreement if the other party should fail to comply with and perform in a timely manner any material obligation to be performed by such other party under this Agreement, provided the party seeking to terminate this Agreement shall provide ten (10) days written notice to the other party of such failure or nonperformance and such other party shall have such 10-day period within which to cure such failure or nonperformance. Notwithstanding the foregoing, in no event shall any cure period hereunder extend the term of this Agreement.

H. General Provisions. This Agreement and all terms and conditions hereof shall be governed by and construed and enforced in accordance with the laws of the State of California. Any term herein can be waived only by a written waiver signed by the party against whom such waiver is to be asserted. This Agreement may be executed in counterparts, each of which when so executed shall be deemed an original, and all of which, together, shall constitute one and the same instrument.

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

“AGENCY”

By: _____
Robert Pullen-Miles, Chairman

ATTEST:

Agency Secretary

APPROVED AS TO FORM:

Agency Counsel

“DEVELOPER”

Arroyo Seco Development Group,
a California limited liability company

By: _____
Steve Boss, Principal

RESOLUTION NO. 2016-06

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE
LAWNDALE SUCCESSOR AGENCY AUTHORIZING THE
EXCLUSIVE NEGOTIATION AGREEMENT BETWEEN
THE SUCCESSOR AGENCY AND ARROYO SECO
DEVELOPMENT GROUP FOR THE DEVELOPMENT OF
THE SOUTHWEST CORNER OF HAWTHORNE AND
MANHATTAN BEACH BOULEVARDS**

WHEREAS, pursuant to Health and Safety Code Section 34173(g), the Successor Agency to the Lawndale Redevelopment Agency (“Successor Agency”) is a public entity, separate and distinct from the City of Lawndale; and

WHEREAS, on June 18, 2014, the Department of Finance (DOF) approved the Long Range Property Management Plan for the Successor Agency, designating certain assets and properties of the former Redevelopment Agency for disposal pursuant to Health and Safety Code Section 34177(e); and

WHEREAS, Arroyo Seco Development Group has expressed an interest in developing certain properties held by the Successor Agency, which are located at the southwest corner of Hawthorne Boulevard and Manhattan Beach Boulevard; and

WHEREAS, the Successor Agency and Arroyo Seco Development Group wish to enter into an Exclusive Negotiation Agreement (ENA) to continue the discussions for the disposal and development of the properties located at the southwest corner of Hawthorne Boulevard and Manhattan Beach Boulevard as provided for in the Long Range Property Management Plan.

NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE LAWNDALE REDEVELOPMENT AGENCY DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The foregoing recitals are true and correct, and, together with information provided by the Successor Agency staff and the public, form the basis for the approvals, findings, resolutions, and determinations set forth below.

SECTION 2. Pursuant to the Dissolution Act, the Lawndale Oversight Board authorizes the Successor Agency to enter into the Exclusive Negotiation Agreement with Arroyo Seco Development Group.

SECTION 3. The Oversight Board authorizes transmittal of such Agreement to the County Auditor-Controller and DOF.

SECTION 4. This Resolution shall be effective after this Resolution is transmitted to the DOF, and after the expiration of five (5) business days pending a request for review by the DOF within the time periods set forth in the Dissolution Act. In this regard, if the DOF requests review hereof, DOF will have forty (40) days from the date of its request to approve this Oversight Board action or return it to the Oversight Board for reconsideration, and the action, if subject to review by the DOF, will not be effective until approved by DOF.

SECTION 5. The Secretary of the Successor Agency or the authorized designee is directed to post this Resolution on the Successor Agency's website pursuant to the Dissolution Act.

PASSED, APPROVED, AND ADOPTED this 17th day of March, 2016.

Chair

ATTEST:

State of California)
County of Los Angeles) SS
City of Lawndale)

I, Perry Banner, Acting Secretary of the Oversight Board of the Successor Agency of the Lawndale Redevelopment Agency, do hereby certify that the Members of the Oversight Board of the Successor Agency to the Lawndale Redevelopment Agency duly approved and adopted the foregoing Resolution No. 2016-06 at a regular meeting of said Oversight Board held on the 17th day of March, 2016, by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Secretary



**OVERSIGHT BOARD TO THE
SUCCESSOR AGENCY TO THE
LAWNDALE REDEVELOPMENT AGENCY**

14717 BURIN AVENUE, LAWNDALE, CALIFORNIA 90260
PHONE (310) 973-3200, FAX (310) 644-4556
www.lawndalecity.org

DATE: March 17, 2016

TO: Honorable Chairman and Board Members

FROM: Perry A. Banner, Acting Community Development Director 

SUBJECT: Consulting Agreement Amendment between the Successor Agency and Overland, Pacific & Cutler, Inc. for Property Management, Right-of-Way, and Acquisition and Relocation Services

BACKGROUND

In March 2008, the City of Lawndale entered into a three year agreement with Overland, Pacific & Cutler, Inc. (OPC) to provide property management, right-of-way, and acquisition and relocation assistance to the City and the Lawndale Redevelopment Agency. In July 2011, the City entered into a second three year agreement with OPC and in July 2013, the City and the Lawndale Successor Agency entered into a third three year agreement with OPC. During the past nine years OPC assisted staff with opportunities that involved the expansion or acquisition of additional available land for public facilities, parks, affordable housing, economic development, and redevelopment, as well as providing property management services.

