

**AGENDA FOR A
SPECIAL MEETING
OF THE**

**IRWINDALE SUCCESSOR
AGENCY OVERSIGHT BOARD**

September 22, 2016

1:00 P.M. - OPEN SESSION

***IRWINDALE CITY HALL, OUTER COUNCIL CHAMBER
5050 N. IRWINDALE AVENUE
IRWINDALE, CA 91706
626-430-2200***

**Shirley Chang
Loretta Corpis
Camille Diaz
J. Suzie Hsi
Bill Scroggins
Teresa Villegas**

Spontaneous Communications: The public is encouraged to address the Oversight Board on any matter listed on the agenda or on any other matter within its jurisdiction. The Oversight Board will hear public comment on items listed on the agenda during discussion of the matter and prior to a vote. The Oversight Board will hear public comment on matters not listed on the agenda during the Spontaneous Communications period.

Pursuant to provisions of the **Brown Act**, no action may be taken on a matter unless it is listed on the agenda, or unless certain emergency or special circumstances exist. The Oversight Board may direct staff to investigate and/or schedule certain matters for consideration at a future Board meeting.

Americans with Disabilities Act: In compliance with the ADA, if you need special assistance to participate in an Oversight Board meeting or other services offered by this City, please contact City Hall at (626) 430-2200. Assisted listening devices are available at this meeting. Ask the Deputy City Clerk if you desire to use this device. Upon request, the agenda and documents in the agenda packet can be made available in appropriate alternative formats to persons with disabilities. Notification of at least 48 hours prior to the meeting or time when services are needed will assist the City staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service.

Note: Staff reports are available for inspection at the office of the Deputy City Clerk, City Hall, 5050 N. Irwindale Avenue, during regular business hours (8:00 a.m. to 6:00 p.m., Monday through Thursday).

OPEN SESSION – 1:00 P.M.

- A. CALL TO ORDER
- B. PLEDGE OF ALLEGIANCE
- C. ROLL CALL / INTRODUCTIONS
 - Shirley Chang, Representative of the Los Angeles County Board of Education
 - Loretta Corpis, Representative of the City of Irwindale
 - Camille Diaz, Representative of the City of Irwindale
 - J. Suzie Hsi, Representative of the County of Los Angeles
 - Vacant, Representative of the Consolidated Fire Protection District of Los Angeles County
 - Bill Scroggins, Representative of the Chancellor of the California Community Colleges
 - Teresa Villegas, Representative of the County of Los Angeles

SPONTANEOUS COMMUNICATIONS

Comments must pertain to business of the Oversight Board. Please limit comments to two (2) minutes.

1. NEW BUSINESS

A. Purchase and Sale Agreement for PMP No. 3 - 15768 Arrow Highway

Pursuant to the Successor Agency's DOF-approved LRPMP and subject to the Successor Agency and Oversight Board's approval, the Successor Agency will enter into a Purchase and Sale Agreement with the Irwindale Industrial Medical Clinic for the property located at 15768 Arrow Highway. If approved by the Oversight Board and the Successor Agency, the Oversight Board's resolution will be forwarded to the DOF for their review.

B. Retention of Aleshire & Wynder, LLP to Jointly Defend the Oversight Board in the Legal Actions Brought by the City of Baldwin Park and Waste Management Collection and Recycling, Inc.

On June 8, 2016, the City and Successor Agency approved a Disposition and Development Agreement (DDA) for the sale of the approximately 17.22-acre site at 2200 Arrow Highway for development of the MRF/TS. On June 9, 2016, this Oversight Board approved the DDA for the sale of the Site per Oversight Board Resolution No. 2016-04-025. On June 17, 2016, the DOF approved the Oversight Board's action. Thereafter, both the City of Baldwin Park and Waste Management Collection and Recycling, Inc. filed legal challenges (entitled Petitions for Writ of Mandate and Complaint for Injunctive Relief) seeking to have the court rescind those approvals.

The Successor Agency and Oversight Board are named as co-defendants with the City given their affiliated approvals of the sale of the Site to accommodate the MRF/TS. The City Attorney, Fred Galante of Aleshire & Wynder, LLP, is defending those actions on behalf of the City and Successor Agency. Resolution 2016-06-027 recommends that Aleshire & Wynder also represent the Oversight Board since the defense of the action jointly on behalf of the City, Successor Agency and Oversight Board will involve the same issues.

2. OLD BUSINESS

None.

3. OVERSIGHT BOARD MEMBER COMMENTS

4. ADJOURN



**OVERSIGHT BOARD
OF THE SUCCESSOR
AGENCY TO THE
IRWINDALE COMMUNITY
REDEVELOPMENT AGENCY**

SHIRLEY CHANG
Rep. of County Board of
Education

LORETTA CORPIS
Rep. of Mayor of Irwindale

CAMILLE DIAZ
Rep. of Mayor of Irwindale

J. SUZIE HSI
Rep. of County Board of
Supervisors

VACANT
Rep. of Consolidated Fire
Protection District of Los
Angeles County

BILL SCROGGINS
Rep. of Chancellor of
California Community
Colleges

TERESA VILLEGAS
Rep. of County Board of
Supervisors

DATE: September 22, 2016

TO: Oversight Board of the Successor Agency to the Irwindale Community Redevelopment Agency

FROM: John Davidson, Executive Director
Gustavo Romo, Community Development Director

SUBJECT: Consideration of OB Resolution No. 2016-05-026 Approving the Purchase and Sale Agreement (PSA) For Acquisition and Development of the Property and Existing Improvements Located at The 15768 Arrow Highway Site (APN: 8417-035-902)

Recommendation

That the Oversight Board take the following action:

1. ADOPT RESOLUTION NO. 2016-05-026 APPROVING THE PURCHASE AND SALE AGREEMENT ("PSA") FOR ACQUISITION AND DEVELOPMENT OF THE PROPERTY AND EXISTING IMPROVEMENTS LOCATED AT THE 15768 ARROW HIGHWAY SITE (APN: 8417-035-902) SUBJECT TO APPROVAL FROM THE IRWINDALE SUCCESSOR AGENCY TO THE IRWINDALE COMMUNITY REDEVELOPMENT AGENCY

Discussion

The Successor Agency to the Irwindale Community Redevelopment Agency ("Successor Agency") is considering the sale of the 2.53-acre site located at 15768 Arrow Highway ("Property"), also known as Property No. 3 in the Successor Agency's approved Long-Range Property Management Plan ("LRPMP"), to the Irwindale Industrial Medical Clinic ("Purchaser" or "IIMC") for the purpose of developing a 13,000-square-foot medical clinic and future restaurant.

Context

The Successor Agency's LRPMP, approved by the State Department of Finance ("DOF") on August 8, 2014, indicated that the Successor Agency intended to sell the Property. On December 10, 2014, the Successor Agency's real estate advisor/broker, RSG, began marketing the Successor Agency's properties available for sale as outlined in the LRPMP. RSG received six (6) separate purchase offers for the Property. After evaluating the

offers, Successor Agency staff and RSG determined that the offer from Genton Property Group, LLC (“Genton”) was the strongest of the six offers. The Successor Agency and Genton entered into a purchase and sale agreement on December 9, 2015, to develop the proposed 13,000-square-foot medical clinic for the IIMC and future restaurant. Genton Property Group, LLC later communicated to the Successor Agency that they were no longer interested in purchasing the Property. Both parties signed cancellation instructions dated June 14, 2016, effectively terminating the sale agreement. Upon terminating the Genton agreement, the Successor Agency received an offer from the IIMC, to purchase and develop the Property as initially intended by Genton Development. The Successor Agency is now considering entering into a purchase and sale agreement with IIMC.

Analysis of Proposal

The subject Property is designated for commercial use, with a zoning designation of C-2 Heavy Commercial. IIMC’s development proposal describes plans to construct a 13,000-square-foot medical clinic along with a restaurant pad in compliance with the City’s Commercial and Industrial Design Guidelines. IIMC’s offer reflects the original purchase price of \$1,900,000 made by the prior purchaser.

On July 27, 2016, a resident presented the idea of connecting Juarez and Hidalgo Streets to improve vehicle traffic and circulation in the neighborhood south of 15768 Arrow Highway (the “Street Connection”). A public workshop attended by approximately seven residents was conducted on August 11. At the workshop, the IIMC indicated it would be supportive of the Street Connection and would be agreeable to reducing the size of the property by 12,689 square feet to allow for the street dedication and construction of the street improvements.

IIMC has agreed to use a portion of the Property for the Street Connection and the Successor Agency has agreed to decrease the purchase price, on a pro rata basis, by an amount equal to the land reduction due to the Street Connection. A pro rata of \$17.30 per square foot was calculated dividing the initial price of \$1.9 million by 109,840 square feet.

The total price reduction due to the 12,689 square-foot land designation is estimated at \$222,057.50. The proposed PSA establishes the terms and conditions for sale of the Property to the Purchaser for a total consideration of \$1,677,942.50. The draft PSA and Site Plans for the Street Connection are included as Exhibits “A” and “B” respectively.

Pursuant to the terms of the PSA, IIMC is expected to complete their due diligence review and approval within 90 calendar days following the opening of escrow (“Contingency Period”).

Fiscal Impact

This project is a private development fully funded by the developer. The Successor Agency’s real property assets to be sold are in the agency’s Community Redevelopment Property Trust Fund. Upon closing of escrow, the Successor Agency will remit the net sales proceeds to the Los Angeles County Auditor-Controller for distribution to affected taxing agencies, based on each agency’s share of the tax levy.

ATTACHMENT: Resolution No. 2016-05-026 with Exhibit:
A) DRAFT Purchase and Sale Agreement and Escrow Instructions
B) Site Plan for IIMC Development with Street Connection

PREPARED BY: **JIM SIMON**, ECONOMIC DEVELOPMENT/SUCCESSOR AGENCY
CONSULTANT, RSG INC.
714.316.2120
jsimon@webrsg.com

JEFF KHAU, ECONOMIC DEVELOPMENT/SUCCESSOR AGENCY
CONSULTANT, RSG INC.
714.316.2113
jkhau@webrsg.com

OVERSIGHT BOARD RESOLUTION NO. 2016-05-026

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE IRWINDALE COMMUNITY REDEVELOPMENT AGENCY AUTHORIZING THE EXECUTION OF A PURCHASE AND SALE AGREEMENT WITH THE IRWINDALE INDUSTRIAL MEDICAL CLINIC FOR ACQUISITION OF THE 15768 ARROW HIGHWAY SITE (APN: 8417-035-902) SUBJECT TO APPROVAL FROM THE IRWINDALE SUCCESSOR AGENCY TO THE IRWINDALE COMMUNITY REDEVELOPMENT AGENCY

WHEREAS, pursuant to Assembly Bill 26 of the First Extraordinary Session of the 2011-2012 Legislative Session (“ABX1 26”) (Chapter 5, Statutes of 2011), the City Council of the City of Irwindale adopted Resolution No. 2012-08-2547 on January 11, 2012, affirmatively electing to serve as the “Successor Agency” to the Irwindale Community Redevelopment Agency (“Agency”); and

WHEREAS, ABX1 26 (Chapter 5, Statutes of 2011), the Irwindale Community Redevelopment Agency was effectively dissolved as of February 1, 2012; and

WHEREAS, the property located at 15768 Arrow Highway (“Property”) was included in the Successor Agency’s Long-Range Property Management Plan (“LRPMP”), which was prepared pursuant to the Dissolution Act and described the proposed plans for disposition of all 25 properties owned by the Irwindale Community Redevelopment Agency at the time of redevelopment dissolution; and

WHEREAS, the LRPMP indicated that the Successor Agency would sell the Property; and

WHEREAS, on August 8, 2014, the City received notification from the California Department of Finance (“DOF”) approving the Successor Agency’s LRPMP; and

WHEREAS, the Successor Agency initially selected an offer to purchase the Property for \$1,900,000 from Genton Property Group, LLC (“Genton”) and, on December 9, 2015 entered into an agreement with Genton to purchase and develop the Property; and

WHEREAS, the agreement with Genton and related escrow were terminated in writing by mutual consent of the parties on June 14, 2016; and

WHEREAS, the Irwindale Industrial Medical Clinic (“IIMC” or “Purchaser”) has submitted a proposal (“Purchaser’s Proposal”) to purchase and develop the Property with an approximately 13,000 square-foot medical office and restaurant; and

WHEREAS, the Purchaser’s Proposal is materially similar to the original Genton offer, except that Purchaser has agreed to use a portion of the Property to connect Hidalgo and Juarez Streets (the “Street Connection”) and the Successor Agency has

agreed to reduce the purchase price, on a pro rata basis, by an amount equal to the lot size decrease due to the Street Connection; and

WHEREAS, the total price reduction from the Successor Agency for the Street Connection is estimated at \$222,057.50; and

WHEREAS, the total consideration, with the reduction, is equal to \$1,677.942.50; and

WHEREAS, the Purchaser's Proposal provides a combination of the highest value and a development proposal that best suits the needs and economic development goals of the City; and

WHEREAS, the Successor Agency's legal counsel and Purchaser's legal counsel have together prepared a Purchase and Sale Agreement ("PSA") between the Purchaser and the Successor Agency, which incorporates the terms of the Purchaser's Proposal; and

WHEREAS, the PSA establishes the terms and conditions for sale of the Property to the Purchaser for a total consideration of \$1,677.942.50; and

WHEREAS, the Oversight Board's approval of the PSA is subject to the City Council and Successor Agency's approval.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS, THAT THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE IRWINDALE COMMUNITY REDEVELOPMENT AGENCY HEREBY DO FIND, DETERMINE, AND DECLARE BASED UPON THE EVIDENCE PRESENTED AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and incorporated herein by reference.

Section 2. Approval of Purchase and Sale Agreement. Subject to the approval of the Successor Agency, the Oversight Board hereby approves the PSA with IIMC for the acquisition of the Property located at 15768 Arrow Highway, authorizes the Executive Director to execute same, in a form approved by Successor Agency Counsel, and directs staff to forward the PSA to the Oversight Board for their consideration at a duly noticed public meeting.

PASSED AND ADOPTED at a special meeting of the Oversight Board of the Successor Agency to the Irwindale Community Redevelopment Agency, on the 22th day of September 2016, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Bill Scroggins, Chairman

ATTEST:

Laura Nieto, Secretary

Exhibit 1

DRAFT Purchase and Sale Agreement and Escrow Instructions

15768 Arrow Highway, Irwindale, CA

PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS
15768 Arrow Highway, Irwindale

This PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS (“**Agreement**”), dated for reference purposes only as of September 28, 2016 (“**Agreement Date**”), is made by and between the City of Irwindale as Successor Agency to the Irwindale Community Redevelopment Agency (“**Seller**” or “**Seller**”), and Irwindale Industrial Clinic, a California general partnership (“**Purchaser**”). Seller and Purchaser are referred to herein individually as a “**Party**” and collectively as the “**Parties**.”

RECITALS

A. Seller is the fee owner of approximately 2.5 acres of real property and improvements located at 15768 Arrow Highway in the City of Irwindale, Los Angeles County, California, described as Assessor’s Parcel Number 8417-035-092 and more particularly described in the Legal Description attached hereto as **Exhibit A**, including all improvements located thereon (“**Property**”); and all rights, privileges, easements and appurtenances to the Property, if any, including, without limitation, all of Seller’s right, title and interest, if any, in and to all minerals, oil, gas and other hydrocarbon substances, development rights and water stock relating thereto, all strips and gores; and all of Seller’s right, title and interest in and to any easements and other appurtenances used or connected with the beneficial use or enjoyment of the Property.

B. In December 2011, a California State Supreme Court ruling on the constitutional validity of two 2011 legislative budget trailer bills, Assembly Bill AB1X 26 (Chapter 5, Statutes of 2011) and AB1X 27 (Chapter 6, Statutes of 2011), resulted in the outright elimination of all 425 redevelopment agencies in the State of California. The dissolution procedures under AB1X 26 include a process for the disposition and/or transfer of assets, including property holdings of former redevelopment agencies. Subsequent legislation, AB 1484 (Chapter 26, Statutes of 2012), which was passed, signed, and enacted on June 28, 2012, made significant changes to the provisions of AB1X 26, including the process for asset management/disposition/transfers.

C. Under AB 1484 as modified by SB 107, the Property is subject to the disposition process requiring the State Department of Finance (“**DOF**”) to approve a Long-Range Property Management Plan (“**PMP**”) prepared by the Seller describing the proposed sale of properties owned by the Seller, including the Property. The DOF has approved the Seller’s PMP, which compels the Seller to dispose of the Property for development consistent with the Redevelopment Plan for the former City Industrial Development Project Area.

D. To effectuate the Redevelopment Plan for redevelopment of the former City Industrial Development Project Area by providing for the future development of the Property, on December 10, 2014, Seller issued a solicitation to prospective developers for the sale and development of the Property. The successful proposal was submitted by Genton Property Group, LLC, a Delaware limited liability company (“**Genton**”) which was subsequently documented by the certain Purchase and Sale Agreement and Escrow Instructions between the parties (“**Genton PSA**”). Concurrently, Genton entered into an agreement for the sale of the medical building

parcel to Purchaser, which intended to operate its medical practice from the building. The Genton PSA and related escrow were terminated in writing by mutual consent of the parties on June 14, 2016.

E. Purchaser has submitted a proposal (“**Purchaser’s Proposal**”) to purchase and develop the Property with an approximately 13,000 square-foot medical office and a future restaurant or other retail commercial use as set forth in this Agreement and to be specifically delineated in the Approvals, as explained in Section 7.2 (“**Project**”). Purchaser’s Proposal is materially the same as the original Genton PSA with minor modifications, except that (i) Purchaser has agreed to use a portion of the Property to connect Hidalgo and Juarez Streets (the “**Street Connection**”), as required by the City of Irwindale (the “**City**”), and be responsible for the street connection improvements within the required dedication.

F. Based on Purchaser’s Proposal, Seller has determined that Purchaser’s offer provides the combination of the highest price and a development proposal that best suits the needs and economic development goals of the City for the Property.

G. Seller desires to sell, and Purchaser desires to purchase, the Property in accordance with the terms set forth below.

TERMS & CONDITIONS

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is acknowledged, Seller and Purchaser agree as follows:

1. **Sale.** On the terms contained herein and subject to the conditions of this Agreement, Purchaser hereby agrees to purchase from Seller, and Seller agrees to sell to Purchaser the Property, on the Closing Date (defined in Section 11).

2. **Opening of Escrow.** Within three (3) Business Days of execution of this Agreement, the parties shall open an escrow (“**Escrow**”) with Escrow Holder by causing an executed copy of this Agreement to be deposited with Janette DeLap, Vice President, Escrow Officer, Fidelity National Title Insurance Company, 3237 E. Guasti Road Suite 105, Ontario, CA 91761, Telephone: (909) 569-0225, Email: Janette.Delap@fnf.com (“**Escrow Holder**”). Escrow shall be deemed open on the date that a fully executed copy of this Agreement is delivered to Escrow Holder and accepted by Escrow Holder as evidenced by Escrow Holder’s execution of this Agreement (“**Opening of Escrow**”).