On March 7, 2016, the Successor Agency approved the contract amendment with Overland, Pacific & Cutler, Inc.

STAFF REVIEW

For the past nine years, OPC has assisted staff with a number of property acquisitions, relocation services, property management services, and right-of-way analysis for the City of Lawndale, Lawndale Redevelopment Agency, and Lawndale Successor Agency. OPC has demonstrated the ability to provide technically correct information which greatly assisted staff in facilitating those types of projects. Staff would like to continue using OPC to assist with the continued property management of the Agency-owned Blue Bonnet Trailer Court and future relocation of tenants.

The initial agreement in March 2008 was approved for a not to exceed amount of \$145,000 over a three year period. During that three year period, approximately \$90,000 from that agreement was used. During the second agreement in July 2011, the remaining \$55,000 was carried over from the previous fiscal year and was used during the second three year period. The third agreement was

approved for a three year period for a not-to-exceed amount of \$80,000. During the third agreement, a small fraction totaling only \$820.25 was used since most of the mobile home administrative costs have been paid from the retained rents (rental income). An estimated \$79,180 is available to carry over into the extended period to provide for the administrative costs associated with the management of the mobile home park.

The OPC contract is expiring on July 14, 2016 and additional time is needed at a time when OPC is providing valuable assistance to the Successor Agency at the Blue Bonnet Trailer Court and for the redevelopment project at Hawthorne and Manhattan Beach Boulevards. Depending on the eventual use of this site, the City may have to relocate the remaining tenants. OPC's knowledge of the ongoing issues and challenges makes them uniquely qualified to provide these services.

FUNDING

No additional funding is being requested at this time.

RECOMMENDATION

It is recommended that the Oversight Board adopt Resolution No. 2016-07 approving the First Amendment to the Consultant Services Agreement between the Successor Agency and Overland, Pacific & Cutler, Inc. extending the time period through January 10, 2017.

- Attachments:
1. First Amendment
 2. Consulting Agreement with OPC
 3. Oversight Board Resolution No. 2016-07

**FIRST AMENDMENT TO THE LAWDALE SUCCESSOR AGENCY
CONTRACT SERVICES AGREEMENT FOR
PROPERTY MANAGEMENT, RIGHT-OF-WAY, ACQUISITION AND RELOCATION
CONSULTING SERVICES BY
OVERLAND PACIFIC & CUTLER, INC.**

This FIRST AMENDMENT TO THE CONTRACT SERVICES AGREEMENT FOR PROPERTY MANAGEMENT, RIGHT-OF-WAY, ACQUISITION AND RELOCATION BY OVERLAND PACIFIC & CUTLER, INC. ("First Amendment") is made and entered into this 7th day of March, 2016, by and between the Lawndale Successor Agency, a municipal corporation, (herein "Agency") and Overland Pacific & Cutler, Inc., a California corporation (herein "Consultant").

RECITALS

WHEREAS, on July 15, 2013 the Agency and Consultant entered into a three year Contract Services Agreement pursuant to which Agency would utilize Consultant's services for Property Management, Right-of-Way, Acquisition and Relocation Services ("Agreement"); and

WHEREAS, as Consultant has not yet completed the Scope of Services set forth in the Agreement, pursuant to Section 3.2 of the Agreement, the Agency and Consultant wish to extend the time period during which Consultant can provide these services to the Agency, as specified in the Schedule of Performance, by one hundred eighty (180) days; and

WHEREAS, it is the desire of the Agency and the Consultant to amend the Agreement, as set forth in this First Amendment, to have Consultant continue to provide the services described herein.

AGREEMENT

NOW, THEREFORE, it is hereby agreed that the Agreement, is amended in the following particulars only:

SECTION 1. Section 3.4 of the Agreement is amended to add one hundred eighty (180) days to term of the Agreement such that the Agreement shall now be in effect through January 10, 2017.

SECTION 2. Except as expressly set forth in this First Amendment all other provisions of the Agreement shall remain in full force and effect.

////

IN WITNESS HEREOF, the parties have executed and entered into this First Amendment as of the date first written above.

AGENCY:

LAWNDALE SUCCESSOR AGENCY,
a municipal corporation

By: _____
Robert Pullen-Miles, Chairman

ATTEST:

Bernadette Suarez, City Clerk

APPROVED AS TO FORM:
Aleshire & Wynder, LLP

Tiffany J. Israel, General Counsel

CONSULTANT:

Overland Pacific & Cutler, Inc., a California corporation

By: _____
Name: Brian Everett
Title: President

By: _____
Name: Amber Costello
Title: Secretary

Address: 3750 Schaupele Ave, Suite 150
Long Beach, CA 90808
562-304-2000

**LAWNDALE SUCCESSOR AGENCY
CONTRACT SERVICES AGREEMENT FOR
PROPERTY MANAGEMENT, RIGHT-OF-WAY,
ACQUISITION AND RELOCATION**

CONSULTING SERVICES

This Contract Services Agreement ("Agreement") is made and entered into this 15th day of July, 2013, by and between the Lawndale Successor Agency, a municipal corporation, ("Agency"), and OVERLAND PACIFIC & CUTLER, INC., a California Corporation ("Consultant"). The term Consultant includes professionals performing in a consulting capacity. The parties hereto agree as follows:

1.0 SERVICES OF CONSULTANT

1.1 Scope of Services. In compliance with all terms and conditions of this Agreement, Consultant shall provide the work and services specified in the "Scope of Services" attached hereto as *Exhibit "A"* and incorporated herein by this reference. Consultant warrants that all work or services set forth in the Scope of Services will be performed in a competent, professional and satisfactory manner.