Purchase Price. The purchase price for the Property (“**Purchase Price**”) shall be One Million Six Hundred Seventy Seven Thousand Nine Hundred Forty Two Dollars and Fifty Cents (\$1,677,942.50), which accounts for the land reduction of 12,689 square feet due to the required Street Connection (i.e., price reduction of \$222,057.50 from the original purchase price of \$1,900,000; a pro rata of \$17.30 per square foot was calculated dividing the initial price of \$1.9 million by 109,840 square feet which the Seller and Purchaser agree to be the fair market value of the Property, subject to the Purchase Price adjustment, as defined in Section 3.3 hereof). The Purchase Price shall be paid as follows:

3.1 Deposit. Upon receipt by Purchaser of a signed copy of this Agreement from Seller, and acceptance of the terms and execution of this Agreement by Purchaser, Purchaser shall, within five (5) Business Days thereafter, deposit the sum of Ninety Thousand Dollars (\$90,000) (“**Deposit**”) with the Escrow Holder, to be held in escrow for the benefit of the parties and applied against the Purchase Price at Closing (defined in Section 11) or refunded or forfeited in accordance with the terms of this Agreement.

The Deposit shall be held by Escrow Holder in an interest-bearing account and such interest, when received by Seller, shall become part of the Deposit. The Deposit shall be fully refundable to Purchaser on or before the expiration of the Contingency Period. In the event Purchaser expressly waives contingencies in writing and elects to continue and does not terminate this Agreement on or prior to the expiration of the Contingency Period, the Deposit shall become immediately non-refundable and held in Escrow, except in the event of a Seller default, a failure of a condition precedent in favor of Purchaser (other than contingency items required to be approved during the Contingency Period), or as otherwise specifically set forth in this Agreement, but, unless the purchase and sale of the Property is not consummated for any reason, shall be applicable to the Purchase Price. If the purchase and sale of the Property is not consummated because of a default under this Agreement on the part of Purchaser after the expiration of the Contingency Period, the Escrow Holder shall disburse the Deposit to Seller as liquidated damages pursuant to Section 10.1 below.

3.2 Good Funds at Closing. Upon the Escrow Holder’s receipt of all Closing Items (defined in Section 4 below), Purchaser shall deposit with the Escrow Holder in good funds the balance of the Purchase Price less the Deposit plus or minus closing pro-rations, adjustments, and costs related to the Closing. The Purchase Price shall be disbursed to Seller by the Escrow Holder upon confirmation of the recordation of the Deed (as defined in Section 4.1.1) in the Official Records of Los Angeles County. All funds deposited in Escrow shall be in “**Good Funds**” which means a wire transfer of funds, cashier’s or certified check drawn on or issued by the offices of a financial institution located in the State of California.

3.3 Purchase Price Adjustment. The Purchase Price shall be reduced by (i) Seventeen Dollars and Thirty Cents (\$\$17.30) for each square foot of the Property used for the Street Connection, and (ii) the amount paid by Purchaser for all costs reasonably related to the construction of the Street Connection (collectively, the “**Purchase Price Adjustment**”). During the Contingency Period (as defined in Section 8), and as a condition to Closing, (a) the City shall approve a plan for the Street Connection, including the number of square feet of the Property required and, based on the City's requirements, and (b) the parties shall mutually agree on the Purchase Price Adjustment.

3. **Closing Deliveries to Escrow Holder.**

4.1 By Seller. Seller hereby covenants and agrees to deliver or cause to be delivered to Escrow Holder within one (1) Business Day prior to the Closing Date the following instruments and documents, the delivery of each of which shall be a condition precedent to the Closing for the benefit of Purchaser.

4.1.1 Deed. An executed grant deed in the form attached hereto as **Exhibit C** (“Deed”).

4.1.2 Non-Foreign Certification. Seller shall deliver to Escrow Holder a certification duly executed by Seller under penalty of perjury in the form of, and upon the terms set forth in, the Transferor’s Certification of Non-Foreign Status (“**FIRPTA Certificate**”), setting forth Seller’s address and federal tax identification number and certifying that Seller is a “United States Person” and that Seller is not a “foreign person” in accordance with and/or for the purpose of the provisions of Sections 7701 and 1445 (as may be amended) of the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder.

4.1.3 Closing Statement. An executed settlement statement reflecting the pro-rations and adjustments required under Section 9.

4.1.4 Closing Documents. Any additional tax forms, recordation forms, 1099s or other documents as may be reasonably required by the Escrow Holder or the Title Company to consummate the transaction contemplated by this Agreement.

4.1.5 Prorations. The amount, if any, required of Seller under Section 9.

4.2 By Purchaser. Purchaser hereby covenants and agrees to deliver or cause to be delivered to Escrow Holder on or prior to the Closing Date the following instruments and documents, the delivery of each of which shall be a condition precedent to the Closing for the benefit of Seller.

4.2.1 Purchase Price. Purchaser shall deliver to Escrow Holder the Purchase Price in accordance with Section 3.

4.2.2 Preliminary Change of Ownership Statement. Purchaser shall deliver to Escrow Holder a Preliminary Change of Ownership Statement completed in the manner required in Los Angeles County.

4.3 Additional Closing Items. Each party shall also execute and deliver to the Escrow Holder such documents, certificates and instruments as may customarily be required in transactions of this type. The items required to be submitted to the Escrow Holder pursuant to this Section and Sections 4.1 and 4.2 above are referred to herein collectively as the “**Closing Items**.”

4. **Title.** As evidence of title, within five (5) days of the Opening of Escrow, or as soon thereafter as is reasonably practical, the Seller shall deliver to the Purchaser a commitment for an ALTA non-extended owner’s policy of title insurance with standard exceptions (“**Title Insurance Commitment**”) issued by Fidelity National Title Insurance Company (Mr. Curt Taplin, Vice President, Title Officer, Fidelity National Title Insurance Company, 1300 Dove Street, Suite 310, Newport Beach, CA 2660, Telephone: (949) 221-4763, Email: curtis.taplin@fnf.com) (“**Title Company**”), in the amount of the Purchase Price (or such amount as required by Purchaser), dated later than the Opening of Escrow, together with legible copies

of all documents shown in the Title Insurance Commitment as affecting title (“**Title Documents**”) and a scaled and dimensioned plot showing the location of any easements on the Property. At Closing, the Seller shall pay the premium for an ALTA non-extended coverage owner’s policy.

The Purchaser shall have until the later of thirty (30) days from (i) the Opening of Escrow, and (ii) receipt of the Title Insurance Commitment and Title Documents to inspect the state of the title and matters affecting title, and to object to the matters shown thereby. Failure to object in writing within the above period shall constitute a waiver of the Purchaser’s objections to title. If the Purchaser objects to any matter disclosed by the Title Insurance Commitment or Title Documents, then the Seller shall have ten (10) Business Days from the date it is notified in writing of the particular defects claimed, to elect, in its reasonable discretion, either: (1) to remedy the title defect that is the subject of the Purchaser’s objection, or (2) not remedy the title defect that is the subject of the Purchaser’s objection, at Seller’s option: Seller’s election shall be communicated in writing to Purchaser. If Seller elects not to remedy such title defect, then Purchaser shall have two (2) Business Days following receipt of Seller’s notification under the preceding sentence to elect to either: (a) waive its title objection and accept title subject to the alleged title defect, or (b) terminate this Agreement and receive a refund of the Deposit.

Seller may cure any title objection that may be cured by the payment of a sum certain (such as existing mortgages, land contracts and other liens) by paying or depositing that sum at Closing.

Notwithstanding the foregoing, Purchase agrees to take title subject to any exceptions caused by Purchaser including but not limited to its exercise of the right to enter the Property as set forth in Section 8.2.

Notwithstanding the foregoing, Purchaser hereby objects to all liens evidencing monetary encumbrances (other than liens for non-delinquent general real property taxes to be paid by Purchaser under this Agreement) and Seller agrees to cause all such liens to be eliminated at Seller’s sole cost (including all prepayment penalties and charges) prior to the Closing Date. At the Closing, Seller will provide the Title Company with a commercially reasonable owner’s affidavit, which will include a representation by the Seller (if accurate as of the Closing) that will allow the Title Company to issue an endorsement to Purchaser’s title policy against potential mechanic’s and materialmen’s liens (except to the extent as may have been caused solely by Purchaser); provided, however that if such representation is not accurate, Seller will work with the Title Company to provide alternative assurances to allow the Title Company to issue to Purchaser such lien endorsement at the Closing.

Notwithstanding anything to the contrary contained in this Agreement, if, at any time prior to the Closing, any updates to the Title Insurance Commitment are received by Purchaser, Purchaser shall have ten (10) Business Days (regardless of the date) following Purchaser’s receipt of such update and legible copies of all underlying documents referenced therein (that were not referenced in the Title Documents previously provided to Purchaser) to notify Seller of objections to items on any such updates (“**Title Updates**”). Purchaser, at its sole election, may hire a land surveyor for the purpose of preparing an ALTA survey for the Property (“**Survey**”). Notwithstanding the foregoing, Purchaser shall have ten (10) Business Days after receipt of the

Survey to object to any matters of survey in writing to Seller, in which event the procedure set forth in Section 5 above shall apply to such Survey objections. Notwithstanding the foregoing, Purchase shall not have the right to disapprove any exceptions caused by Purchaser.

5. **Possession**. Seller shall deliver and the Purchaser shall accept possession of the Property on the Closing Date.

6. **Conditions to Closing**. Seller's obligation to sell and Purchaser's obligation to purchase the Property shall be subject to and expressly conditioned upon satisfaction (or mutual waiver) of the following conditions precedent to the Closing set forth in Sections 7.1 through 7.2 below, which shall be exclusively for the benefit of Seller and Purchaser.

7.1 DOF Approval. Purchaser acknowledges that this Agreement shall be expressly contingent upon and subject to the approval by the DOF of the sale of the Property in a form satisfactory to the Title Company in order to issue the Title Policy.

7.2 Approvals. On the later to occur of the expiration of the Contingency Period or consistent with the Schedule of Performance, Purchaser shall have obtained any and all discretionary land use and other entitlements required for the Project, including without limitation (but only as applicable), development agreement, lot split approval, Street Connection approval, site plan and design review, approval of a reciprocal parking agreement between the two (2) newly created legal parcels contemplated by Exhibit B hereto, whereby the Commercial Pad will provide additional parking for the parcel on which the Medical Office Building will be located, environmental assessment, and CEQA approval and associated mitigation measures for the Project (collectively, the "**Approvals**") from the City of Irwindale and all other governmental authorities with jurisdiction over the Property (collectively the "**Governmental Authorities**"), sufficient to allow Purchaser to develop the Project after the Closing. Purchaser may obtain ministerial permits, including without limitation (but only as applicable), demolition and building permits, following the Closing. Purchaser and Seller may not waive the condition without the mutual written consent of Purchaser and Seller, which consent may be withheld in Purchaser's or Seller's sole discretion. Purchaser shall bear the expense of obtaining any such Approvals.

7.3 Site Plan and Architectural Renderings. The Approvals shall require Purchaser to provide a site plan and basic architectural renderings of the Project. The site plan and basic architectural renderings shall be consistent with the Description of the Project attached hereto at Exhibit B and shall include a well-defined architectural concept for the Project showing vehicular circulation and access points, amounts and location of parking, location and size of all buildings (including height and perimeter dimensions) pedestrian circulation, landscaping and architectural character of the Project. Notwithstanding the foregoing, no Approvals shall be deemed final until approved by the City. Seller, in its capacity as owner of the Property, agrees to promptly cooperate with Purchaser, at no third-party cost to Seller, in all reasonable respects in obtaining the Approvals, provided that in no event shall the Approvals bind the Property or the Seller prior to the Closing. Seller's cooperation shall include without limitation, executing and joining in any applications or submissions made by Purchaser which require the consent or joinder of the record owner of the Property. Additionally, Seller hereby grants to Purchaser the right to negotiate directly with any Governmental Authorities having

jurisdiction over the Property and/or the development thereof, provided that such negotiations do not bind Seller or the Property prior to the Closing.

7.4 CEQA. The development of the Project shall be subject to, and processed in accordance with the California Environmental Quality Act, at California Public Resources Code Section 21000 *et seq.* and regulations promulgated pursuant thereto (“**CEQA**”), which requires the Project to be reviewed by the City for its potential environmental impacts.

7.5 Financial Information. During the Contingency Period, Purchaser shall provide Seller with a letter evidencing a commitment (“**Commitment Letter**”) from such lender(s) (in form and substance reasonably acceptable to Seller), indicating that such lender(s), has a definitive interest in financing the acquisition, construction and/or development of the Project by Purchaser. The Commitment Letter shall also outline the financial terms for any proposed financing for the Project. Purchaser shall also identify the sources of all equity financing (“**Equity Commitment**”) to be used by Purchaser in the development of the Project. In the event the Project is to be financed exclusively by equity financing, the Equity Commitment shall evidence an amount sufficient to provide for the net acquisition costs of the Property and development of the Project by Purchaser. The Equity Commitment may be in the form of letters of intent from credit worthy investors. To the extent Purchaser wants such Commitment Letter or Equity Commitment or financial terms or financial statements to remain confidential, they shall be supplied to and maintained by the Seller in confidence to the extent permitted by law. Purchaser acknowledges that it may be requested to make certain confidential financial disclosures to the Seller, its staff or legal counsel, as part of the financial due diligence investigations of the Seller relating to the potential development of the Project. The parties recognize that such financial disclosures may contain sensitive information relating to other business transactions of the Purchaser, that the disclosure of such information to third parties could impose commercially unreasonable and/or anti-competitive burdens on the Purchaser. Accordingly, the Seller agrees to maintain the confidentiality of any business records described in Government Code Section 6254.15, as may be provided by the Purchaser to the Seller or its consultants, as permitted by law. The Seller shall advise the Purchaser of any Public Records Act requests for such business records, and the proposed response of the Seller thereto, a reasonable time prior to the Seller’s delivery of such response and, if the Seller proposes to disclose any such business records, the Seller shall first agree to confer with the Purchaser to consider any objections that the Purchaser may have to such disclosure and allow Purchaser reasonable time to seek to prevent such disclosure.

7.7 Schedule of Performance. It is the intention of Seller and Purchaser that the development of the Project and the Property be completed in a timely and an expeditious manner. Accordingly, Purchaser agrees to develop the Project in accordance with the times set in the Schedule of Performance attached hereto as **Exhibit D**.

7. Purchaser’s Contingencies and Contingency Period. Within ninety (90) calendar days following the Opening of Escrow (“**Contingency Period**”), Purchaser shall have the right to perform and to seek any and all necessary investigations, inspections and approvals necessary to develop and operate the Project at the Property, as described in Sections 8.1 and 8.2 below:

8.1 Review and Approval of Documents and Materials. Within ten (10) days of the Opening of Escrow, Seller shall deliver to Purchaser any and all documents, reports, surveys, environmental assessments, engineering reports for the Property and other materials in Seller's possession or under its control or that of its agents, respecting the Property, including any Hazardous Substance Conditions Report concerning the Property, any Natural Hazard Zone Disclosure Report, and all lease agreements relating to any tenant or occupant then occupying the Property (collectively, "**Materials**"). During the Contingency Period, Purchaser may review and evaluate the Materials to determine whether the Property is appropriate for Purchaser's proposed use, in its sole discretion. As of the Agreement Date, Purchaser acknowledges receipt of the following: (i) Phase I Environmental Site Assessment Report issued by Converse Consultants dated April 30, 2015; and (ii) Phase II Environmental Site Assessment Report issued by Converse Consultants dated September 14, 2005. Purchaser is advised that there are no leases affecting the Property and there are no third parties in possession of the Property.

8.2 Purchaser's Due Diligence & Survey. During the Contingency Period, the Purchaser and its agents may, at the Purchaser's sole expense, conduct tests and physical inspections of the property, including building inspections and environmental site assessments desired by the Purchaser. Purchaser shall also conduct such investigations with regard to zoning, building codes, and availability of permits and approvals for its intended construction and use of the Property, as it deems prudent in its sole discretion. Purchaser shall provide evidence to Seller that Purchaser has procured and paid premiums for an all-risk public liability insurance policy written on a per occurrence and not claims made basis in a combined single limit of not less than ONE MILLION DOLLARS (\$1,000,000) which insurance names Seller as additional insured. Purchaser shall keep the Property free and clear of all materialmen's liens, lis pendens and other liens arising out of the entry and work performed under this paragraph and shall maintain or assure maintenance of workers' compensation insurance (or state approved self-insurance) on all persons entering the Property in the amounts required by the State of California. Purchaser shall restore the Property to the condition that it was in prior to those tests and inspections and shall indemnify, defend and hold Seller harmless from all damages, costs, loss, expense (including attorney fees) and liability resulting from Purchaser's activities, acts and omissions on the Property, including, but not limited to, mechanic liens. Notwithstanding anything to the contrary contained in this Agreement, (i) the defense, indemnity and hold harmless provision contained in this Section shall not apply to the extent such liabilities arise in connection with the sole negligence or willful misconduct of Seller, its employees, agents, contractors, licensees or invitees and (ii) provided further that Purchaser shall have no liability to Seller or to its employees, agents or contractors by reason of, nor shall Purchaser have any duty to indemnify, defend or hold any person or entity harmless from or against, any liabilities, including, without limitation, any claim for diminution in value of the Property or for environmental remediation or clean-up costs, resulting directly from Purchaser having merely discovered and/or reported (to the extent required by applicable law) any adverse physical condition, title condition, environmental condition or other defect with respect to the Property. The foregoing provisions shall survive the Closing or any termination of this Agreement. At Closing, Purchaser shall take the Property subject to any title exceptions caused by Purchaser exercising this license to enter the Property. During the Contingency Period, the Purchaser shall have the right, but not the obligation, to cause a Survey of the Property at its own expense. The Survey report shall also: (1) be certified to the Purchaser and (2) be prepared and sealed by a registered California Property Surveyor. Copies of any final non-privileged, non-attorney-client work product reports

and/or surveys prepared pursuant to this Agreement shall be delivered to Seller. Purchaser shall not be liable for reports/Survey and said reports/Survey is provided to the Seller for reference purposes only.

8.3 Purchaser's Termination Rights. Purchaser shall have the right at any time on or before the expiration of the Contingency Period to terminate this Agreement if, during the course of Purchaser's due diligence investigations of the Property and in connection with its obtaining of the Approvals, Purchaser determines in its sole and absolute discretion that the Property is not acceptable to Purchaser.

8.4 Termination Notice. Purchaser may exercise Purchaser's termination rights pursuant to Section 8.3 by delivering written notice of termination to Seller and Escrow Agent ("**Termination Notice**") on or before the expiration of the Contingency Period. Upon the timely delivery of such Termination Notice, (i) Escrow Agent shall immediately return the Deposit to Purchaser without the need for further instruction or approval of the parties, and (ii) this Agreement shall automatically terminate and be of no further force or effect and neither party shall have any further rights or obligations hereunder. Notwithstanding anything contained herein to the contrary, if Purchaser fails to provide a Termination Notice or waiver of contingencies on or prior to the expiration of the Contingency Period in accordance with the provisions of this Section 8, then Purchaser shall be deemed to have elected to terminate this Agreement and the Deposit shall be promptly returned to Purchaser without need for further instruction or approval of the Parties.