1.2 Consultant's Proposal. The Scope of Services shall include the Consultant's proposal or bid which shall be incorporated herein by this reference as though fully set forth herein. In the event of any inconsistency between the terms of such proposal and this Agreement, the terms of this Agreement shall govern.

1.3 Compliance with Law. All work and services rendered hereunder shall be provided in accordance with all ordinances, resolutions, statutes, rules, and regulations of the Agency and any Federal, State or local governmental agency having jurisdiction.

1.4 Licenses, Permits, Fees and Assessments. Consultant shall obtain at its sole cost and expense, such licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement. Consultant shall have the sole obligation to pay for any fees, assessments, taxes, including applicable penalties and interest, which may be imposed by law and arise from or are necessary for the Consultant's performance of the services required by this Agreement; and shall indemnify, defend and hold harmless Agency against any claim for such fees, assessments, taxes, penalties or interest levied, assessed or imposed against Agency hereunder.

1.5 Familiarity with Work. By executing this Agreement, Consultant warrants that Consultant (a) has thoroughly investigated and considered the scope of services to be performed, (b) has carefully considered how the work and services should be performed, and (c) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement.

1.6 Additional Services. Agency shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to or deducting from said work. No such extra work may be undertaken unless a written order is first given by the Contract Officer to the Consultant, incorporating therein any adjustment in (i) the Contract Sum, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written approval of the Consultant. Any increase in compensation of up to five percent (5%) of the Contract Sum or \$25,000, whichever is less, may be

approved by the Contract Officer. Any greater increases, taken either separately or cumulatively must be approved by the Agency Council. It is expressly understood by Consultant that the provisions of this Section shall not apply to services specifically set forth in the Scope of Services or reasonably contemplated therein. Consultant hereby acknowledges that it accepts the risk that the services to be provided pursuant to the Scope of Services may be more costly or time consuming than Consultant anticipates and that Consultant shall not be entitled to additional compensation therefor.

1.7 Special Requirements. Additional terms and conditions of this Agreement, if any, which are made a part hereof are set forth in the "Special Requirements" attached hereto as *Exhibit "B"* and incorporated herein by this reference. In the event of a conflict between the provisions of *Exhibit "B"* and any other provisions of this Agreement, the provisions of *Exhibit "B"* shall govern.

1.8 Environmental Laws. Consultant shall comply with all applicable environmental laws, ordinances, codes and regulations of Federal, State, and local governments. Consultant shall also comply with all applicable mandatory standards and policies relating to energy efficiency.

2.0 COMPENSATION

2.1 Contract Sum. For the services rendered pursuant to this Agreement, Consultant shall be compensated in accordance with the "Schedule of Compensation" attached hereto as *Exhibit "C"* and incorporated herein by this reference, but not exceeding the maximum contract amount of Eighty Thousand dollars (\$80,000.00) ("Contract Sum"), except as provided in Section 1.6. The method of compensation may include: (i) a lump sum payment upon completion, (ii) payment in accordance with the percentage of completion of the services, (iii) payment for time and materials based upon the Consultant's rates as specified in the Schedule of Compensation, but not exceeding the Contract Sum or (iv) such other methods as may be specified in the Schedule of Compensation. Compensation may include reimbursement for actual and necessary expenditures approved by the Contract Officer in advance if specified in the Schedule of Compensation. The Contract Sum shall include the attendance of Consultant at all project meetings reasonably deemed necessary by the Agency.

Consultant agrees that if Consultant becomes aware of any facts, circumstances, techniques, or events that may or will materially increase or decrease the cost of the work or services or, if Consultant is providing design services, the cost of the project being designed, Consultant shall promptly notify the Contract Officer of said fact, circumstance, technique or event and the estimated increased or decreased cost related thereto and, if Consultant is providing design services, the estimated increased or decreased cost estimate for the project being designed.

2.2 Method of Payment. Unless some other method of payment is specified in the Schedule of Compensation, in any month in which Consultant wishes to receive payment, no later than the first (1st) working day of such month, Consultant shall submit to the Agency, in a form approved by the Agency's Director of Finance, an invoice for services rendered prior to the date of the invoice. Except as provided in Section 7.2, Agency shall pay Consultant for all expenses stated thereon which are approved by Agency pursuant to this Agreement generally within thirty (30) days, and no later than forty-five (45) days, from the submission of an invoice in an approved form.

2.3 Availability of Funds. It is mutually understood between the parties that this Agreement is valid and enforceable only if sufficient funds are made available by the Agency Council of the Agency for the purposes of this Agreement. The availability of funding is affected by matters

outside the Agency's control, including other governmental entities. Accordingly, the Agency has the option to void the whole Agreement or to amend the Agreement to reflect unanticipated reduction in funding for any reason.

3.0 PERFORMANCE SCHEDULE

3.1 Time of Essence. Time is of the essence in the performance of this Agreement.

3.2 Schedule of Performance. Consultant shall commence the services pursuant to this Agreement upon receipt of a written notice to proceed and shall perform all services within the time period(s) established in the "Schedule of Performance" attached hereto as *Exhibit "D"*, if any, and incorporated herein by this reference. When requested by the Consultant, extensions to the time period(s) specified in the Schedule of Performance may be approved in writing by the Contract Officer but not exceeding one hundred eighty (180) days cumulatively.

3.3 Force Majeure. The time period(s) specified in the Schedule of Performance for performance of the services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Consultant, including, but not restricted to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the Agency, if the Consultant shall, within ten (10) days of the commencement of such delay, notify the Contract Officer in writing of the causes of the delay. The Contract Officer shall ascertain the facts and the extent of delay and extend the time for performing the services for the period of the enforced delay when and if, in the judgment of the Contract Officer, such delay is justified. The Contract Officer's determination shall be final and conclusive upon the parties to this Agreement. In no event shall Consultant be entitled to recover damages against the Agency for any delay in the performance of this Agreement, however caused; Consultant's sole remedy being extension of the Agreement pursuant to this Section.

3.4 Term. Unless earlier terminated in accordance with Section 7.4 below, this Agreement shall continue in full force and effect until completion of the services no later than three (3) years from the date hereof.

4.0 COORDINATION OF WORK

4.1 Representative of Consultant. The following principals of Consultant are hereby designated as being the representatives of Consultant authorized to act on its behalf with respect to the work or services specified herein and to make all decisions in connection therewith:

Brian Everett, President

Amber Costello, Secretary

It is expressly understood that the experience, knowledge, capability and reputation of the representative was a substantial inducement for Agency to enter into this Agreement. Therefore, the representative shall be responsible during the term of this Agreement for directing all activities of Consultant and devoting sufficient time to personally supervise the services hereunder. For purposes of this Agreement, the representative may not be replaced nor may his responsibilities be substantially reduced by Consultant without the express written approval of Agency.

4.2 Contract Officer. The Agency's Executive Director is hereby designated as the representative of the Agency authorized to act in its behalf with respect to the work and services and to make all decisions in connection therewith ("Contract Officer"). It shall be the Consultant's responsibility to assure that the Contract Officer is kept informed of the progress of the performance of the services and the Consultant shall refer any decisions which must be made by Agency to the Contract Officer. The Agency may designate another Contract Officer by providing written notice to Consultant.

4.3 Prohibition Against Subcontracting or Assignment. The experience, knowledge, capability and reputation of Consultant, its principals and employees were a substantial inducement for the Agency to enter into this Agreement. Therefore, Consultant shall not contract with any other entity to perform in whole or in part the services required hereunder without the express written approval of the Agency. In addition, neither this Agreement nor any interest herein may be transferred or assigned without the prior written approval of Agency. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Consultant taking all transfers into account on a cumulative basis. A prohibited transfer or assignment shall be void. No approved transfer shall release the Consultant or any surety of Consultant of any liability hereunder without the express consent of Agency.

4.4 Independent Contractor. Neither the Agency nor any of its employees shall have any control over the manner or means by which Consultant, its agents or employees, perform the services required herein, except as otherwise set forth herein. Consultant shall perform all services required herein as an independent contractor of Agency and shall remain under only such obligations as are consistent with that role. Consultant shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of Agency. Agency shall not in any way or for any purpose become or be deemed to be a partner of Consultant in its business or otherwise or a joint venturer or a member of any joint enterprise with Consultant.

5.0 INSURANCE AND INDEMNIFICATION

5.1 Insurance. Consultant shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to Agency, during the entire term of this Agreement including any extension thereof, the following policies of insurance:

(a) Commercial General Liability Insurance. A policy of commercial general liability insurance using Insurance Services Office "Commercial General Liability" policy form CG 00 01, with an edition date prior to 2004, or the exact equivalent. Coverage for an additional insured shall not be limited to its vicarious liability. Defense costs must be paid in addition to limits. Limits shall be no less than \$1,000,000.00 per occurrence for all covered losses and no less than \$2,000,000.00 general aggregate.

(b) Workers' Compensation Insurance. A policy of workers' compensation insurance on a state-approved policy form providing statutory benefits as required by law with employer's liability limits no less than \$1,000,000 per accident for all covered losses.

(c) Automotive Insurance. A policy of comprehensive automobile liability insurance written on a per occurrence basis in an amount not less than \$1,000,000.00 per accident,

combined single limit. Said policy shall include coverage for owned, non owned, leased and hired cars.

(d) Professional Liability or Error and Omissions Insurance. A policy of professional liability insurance in an amount not less than \$2,000,000.00 per claim with respect to loss arising from the actions of Consultant performing professional services hereunder on behalf of the Agency.

All of the above policies of insurance shall be primary insurance. The general liability policy shall name the Agency, its officers, employees and agents ("Agency Parties") as additional insureds and shall waive all rights of subrogation and contribution it may have against the Agency and the Agency's Parties and their respective insurers. All of said policies of insurance shall provide that said insurance may be not cancelled without providing ten (10) days prior written notice by registered mail to the Agency. In the event any of said policies of insurance are cancelled or amended, Consultant shall, prior to the cancellation or amendment date, submit new evidence of insurance in conformance with this Section 5.1 to the Contract Officer. No work or services under this Agreement shall commence until Consultant has provided Agency with Certificates of Insurance or appropriate insurance binders evidencing the above insurance coverages and said Certificates of Insurance or binders are approved by Agency.