8.5 Disclaimer of Warranties. Purchaser shall acquire the Property in its "AS IS" condition and shall be responsible for any and all defects in the Property, whether patent or latent, including, without limitation, the physical, environmental, and geotechnical condition of the Property, and the existence of any contamination, hazardous materials, vaults, debris, pipelines, wells, or other structures located on, under or about the Property. Except as expressly set forth in this Agreement, Seller makes no representation or warranty concerning the physical, environmental, geotechnical or other condition of the Property. Purchaser acknowledges that, once Purchaser obtains title to the Property, any liability of the Seller for the environmental condition of the Property shall be extinguished, and that Seller shall have no liability for remediating any environmental condition of the Property. Purchaser shall indemnify Seller against any claim or liability relating to the environmental condition of the Property; provided, however, that Seller shall remain liable for, and shall indemnify Purchaser from and against, and shall pay the cost of (1) removing any hazardous materials released into the Property while Seller owned the Property, and of remediating the Property, (2) any third party claim that arose during Seller's ownership of the Property; (3) Seller's fraud or willful misconduct in connection with this Agreement; and (4) breach of Seller's Representation and Warranties. The foregoing indemnity obligations shall survive the Closing.

8. Prorated and Adjusted Items. The following items shall be prorated and/or adjusted as follows:

9.1 Taxes. Escrow is not to be concerned with proration of Seller's taxes for the current fiscal year. Seller is a public agency and, therefore, exempt from the payment of

property taxes. Purchaser shall be responsible for all applicable prorated taxes once Purchaser obtains title to the Property.

9.2 Other Costs. Seller shall pay all water, sewer, telephone, and all other utility charges, if any, incurred on or before the Closing Date with respect to the Property. After the Closing, Purchaser shall pay all such charges. Seller shall pay the applicable transfer taxes, the cost of recording any curative instruments and the cost of an ALTA non-extended owner's title policy. Purchaser shall pay the cost of recording the Deed conveying title to the Property, the costs associated with Purchaser's financing, the cost of any extended coverage or an ALTA extended owner's title policy and the cost of any title endorsements. Escrow fees shall be shared equally by the parties. Each party shall pay its own legal fees.

9. Default.

10.1 PURCHASER'S DEFAULT. IF PURCHASER FAILS TO COMPLETE THE PURCHASE OF THE PROPERTY AS PROVIDED IN THIS AGREEMENT BY REASON OF ANY UNCURED MATERIAL DEFAULT OF PURCHASER (AND NOT DUE TO A FAILURE OF A CONDITION PRECEDENT), SELLER SHALL BE RELEASED FROM ITS OBLIGATION TO SELL THE PROPERTY TO PURCHASER. PURCHASER AND SELLER HEREBY ACKNOWLEDGE AND AGREE THAT IT WOULD BE IMPRACTICAL AND/OR EXTREMELY DIFFICULT TO FIX OR ESTABLISH THE ACTUAL DAMAGE SUSTAINED BY SELLER AS A RESULT OF SUCH DEFAULT BY PURCHASER, AND AGREE THAT THE DEPOSIT (INCLUDING ALL INTEREST ACCRUED THEREON) IS A REASONABLE APPROXIMATION THEREOF. ACCORDINGLY, IN THE EVENT THAT PURCHASER BREACHES THIS AGREEMENT BY DEFAULTING IN THE COMPLETION OF THE PURCHASE, THE DEPOSIT (INCLUDING ALL INTEREST ACCRUED THEREON) SHALL CONSTITUTE AND BE DEEMED TO BE THE AGREED AND LIQUIDATED DAMAGES OF SELLER, AND SHALL BE PAID BY PURCHASER TO SELLER AS SELLER'S SOLE AND EXCLUSIVE REMEDY. EXCEPT FOR ATTORNEYS' AND OTHER FEES RECOVERABLE PURSUANT TO SECTION 24 BELOW AND ITS RIGHTS TO BE INDEMNIFIED AS PROVIDED IN THIS AGREEMENT, ALL OF WHICH SHALL SURVIVE TERMINATION OF THIS AGREEMENT FOR ANY REASON FOR A PERIOD OF ONE YEAR, SELLER AGREES TO AND DOES HEREBY WAIVE ALL OTHER REMEDIES AGAINST PURCHASER WHICH SELLER MIGHT OTHERWISE HAVE AT LAW OR IN EQUITY BY REASON OF SUCH DEFAULT BY PURCHASER. THE PAYMENT OF THE DEPOSIT (INCLUDING ALL INTEREST ACCRUED THEREON) AS LIQUIDATED DAMAGES IS NOT INTENDED TO BE A FORFEITURE OR PENALTY, BUT IS INTENDED TO CONSTITUTE LIQUIDATED DAMAGES TO SELLER PURSUANT TO CALIFORNIA CIVIL CODE SECTIONS 1671, 1676 AND 1677.

SELLER'S INITIALS: _____ PURCHASER'S INITIALS: _____

10.2 SELLER'S DEFAULT. IF SELLER FAILS TO COMPLETE THE SALE OF THE PROPERTY AS PROVIDED IN THIS AGREEMENT BY REASON OF ANY MATERIAL DEFAULT OF SELLER (AND NOT DUE TO A FAILURE OF A CONDITION PRECEDENT), PURCHASER MAY EITHER (I) PROCEED AGAINST SELLER BY

BRINGING AN ACTION FOR SPECIFIC PERFORMANCE UNDER THIS AGREEMENT AND RECOVER ALL DAMAGES (INCLUDING REASONABLE ATTORNEYS' FEES AND COSTS) RELATED THERETO, OR (II) TERMINATE THIS AGREEMENT IN WHICH EVENT THE DEPOSIT HEREIN SHALL BE RETURNED TO PURCHASER AND SELLER SHALL BE SOLELY RESPONSIBLE FOR PAYING ALL OF ITS COSTS IN PREPARING THIS AGREEMENT. PURCHASER AND SELLER HEREBY ACKNOWLEDGE AND AGREE THAT IT WOULD BE IMPRACTICAL AND/OR EXTREMELY DIFFICULT TO FIX OR ESTABLISH THE ACTUAL DAMAGE SUSTAINED BY PURCHASER AS A RESULT OF SUCH MATERIAL DEFAULT BY SELLER AND AGREE THAT THE REMEDY SET FORTH IN CLAUSE (II) ABOVE IS A REASONABLE APPROXIMATION THEREOF. ACCORDINGLY, IN THE EVENT THAT SELLER BREACHES THIS AGREEMENT BY MATERIALLY DEFAULTING IN THE COMPLETION OF THE SALE, AND PURCHASER ELECTS NOT TO EXERCISE THE REMEDY SET FORTH IN CLAUSE (I) ABOVE BUT INSTEAD ELECTS THE REMEDY SET FORTH IN CLAUSE (II) ABOVE, SUCH SUMS SHALL CONSTITUTE AND BE DEEMED TO BE THE AGREED AND LIQUIDATED DAMAGES OF PURCHASER WHICH IS NOT INTENDED TO BE A FORFEITURE OR PENALTY, BUT IS INTENDED TO CONSTITUTE LIQUIDATED DAMAGES TO PURCHASER PURSUANT TO CALIFORNIA CIVIL CODE SECTIONS 1671, 1676 AND 1677. EXCEPT FOR ATTORNEYS' AND OTHER FEES RECOVERABLE PURSUANT TO SECTION 24 BELOW AND ITS RIGHTS TO BE INDEMNIFIED AS PROVIDED IN THIS AGREEMENT, ALL OF WHICH SHALL SURVIVE TERMINATION OF THIS AGREEMENT FOR ANY REASON FOR A PERIOD OF ONE YEAR, PURCHASER AGREES TO AND DOES HEREBY WAIVE ALL OTHER REMEDIES AGAINST SELLER WHICH PURCHASER MIGHT OTHERWISE HAVE AT LAW OR IN EQUITY BY REASON OF SUCH DEFAULT BY SELLER.

SELLER'S INITIALS: _____ PURCHASER'S INITIALS: _____

10. **Time and Place of Closing; Outside Closing Date.** Consummation of this sale and purchase ("**Closing**") shall take place within forty-five (45) days after Purchaser obtains the Approvals, at which time Purchaser shall provide a written waiver to Seller ("**Purchaser's Closing Notice**") of all conditions to Purchaser's obligation to proceed to Closing, unless this Agreement has been duly and timely terminated pursuant to the provisions of this Agreement. Closing shall take place at the offices of the Escrow Holder and coordinated through their affiliate offices. As used herein, "**Closing Date**" means the date and time on which the Deed is recorded in the Official Records of the County.

In no event shall the Closing occur later than two hundred twenty-five (225) days following the Opening of Escrow ("**Outside Closing Date**").

11. **Pre-Closing Covenants.** Seller shall between the date hereof and the Closing Date, unless otherwise consented to in writing by Purchaser:

a. Maintain the Property in compliance with all applicable laws and in its present condition, reasonable wear and use excepted.

b. Not suffer or permit any new easements, encumbrances, liens or security interests to attach to the Property, or transfer or convey the Property or any portion or portions of the Property.

c. Not enter into or amend any contracts or agreements pertaining to the Property, which would survive the Closing and be binding upon Purchaser (excluding matters created by Purchaser).

d. Maintain hazard and liability insurance with respect to the Property, in amounts determined to be appropriate by Seller, in Seller's reasonable discretion.

12. **Risk of Loss.**

13.1 Condemnation. If before the Closing Date any action or proceeding is commenced for the condemnation or exercise of the rights of eminent domain with respect to the Property or any portion of the Property, or if Seller is notified by the duly authorized officer of a duly empowered condemning authority of the intent to commence such action or proceeding ("**Condemnation**") and if such Condemnation would materially and adversely affect the use or operation of the Property, have the effect of decreasing the square footage of the buildable area at the Property, or reduce or eliminate access to the Property, then Purchaser may either (a) terminate this Agreement, or (b) proceed with the Closing without modifying the terms of this Agreement and without reducing the Purchase Price, on the condition that Seller must assign and turn over, and Purchaser will be entitled to keep, all awards for the Condemnation that accrue to Seller; provided, however, if any award is rendered specifically to compensate Seller for Seller's lost goodwill, such an award shall belong to Seller. Seller may not negotiate, resist, or stipulate to any Condemnation without Purchaser's written consent. Seller must notify Purchaser of any notice of Condemnation of all or any portion of the Property within five (5) days after the receipt of such notice, and Purchaser must exercise its option(s) as provided in this Section 13.1 within fifteen (15) days after receipt of such notice. If necessary, the Closing Date will be extended to give Purchaser the full 15-day period to make such election. Notwithstanding the foregoing, if any condemnation action is commenced prior to the Closing Date, Purchaser shall have the right to terminate this Agreement and to receive the return of the Deposit, as well as a sum equal to Purchaser's out-of-pocket costs incurred in connection with this transaction.

13.2 Damage and Destruction. If before the Closing Date any damage or destruction of the Property, or any portion of it, occurs that is greater than \$20,000, which would be the responsibility of Seller to cure, then within three (3) days after determination of the amount of the Insurance Proceeds (defined below) to be received with respect to such loss, Purchaser must elect, by written notice to Seller, either to: (a) terminate this Agreement (in which event the Deposit, and all accrued interest thereon, shall forthwith be returned to Purchaser and thereupon neither party shall have any further rights or obligations hereunder); or (b) receive an assignment of the Insurance Proceeds with respect to such loss and proceed to Closing without any reduction in the Purchase Price (in which event the Closing shall occur within thirty (30) days after such election). If Purchaser shall fail to provide such written notice of election within ten (10) days after determination of the amount of the Insurance Proceeds to be received with respect to such loss, then Purchaser shall be deemed to have elected to terminate this Agreement. As used herein, "Insurance Proceeds" means the proceeds from any and all

insurance maintained by Seller with respect to the Property and/or to such loss, including without limitation fire and casualty and liability insurance.

13. **Representations and Warranties of Seller.** Seller represents and warrants to Purchaser that, to Seller's actual knowledge as of the Agreement Date, except as set forth or otherwise disclosed in this Agreement, or in any exhibit to this Agreement, or in any schedule of exceptions attached to this Agreement:

a. This Agreement has been duly authorized and executed on behalf of Seller. As of the Opening of Escrow, this Agreement constitutes a valid and binding agreement, enforceable in accordance with its terms. As of the Opening of Escrow, Seller has obtained all consents, releases and permissions and has given all required notifications related to the transaction herein contemplated and required under any covenant, agreement, encumbrance, law or regulation to which Seller is a party or by which Seller is bound.

b. Seller is the fee simple owner of the Property. Seller is not a party to any contract, agreement or commitment to sell, convey, assign, transfer or otherwise dispose of any portion or portions of the Property.

c. Seller has not received notice of violation of any applicable law, ordinance, regulation, order or requirement relating to Seller's operation or use of the Property.

d. To Seller's actual knowledge: (i) neither the Property nor any part thereof is in breach of any environmental laws; (ii) no part of the Property has ever been used as a landfill, dump, toxic waste disposal site or storage area; (iii) there are no underground storage tanks at the Property, or, with respect to removed tanks, at the time of removal, any contaminated soil was removed; and (iv) the Property is free of any Hazardous Materials that would trigger response or remedial action under any environmental laws or any existing common law theory based on nuisance or strict liability. This warranty is limited to matters of which Seller has actual knowledge, and Purchaser acknowledges that Seller has not made any affirmative investigation as to environmental issues affecting the Property in connection with this Agreement. As used in this Agreement, the term "Hazardous Material" means any flammable items, explosives, radioactive materials, hazardous or toxic substances, material or waste or related materials, including any substance defined as or included in the definition of "hazardous substances", "hazardous wastes", "hazardous materials" or "toxic substances" now or subsequently regulated under any applicable federal, state or local laws or regulations, including without limitation petroleum-based products, paints, solvents, lead, cyanide, DDT, printing inks, acids, pesticides, ammonia compounds and other chemical products, asbestos, PCBs and similar compounds, and including any different products and materials which are subsequently found to have adverse effects on the environment or the health and safety of persons.

e. There is no litigation pending or to the actual knowledge of Seller, threatened, against or by Seller or the Property which relates to, or if decided adversely, could have a material adverse effect upon, the Property (including condemnation or similar proceedings).

f. Except as disclosed in writing to Purchaser by Seller as part of the Materials, there are no leases, licenses or other occupancy or use agreements, written or oral, in effect in which Seller has granted any party rights to possession or use of the Property or any portion thereof, nor has Seller given any party an option or right of first refusal to purchase any portion of the Property.

g. Except as disclosed in writing to Purchaser by Seller as part of the Materials, the Property is not subject to any operating, maintenance or repair contract or other agreements that will bind the Property or Purchaser after the Closing (“**Service Contracts**”).

h. Except as disclosed in the Materials, Seller has no actual knowledge of any violations of health, environmental or other applicable law, ordinance, code, order or regulation in any respect with regard to the Property.

i. Seller is not aware of any inaccuracy or incompleteness of any of the documents, materials or reports contained in the Materials.

j. To Seller’s actual knowledge and except for matters of record as of the date hereof, there are no bonds or assessments or charges for any public improvements or utilities made against the Property which remain unpaid (or which will remain unpaid by Seller as of the Closing Date).

k. No representation, statement or warranty by Seller contained in this Agreement or in any exhibit attached hereto contains or will contain any untrue statements or omits, or will omit, a material fact necessary to make the statement of fact therein recited not misleading. If, after Seller’s execution hereof and prior to the Closing, any event occurs or condition exists of which Seller becomes aware which renders any of the representations contained herein untrue or misleading, Seller shall promptly notify Purchaser in writing.

All representations and warranties contained in this Agreement shall be deemed remade as of the Closing Date, except (i) for matters caused by Purchaser, and (ii) in the event of a change in circumstances not within the control of Seller affecting any representations or warranties set forth herein, in which case Seller shall provide written notice to Purchaser regarding such changed circumstances within a reasonable time following such change (not to exceed five (5) Business Days following the date the City’s Development Services Director obtains actual knowledge of the changed circumstance), and prior to the Closing. As used herein, “actual knowledge” of Seller refers to the actual knowledge of Seller’s employees and agents directly involved in the negotiation and/or drafting of this Agreement, those responsible for the acquisition or maintenance of the Property, the City Attorney and the City Clerk.

14. **Assignment.** This Agreement shall not be assigned by any party hereto to any person or entity without the express written consent of Seller; provided, however, that Purchaser may assign the Agreement without Seller’s consent as follows: (a) to a California or Delaware qualified business entity that is formed for the purpose of carrying out all or a portion of the Project and for which Purchaser (or its partners) is a member or the manager or affiliated with; or (b) for the sale or transfer of an ownership or control interest between members of the same family; or transfers to a trust, testamentary or otherwise, in which the beneficiaries consist of

solely of members of the trustor's family; or transfers to a corporation or partnership or other legal entity in which the members of the transferor's family have a controlling majority interest of fifty-one percent (51%) or more; or (c) for the sale or transfer of the portion of the Property consisting of the Commercial Pad (as defined in **Exhibit B** hereto) to an end user and/or to a tenant. Any such assignment shall release the Purchaser named in the Preamble of this Agreement from its obligations hereunder, provided that (i) such assignee is financially viable and (ii) assumes all obligations of Purchaser hereunder in a form reasonably acceptable to Seller.

15. **Restaurant or Other Retail Commercial Pad.** In accordance with **Exhibit B** hereto, Purchaser shall have until the third (3rd) anniversary of the later of (i) the Closing Date or (ii) the date on which the lot split contemplated by Section 7.2 hereof is approved, such that the Commercial Pad becomes a separate legal parcel, to either (i) sell the Commercial Pad to a third party with a recorded restriction limiting its use to a restaurant or other retail commercial development, or (ii) so develop the Commercial Pad (i.e., construct a building for a restaurant or other retail use reasonably acceptable to the City, the "**Commercial Building**") and thereafter lease or sell the Commercial Building to a third party. If Purchaser fails timely to consummate such sale or lease, Purchaser thereafter shall promptly engage a reputable commercial brokerage firm (reasonably acceptable to the City) to appraise and sell the Commercial Pad (or if applicable, the Commercial Building) to a third party (with a recorded restriction limiting its use to retail commercial development), and shall use commercially reasonable efforts to consummate such sale. Purchaser's obligations forth in this Section 16 shall be set forth in a recordable instrument encumbering the Commercial Pad; provided, further, that if, at Closing, the Commercial Pad is not a separate legal parcel, then (i) Purchaser's obligations under this Section 16 shall be set forth in a recordable instrument encumbering the Property, and (ii) promptly after the date, if any, that the Commercial Pad becomes a separate legal parcel, the City shall cooperate in causing the obligations of Purchaser set forth in this Section 16 to encumber only the Commercial Pad.

16. **Business Days.** As used herein, the term "**Business Days**" refers to Monday through Thursday, excluding holidays on which the City of Irwindale or Seller are closed for business.

17. **Binding Effect.** The covenants herein shall bind and inure to the benefit of the executors, administrators, successors and assigns of the respective parties.