Consultant agrees that the provisions of this Section 5.1 shall not be construed as limiting in any way the extent to which Consultant may be held responsible for the payment of damages to any persons or property resulting from Consultant's activities or the activities of any person or persons for which Consultant is otherwise responsible.

The insurance required by this Agreement shall be satisfactory only if issued by companies qualified to do business in California, rated "A" or better in the most recent edition of Best Rating Guide or The Key Rating Guide and only if they are of a financial category Class VII or better, unless such requirements are waived by the Risk Manager of the Agency due to unique circumstances.

In the event that the Consultant is authorized to subcontract any portion of the work or services provided pursuant to this Agreement, the contract between the Consultant and such subcontractor shall require the subcontractor to maintain the same policies of insurance that the Consultant is required to maintain pursuant to this Section 5.1.

5.2 Indemnification.

(a) Indemnity for Professional Liability. When the law establishes a professional standard of care for Consultant's services, to the fullest extent permitted by law, Consultant shall indemnify, defend and hold harmless Agency and the Agency's Parties from and against any and all losses, liabilities, damages, costs and expenses, including attorneys' fees and costs to the extent same are caused in whole or in part by any negligent or wrongful act, error or omission of Consultant, its officers, agents, employees of subcontractors (or any entity or individual for which Consultant shall bear legal liability) in the performance of professional services under this Agreement.

(b) Indemnity for Other Than Professional Liability. Other than in the performance of professional services and to the full extent permitted by law, Consultant shall indemnify, defend and hold harmless Agency and Agency's Parties from and against any liability

(including liability for claims, suits, actions, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorneys' fees and costs, court costs, defense costs and expert witness fees), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Consultant or by any individual or entity for which Consultant is legally liable, including but not limited to officers, agents, employees or subcontractors of Consultant.

6.0 RECORDS AND REPORTS

6.1 Reports. Consultant shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the services required by this Agreement as the Contract Officer shall require.

6.2 Records. Consultant shall keep, and require subcontractors to keep, such books and records as shall be necessary to perform the services required by this Agreement and enable the Contract Officer to evaluate the performance of such services. The Contract Officer shall have full and free access to such books and records at all times during normal business hours of Agency, including the right to inspect, copy, audit and make records and transcripts from such records. Such records shall be maintained for a period of three (3) years following completion of the services hereunder, and the Agency shall have access to such records in the event any audit is required.

6.3 Ownership of Documents. All drawings, specifications, reports, records, documents and other materials prepared by Consultant, its employees, subcontractors and agents in the performance of this Agreement shall be the property of Agency and shall be delivered to Agency upon request of the Contract Officer or upon the termination of this Agreement and Consultant shall have no claim for further employment or additional compensation as a result of the exercise by Agency of its full rights of ownership of such documents and materials. Consultant may retain copies of such documents for its own use and Consultant shall have an unrestricted right to use the concepts embodied therein. Any use of such completed documents by Agency for other projects and/or use of uncompleted documents without specific written authorization by the Consultant will be at the Agency's sole risk and without liability to Consultant and the Agency shall indemnify the Consultant for all damages resulting therefrom. All subcontractors shall provide for assignment to Agency of any documents or materials prepared by them, and in the event Consultant fails to secure such assignment, Consultant shall indemnify Agency for all damages resulting therefrom.

7.0 ENFORCEMENT OF AGREEMENT

7.1 California Law. This Agreement shall be construed and interpreted both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Los Angeles, State of California, or any other appropriate court in such county, and Consultant agrees to submit to the personal jurisdiction of such court in the event of such action.

7.2 Retention of Funds. Consultant hereby authorizes Agency to deduct from any amount payable to Consultant (whether or not arising out of this Agreement) (i) any amounts the payment of which may be in dispute hereunder or which are necessary to compensate Agency for any losses, costs, liabilities, or damages suffered by Agency, and (ii) all amounts for which Agency may be liable to

third parties, by reason of Consultant's acts or omissions in performing or failing to perform Consultant's obligation under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by Consultant, Agency may withhold from any payment due, without liability for interest because of such withholding, an amount sufficient to cover such claim. The failure of Agency to exercise such right to deduct or to withhold shall not, however, affect the obligations of the Consultant to insure, indemnify, and protect Agency as elsewhere provided herein.

7.3 Waiver. No delay or omission in the exercise of any right or remedy by a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. A party's consent to or approval of any act by the other party requiring the party's consent or approval shall not be deemed to waive or render unnecessary the other party's consent to or approval of any subsequent act. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

7.4 Termination Prior to Expiration of Term. Either party may terminate this Agreement at any time, with or without cause, upon thirty (30) days' written notice to the other party. Upon receipt of any notice of termination, Consultant shall immediately cease all work or services hereunder except such as may be specifically approved by the Contract Officer. Consultant shall be entitled to compensation for the reasonable value of the work product actually produced prior to the effective date of the notice of termination and for any services authorized by the Contract Officer thereafter in accordance with the Schedule of Compensation and Agency shall be entitled to reimbursement for any compensation paid in excess of the services rendered.

7.5 Completion of Work After Termination for Default of Consultant. If termination is due to the failure of the Consultant to fulfill its obligations under this Agreement, Agency may, after compliance with the provisions of Section 7.2, take over the work and prosecute the same to completion by contract or otherwise, and the Consultant shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated (provided that the Agency shall use reasonable efforts to mitigate such damages), and Agency may withhold any payments to the Consultant for the purpose of set-off or partial payment of the amounts owed the Agency as previously stated.

7.6 Attorneys' Fees. If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, shall be entitled to reasonable attorneys' fees, whether or not the matter proceeds to judgment, and to all other reasonable costs for investigating such action, taking depositions and discovery, including all other necessary costs the court allows which are incurred in such litigation.

8.0 AGENCY OFFICERS AND EMPLOYEES: NON-DISCRIMINATION

8.1 Non-liability of Agency Officers and Employees. No officer or employee of the Agency shall be personally liable to the Consultant, or any successor in interest, in the event of any default or breach by the Agency or for any amount which may become due to the Consultant or to its successor, or for breach of any obligation of the terms of this Agreement.

8.2 Conflict of Interest: Agency. No officer or employee of the Agency shall have any financial interest in this Agreement nor shall any such officer or employee participate in any decision

relating to the Agreement which affects his financial interest or the financial interest of any corporation, partnership or association in which he is interested, in violation of any State statute or regulation.

8.3 Conflict of Interest; Consultant. Consultant warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement. Consultant shall comply with all conflict of interest laws and regulations including, without limitation, Agency's Conflict of Interest Code which is on file in the City Clerk's office. Accordingly, should the Executive Director determine that Consultant will be performing a specialized or general service for the Agency and there is substantial likelihood that the Consultant's work product will be presented, either written or orally, for the purpose of influencing a governmental decision, the Consultant and its officers, agents or employees, as applicable, shall be subject to the Agency's Conflict of Interest Code.

8.4 Covenant Against Discrimination. Consultant covenants that, by and for itself, its executors, 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 race, color, creed, religion, sex, marital status, national origin, or ancestry in the performance of this Agreement. Consultant shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, marital status, national origin or ancestry.

9.0 MISCELLANEOUS PROVISIONS

9.1 Notice. Any notice or other communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail, in the case of the Agency, to the Executive Director and to the attention of the Contract Officer, City of Lawndale, 14717 Burin Avenue, Lawndale, California 90260, and in the case of the Consultant, to the person at the address designated on the execution page of this Agreement. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated at the time personally delivered or in seventy-two (72) hours from the time of mailing if mailed as provided in this Section.

9.2 Interpretation. The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

9.3 Integration; Amendment. It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. This Agreement may be amended at any time by an instrument in writing signed by both parties.

9.4 Severability. Should a portion of this Agreement be declared invalid or unenforceable by a judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining portions of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

9.5 Corporate Authority. The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said party is bound.

IN WITNESS WHEREOF, the parties have executed and entered into this Agreement as of the date first written above.

AGENCY:
LAWNDALE SUCCESSOR AGENCY,
a municipal corporation

By: Harold E. Hofmann
Harold E. Hofmann, Chairman

ATTEST:

Paula Hartwill
Paula Hartwill, Secretary

APPROVED AS TO FORM:
Aleshire & Wynder, LLP

Tiffany J. Israel
Tiffany J. Israel, General Counsel

CONSULTANT:
Overland, Pacific & Cutler, Inc.

By: Brian Everett
Name: Brian Everett
Title: President

By: Amber Costello
Name: Amber Costello
Title: Secretary

Address: 3750 Schauple Ave, Suite 150
Long Beach, CA 90808
562-304-2000

EXHIBIT "A"

SCOPE OF SERVICES

Consultant shall complete all requested work in a timely and technically correct manner, while treating people and businesses impacted by the project(s) in a respectable and equitable manner. Consultant shall provide the following services on an as needed basis, as directed by Agency:

Relocation, property management, and site clearance services shall include, but are not limited to, the following as directed by Agency:

- Advise Agency staff on relocation, property management, and administration matters necessary for proper operation of the relocation and property management program;
- Confer with HUD and other governmental agencies on relocation and property management activities, as necessary;
- Develop and update policies and procedures for implementation of a relocation and property management program as needed;
- Prepare relocation activity reports and all other reports as may be required by the Agency and applicable laws;
- Prepare Relocation Plans in compliance with all applicable laws, including California Redevelopment law, and respond to questions on the plans by local residents or governmental agencies;
- Conduct field surveys of project residents and businesses, identify relocation resources for both, meet with and answer questions of any affected local community groups;
- Attend and provide public presentations and/or consultations;
- Meet with and fully inform project area occupants of the nature of and procedures for obtaining relocation assistance and benefits;
- Provide the required relocation assistance services to adequately relocate owners and tenants to suitable replacement locations;
- Prepare relocation assistance claims for review and approval by the Agency;
- Perform interim property management for properties acquired by the Agency; and

- Arrange for demolition, site clearance, asbestos abatement, paving, fencing and other property management related functions.