18. **Broker's Commission; Indemnity.** Under separate agreement for Consulting and Real Estate Broker Services" dated November 12, 2014, as amended by the Seller on June 24, 2015 ("**Broker Agreement**"), Seller has retained Rosenow Spevacek Group, Inc. (CalBRE Corporate Broker License #01930929) for its services as a broker and advisor in this transaction ("**Seller's Broker**"). Neither party has had any contact or dealings regarding the Property, or any communication in connection with the subject matter of this transaction, through any licensed real estate broker or person, other than the Seller's Broker, who can claim a sales or brokerage commission, finder's fee or other commissions as a procuring cause of the sale contemplated in this Agreement. Should any broker or other person, other than Seller's Broker, seek payment for any sales or brokerage commission, finder's fee or other commission, then the party for whom such broker or person seeking payment shall indemnify, defend, and hold the other party ("**Other Party**") harmless from all costs and expenses (including reasonable attorney

fees, court costs, litigation expenses and costs of defense) incurred by the Other Party in connection with such claim.

19. **Integration; Merger; Amendment; Survival of Representations.** Seller and Purchaser have not made any covenants, warranties or representations not set forth in this Agreement. This Agreement constitutes the entire Agreement between the parties. Except as otherwise provided herein, all representations, warranties and covenants set forth in this Agreement shall survive closing. This instrument shall as to all prior drafts or forms exchanged between the parties or executed by the parties, be the sole effective instrument between them as to the provisions set forth in this Agreement. None of the terms and provisions hereof shall be altered or amended unless in writing and signed by the parties.

20. **Execution in Counterparts and by Fax/Email.** This document may be validly executed and delivered by facsimile transfer/e-mail and/or portable document format (collectively, “**Electronic Copy**”). Any signer who executes this document and transmits this document by Electronic Copy intends that the Electronic Copy of their signature is to be deemed an original signature for all purposes. Any such Electronic Copy printout and any complete photocopy of such Electronic Copy printout are hereby deemed to be an original counterpart of this document. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

21. **Notices.** All notices shall be in writing and delivered personally, by overnight air courier service, by facsimile transmission or email, or by U.S. certified or registered mail, return receipt requested, postage prepaid, to the parties at their respective addresses set forth below, and the same shall be effective upon receipt if delivered personally, one (1) Business Day after depositing with an overnight air courier, or two (2) Business Days after depositing in the mail immediately, upon transmission (as confirmed by electronic confirmation of transmission generated by the sender’s machine) for any notice given by facsimile or email:

If to Seller: City of Irwindale as Successor Agency
 5050 N. Irwindale Ave
 Irwindale, CA 91706
 Attn: City Manager

With a copy to: Aleshire & Wynder, LLP
 18881 Von Karman Ave., Suite 1700
 Irvine, CA 92612
 Attn: Fred Galante, City Attorney
 Email: fgalante@awattorneys.com

If to Purchaser: Irwindale Industrial Clinic
6000 N. Irwindale Avenue, Suite A
Irwindale, CA 91702
Attn: Jack Feldsher and Joel Feldsher
Email: jackfeldsher@iiclinic.com and
drjoelfeldsher@iiclinic.com

With a copy to: Hunt Ortmann Palffy Nieves Darling & Mah, Inc.
301 North Lake Ave., 7th Floor
Pasadena, CA 91101
Attn: Kevin J. Brody
Email: brody@huntortmann.com

22. **Governing Law.** This Agreement shall be construed according to the laws of the State of California.

23. **Attorney's Fees.** In the event any action or suit is brought by a party hereto against another party hereunder by reason of any breach of any of the covenants, agreements or provisions on the part of the other party arising out of this Agreement, then in that event the prevailing party shall be entitled to have and recover from the other party all costs and expenses of the action or suit, including actual attorneys' fees, expert witness fees, accounting and engineering fees, and any other professional fees resulting therefrom.

24. **Expenses.** Seller and Purchaser shall pay their respective expenses and costs in connection with the preparation of this Agreement and other agreements and documents related to this Agreement and the transactions contemplated herein.

25. **Severability.** If any term of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, then this Agreement, including all of the remaining terms, will remain in full force and effect as if such invalid or unenforceable term had never been included.

26. **Construction.** In determining the meaning of, or resolving any ambiguity with respect to, any word, phrase or provision of this Agreement, no uncertainty or ambiguity shall be construed or resolved against a party under any rule of construction, including the party primarily responsible for the drafting and preparation of this Agreement. Headings used in this Agreement are provided for convenience only and shall not be used to construe meaning or intent. As used in this Agreement, masculine, feminine or neuter gender and the singular or plural number shall each be deemed to include the others wherever and whenever the context so dictates.

27. **Qualification; Authority.** Each individual executing this Agreement on behalf of a party which is an entity, represents, warrants and covenants to the other party that (a) such person is duly authorized to execute and deliver this Agreement on behalf of such entity in accordance with authority granted under the organizational documents of such entity, and (b) such entity is bound under the terms of this Agreement.

28. **No Waiver.** The failure of either party to enforce any term, covenant, or condition of this Agreement on the date it is to be performed shall not be construed as a waiver of that party's right to enforce this, or any other, term, covenant, or condition of this Agreement at any later date or as a waiver of any term, covenant, or condition of this Agreement.

29. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which shall be deemed but one and the same instrument, and a facsimile or e-mailed PDF copy of such execution shall be deemed an original.

30. **Miscellaneous.**

30.1 Execution of Documents. The parties agree to execute such instructions to Title Company and such other instruments and to do such further acts as may be reasonably necessary to carry out the provisions of this Agreement.

30.2 Inducement. The making, execution and delivery of this Agreement by the parties hereto have been induced by no representations, statements, warranties or agreements other than those expressly set forth herein.

30.3 Incorporation of Exhibits. Exhibits A, B, C & D attached hereto are incorporated herein by reference.

30.4 Relationship of Parties. Notwithstanding anything to the contrary contained herein, this Agreement shall not be deemed or construed to make the parties hereto partners or joint venturers, or to render either party liable for any of the debts or obligations of the other, it being the intention of the parties to merely create the relationship of Seller and Purchaser with respect to the Property to be conveyed as contemplated hereby.

30.5 Survival of Warranties. It is the express intention and agreement of the parties to this Agreement that all covenants, representations and warranties made by Seller in this Agreement shall survive this Agreement, the recordation of the Deed and the Closing for a period of twelve (12) months.

30.6 Limitation of Liability. The parties agree that neither the holders of beneficial interests nor the trustees, officers, members, employees or agents of either party or any assignee or affiliate of either party shall be personally liable under the Agreement and all parties hereto shall look solely to the assets of the entity, for the payment of any claim or the performance of any obligation of either under this Agreement.

30.7 Force Majeure. If either Party is delayed or prevented from performing any act required in this Agreement by reason of any event beyond the reasonable control of either Party, including without limitation, by labor disputes, fire, unusual delay in deliveries, weather or acts of God, terrorism, delay in the issuance of permits or approvals, acts of governmental entities, unavoidable casualties or any other such causes beyond such Party's control, then the time herein fixed for completion of such obligation(s) shall be extended by the number of days that such Party has been delayed.

31. **Waiver of Jury Trial.** THE PARTIES HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING INVOLVING THE PROPERTY OR ARISING OUT OF THIS AGREEMENT.

32. **1031 Exchange.** Both Seller and Purchaser agree to reasonably cooperate with each other in the event that either or both wish to participate in a 1031 exchange. Any party initiating an exchange shall bear all costs of such exchange.

33. **Representation by Counsel.** Each party hereto represents and agrees with each other that it has been represented by or had the opportunity to be represented by, independent counsel of its own choosing, and that it has had the full right and opportunity to consult with its respective attorney(s), that to the extent, if any, that it desired, it availed itself of this right and opportunity, that it or its authorized officers (as the case may be) have carefully read and fully understand this Agreement in its entirety and have had it fully explained to them by such party's respective counsel, that each is fully aware of the contents thereof and its meaning, intent and legal effect, and that it or its authorized officer (as the case may be) is competent to execute this Agreement and has executed this Agreement free from coercion, duress or undue influence.

34. **Interpretation.** The parties to this Agreement participated jointly in the negotiation and drafting of this Agreement. If an ambiguity or question of intent or interpretation arises, then this Agreement will be construed as if drafted jointly by the parties to this Agreement, and no presumption or burden of proof will arise favoring or disfavoring any party to this Agreement by virtue of the authorship of any of the provisions of this Agreement.

[SIGNATURES ON FOLLOWING PAGE]

REMINDER: Parties must initial Sections 10.1 and 10.2.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first-above written.

PURCHASER:

Irwindale Industrial Clinic,
a California general partnership

By: _____
Jack Feldsher, General Partner

By: _____
Joel Feldsher, General Partner

SELLER:

CITY OF IRWINDALE as Successor Agency to
the Irwindale Community Redevelopment
Agency

By: _____
Mark A. Breceda, Mayor

ATTEST:

Laura M. Nieto, CMC, Deputy City Clerk

APPROVED AS TO FORM:

ALESHIRE & WYNDER, LLP

By: _____
Fred Galante, Seller Counsel

ESCROW HOLDER:

READ AND ACCEPTED:
FIDELITY NATIONAL TITLE
INSURANCE COMPANY

By: _____
Janette DeLap, VP, Escrow Officer

Dated: _____, 2016

EXHIBIT A

DESCRIPTION OF PROPERTY

That certain real property located in the City of Irwindale, County of Los Angeles, State of California, and is described as follows:

THAT PORTION OF THE EAST 5 ACRES OF THE WEST 10 ACRES OF THE NORTH 20 ACRES OF THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 9, TOWNSHIP 1 SOUTH, RANGE 10 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF IRWINDALE, ACCORDING TO THE OFFICIAL PLAT OF THE SURVEY OF SAID LAND FILED IN THE DISTRICT LAND OFFICE ON APRIL 21, 1877, LYING NORTHERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT THE NORTHWEST CORNER OF SAID EAST 5 ACRES; THENCE SOUTH 00°06'21" EAST 330.26 FEET ALONG THE WESTERLY LINE OF SAID EAST 5 ACRES TO THE TRUE POINT OF BEGINNING; THENCE NORTH 89°55'54" EAST 193.06 FEET AND PARALLEL WITH THE NORTHERLY LINE OF SAID SECTION 9 TO A POINT; THENCE SOUTH 00°06'41" EAST 124.00 FEET TO A POINT; THENCE NORTH 89°55'54" EAST 140.00 FEET TO A POINT ON THE EASTERLY LINE OF SAID EAST 5 ACRES, SAID POINT BEING SOUTH 00°06'41" EAST 454.26 FEET MEASURED ALONG THE EASTERLY LINE OF SAID EAST 5 ACRES FROM THE NORTHEAST CORNER OF SAID EAST FIVE ACRES.

EXCEPT THEREFROM THE NORTH 25 FEET CONVEYED TO THE COUNTY OF LOS ANGELES FOR ROAD PURPOSES BY DEED RECORDED IN BOOK 6722 PAGE 134 OF DEEDS.

ALSO EXCEPT THEREFROM THE SOUTHERLY 25 FEET OF THE NORTHERLY 50 FEET CONVEYED TO THE CITY OF IRWINDALE, A MUNICIPAL CORPORATION, IN DEED RECORDED MAY 09, 1984 AS INSTRUMENT NO. 84-554445. BEING PARCEL "A" OF LOT LINE ADJUSTMENT RECORDED AUGUST 17, 1989, AS INSTRUMENT NO. 89-1328180 AND SHOWN ON EXHIBIT "B" ATTACHED THERETO AND MADE A PART THEREOF.

APN: 8417-035-902

EXHIBIT B

DESCRIPTION OF PROJECT

The proposed development of a +/-2.5 acre vacant parcel (the "**Real Property**") at 15768 Arrow Highway will contain two (2) new buildings on two (2) newly created legal parcels: (i) a one-story, approximately 13,000 square foot medical office building to be constructed on a parcel tentatively estimated to be approximately 60,000 to 70,000 square feet ("**Medical Office Building**"), and (ii) a commercial/R&D building to be constructed within approximately three (3) years from the date that Purchaser receives a certificate of occupancy for the Medical Office Building on a parcel tentatively estimated to be approximately 40,000 to 50,000 square feet ("**Commercial Pad**") for a commercial use to be determined and reasonably acceptable to the City. The development will provide approximately 80 on-site parking stalls for the Medical Office Building, and not less than the required number of parking spaces for the commercial building on the Commercial Pad based on its permitted use. The Project will require a parcel subdivision to create two (2) separate lots one for each of the two (2) buildings and that two nearby streets, Hidalgo and Juarez Streets, are connected on a portion of the Real Property.

Site improvements will include the following:

- Continuation of the existing sidewalk and landscape design from the adjacent retail center.
- Emergency vehicle access from Hidalgo Street through to Arrow Highway
- Pedestrian and vehicle access to adjacent retail center
- New landscaping and irrigation for the medical office building

A Schematic site plan indicating the proposed location of the Medical Office Building, parking and landscaping will be provided for Seller's approval during the Contingency Period. Purchaser acknowledges that the location of buildings and circulation shall be designed and situated on the Property so as to cause the least amount of impact to adjacent residential uses as possible and will work with the City during the entitlement process to achieve this goal.

EXHIBIT C

GRANT DEED

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

SPACE ABOVE THIS LINE FOR RECORDER'S USE
EXEMPT FROM RECORDING FEE PER GOV. CODE § 27383

GRANT DEED

FOR VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, the CITY OF IRWINDALE as Successor Agency to the Irwindale Community Redevelopment Agency (“**Grantor**”), hereby grants to _____ (“**Grantee**”), all of its respective rights, title, and interest in the real property hereinafter referred to as the “**Property**” in the City of Irwindale, County of Los Angeles, State of California, as more particularly described in Attachment 1 attached hereto and incorporated herein by this reference.

1. Nondiscrimination Covenant. Grantee agrees to refrain from restricting the rental, sale, or lease of any portion of the Property on the basis of race, color, creed, religion, sex, marital status, age, ancestry, or national origin of any person. All such deeds, leases, or contracts shall contain or be subject to substantially the following nondiscrimination or non segregation clauses:

(a) **Deeds:** In deeds the following language shall appear: "The grantee herein covenants by and for itself, its 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 race, color, creed, religion, sex, marital status, age, ancestry, or national origin in the sale, lease, rental, sublease, transfer, use, occupancy, tenure, or enjoyment of the land herein conveyed, nor shall the grantee itself, or any persons 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, lessees, subtenants, sublessees, or vendees in the land herein conveyed. The foregoing covenants shall run with the land."

(b) **Leases:** In leases the following language shall appear: "The lessee herein covenants by and for itself, its heirs, executors, administrators, successors, and assigns, and all persons claiming under or through them, 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 race, color, creed, religion, sex, marital status, age, ancestry, or national origin in the leasing, subleasing, renting, transferring, use, occupancy, tenure, or enjoyment of the land herein leased nor shall the lessee 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, lessees, sublessees, subtenants, or vendees in the land herein leased."

(c) **Contracts**: In contracts pertaining to conveyance of the realty the following language shall appear: "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, age, ancestry, or national origin in the sale, lease, rental, sublease, transfer, use, occupancy, tenure, or enjoyment of the land, nor shall the transferee 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, lessees, subtenants, sublessees, or vendees of the land."

The foregoing covenants shall remain in effect in perpetuity.

IN WITNESS WHEREOF, Grantor has caused this instrument to be executed on its behalf as of the date written below.

CITY OF IRWINDALE as Successor Agency to the
Irwindale Community Redevelopment Agency

By _____
Mark A. Breceda, Mayor

ATTEST:

Laura M. Nieto, CMC, Deputy City Clerk

APPROVED AS TO FORM:
ALESHIRE & WYNDER, LLP

By: _____
Fred Galante, City Attorney

ATTACHMENT 1 TO GRANT DEED

LEGAL DESCRIPTION OF THE PROPERTY

That certain real property located in the City of Irwindale, County of Los Angeles, State of California, and is described as follows:

THAT PORTION OF THE EAST 5 ACRES OF THE WEST 10 ACRES OF THE NORTH 20 ACRES OF THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 9, TOWNSHIP 1 SOUTH, RANGE 10 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF IRWINDALE, ACCORDING TO THE OFFICIAL PLAT OF THE SURVEY OF SAID LAND FILED IN THE DISTRICT LAND OFFICE ON APRIL 21, 1877, LYING NORTHERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT THE NORTHWEST CORNER OF SAID EAST 5 ACRES; THENCE SOUTH 00°06'21" EAST 330.26 FEET ALONG THE WESTERLY LINE OF SAID EAST 5 ACRES TO THE TRUE POINT OF BEGINNING; THENCE NORTH 89°55'54" EAST 193.06 FEET AND PARALLEL WITH THE NORTHERLY LINE OF SAID SECTION 9 TO A POINT; THENCE SOUTH 00°06'41" EAST 124.00 FEET TO A POINT; THENCE NORTH 89°55'54" EAST 140.00 FEET TO A POINT ON THE EASTERLY LINE OF SAID EAST 5 ACRES, SAID POINT BEING SOUTH 00°06'41" EAST 454.26 FEET MEASURED ALONG THE EASTERLY LINE OF SAID EAST 5 ACRES FROM THE NORTHEAST CORNER OF SAID EAST FIVE ACRES.

EXCEPT THEREFROM THE NORTH 25 FEET CONVEYED TO THE COUNTY OF LOS ANGELES FOR ROAD PURPOSES BY DEED RECORDED IN BOOK 6722 PAGE 134 OF DEEDS.

ALSO EXCEPT THEREFROM THE SOUTHERLY 25 FEET OF THE NORTHERLY 50 FEET CONVEYED TO THE CITY OF IRWINDALE, A MUNICIPAL CORPORATION, IN DEED RECORDED MAY 09, 1984 AS INSTRUMENT NO. 84-554445. BEING PARCEL "A" OF LOT LINE ADJUSTMENT RECORDED AUGUST 17, 1989, AS INSTRUMENT NO. 89-1328180 AND SHOWN ON EXHIBIT "B" ATTACHED THERETO AND MADE A PART THEREOF.

APN: 8417-035-902

EXHIBIT D**SCHEDULE OF PERFORMANCE**

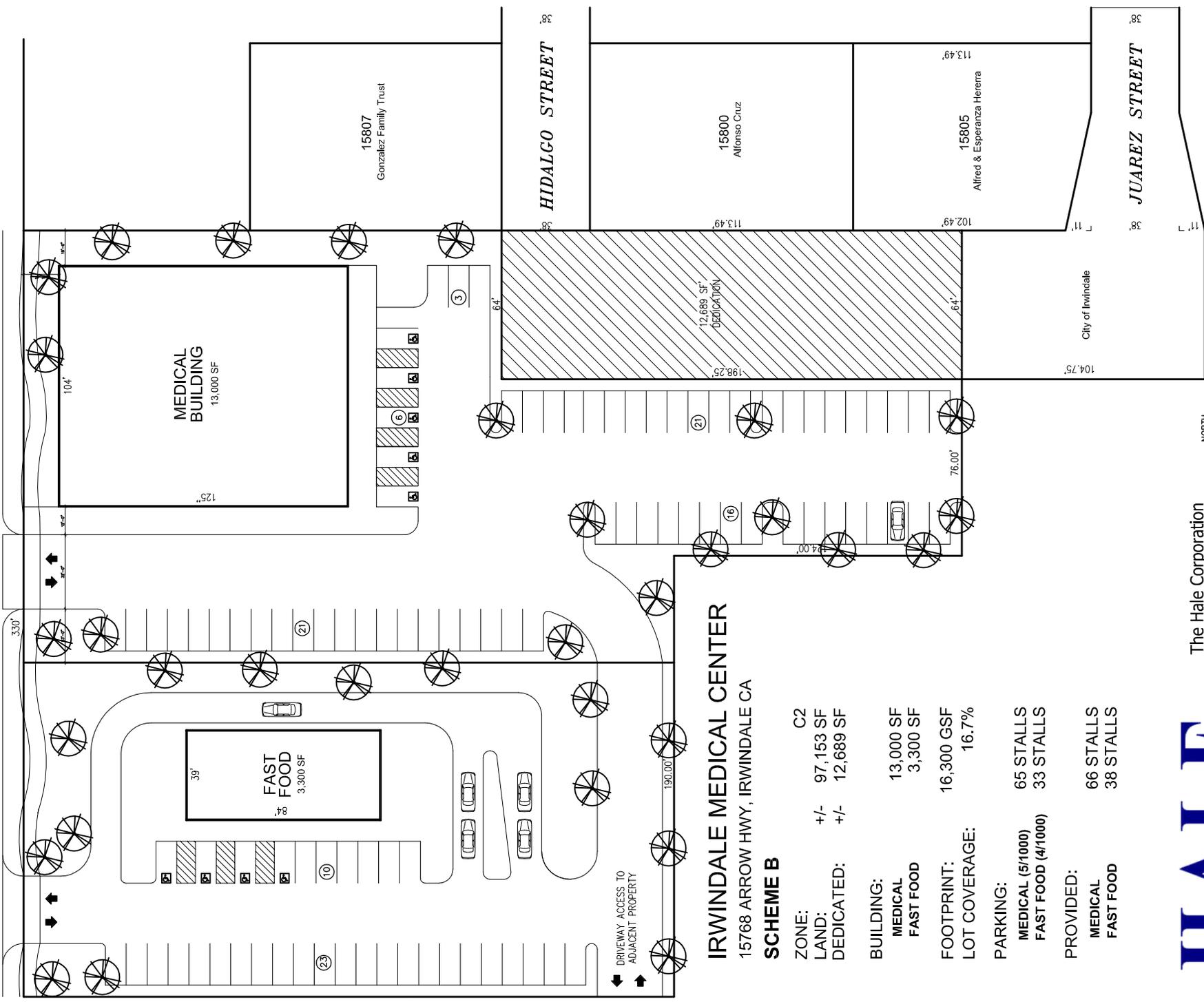
	<u>Item To Be Performed</u>	<u>Time For Performance</u>	<u>Agreement Reference</u>
1.	Purchaser executes and delivers Purchase and Sale Agreement (“PSA”) to Seller	Within 45 days of Seller’s approval of this Agreement, or by _____, 2016	
2.	Purchaser provides Seller with financial commitments to finance for Project	During Contingency Period (estimated to be July __, 2016 – September __, 2016)	7.5
3.	Open Escrow	Within 3 days after execution of PSA by Seller	2
4.	Seller delivers to Purchaser Preliminary Title Report	Within 5 days after Seller execution of PSA	5
5.	Purchaser approves or disapproves title exceptions	Within 30 days after delivery to Purchaser of Preliminary Title Report, all documents listed in the Preliminary Title Report	5
6.	Seller delivers notice to Purchaser as to whether it will cure disapproved exceptions	Within 10 days after receipt of Purchaser’s notice	5
7.	Seller makes Property available to Purchaser for inspection	During Contingency Period	8.2
8.	Purchaser submits complete application for Approvals.	Within 60 days after Oversight Board Approval	7.2
9.	Purchaser approves or disapproves the environmental and physical condition of the Property or waives condition	Within 90 days after Opening of Escrow	8
10.	Purchaser secures Approvals	Within 180 days after Opening of Escrow	7.2
11.	Purchaser prepares and submits to City construction plans, drawings, and specifications prepared in accordance with City approvals.	Within 90 days after Event No. 10 above	7.2
12.	Escrow Agent gives notice of fees, charges, and costs to close escrow	One (1) week prior to Closing	

	<u>Item To Be Performed</u>	<u>Time For Performance</u>	<u>Agreement Reference</u>
13.	Deposits into escrow by Seller:		
	(a) Executed Deed	On or before 1:00 p.m. on the business day preceding the Closing Date	4.1.1
	(b) Payment of Seller's Share of Escrow Costs	On or before 1:00 p.m. on the business day preceding the Closing Date	4.1.5; 9
	(c) Taxpayer ID Certificate	On or before 1:00 p.m. on the business day preceding the Closing Date	4.1.2
	(d) FIRPTA Certificate	On or before 1:00 p.m. on the business day preceding the Closing Date	4.1.2
14.	Deposits into escrow by Purchaser:		
	(a) Purchase Price required by Section 3.2.	On or before 1:00 p.m. on the business day preceding the Closing Date	3.2
	(b) Payment of Purchaser's Share of Escrow Costs	On or before 1:00 p.m. on the business day preceding the Closing Date	4.3; 9
	(c) Preliminary Change of Ownership Statement	Prior to Closing Date	4.2.2
15.	Seller or Purchaser, as case may be, may cure any condition to closing disapproved or waived; or may cure any default	Within 30 days after date established therefore, or date of breach, as the case may be	5
16.	Close of escrow; recordation and delivery of documents	Within 45 days of Purchaser obtaining the Approvals	11
17.	Purchaser pulls necessary grading permits and commences construction of Project	Within 60 days after the Closing	
18.	Purchaser completes construction of Medical Office Building	Within 12 months after commencement of improvements	

	<u>Item To Be Performed</u>	<u>Time For Performance</u>	<u>Agreement Reference</u>
19.	Purchaser to either (i) sell Commercial Pad to a third party, subject to a recorded covenant restricting use to retail/commercial or (ii) develop the Commercial Pad (i.e., construct a building for such use, the “ Commercial Building ”) and thereafter lease or sell the Commercial Building to a third party. If Purchaser fails to consummate such sale or lease, then Purchaser to engage commercial brokerage firm to value and sell Commercial Pad (or Commercial Building) to third party subject to such recorded use restriction.	By 3 rd anniversary of later of (i) Closing Date or (ii) lot split approval	16

It is understood that the foregoing Schedule of Performance is subject to all of the terms and conditions set forth in the text of the Agreement. The summary of the items of performance in this Schedule of Performance is not intended to supersede or modify the more complete description in the text; in the event of any conflict or inconsistency between this Schedule of Performance and the text of the Agreement, the text shall govern.

The time periods set forth in this Schedule of Performance may be altered or amended only by written agreement signed by both Purchaser and Seller. A failure by either party to enforce a breach of any particular time provision shall not be construed as a waiver of any other time provision. The Executive Director of Seller shall have the authority to approve extensions of time without Seller action not to exceed a cumulative total of 180 days.



IRWINDALE MEDICAL CENTER

15768 ARROW HWY, IRWINDALE CA

SCHEME B

ZONE: C2

LAND: +/- 97,153 SF

DEDICATED: +/- 12,689 SF

BUILDING:

MEDICAL 13,000 SF

FAST FOOD 3,300 SF

FOOTPRINT: 16,300 GSF

LOT COVERAGE: 16.7%

PARKING:

MEDICAL (5/1000) 65 STALLS

FAST FOOD (4/1000) 33 STALLS

PROVIDED:

MEDICAL 66 STALLS

FAST FOOD 38 STALLS

HALLE
Builders & Developers

The Hale Corporation
 513 S. Myrtle Ave., Suite A
 Monrovia, CA 91016
 tel: 626-358-4523
 fax: 626-359-2467





**OVERSIGHT BOARD
OF THE SUCCESSOR
AGENCY TO THE
IRWINDALE COMMUNITY
REDEVELOPMENT AGENCY**

SHIRLEY CHANG
Rep. of County Board of
Education

LORETTA CORPIS
Rep. of Mayor of Irwindale

CAMILLE DIAZ
Rep. of Mayor of Irwindale

J. SUZIE HSI
Rep. of County Board of
Supervisors

VACANT
Rep. of Consolidated Fire
Protection District of Los
Angeles County

BILL SCROGGINS
Rep. of Chancellor of
California Community
Colleges

TERESA VILLEGAS
Rep. of County Board of
Supervisors

DATE: September 22, 2016

TO: Oversight Board of the Successor Agency to the Irwindale Community Redevelopment Agency

FROM: John Davidson, Executive Director
Gustavo Romo, Community Development Director
Fred Galante, Successor Agency Legal Counsel

SUBJECT: Consideration of OB Resolution No 2016-06-027 a Resolution of the Oversight Board of the Successor Agency to the Irwindale Community Redevelopment Agency Approving Having Aleshire & Wynder, LLP Jointly Defend the Oversight Board in the Legal Actions Brought by the City of Baldwin Park and Waste Management Collection and Recycling, Inc. related to the Disposition and Development Agreement for the Property at 2200 Arrow Highway

Recommendation

That the Oversight Board take the following action:

1. ADOPT RESOLUTION NO. 2016-06-027 A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE IRWINDALE COMMUNITY REDEVELOPMENT AGENCY APPROVING HAVING ALESHIRE & WYNDER, LLP JOINTLY DEFEND THE OVERSIGHT BOARD IN THE LEGAL ACTIONS BROUGHT BY THE CITY OF BALDWIN PARK AND WASTE MANAGEMENT COLLECTION AND RECYCLING, INC. RELATED TO THE DISPOSITION AND DEVELOPMENT AGREEMENT FOR THE PROPERTY AT 2200 ARROW HIGHWAY

Discussion

In an attempt to meet the State's waste disposal mandates, established in 1989 through Assembly Bill ("AB") 939 and amended since then, the City of Irwindale ("City") has been considering the development of a Materials Recovery Facility/Transfer Station ("MRF/TS") for many years. To this end, on June 8, 2016, the City and Successor Agency to the former Irwindale Community Redevelopment Agency ("Successor Agency") approved a Disposition and Development Agreement for the sale of the approximately 17.22-acre site at 2200 Arrow Highway ("Site") for development of the

MRF/TS. On June 9, 2016, this Oversight Board approved the DDA for the sale of the Site per Oversight Board Resolution No. 2016-04-025 (Exhibit "A"). On June 17, 2016, the California Department of Finance approved the Oversight Board's action. (Exhibit "B")

Thereafter, both the City of Baldwin Park and Waste Management Collection and Recycling, Inc. filed legal challenges (entitled Petitions for Writ of Mandate and Complaint for Injunctive Relief) seeking to have the court rescind those approvals.

Nature of Legal Actions and Response

The Successor Agency and Oversight Board are named as co-defendants with the City given their affiliated approvals of the sale of the Site to accommodate the MRF/TS. The City Attorney, Fred Galante of Aleshire & Wynder, LLP, is defending those actions on behalf of the City and Successor Agency. We recommend that Aleshire & Wynder also represent the Oversight Board since the defense of the action jointly on behalf of the City, Successor Agency and Oversight Board will involve the same issues. As such, there would be no added cost or resources expended in that joint defense.

As Mr. Galante informed you in his August 11, 2016 letter (Exhibit "C"), as an Oversight Board member, you enjoy certain protections and immunities under the law. Redevelopment Dissolution Law, at Health & Safety Code § 34179(d) provides: "Oversight board members are protected by the immunities applicable to public entities and public employees governed by Part 1 (commencing with Section 810) and Part 2 (commencing with Section 814) of Division 3.6 of Title 1 of the Government Code." Further, Government Code § 820.2 provides that "a public employee is not liable for an injury resulting from his act or omission where the act or omission was the result of the exercise of the discretion vested in him, whether or not such discretion be abused." (Odello Brothers v. County of Monterey (1998) 63 Cal.App.4th 778, 792-93 [Government Code § 820.2 confers immunity for basic policy making decisions based on the premise that the judiciary should abstain from re-weighting the same considerations already evaluated by the public employee].) Furthermore Government Code § 820.9 specifically provides that "[m]embers of city councils, mayors, members of boards of supervisors, members of school boards, members of governing boards of other local public entities, members of locally appointed boards and commissions, and members of locally appointed or elected advisory bodies are not vicariously liable for injuries caused by the act or omission of the public entity or advisory body." Accordingly, to the extent Baldwin Park or Waste Management attempts to sue the Oversight Board or its individual members, these principles of immunity should extend to protect you.

The City Attorney's Office, on behalf of the City and Successor Agency, is vigorously defending these cases. However, it does not currently represent the Oversight Board. The Oversight Board, as a body, will be required to respond to Baldwin Park and Waste Management's lawsuits (just as the City and the Successor Agency will). The Oversight Board is a separate body from the City and Successor Agency and may retain its own legal counsel.

To date, the City Attorneys' Office has not served as legal counsel to the Oversight Board. Given that the Oversight Board took consistent action as the City and Successor Agency on the sale of the approximately 17 acre property at 2200 Arrow Highway to Athens Materials, which is the subject of the lawsuit, we believe it makes sense for our office to also represent the Oversight Board in this matter. This will save the Oversight Board resources in having to hire separate counsel and assure consistency in the defense of the action. We also believe the cases filed by Baldwin Park and Waste Management suffer from several procedural problems as it relates to the Oversight Board and are prepared to raise those issues in this case.

For your reference, the authority for the Oversight Board to request legal representation is explained in the Redevelopment Dissolution Law, at Health & Safety Code section 34179, (n), which provides that: "An oversight board may direct a successor agency to provide additional legal or financial advice than what was given by agency staff."

Fiscal Impact

This project is a private development fully funded by the developer, Athens Materials. Any costs incurred by the City Attorney's Office in defending the actions, are paid by the developer. Should the Oversight Board seek its own counsel, however, separate funding would need to be secured since the developer's obligations to pay for costs would not extend to such separate legal counsel.

ATTACHMENT: Resolution No. 2016-06-027 with Exhibits:
A) Oversight Board Resolution No. 2016-04-025, dated June 9, 2016, approving the DDA between the Irwindale Successor Agency and Athens Materials.
B) California Department of Finance approval of Oversight Board's Resolution No. 2016-04-025, dated June 17, 2016
C) Letter from Aleshire & Wynder, LLP dated August 11, 2016 to Oversight Board

PREPARED BY: **Fred Galante**, City of Irwindale City Attorney/Successor Agency Legal Counsel

OVERSIGHT BOARD RESOLUTION NO. 2016-06-027

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE IRWINDALE COMMUNITY REDEVELOPMENT AGENCY APPROVING HAVING ALESHIRE & WYNDER, LLP JOINTLY DEFEND THE OVERSIGHT BOARD IN THE LEGAL ACTIONS BROUGHT BY THE CITY OF BALDWIN PARK AND WASTE MANAGEMENT COLLECTION AND RECYCLING, INC. RELATED TO THE DISPOSITION AND DEVELOPMENT AGREEMENT FOR THE PROPERTY AT 2200 ARROW HIGHWAY

WHEREAS, pursuant to Assembly Bill 26 of the First Extraordinary Session of the 2011-2012 Legislative Session (“ABX1 26”) (Chapter 5, Statutes of 2011), the City Council of the City of Irwindale adopted Resolution No. 2012-08-2547 on January 11, 2012, affirmatively electing to serve as the “Successor Agency” to the Irwindale Community Redevelopment Agency (“Agency”); and

WHEREAS, ABX1 26 (Chapter 5, Statutes of 2011), the Irwindale Community Redevelopment Agency was effectively dissolved as of February 1, 2012; and

WHEREAS, in an attempt to meet the State’s waste disposal mandates, established in 1989 through Assembly Bill (“AB”) 939 and amended since then, the City of Irwindale (“City”) has been considering the development of a Materials Recovery Facility/Transfer Station (“MRF/TS”) for many years; and

WHEREAS, to this end, on June 8, 2016, the City and Successor Agency to the former Irwindale Community Redevelopment Agency (“Successor Agency”) approved a Disposition and Development Agreement for the sale of the approximately 17.22 acre site at 2200 Arrow Highway (“Site”) for development of the MRF/TS; and

WHEREAS, on June 9, 2016, this Oversight Board approved the DDA for the sale of the Site per Oversight Board Resolution No. 2016-04-025, which action was approved by the California Department of Finance on June 17, 2016; and

WHEREAS, thereafter, both the City of Baldwin Park and Waste Management Collection and Recycling, Inc. filed Petitions for Writ of Mandate and Complaints for Injunctive Relief seeking to have the court rescind those approvals (“Legal Actions”); and

WHEREAS, the Successor Agency and Oversight Board are named as co-defendants with the City, given their affiliated approvals of the sale of the Site to accommodate the MRF/TS; and

WHEREAS, the City Attorney, Fred Galante of Aleshire & Wynder, LLP, is defending those actions on behalf of the City and Successor Agency; and

WHEREAS, the Oversight Board finds that there are significant efficiencies and benefits of having the same legal counsel represent the Oversight Board in defending the Legal Actions.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS, THAT THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE IRWINDALE COMMUNITY REDEVELOPMENT AGENCY HEREBY DO FIND, DETERMINE, AND DECLARE BASED UPON THE EVIDENCE PRESENTED AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and incorporated herein by reference.

Section 2. Approval of Having the Firm of Aleshire & Wynder Represent the Oversight Board. The Oversight Board hereby approves having Aleshire & Wynder, LLP represent the Oversight Board, jointly with the City and Successor Agency, in the Legal Actions pursuant to Aleshire & Wynder, LLP's retainer agreement with the City, which includes representation of agencies related to the City and former Irwindale Community Redevelopment Agency and at no additional cost to the Oversight Board.