Real estate acquisition services shall include, but are not limited to, the following, as directed by Agency:

- Prepare decision to appraise letters, offer letters and summary statements in accordance with State and/or Federal guidelines; in accordance with the Agency Board instructions and review;
- Prepare lists of compensable items of fixtures and equipment;
- Review fixture and equipment, good will and other appraisals to determine compensable items and compare said items with appraisals to prevent valuation overlaps;
- Prepare tenant offer letters in accordance with State and/or Federal guidelines, and in accordance with the Agency Board instructions and review;
- Prepare and process all required noticing and filings to identify any liens/claims on all furniture, fixtures, and equipment of commercial businesses (bulk sale) in accordance with all applicable guidelines, and in accordance with the Agency Board instructions;
- Process all non-technical documents necessary for right-of-way and street widening projects in accordance with Cal Trans and other applicable requirements;
- Personally negotiate with the property owners and their tenants, business and residential, (or their appointed representative(s)) for the purchase of the required property rights in accordance with all applicable laws. The Agency's written offer to purchase will be presented to the appropriate owner and tenant, if applicable, or their representative(s) in person, when possible if directed by the Agency and as approved by the City Attorney's office;
- Prepare all acquisition documents, i.e., agreements, grant deeds, quitclaim deeds, assignment of lease, estoppel certificates, relocation impact reports, etc., for the acquisition of both the fee interest and the tenant(s)/lessee(s) interest (if applicable), including fixtures and equipment, and any easement interests, if applicable, and in conjunction with the City Attorney's office;
- During the time that negotiations with the property owners and tenants are proceeding, Consultant will provide all necessary information to and work with the Agency's staff to expeditiously and professionally complete each project;

- Consultant shall maintain a file for each acquisition which shall contain a diary of all pertinent information along with copies of all correspondence, agreements, and documents relating to the transaction;
- Consultant shall prepare property appraisals and valuation estimates;
- Consultant shall provide general real estate and acquisition consulting;
- On partial takings, Consultant will review and analyze litigation guarantees and/or preliminary title reports to identify the specific title exceptions that may have an adverse affect. Consultant will also obtain the necessary release documents, i.e., reconveyance, subordination agreement, release of lien, etc. to satisfy all title issues before conveyance to the Agency;
- Consultant shall subcontract with various entities (i.e. gardeners, plumbers and handymen for Agency-owned properties) to provide services as directed by the Agency and shall do so in compliance with the Agency's procurement rules and applicable state and federal laws including bidding and prevailing wage laws;
- A written summary of the status of the acquisition of each parcel will be provided to the Agency on a monthly basis, with verbal reports as warranted;
- Consultant will survey and solicit voluntary acquisition of properties in project areas. The survey will include a physical search as well as review of other relevant sales data; and
- Consultant shall market surplus properties for sale.

Right-of-Way services shall include, but are not limited to, the following, as directed by Agency:

- Consultant shall provide utility coordination including identification, conflict resolution, records research, documentation review, notification, and records management;
- Consultant shall provide encroachment services including coordination, access, maintenance, identification, removal, research, and records management; and
- Consultant shall provide title search, review, and clearance services.

Consultant shall be available to perform any additional work not mentioned above related to real estate acquisition, relocation, property management, and site clearance services at the request of the Agency.

EXHIBIT "B"
SPECIAL REQUIREMENTS

None.

EXHIBIT "C"

SCHEDULE OF COMPENSATION

1. Acquisition, Relocation, & Site Clearance Services

Acquisition, Relocation, & Site Clearance Services

Cost based on 1-10 cases during the 3 year term of this Agreement:

Acquisition Full Take	\$	3,100.00
Acquisition Part-Take	\$	4,100.00
Relocation per Tenant	\$	3,100.00
Relocation - Owner	\$	3,300.00
*Relocation Plan (15 Households)	\$	2,950.00

Cost based on 11+ cases during the 3 year term of this Agreement:

Acquisition Full Take	\$	2,900.00
Acquisition Part-Take	\$	3,900.00
Relocation per Tenant	\$	2,900.00
Relocation - Owner	\$	3,100.00
*Relocation Plan (16+ Households)	\$	295.00 per interview

*For Relocation Plans, up to 15 households will be billed at a lump sum rate of \$2,950, each additional household above the 15 is billed at \$295.

Hourly Rates:

Principal	\$	185.00
Principal Consultant/Director	\$	165.00
Senior Project Manager (Utilities)	\$	150.00
Senior Project Manager	\$	135.00
Project Manager	\$	125.00
Senior Acquisition/Relocation Consultant	\$	115.00
Acquisition/Relocation Consultant/Analyst	\$	105.00
Real Estate Technician/Escrow Officer/Project Support	\$	73.00
Secretarial/Clerical	\$	45.00

2. Interim Property Management Services

Interim Property Management Services

One time set-up fee per occupied unit	\$ 150.00
Monthly management fee - Occupied unit	\$ 125.00
Monthly management fee - Vacant unit	\$ 25.00
Minimum management fee per month per project	\$ 500.00

Hourly Rates:

Senior Project Manager	\$ 135.00
Property Manager	\$ 125.00
Real Estate Technician/Escrow Officer/Project Support	\$ 73.00
Secretarial/Clerical	\$ 45.00

These costs are based on providing property management services on an interim basis. The scope of services are to be provided on an as-needed basis and therefore these fees may only apply to standard residential and mobile home park property management circumstances. If commercial/industrial properties are assigned, Consultant and Agency may negotiate fees on a project-by-project basis. Prior to commencement of any work pursuant to a negotiated fee, such negotiated fee must be memorialized in a writing signed by both parties.