PASSED AND ADOPTED at a special meeting of the Oversight Board of the Successor Agency to the Irwindale Community Redevelopment Agency, on the 22nd day of September 2016, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Bill Scroggins, Chairman

ATTEST:

Laura Nieto, Secretary

OB RESOLUTION NO. 2016-04-025

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE IRWINDALE COMMUNITY REDEVELOPMENT AGENCY APPROVING A DISPOSITION AND DEVELOPMENT AGREEMENT BY AND BETWEEN THE SUCCESSOR AGENCY AND ATHENS SERVICES FOR THE SALE OF SITE NO. 1 – 17-ACRE SITE – OF THE SUCCESSOR AGENCY’S LONG-RANGE PROPERTY MANAGEMENT PLAN

WHEREAS, pursuant to Assembly Bill 26 of the First Extraordinary Session of the 2011-2012 Legislative Session (“ABX1 26”) (Chapter 5, Statutes of 2011), the City Council of the City of Irwindale adopted Resolution No. 2012-08-2547 on January 11, 2012, affirmatively electing to serve as the “Successor Agency” to the Irwindale Community Redevelopment Agency (“Agency”); and

WHEREAS, ABX1 26 (Chapter 5, Statutes of 2011), the Irwindale Community Redevelopment Agency was effectively dissolved as of February 1, 2012; and

WHEREAS, Athens Services, 14048 Valley Boulevard, La Puente, CA 91746 (“Developer”), has made a request to enter into a Disposition and Development Agreement (“DDA”) with the City of Irwindale Successor Agency to construct and operate a Materials Recovery Facility and Transfer Station (“MRF/TS”) with a gas station and convenience store (collectively, the “Project”) on approximately 17.22 acres of Successor Agency-owned property located at 2200 Arrow Highway – APN 8535-001-911 (the “Site”) zoned M-2 Heavy Manufacturing; and

WHEREAS, over the past six years, the City and Agency have negotiated the DDA by and between the City of Irwindale (“City”), Agency, and Developer to provide terms for the Developer’s acquisition of the Site, including the conditions imposed upon Developer in consideration for its acquisition of the Site and development of the Project. The DDA is provided concurrently with this Resolution; and

WHEREAS, Agency has determined that it furthers the public purposes of redevelopment to convey the Site at fair market value to a company with experience and expertise in the construction, management and operation of materials recovery facilities and transfer stations; and

WHEREAS, Developer is a family-owned and operated company that has been providing refuse removal and recycling services in Southern California for more than 50 years. Developer currently operates a MRF in the unincorporated area of Los Angeles County near the City of Industry; and

WHEREAS, the Site is owned by the Agency as a result of Health & Safety Code §34167.5. The Agency’s predecessor in interest to the Site was the Irwindale Community Redevelopment Agency (“Former RDA”); and

WHEREAS, the Oversight Board's approval of the DDA is subject to the City Council and Successor Agency's approval.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS, THAT THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE IRWINDALE COMMUNITY REDEVELOPMENT AGENCY HEREBY DO FIND, DETERMINE, AND DECLARE BASED UPON THE EVIDENCE PRESENTED AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and incorporated herein by reference.

Section 2. Approval of the Disposition and Development Agreement. Subject to the approval of the Successor Agency, the Oversight Board hereby approves the Disposition and Development Agreement for the 17-Acre Site, Long-Range Property Management Plan ("LRPMP") Site No. 1, between the Successor Agency and Athens Services, pursuant to the permissible use defined in the LRPMP. The Disposition and Development Agreement is included as an exhibit.

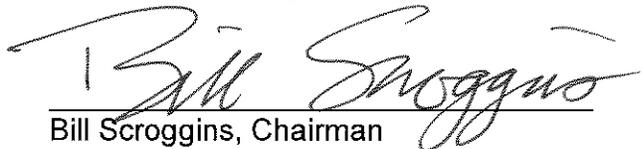
PASSED AND ADOPTED at a special meeting of the Oversight Board of the Successor Agency to the Irwindale Community Redevelopment Agency, on the 9th day of June 2016, by the following vote:

AYES: Boardmembers: Ancell, Corpis, Diaz, Chair Scroggins

NOES: Boardmembers: Hsi

ABSTAIN: Boardmembers: None

ABSENT: Boardmembers: Martinez, Villegas


Bill Scroggins, Chairman

ATTEST:



Laura Nieto, Secretary

Exhibit 1

**Disposition and Development Agreement
between Athens Services and the Successor Agency
to the Irwindale Community Redevelopment Agency**

DISPOSITION AND DEVELOPMENT AGREEMENT

by and between

**THE SUCCESSOR AGENCY TO THE
IRWINDALE COMMUNITY REDEVELOPMENT AGENCY**

and

ARAKELIAN ENTERPRISES, INC., dba ATHENS SERVICES

DISPOSITION AND DEVELOPMENT AGREEMENT

THIS DISPOSITION AND DEVELOPMENT AGREEMENT ("Agreement") is entered into as of the date executed by the Agency, by and between THE CITY OF IRWINDALE IN ITS CAPACITY AS SUCCESSOR TO THE IRWINDALE COMMUNITY REDEVELOPMENT AGENCY, a public entity organized and existing under California Health & Safety Code § 34173 ("Agency"), and ARAKELIAN ENTERPRISES, INC., dba ATHENS SERVICES, a California Corporation ("Athens"). Agency and Athens are occasionally referred to herein individually as a "Party" and collectively as the "Parties". Agency and Athens agree as follows:

R E C I T A L S

A. Recitals and Capitalized Terms. The recitals in this Agreement constitute part of this Agreement, and each Party shall be entitled to rely on the truth and accuracy of each recital as an inducement to enter into this Agreement. The capitalized terms used in these Recitals and throughout this Agreement shall have the meaning assigned to them in Section 200 hereof or apparent from the context in which they are used.

B. The Site. This Agreement and the Attachments hereto are intended to effectuate the disposition and development of an approximate 17.22-acre Agency-owned site in the City of Irwindale ("City"), located at the intersection of Live Oak Avenue and Arrow Highway and designated herein as the "Site". The development of the Site pursuant to this Agreement, and the fulfillment generally of this Agreement, are in the vital and best interests of the City and the welfare of its residents, and in accordance with the public purposes and provisions of applicable federal, state and local laws and requirements. A legal description and a depiction of the Site are attached hereto as Attachment 1. The exact boundaries and area of the Site shall be determined by a survey prior to the conveyance of Title to Athens.

C. Impacts of RDA Dissolution. The Site is owned by the Agency as a result of Health & Safety Code § 34167.5. The Agency's predecessor in interest to the Site was the Irwindale Community Redevelopment Agency ("Former RDA"). On December 29, 2011, the California State Supreme Court issued a ruling on the constitutional validity of two 2011 legislative budget trailer bills, ABX1 26 (Chapter 5, Statutes of 2011) and ABX1 27 (Chapter 6, Statutes of 2011), which resulted in the outright dissolution of all 425 redevelopment agencies in the State of California. As part of that dissolution process, former redevelopment lands, like the Site, inured to successor agencies by operation of law. Moreover, the dissolution laws provide a process for the disposition and/or transfer of assets, including property holdings of the Former RDA. Subsequent legislation, AB 1484 (Chapter 26, Statutes of 2012), which was passed, signed, and enacted on June 28, 2012, made significant changes to the provisions of ABX1 26, including the process for asset management/disposition/transfers, which include preparation and approval of a Long Range Property Management Plan ("PMP") by the Agency and State Department of Finance ("DOF"). It is the intent of this Agreement that the Site be conveyed to Athens in accordance with a duly-adopted PMP consistent with the procedures for land disposition set forth in AB 1484.

D. Integrated Waste Management Act. The State of California through enactment of the California Integrated Waste Management Act of 1989 (Public Resources Code Sections 40000 *et seq.* (the "Act")), has directed all local jurisdictions to promote recycling and to maximize the use of feasible source reduction, recycling and composting options in order to reduce the amount of solid waste required to be disposed of by land disposal. Furthermore, the Puente Hills Landfill, a major solid waste disposal facility for the region, has closed as of October 31, 2013 and is required by permit conditions to reduce the quantities of waste accepted, resulting in the need for additional waste processing facilities and transfer stations to be developed in the region to meet the solid waste management needs of jurisdictions and protect public health and safety. The development of the Site pursuant to this Agreement, and the fulfillment generally of this Agreement, are further intended to facilitate the City's obligations under the Act by providing the City and its residents with a state-of-the-art facility for solid waste disposal, recycling and source reduction.

E. The MRF/TS Project. On January 6, 2005, the City issued a Request for Expressions of Interest and Statements of Qualifications ("REI/SOQ") from interested and qualified parties to plan, permit, build, operate and maintain a state-of-the-art regional municipal solid waste transfer station and recovery facility at a location in the City to manage and process solid waste generated within and outside of the City, and received multiple responses thereto. On March 3, 2005, Athens submitted a proposal in response to the City's REI/SOQ that met or exceeded all requirements of the REI/SOQ by proposing the construction and operation of a Materials Recovery Facility and Transfer Station (the "MRF/TS") accompanied by a public Fueling Facility/Convenience Store and appurtenant improvements (collectively, the "Project"). On June 25, 2008, in order to reduce blight and promote industrial development in the Redevelopment Area and fulfill the City's obligation under the Act, City and Athens, along with the Agency, entered into that certain Memorandum of Understanding ("MOU") regarding the Project, including its development and operation of the proposed MRF/TS. The Parties intend that the MRF/TS will provide for the long-term management and recycling of municipal solid waste generated in the City. The MRF/TS will serve as a point to accept, process, recover, and transfer mixed municipal waste ("MMW") and residue following diversion activities to an appropriate permitted end-point disposal facility.

F. Easement/Access Issues. The Project is proposed to be built upon the Site. The Site is traversed by an easement for the benefit of the Los Angeles County Department of Water and Power encumbering an approximately 2.84-acre easement area ("LADWP Easement") The LADWP Easement area is depicted in more detail in Attachment 2 hereto. The Parties contemplate that the right to use of the LADWP Easement area will be conveyed to Athens via a sub-easement or license from LADWP and consented to by City permitting Athens' use and occupation of the LADWP Easement area for MRF/TS parking and appurtenant uses. There also exists over the Site an easement for the benefit of Southern California Edison encumbering an approximately 2300 square foot easement area (the "SCE Easement"), which SCE Easement area is depicted in more detail in Attachment 3 hereto. The Parties contemplate that the right to use the SCE Easement area will be conveyed to Athens via a sub-easement or license from Southern California Edison permitting Athens' use and occupation of the SCE Easement for parking, ingress, egress and appurtenant uses.

G. CEQA. The Parties have found that the Site is, subject to appropriate review in accordance with the California Environmental Quality Act, Public Resources Code §21000 *et seq.* ("CEQA"), appropriately zoned, of adequate size, with access to primary transportation corridors, and of a sufficient distance from the nearest residential units to control and adequately mitigate the potential impacts from noise, odor, dust and other potential impacts from the operation of the MRF/TS. The Project layout and Site are shown on the "Site Map(s)" attached at Attachment 4. This Agreement is entered into to establish the terms by which the Agency's interest in the Site shall be conveyed to Athens.

H. Athens As Qualified Operator. Agency has determined that it furthers the public purposes of redevelopment to convey the Site at fair market value to a company with experience and expertise in the construction, management and operation of materials recovery facilities and transfer stations. Athens is a family owned and operated company that has been providing refuse removal and recycling services in Southern California (largest in L. A. County) for more than 50 years. Athens currently operates a MRF in the unincorporated area of Los Angeles County near the City of Industry, the first of its kind in the area.

I. Public Benefits of Project. This Agreement was entered into in consideration for Athens' good faith efforts to complete the development of a MRF/TS to accept, process, recover, and transfer mixed municipal waste and residue following diversion activities to an appropriate permitted end-point disposal facility. The Project will benefit the City by creating new jobs in the community, diversifying and expanding the City's revenue base, revitalizing a blighted area and the general economy of the City, improving the City's compliance with State-mandated waste reduction requirements, and promoting recycling and refuse rate stability for residents and businesses within the community. The Project will also benefit the public by serving the mixed municipal waste management needs of other jurisdictions in the region, reducing municipal costs, and protecting public health and safety.

J. Agreements and Ordinance. The Parties understand that this Agreement is for the establishment of terms upon which the Agency's interest in Site is conveyed to Athens. The following necessary agreements have been, or will be, negotiated in order to fulfill the obligations and goals under the MOU to develop and operate the Project:

CITY AGREEMENTS

1. Development Agreement between the City and Athens to be negotiated based on the MOU pursuant to California Government Code § 65864 *et seq.* for the development and operation of the MRF/TS (the "Development Agreement").

2. October 22, 2008, Reimbursement Agreement, as amended by that certain Amendment No. 1 dated April 13, 2011, Amendment No. 2 dated June 22, 2011, Amendment No. 3 dated December 12, 2012, Amendment No. 4 dated September 23, 2015, and Amendment No. 5 dated March 9, 2016 between City and Athens under which Athens is obligated to reimburse or advance funds to City for development costs associated with the Project, including but not limited to conducting environmental reviews under CEQA, processing and negotiating permits, entitlements and conditions, and legal costs (the "Reimbursement Agreement").

3. Franchise Agreement – Operations of MRF/TS, governing the use and operation of the MRF/TS (“Franchise Agreement – Operations”).

4. Franchise Agreement – Solid Waste Collection, Processing and Disposal Services and Street Sweeping Services, dated April 13, 2011, as amended by that certain First Amendment, dated December 12, 2012 governing the exclusive right and obligation of Athens to collect solid waste and sweep streets in the City (“Franchise Agreement – Trash Collection and Street Sweeping”).

5. CC&R’s governing certain aspects of the operation of the MRF/TS (the “CC&R’s”).

OTHER AGREEMENTS

6. LADWP Easement Agreement governing Athens’ rights over the LADWP Easement (“LADWP Easement Agreement”).

7. SCE Easement Agreement governing Athens’ use of the SCE Easement (the “SCE Easement Agreement”).

8. Solid Waste Facilities Permit to be issued by the California Integrated Waste Management Board or its successor (“SWFP”).

ORDINANCE

9. Ordinance(s) to be adopted by the City establishing the exclusive franchise rights for operation of the MRF/TS and for collection of solid waste and street sweeping.

The foregoing agreements, ordinances and instruments, together with all City agreements and enactments approving the foregoing agreements, ordinances and instruments, are collectively referred to as the “City Agreements” (items 1 through 5, above), the “Other Agreements” (items 6 through 8, above) and the “Ordinance” (item 9, above) unless a specific document is referenced. The Parties hereto acknowledge that this Agreement and the City Agreements, the Other Agreements and the Ordinance bear overlapping impact upon the Site and upon Athens’ development of the Project, and thus the conveyance of the Site to Athens is conditioned on approval and execution by the City and Athens of each of the City Agreements and Other Agreements.

K. Mutual Agreement. The Parties desire to define the parameters within which the Site will be conveyed to Athens, to describe certain obligations of Athens for infrastructure and public improvements and facilities in connection with the Project, to provide for the orderly development of the Project, and to assist in attaining the most effective utilization of resources within the City. Based on the foregoing and subject to the terms and conditions set forth herein, the Parties desire to enter into this Agreement.

NOW, THEREFORE, in consideration of the mutual promises and covenants herein contained, and having determined that the foregoing recitals are true and correct and should be and hereby are incorporated into this Agreement, the Parties agree as follows:

I. (§100) PURPOSE OF THE AGREEMENT.

A. (§101) Purpose of the Agreement.

The purpose of this Agreement is set forth in the above Recitals. The Agency's involvement in this Project is vital both to make available to Athens the Site and stimulate the health and welfare of the City and its citizens. In addition, the MRF/TS will be a regional facility contributing to regional refuse disposal and recycling activities, a project which is also essential to the alleviation of blight and the economic progress of the City.

B. (§102) The Site.

The Site is approximately 17.22 acres in size and is an irregular, triangle-shaped, unimproved property in the City bounded on the south by Live Oak Avenue, on the east by an a LADWP-owned parcel, on the northeast by Arrow Highway, and on the west and northwest by an existing business/industrial parking lot. The Site is owned in fee by the Agency, is the subject of the property conveyance effected by this Agreement, and is legally described in Attachment 1 hereto. The Site is traversed by the LADWP Easement, which is a ±6,500 square foot transmission right-of-way. The Site is also traversed by the SCE Easement, which is a ±2300 square foot transmission right-of-way. The Parties contemplate that Athens will be authorized to occupy and utilize the LADWP Easement and SCE Easement pursuant to easements or licenses from LADWP and SCE permitting Athens' use and occupation of such easement areas for MRF/TS parking and appurtenant uses.

C. (§103) Agency Financial Assistance.

The Parties hereto acknowledge that the Site will be sold to Athens at fair market value as such value is determined and approved by the DOF in the Agency's "Long Range Property Management Plan" or "PMP". The Parties believe that the Agency will not be providing financial assistance to Athens in connection with Athens' acquisition of the Site for development of the Project thereon based on the appraised fair market value established by R.P. Laurain & Associates, Inc. on March 20, 2012. This Agreement does not provide for any sharing of sales tax or tax increment generated by the Project between Athens, Agency and/or City. Further, Athens shall be responsible for paying all fees and charges required by the City for similar development projects.

Except as set forth herein, Athens shall be responsible for the Purchase Price and all construction and development costs to construct the Project on the Site, including: grading and site preparation; building construction; site development and infrastructure; design; building permit and development fees; and financing. The total development costs and costs of performing this Agreement, the City Agreements, and the Other Agreements for Athens ("Athens Costs") are currently estimated to be approximately, or at least, \$33,830,000.00.

Athens is advised of the requirements of California Labor Code Section 1720 which provides: prevailing wage rates apply to "[c]onstruction, alteration, demolition, installation, or repair work done under contract and paid for in whole or in part out of public funds, except work done directly by any public utility company pursuant to order of the Public Utilities Commission or other public authority." As Agency is not providing financial assistance to Athens and Athens

is paying fair market value for the Site, the Project should not be considered to be a "public work" "paid for in whole or in part out of public funds," as described in California Labor Code Section 1720. It is therefore the Parties' understanding that this Project shall not be required to pay prevailing wages pursuant to Sections 1770 – 1781 of the California Labor Code and 33423 – 33426 of the California Health and Safety Code. To this end, Athens acknowledges and agrees that should any third party, including but not limited to the Director of the Department of Industrial Relations ("DIR"), require Athens or any of its contractors or subcontractors to pay the general prevailing wage rates of per diem wages and overtime and holiday wages determined by the Director of the DIR under Prevailing Wage Law, then Athens shall indemnify, defend, and hold Agency and City harmless from any such determinations, or actions (whether legal, equitable, or administrative in nature) or other proceedings, and shall assume all obligations and liabilities for the payment of such wages and for compliance with the provisions of the Prevailing Wage Law. The Agency/City make no representation that any construction completed by Athens is or is not subject to Prevailing Wage Law.

II. (§200) DEFINITIONS.

The capitalized terms used in the preceding Recitals and throughout this Agreement shall have the meaning assigned to them in this § 200. Any capitalized terms not defined in this Section shall have the meaning otherwise assigned to them in this Agreement, one of the City Agreements or Other Agreements, or apparent from the context in which they are used. The following terms as used in this Agreement shall have the meanings given unless expressly provided to the contrary:

A. (§201) Agency.

The term "Agency" means the Successor Agency to the Irwindale Community Redevelopment Agency, a California public body, corporate and politic.

B. (§ 202) Agreement.

The term "Agreement" shall mean this entire Disposition and Development Agreement, including all attachments, which attachments are a part hereof and incorporated herein in their entirety, and all other documents incorporated herein by reference. This Agreement includes the following attachments which are incorporated herein and made a part hereof as though fully set forth herein:

Attachment 1	Legal Description/Depiction of Site
Attachment 2	LADWP Easement Legal Description
Attachment 3	SCE Easement Legal Description
Attachment 4	Project Depiction
Attachment 5	Schedule of Performance
Attachment 6	Grant Deed
Attachment 7	CC&Rs
Attachment 8	Required Approvals

C. (§ 203) Agreements.

The terms "City Agreements," "Other Agreements" and "Ordinances" mean all those contractual instruments, entitlements and ordinances identified in the preceding Recital J of this Agreement.

D. (§ 204) Athens Costs.

The term "Athens Costs" means Athens' obligation to pay for all costs related to the development of the Site, including but not limited to all project development and construction costs, all costs of public education, all costs of the environmental review, all costs for entitlement, all costs of acquiring the Site, all Host Fees (as defined in the DA), all operational costs and all other costs identified herein as the responsibility of Athens.