Hourly services shall be billed in quarter-hour increments (for services unrelated to property management projects) and shall include utility disconnection and meter removal, administration of emergency and unsafe condition repairs, contract board-up and other security services as units become vacant, project management, coordination or meetings with the Agency or Agency representatives, extraordinary events related to the property or a particular tenant which requires staff time beyond reasonable standards, and coordination of asbestos and demolition estimates and services based on a case-by-case basis. Each hourly service must be specifically and knowingly authorized by the Agency as an hourly service.

3. Expenses and Fee Increases

Photocopying, first class postage, telephone, facsimile and cellular communication charges are not reimbursable. Travel time is not billable but mileage will be billed to the Agency at the current allowable IRS rate. Out-of-pocket expenses, including pre-approved travel and lodging, outside exhibit preparation, requested overnight courier, registered or certified mailings, and specialty reproduction will be charged at cost plus ten percent (+10%) for administration, coordination and handling. Subcontracted services (other than those listed above will be invoiced at cost plus ten percent (+10%).

In the event Consultant is required to perform services in relation to litigation arising out of any Agency project, such services shall be invoiced at the above-listed rates. Consultant shall bill in one-tenth of an hour increment for actual time worked.

EXHIBIT "D"

SCHEDULE OF PERFORMANCE

All work to be performed on an as-needed basis. Once assigned work, Consultant shall complete all work within the time frame requested by the Agency.

RESOLUTION NO. 2016-07

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE
LAWNDALE SUCCESSOR AGENCY AUTHORIZING THE
FIRST AMENDMENT TO THE SUCCESSOR AGENCY
CONTRACT SERVICES AGREEMENT FOR PROPERTY
MANAGEMENT, RIGHT-OF-WAY, AND ACQUISITION
AND RELOCATION SERVICES WITH
OVERLAND, PACIFIC & CUTLER, INC.**

WHEREAS, on July 15, 2013, the Successor Agency approved an Agreement for property management, right-of-way, and acquisition and relocation services with Overland, Pacific & Cutler, Inc. (OPC) for an amount not-to-exceed eighty thousand dollars (\$80,000.00); and

WHEREAS, as OPC has not yet completed the Scope of Services set forth in the Agreement, and pursuant to Section 3.2 of the Agreement, the Agency and OPC wish to extend the time period during which OPC can provide these services to the Agency, as specified in the Schedule of Performance, by one hundred eighty (180) days; and

WHEREAS, it is the desire of the Agency and OPC to amend the Agreement, as set forth in the First Amendment, attached as Exhibit A, to have OPC continue to provide the services described therein; and

WHEREAS, the Oversight Board has reviewed the First Amendment and desires to authorize the Successor Agency to enter into such Amendment, to cause posting of this Resolution on the Successor Agency website, and to direct transmittal thereof with a copy of such Amendment to the County Auditor-Controller and Department of Finance (DOF); and

WHEREAS, pursuant to Section 34179(h) as amended by Assembly Bill 1484, written notice and information about all actions taken by the Oversight Board shall be provided to the DOF by electronic means and in a manner of DOF's choosing, and an Oversight Board's action shall become effective five (5) business days after notice in the manner specified by the DOF unless the DOF requests a review.

NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE LAWNDALE REDEVELOPMENT AGENCY DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The foregoing recitals are true and correct, and, together with information provided by the Successor Agency staff and the public, form the basis for the approvals, findings, resolutions, and determinations set forth below.

SECTION 2. Pursuant to the Dissolution Act, the Lawndale Oversight Board authorizes the Successor Agency to enter into the First Amendment to the Agreement for property management, right-of-way, and acquisition and relocation services with Overland, Pacific & Cutler, Inc. in an amount not-to-exceed seventy-nine thousand, one hundred eighty dollars (\$79,180.00).

SECTION 3. The Oversight Board authorizes transmittal of such Amendment to the County Auditor-Controller and DOF.

SECTION 4. This Resolution shall be effective after this Resolution is transmitted to the DOF, and after the expiration of five (5) business days pending a request for review by the DOF within the time periods set forth in the Dissolution Act. In this regard, if the DOF requests review hereof, DOF will have forty (40) days from the date of its request to approve this Oversight Board action or return it to the Oversight Board for reconsideration, and the action, if subject to review by the DOF, will not be effective until approved by DOF.

SECTION 5. The Secretary of the Successor Agency or the authorized designee is directed to post this Resolution on the Successor Agency's website pursuant to the Dissolution Act.

PASSED, APPROVED, AND ADOPTED this 17th day of March, 2016.

Chair

ATTEST:

State of California)
County of Los Angeles) SS
City of Lawndale)

I, Perry Banner, Acting Secretary of the Oversight Board of the Successor Agency of the Lawndale Redevelopment Agency, do hereby certify that the Members of the Oversight Board of the Successor Agency to the Lawndale Redevelopment Agency duly approved and adopted the foregoing Resolution No. 2016-07 at a regular meeting of said Oversight Board held on the 17th day of March, 2016, by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Secretary