E. (§ 205) CEQA.

The term "CEQA" means the California Environmental Quality Act, Section 21000 *et seq.* of the California Public Resources Code and its implementing regulations and guidelines, including future amendments to or recodification thereof.

F. (§ 206) CEQA Completion Date.

The term "CEQA Completion Date" means the later date of any of the following: (i) thirty (30) days after the Notice of Determination; or (ii) the date of the final settlement or final resolution of any appeal, lawsuit or other action by a third party challenging the Project approvals (including without limitation this Agreement, the City Agreements, or the Other Agreements) or the CEQA process.

G. (§ 207) City.

The term "City" shall mean the City of Irwindale, a California chartered municipal corporation.

H. (§ 208) Claims or Litigation.

The term "Claims or Litigation" shall mean any challenge by adjacent owners or any other third parties to any of the following: (i) the legality, validity or adequacy of the City's or Agency's laws, ordinances or regulations; (ii) any Project development approvals, (iii) the legality, validity or adequacy of this Agreement, the City Agreements, the Other Agreements, the Ordinance, or the performance thereof; or (iv) the legality, validity or adequacy of other actions of City or Agency pertaining to the Project. "Claims and Litigation" shall further include any claimed damages against City or Agency as a consequence of the foregoing challenges or for the taking or diminution in value of their property (or in any other manner) or for any tort claim or action against the City or Agency arising in connection with Athens' construction of the Project.

I. (§ 209) Closing.

The term "Closing" shall mean the closing of the Escrow by the Escrow Agent's distributing the funds and documents received through Escrow to the Party entitled thereto as provided herein for Athens' acquisition of Title to the Site, which closing shall occur on or before the date established in the Schedule of Performance, attached hereto as Attachment 5.

J. (§ 210) CC&Rs

The term "CC&Rs" shall mean that Declaration of Covenants, Conditions and Restrictions running with the land to provide for the proper maintenance of the facilities and improvements in the form attached hereto as Attachment 7, as further described in Section 605.

K. (§ 211) Consumer Price Index or CPI.

Consumer Price Index ("CPI") means the "Consumer Price Index, All Urban Consumers (All Items), for the Los Angeles-Anaheim-Riverside Metropolitan Area" published by the United States Department of Labor, Bureau of Labor Statistics (1982-84 = 100). If both an official index and one or more unofficial indices are published, the official index shall be used. If said Consumer Price Index is no longer published at the adjustment date, it shall be constructed by conversion tables included in such new index.

L. (§ 212) Days.

The term "days" shall mean calendar days and the statement of any time period herein shall be calendar days, and not working days, unless otherwise specified.

M. (§ 213) Deed.

The term "Deed" shall mean that Grant Deed conveying the Site to Athens, which Deed shall be in the form attached hereto as Attachment 6.

N. (§ 214) Deposit.

The term "Deposit" means the deposit by Athens payable into Escrow of Five Million Dollars (\$5,000,000) less any amounts advanced to City or Agency for their costs expended prior to the later of (A) either (i) the final approval by City (and where appropriate, the Agency) of the MRF/TS, said final approval to be demonstrated by the issuance of a certificate of occupancy for the Site, or (ii) the Effective Date, and (B) the CEQA Completion Date. The City acknowledges receipt of the Initial Deposit of \$500,000 paid directly by Athens to the City in accordance with the Reimbursement Agreement and the City agrees that the Initial Deposit is a credit against the Deposit so that the amount of the Deposit that will be due in Escrow prior to Close of Escrow will be \$4,500,000 less any additional advances by Athens to the City which may be made by Athens to the City under the terms of the Reimbursement Agreement. The Deposit will become non-refundable to Athens as follows: all amounts paid by Athens to the City under the terms of the Reimbursement Agreement shall be non-refundable when they are paid by Athens to the City; \$1,000,000 of the Deposit will become non-refundable to Athens when the Project receives its SWFP together with all other Required Approvals. The balance of the Deposit shall

become non-refundable to Athens upon the Close of Escrow and the City shall credit such balance of the Deposit against Host Fee payments and other payments that may become due under the terms of this Agreement, the City Agreements, the Other Agreements, and the Ordinance.

O. (§ 215) Development Agreement.

The term "Development Agreement" shall mean that certain agreement authorized pursuant to the Development Agreement Statue (California Government Code Section 65864 *et seq.*) between the Parties pursuant to which Athens agrees to develop the Project in accordance with the Schedule of Performance and by which Athens obtains specified land use entitlements relating to the Project development and MRF/TS construction.

P. (§ 216) DDA Approval.

The term "DDA Approval" means the date that this Agreement is approved by the Agency Board by a vote of its members following a duly-noticed public hearing.

Q. (§ 217) Effective Date.

Generally, the term "Effective Date" means the date that (i) this Agreement has been fully executed, and (ii) sixty (60) days following adoption of the authorizing Ordinance approving this Agreement as stated on the first page hereof.

R. (§ 218) Enforced Delay.

The term "Enforced Delay" shall mean any delay described in Section 803 caused without fault and beyond the reasonable control of a Party, which delay shall justify an extension of time to perform as provided in Section 803.

S. (§ 219) Escrow.

The term "Escrow" shall mean the escrow established pursuant to this Agreement for the conveyance of the Site from Agency to Athens.

T. (§220) Escrow Agent.

The term "Escrow Agent" shall mean the entity mutually selected by the Parties and empowered hereunder to act as the Escrow Agent for this transaction.

U. (§ 221) Facility or MRF/TS.

The terms "Facility" and "MRF/TS" shall mean the material recovery facility/transfer station (MRF/TS) proposed to be constructed by Athens and the subject of this Agreement, the City Agreements and the Other Agreements.

V. (§ 222) Feasibility Period.

The term "Feasibility Period" shall mean the period commencing on the Effective Date of this Agreement and extending no longer than fifteen (15) days beyond the opening of Escrow (and in any event to be completed before Closing), during which time Athens shall determine whether the physical condition of the Site is suitable for Athens' intended use, all title and survey matters are acceptable, and that Athens will be able to obtain all necessary approvals, permits and/or consents which are necessary for the Project, as provided in Section 304 hereof. Athens may elect in writing to waive or shorten the Feasibility Period without need for amendment of this Agreement.

W. (§ 223) Franchise Ordinance; Franchise & Operations Agreement.

The terms "Franchise Ordinance" and "Franchise & Operations Agreement" mean, respectively, the ordinance adopted by the City to permit and regulate the use of the MRF/TS, and the agreement approved by the City pursuant to said ordinance to regulate and establish operations parameters for the MRF/TS. The "Franchise Ordinance" and "Franchise & Operations Agreement" are described in more detail in Recital J hereof.

X. (§ 224) Host Fees.

The term "Host Fees" means payments by Athens to City for hosting a MRF/TS within City's limits.

Y. (§ 225) LADWP.

The term "LADWP" is the acronym for the Los Angeles County Department of Water and Power.

Z. (§ 226) LADWP Easement.

The term "LADWP Easement" means that ±2.84 acres transmission easement traversing the Site and owned by LADWP. The LADWP Area is legally described in Attachment 2 hereto. Athens will be authorized to occupy and utilize the LADWP Easement area pursuant to a sub-easement or license from LADWP permitting Athens' use and occupation of the LADWP Easement for MRF/TS parking and appurtenant uses.

AA. (§ 227) Mixed Municipal Waste or MMW.

The terms "Mixed Municipal Waste" or "MMW" mean all "municipal solid waste" including putrescible and nonputrescible solid, semisolid, and liquid wastes, including garbage, trash, refuse, paper, rubbish, ashes, industrial wastes, green waste, construction and demolition waste, street sweepings and catch basin residue.

BB. (§ 228) MOU.

The acronym "MOU" stands for Memorandum of Understanding and refers to that agreement entered into by the Parties on June 25, 2008, as amended by that certain First

Amendment executed on or about April 13, 2011 and Second Amendment dated December 12, 2012, for implementation of this Agreement, the City Agreements and Other Agreements, and Project development generally, as described in greater detail in Recital E hereto.

CC. (§ 229) Parties.

The term "Parties" shall mean the Agency and/or City and Athens, as identified in Article 300.

DD. (§ 230) PMP.

The term "PMP" shall mean the "Long Range Property Management Plan" governing the disposition and use of Former RDA properties, established pursuant to California Health & Safety Code § 34191.5. The PMP was approved by the DOF on August 8, 2014 and includes the authorization for the sale and use of the Site as contemplated in this Agreement.

EE. (§ 231) Project.

The term "Project" shall mean the process to issue permits to entitle the development of the MRF/TS; the construction of the MRF/TS and its appurtenant improvements; the operation of the MRF/TS; and the negotiation of, and carrying out of, this Agreement and the related City Agreements and Other Agreements. See Attachment 4 hereto.

FF. (§ 232) Purchase Price.

The term "Purchase Price" shall mean the fair market value of the Site of Ten Million Two Hundred Ten Thousand Dollars (\$10,210,000) as determined by an appraisal dated March 20, 2012 prepared by R.P. Laurain & Associates, Inc.

GG. (§ 233) RDA Dissolution Bill.

The term "RDA Dissolution Bill" shall refer to that certain California legislative budget trailer bill, ABX1 26 (Chapter 5, Statutes of 2011), as such bill is amended by subsequent legislation, AB 1484 (Chapter 26, Statutes of 2012), which was passed, signed, and enacted on June 28, 2012.

HH. (§ 234) Reimbursement Agreement.

The term "Reimbursement Agreement" means the separate written agreement dated October 22, 2008, as amended on April 13, 2001, June 22, 2011, December 12, 2012, September 23, 2015, and March 9, 2016, by and between the Parties where Athens agrees to reimburse those costs specified in such agreement, pursuant to the terms of the MOU, as described in Recital E hereof.

II. (§ 235) REI/SOQ.

The acronym "REI/SOQ" stands for Request for Expressions of Interest and Statements of Qualifications as described in Recital E hereto.

JJ. (§ 236) Required Approvals.

The term "Required Approvals" means those certain permits, sign-offs, and other discretionary approvals necessary to commence construction of the Facility, the Franchise Agreement – Operations, and other discretionary approvals all as more particularly set forth on Attachment 8.

KK. (§ 237) SCE.

The term "SCE" is the acronym for the Southern California Edison Company.

LL. (§ 238) SCE Easement.

The term "SCE Easement" means that ±2300 acres transmission easement traversing the Site and owned by SCE. The SCE Easement is legally described in Attachment 3 hereto. Athens will be authorized to occupy and utilize the SCE Easement area pursuant to a sub-easement or license from SCE permitting Athens' use and occupation of the SCE Easement area for MRF/TS parking and appurtenant uses.

MM. (§ 239) Schedule of Performance.

The term "Schedule of Performance" shall mean that certain Schedule of Performance attached hereto as Attachment 5, as may be amended from time to time, which covers the time period through and including the Closing.

NN. (§ 240) Site and Site Map.

"Site" means the real property currently owned by Agency where Athens proposes to construct the Project and operate the MRF/TS, comprised of an approximately 17.22-acre site at the intersection of Arrow Highway and Live Oak Avenue. The Site is legally described and depicted in Attachment 1 hereto. The exact boundaries and area of the Site shall be determined by a survey prior to the conveyance of Title to Athens.

OO. (§ 241) Title.

The term "Title" shall mean the fee interest in the Site.

PP. (§ 242) Title Company.

The term "Title Company" shall mean that title company mutually selected by the Parties and empowered hereunder to act as the title company for this transaction.

QQ. (§ 243) Trash Collection and Street Sweeping Franchise Agreement.

The term "Trash Collection and Street Sweeping Franchise Agreement" means the contract approved by the City in accordance with its Ordinances to exclusively provide for the collection of MMW from property within the City to be delivered to the MRF/TS for processing and disposal and for street sweeping within the City.

III. (§ 300) PARTIES TO THE AGREEMENT.

A. (§ 301) Agency.

1. Identification.

Agency is a public body, corporate and politic, exercising governmental functions and powers, and organized under California Health & Safety Code § 34173. The office of Agency is located at 5050 North Irwindale Avenue, Irwindale, CA 91706.

2. Agency Representations.

Agency hereby represents the following to Athens for the purpose of inducing Athens to enter into this Agreement and to consummate the transactions contemplated hereby, all of which shall be true as of the date hereof and shall survive the conveyance of the Site and survive the Closing with respect to the conveyance of Site Title to Athens:

- (a) Subject to the limitations imposed by the RDA Dissolution Bill, the Agency has the legal power, right and authority to enter into this Agreement and the instruments and documents referenced herein to which the Agency is a Party, to consummate the transactions contemplated hereby, to take any steps or actions contemplated hereby, and to perform its obligations hereunder.
- (b) The Agency has secured approval of the PMP from the DOF, which approval and terms of the PMP specifically authorize the disposition of the Site to Athens as provided herein.
- (c) All requisite action has been taken by the Agency and all requisite consents have been obtained in connection with Agency entering into this Agreement and the instruments and documents referenced herein to which the Agency is a Party, and the consummation of the transaction contemplated hereby, and the same are authorized by the PMP, to the best knowledge of Agency, comply with all applicable laws, statutes, ordinances, rules and governmental regulations. There are no writs, injunctions, orders or decrees of any court or governmental body which would be violated by the Agency's entering into or performing its obligations under this Agreement.
- (d) This Agreement is duly executed by the Agency, and all agreements, instruments and documents to be executed by the Agency pursuant to this Agreement shall, at such time as they are required to be executed hereunder, be duly executed by the Agency, and each such agreement is, or shall be at such time as it is required to be executed hereunder, to the best knowledge of the Agency subject to the limitations imposed by the RDA Dissolution Bill, valid and legally binding upon the Agency and enforceable in

accordance with its terms and the execution and delivery thereof shall not, with due notice or the passage of time, constitute a default under or violate the terms of any indenture, agreement or other instrument to which the Agency is a Party.

- (e) The uses of the Site as contemplated by this Agreement, any Project development permits, and other Agreements are authorized by the PMP.
- (f) Reasonable and good faith inquiry has determined that there is no pending or threatened litigation which would prevent the Site from being conveyed in the condition of title required hereunder, or which would prevent the Agency from performing its duties and obligations hereunder.

B. (§ 302) Athens.

1. Identification.

Athens is Arakelian Enterprises, Inc., a California corporation, doing business as Athens Services. The principal office of Athens for the purposes of this Agreement is located at 14048 E. Valley Blvd., City of Industry, CA 91746. Except as may be expressly provided herein below, all of the terms, covenants and conditions of this Agreement shall be binding on, and shall inure to the benefit of, Athens and the permitted successors, assigns and nominees of Athens. Wherever the term "Athens" is used herein, such term shall include any permitted successors and assigns of Athens as herein provided.

2. Athens' Representations.

Athens hereby represents the following to Agency for the purpose of inducing Agency to enter into this Agreement and to consummate the transactions contemplated hereby, all of which shall be true as of the date hereof and shall survive the conveyance of the Site and survive the Closing with respect to the conveyance of Title in the Site to Athens:

- (a) Athens has the legal power, right and authority to enter into this Agreement and the instruments and documents referenced herein, to consummate the transactions contemplated hereby, to take any steps or actions contemplated hereby, and to perform its obligations hereunder. Athens is qualified to do business and is in good standing under the laws of the State of California and has all requisite power and authority to carry out Athens' business as now and whenever conducted and to enter into and perform Athens' obligations under this Agreement.
- (b) All requisite action has been taken by Athens, including, but not limited to, approval by any of Athens' committees, boards, or other such authorities as may be needed for the acquisition of real property, and all requisite consents have been obtained by Athens

in connection with entering into this Agreement and the instruments and documents referenced herein, and the consummation of the transactions contemplated hereby.

- (c) To the best knowledge of Athens, the execution, delivery and performance by Athens of this Agreement will not violate any provision of law, any order of any court or other agency of government, or any indenture, agreement or other instrument to which Athens is a party or by which Athens or any of its properties is bound.
- (d) This Agreement is, and all agreements, instruments and documents to be executed by Athens pursuant to this Agreement shall be, duly executed by and are, or shall be, valid and legally binding upon Athens and enforceable in accordance with their respective terms and the execution and delivery thereof shall not, with due notice or the passage of time, constitute a default under or violate the terms of any indenture, agreement or other instrument to which Athens is a party.
- (e) Reasonable and good faith inquiry has determined that there is no pending or threatened litigation which would prevent Athens from performing its duties and obligations hereunder.

3. Qualifications.

Subject to the provisions of Section 303, the qualifications and identity of Athens are of particular concern to the Agency, and it is because of such qualifications and identity that Agency has entered into this Agreement with Athens. The Agency has considered the experience and financial capability of Athens and its affiliates, the Site location and characteristics, and the public costs of acquiring and developing the Site and return on investment. Based upon these considerations, the Agency has imposed the restrictions on transfer set forth in this Agreement.

C. (§ 303) Restrictions on Transfer.

Athens acknowledges that its experience and expertise are material considerations of Agency in entering into this Agreement. As such, Athens will not be authorized to assign any of its rights nor delegate any of its duties under this Agreement (a "Transfer"), except in the case of an Allowable Transfer, without the express prior written consent of Agency, not to be unreasonably withheld, conditioned or delayed. Any such assignment made without the consent of the Agency will be void. Athens will submit its request for Agency consent to the Agency together with reasonable supporting documentation for such request, including but not limited to: (i) the proposed assignee's audited financial statements for the immediately preceding three (3) operating years; (ii) proof that the proposed assignee has MMW management experience comparable to the scale of operations conducted by Athens; (iii) proof that in the last five (5) years, the proposed assignee has not suffered any citations or other censure from any federal,

state, or local agency having jurisdiction over its waste management operations due to any material noncompliance with federal, state, or local waste management law and that the proposed assignee has provided the Agency with a complete list of such citations and censures; (iv) proof that the proposed assignee conducts its MMW management practices in accordance with sound waste management practices in full compliance with all federal, state, and local laws regulating the collection and disposal of waste, including hazardous waste; and (v) any other information required by the Agency to ensure the proposed assignee can fulfill the terms of this Agreement and the other Agreements. For purposes of this Section 303, the City may perform the rights and obligations of Agency with respect to reviewing/investigating and/or granting or rejecting a proposed assignee of Athens.

1. Investigation of Proposed Assignee.

Athens will pay Agency or City, as applicable, its reasonable expenses for attorneys' fees and investigation costs necessary to investigate the suitability of any proposed assignee and to review and finalize any documentation required as a condition for approving any such assignment.

2. Definition of Assignment.

An assignment for the purpose of this Section, will include the sale, exchange, or other transfer to a third party of more than thirty percent (30%) of Athens' assets dedicated to providing services under this or the other Agreements in the City; or issuing new stock or selling, exchanging, or otherwise transferring thirty percent (30%) or more of the then outstanding common stock of Athens to a person other than (i) the shareholders owning said stock as of the date of the Agreements, or (ii) the family members of any such shareholder (such transfers in clauses (i) and (ii) each an "Allowable Transfer").

3. Assumption of Obligations.

No attempted assignment or Transfer of any of Athens' obligations hereunder shall be effective unless and until the successor party executes and delivers to Agency or City, as appropriate, a written assumption agreement in a form reasonably approved by the Agency/City assuming such obligations. Following any such assignment or Transfer of any of the rights and interests of Athens under this Agreement, the exercise, use and enjoyment shall continue to be subject to the terms of this Agreement to the same extent as if the assignee or transferee were Athens.

4. Release of Athens.

Agency's or City's consent to a Transfer shall not be deemed to release Athens of liability for performance under this Agreement unless such release is specific and in writing executed by Agency or City, as appropriate. Such release shall not be unreasonably withheld, conditioned, or delayed. Upon the written consent of Agency/City to the complete assignment of this Agreement and the express written assumption of the assigned obligations of Athens under this Agreement by the assignee, Athens shall be relieved of its legal duty from the assigned obligations under this Agreement, except to the extent Athens is in default under the terms of this Agreement prior to said Transfer.

5. **Agency Assignment to City.**

It is expressly agreed that Agency shall have the unrestricted right to sell or assign its rights under this Agreement to the City of Irwindale, or to any public or quasi-public entity, or any other agency or body that is controlled by the City without prior notice to or approval of Athens. If the Agency's interest and estate in and to the Site is sold or assigned by the Agency, the Agency shall be entirely freed, relieved, and discharged of all covenants, agreements, and obligations under this Agreement, except those occurring prior to the date of such sale or assignment by Agency and attributable to Agency's period of ownership of such interest and estate. Athens shall in the event of sale or assignment of Agency's interest in the Site, or in the event of any proceedings brought for the foreclosure of, or in the event of exercise of the power of sale under any mortgage or deed of trust made by Agency covering the Site, attorn to the purchaser and recognize such purchaser as the Agency's successor party under this Agreement and City's successor under the City Agreements, if appropriate.

D. **(§ 304) Preliminary License to Access Site for Due Diligence, Feasibility Period & Schedule of Performance.**

1. **License to Enter Site For Due Diligence Prior to Effective Date.**

From the execution of this Agreement by the Agency through the Close of the Feasibility Period, Agency grants a license to Athens to enter upon the Site for the purposes of determining (i) the physical condition of the Site (e.g., environmental, geotechnical analyses) to verify that the Site is suitable for Athens' intended use, (ii) that all title and survey matters are acceptable, and (iii) that Athens will be able to obtain all necessary approvals, permits and/or consents necessary for the Project. Athens and representatives of Athens shall have the right of access to and entry upon the Site at all reasonable times, for the purpose of inspecting the condition of the Site and obtaining data and making surveys and tests necessary to implement this Agreement, including, but not limited to, soil borings, percolation tests, test pits, environmental studies, water pressure tests, surveys and other related investigations. As part of the license granted to Athens for its investigations, Athens shall have the right to conduct soils, engineering, or other tests and studies regarding the physical condition of the Site.

Notwithstanding the Effective Date as to all other provisions of this Agreement, Athens' license to access the Site for purposes of conducting these investigations shall take effect immediately upon Agency Board's adoption of this Agreement. With respect to its exercise of the license granted herein, Athens shall indemnify, defend and hold Agency harmless from and against any claims, injuries, or damages directly or indirectly resulting from (and only to the extent of) any such entry or activity undertaken pursuant to the authority of this Section, and expressly excluding therefrom any claim arising from (a) the gross negligence or willful misconduct of Agency or City or their respective agents or (b) any pre-existing conditions at the Site, unless such pre-existing condition was physically exacerbated as a direct result of the inspection or testing of the Site by Athens or its agents (in which event Agency's claim shall be limited to damages incurred in respect of such exacerbation). Notwithstanding the foregoing or any other provision of this Agreement, following the Close of Escrow Section 407 hereof shall apply to any pre-existing conditions of the Site. Any activity by Athens pursuant to the license

granted herein shall only be undertaken after Athens has secured all necessary permits, if any, for such activity from the appropriate governmental agencies.

2. Investigations of Site During Feasibility Period.

Completion of the Feasibility Period shall serve as an acknowledgement by Athens that it has investigated and has knowledge of all environmental/geotechnical conditions, operative or proposed governmental laws and regulations (including, but not limited to, zoning, environmental and land use laws and regulations), and site suitability prerequisites to which the Site is or may be subject. To the extent any site feasibility investigations are not actually conducted by Athens prior to the expiration of the Feasibility Period, Athens shall take the Site in an "As Is" condition and Athens shall release the Agency and/or City from any and all claims it may have as to the condition of the Site and/or its suitability for Athens' Project and/or MRF/TS operations. Notwithstanding the actual extent of Athens' investigation of the Site during the Feasibility Period, upon the expiration of the Feasibility Period, Athens shall hereby warrant that Athens will accept the Premises, if at all, solely upon the basis of its own review and determinations. Notwithstanding the preceding sentence, Athens acknowledges that it has received copies of a draft preliminary title report, survey and Phase I Environmental Site Assessment for the Site.

3. Approval or Disapproval of Site Condition.

Athens shall notify Agency on or before the expiration of the Feasibility Period, in writing, whether Athens has approved or disapproved the physical condition of the Site and/or its suitability for the Project and/or MRF/TS operations.

If Athens notifies Agency in writing of its disapproval of the physical condition and Project suitability of the Site, such notice shall specify the reasons for such disapproval and the Parties may, at the election of the Agency, agree to an allocation of the costs to cure any deficiencies in the Site's condition. If Athens disapproves the condition of the Site in its sole and absolute discretion, or if the Parties are unable to negotiate a cure of such deficiencies that is acceptable to Athens in its sole and absolute discretion after a period of thirty (30) days, then Athens may elect to terminate this Agreement and the other Agreements in effect (other than the Franchise Agreement – Trash Collection and Street Sweeping), in which case the amount paid by Athens as and for the Initial Deposit and, if applicable, additional funds advanced by Athens under the Reimbursement Agreement, and, if applicable, the Deposit, less any expenses incurred by City/Agency qualified to reimbursement pursuant to the Reimbursement Agreement, will be returned to Athens as outlined in the Reimbursement Agreement, and the Parties shall have no further obligations to one another under this Agreement.

If Athens approves the physical condition and Project suitability of the Site prior to the expiration of the Feasibility Period or any extensions thereof, then the Deposit shall become non-refundable on the Close of Escrow (except in the case of a default by Agency or as otherwise provided in Section 700, or as otherwise provided by the Reimbursement Agreement), and the Parties hereto shall have all of the rights and obligations as set forth herein. Failure of Athens to notify Agency of its approval or disapproval before the end of the Feasibility Period shall be deemed a disapproval hereunder.

IV. (§ 400) ACQUISITION AND DISPOSITION OF THE SITE.

A. (§ 401) Acquisition.

Agency has owned, and currently owns, Title to the Site.

B. (§ 402) Conveyance.

In accordance with and subject to all the terms, covenants and conditions of this Agreement, Agency agrees to convey the Site to Athens subject to the terms of the Deed, and Athens agrees to accept the Site and develop the Site with a MRF/TS facility (as more particularly described in the Development Agreement).

C. (§ 403) Escrow.

Athens shall deposit into Escrow the full Purchase Price for the Site as a condition to Closing of Escrow. Escrow shall be opened upon the last to occur of the execution of this Agreement, the City Agreements, the Other Agreements and the adoption of the Ordinances. The Schedule of Performance shall be adjusted at the Close of Escrow to reflect the actual Close of Escrow. This Agreement shall constitute the joint escrow instructions of Agency and Athens, and a duplicate original of this Agreement shall be delivered to the Escrow Agent upon the opening of Escrow. Escrow Agent is empowered to act under these instructions. Agency and Athens shall promptly prepare, execute, and deliver to the Escrow Agent such additional escrow instructions consistent with the terms herein as shall be reasonably necessary. No provision of any additional escrow instructions shall modify this document without specific written approval of the modification(s) by both Athens and Agency.

D. (§ 404) Conditions To Closing.

1. Athens' Conditions to Closing Escrow.

Athens' acquisition of the Site via Closing of Escrow hereunder, shall, in addition to any other conditions set forth herein in favor of Athens, be conditional and contingent upon the satisfaction (or waiver by Athens), in its sole and absolute discretion, of each and all of the following conditions (collectively the "Athens' Conditions to Closing") within the time provided in the Schedule of Performance:

- (a) In accordance with Athens' rights to examine title pursuant to Section 406 below, Title shall be conveyed in a good condition subject only to those exceptions recited in the Deed (Attachment 6 hereto) and those exceptions to Title approved by Athens pursuant to Section 406, and the Title Company shall have agreed to issue a Title Policy in the amount of the Purchase Price, with such endorsements as may be required by Athens.

- (b) Agency shall have deposited into Escrow the executed Deed (Attachment 6).
- (c) Athens shall have approved, accepted or waived the environmental and physical condition of the entire Site and have accepted the Site free and clear of any rights of possession of tenants or any other persons or entities.
- (d) As of the Closing of Escrow, the City Agreements and the Other Agreements shall have been executed by the respective parties thereto, the Ordinances shall have been adopted by the City and the City and the Agency shall not be in default hereunder or in default under one of the City Agreements or the Other Agreements nor shall there be any event or occurrence which with the passage of time or giving of notice or both would constitute such a default by Agency or the City.
- (e) Agency shall have deposited into Escrow a certificate of non-foreign status ("FIRPTA Certificate") in such form as may be required by the Internal Revenue Service pursuant to Section 1445 of the Internal Revenue Code.
- (f) Agency shall have deposited funds into Escrow in the amount of Agency's share of the Escrow costs, title and transfer fees, each as determined by the Escrow Agent.
- (g) Agency shall have deposited into Escrow any approvals received from the DOF or other such documents relating to the PMP as reasonably needed by Athens for it to obtain a satisfactory condition of Title.
- (h) Athens' completion of its Site inspection pursuant to the Feasibility Period and approval of the Site's condition thereby.

Any written waiver by Athens of the foregoing conditions shall not require an amendment to this Agreement. In the event that Agency fails to satisfy Athens' foregoing conditions or defaults in the performance of its obligations hereunder, Athens may terminate this Escrow without any liability to Agency and receive back the refundable portion of the Deposit.

2. Agency's Conditions to Closing.

The Agency's obligation to deliver Title over the Site to Athens and close Escrow hereunder shall, in addition to any other conditions set forth herein, be conditional and contingent upon the satisfaction (or waiver by Agency), in its sole and absolute discretion, of each and all of the following conditions (collectively the "Agency's Conditions to Closing") within the time provided in the Schedule of Performance:

- (a) Athens shall have deposited into Escrow the Purchase Price.

- (b) The Required Approvals shall have been obtained, City shall have approved the final building plans for the Project, and upon payment of the normal City fees and posting of any required security at the Closing, Athens shall be in a position to pull a building permit and commence construction of the MRF/TS.
- (c) Athens shall have deposited into Escrow proof that Athens has obtained a sub-easement or license from the LADWP under which Athens may utilize the LADWP Easement area for Athens' use and occupation of the LADWP Easement area for MRF/TS parking and appurtenant uses.
- (d) Athens shall have deposited into Escrow proof that Athens has obtained a sub-easement or license from SCE under which Athens may utilize the SCE Easement area for Athens' use and occupation of the SCE Easement area for parking, vehicle circulation and appurtenant uses.
- (e) Athens shall not have made a transfer in violation of Section 303 hereof.
- (f) At the scheduled date for the Closing, Athens shall not be in default hereunder or in default under one of the other Agreements, nor shall there be an event or occurrence which, with the passage of time or giving of notice or both, would constitute such a default by Athens.
- (g) Athens shall have deposited into Escrow the fully executed CC&Rs in recordable form.
- (h) Athens shall have deposited the balance of the Deposit due from Athens to the Agency and Athens' share of the Escrow costs, title and transfer fees as determined by the Escrow Agent.
- (i) Athens' completion of its Site inspection pursuant to the Feasibility Period and approval of the Site's condition thereby.

Any written waiver by Agency of the foregoing conditions shall not require an amendment to this Agreement. In the event that Athens fails to satisfy Agency's foregoing conditions or defaults in the performance of its obligations hereunder, Agency may terminate this Escrow without any liability to Athens.

3. **Procedures for Failure of Conditions(s) to Purchase Closing; Termination.**

In the event one or more of Athens' Conditions to Closing or Agency's Conditions to Closing are not timely satisfied or waived by the benefited Party, the benefited Party shall have the right to terminate the Escrow and this Agreement. In such event, the terminating Party may,

in writing, demand return of its money (including any refundable portion of the Deposit, if the Athens is the terminating Party), papers, or documents from the Escrow Agent and shall deliver a copy of such demand to the non-terminating Party, which notice shall state the condition that has not been satisfied. No demand shall be recognized by the Escrow Agent until ten (10) days after the Escrow Agent shall have mailed copies of such demand to the non-terminating Party, and if no objections are raised in writing to the terminating Party and the Escrow Agent by the non-terminating Party within the ten (10) day period the Escrow Agent shall comply with the terminating Party's request. In the event the non-terminating Party timely objects, an additional thirty (30) day opportunity to cure or otherwise satisfy the unperformed conditions shall be provided and only if the unperformed condition remains unsatisfied at the end of said 30-day period shall the termination occur.

E. (§ 405) Closing Escrow.

1. Site Possession Delivered Concurrent with Closing.

Escrow shall close after satisfaction (or waiver by the benefited party) of all conditions to Closing, but not later than the date specified in the Schedule of Performance, unless extended by the mutual written agreement of the Parties or by an Enforced Delay. Possession of the Site (i.e., full Site possession rights appurtenant to full Title, as opposed to the license rights granted to Athens pursuant to the Feasibility Period) shall be granted to Athens concurrently with the Closing.

2. Escrow Agent to Advise of Costs.

On or before the date set in the Schedule of Performance, the Escrow Agent shall advise the Agency and Athens in writing of the fees, charges, and costs necessary to clear Title and close Escrow, and of any documents which have not been provided by said Party and which must be deposited in Escrow to permit timely Closing.

3. Deposits by Agency and Athens Prior to Closing.

On or before, but not later than, one (1) business day prior to the date set for the Closing in the Schedule of Performance, Agency shall deposit into Escrow (i) the Deed for the Site, executed and acknowledged by Agency; (ii) the executed and acknowledged CC&Rs; (iii) a certificate of non-foreign status; and (iv) payment to Escrow Agent of Agency's share of Escrow costs, title and transfer fees, each as determined by the Escrow Agent pursuant to Section 405.

On or before, but not later than, one (1) business day prior to the date set for the Closing in the Schedule of Performance, Athens shall deposit into Escrow (i) an estoppel certificate certifying that Agency has completed all acts, other than as specified, necessary for conveyance, if such be the fact; (ii) the executed and acknowledged CC&Rs; (iii) the Purchase Price; and (iv) payment to Escrow Agent of Athens' share of Escrow costs, title and transfer fees, each as determined by the Escrow Agent pursuant to Section 405.

Prior to the Closing Date, Athens and Agency shall execute and deliver a certificate ("Taxpayer ID Certificate") in such form as may be required by the IRS pursuant to Section 6045 of the Internal Revenue Code, or the regulations issued pursuant thereto, certifying as to the

description of the Site, date of Closing, gross price, if any, and taxpayer identification number for Athens and Agency. Prior to the Closing, Athens and Agency shall cause to be delivered to the Escrow Agent such other items, instruments and documents, and the Parties shall take such further actions, as may be necessary or desirable in order to complete the Closing. At the Closing neither Party shall be in breach of its obligations hereunder.

4. **Recordation.**

Upon the completion by the Agency and Athens of the deliveries and actions specified in these Escrow instructions precedent to Closing, the Escrow Agent shall be authorized to buy, affix and cancel any documentary stamps and pay any transfer tax and recording fees, if required by law, and thereafter cause to be recorded in the appropriate records of Los Angeles County, California, the Deed, the CC&Rs, and any other appropriate instruments delivered through this Escrow, if necessary or proper to vest Title in Athens in accordance with the terms and provisions herein. Concurrent with recordation, Escrow Agent shall deliver the Title Policy to Athens insuring Title and conforming to the requirements of Section 406. Following recordation, the Escrow Agent shall deliver copies of said instruments to Athens and Agency.

F. **(§ 406) Title Matters.**

1. **Condition of Title at Closing.**

At the Closing, Agency shall convey to Athens fee simple merchantable Title to the Site, subject only to: (i) this Agreement, the City Agreements and Other Agreements to the extent applicable, and the Deed; (ii) current taxes, a lien not yet payable; (iii) quasi-public utility, public alley and public street easements of record; (iv) the LADWP Easement and appurtenant rights-of-way and licenses; (v) the SCE Easement and appurtenant rights-of-way and licenses; and (vi) CC&Rs and other encumbrances and title exceptions approved by Athens pursuant to Section 406(3) below or required by this Agreement or the other Agreements. Agency shall convey Title pursuant to the Deed in the form set forth in Attachment 6 hereto.

2. **Agency Not to Encumber Site.**

Agency hereby warrants to Athens that it has not and will not, prior to Closing of Escrow, transfer, sell, hypothecate, pledge, or otherwise encumber the Site or any part thereof.

3. **Approval of Title Exceptions Pursuant to Athens' Exercise of Option to Purchase.**

At least sixty (60) days prior to the date of Closing, Athens shall obtain a preliminary title report for the Site dated no earlier than the date of this Agreement, including copies of all documents referenced therein. At least thirty (30) days prior to the date of Closing, Athens shall deliver to Agency written notice, with a copy to Escrow Agent, specifying in detail any significant exception disapproved by Athens and the reasons therefore ("Title Exceptions Notice"). Within seven (7) days after receiving said Title Exceptions Notice, Agency shall deliver written notice to Athens as to whether Agency will or will not cure the disapproved exceptions. If Agency elects not to cure the disapproved exceptions, Athens may terminate the Escrow but without any liability of Agency to Athens, or Athens may withdraw its earlier

disapproval. If Agency so elects to cure the disapproved exceptions, Agency shall notify Athens of its election in writing within and in such event the cure shall be completed on or before the Closing.

4. Exclusion of Oil, Gas, and Hydrocarbons.

Title shall be conveyed subject to the exclusion therefrom to the extent now or hereafter validly excepted and reserved by the parties named in deeds, leases and other documents of record of all oil, gas, hydrocarbon substances and minerals of every kind and character lying more than five hundred feet (500') below the surface, together with the right to drill into, through, and to use and occupy all parts of the Site lying more than five hundred feet (500') below the surface thereof for any and all purposes incidental to the exploration for and production of oil, gas, hydrocarbon substances or minerals from the Site but without, however, any right to use either the surface of the Site or any portion thereof within five hundred feet (500') of the surface for any purpose or purposes whatsoever.

5. Title Policy.

At the Closing, the Title Company shall furnish Athens with a standard C.L.T.A. Owner's Policy of Title Insurance (the "Title Policy") covering Athens' fee interest in the amount, at a minimum, equal to the Purchase Price, and wherein the Title Company shall insure that Title to the Site is vested in Athens, with no exception to such Title which has not been approved or waived by Athens in accordance with this Section. The Title Policy shall also include any available additional or extended coverage or endorsements that Athens has reasonably requested. Agency shall pay the title insurance premium for standard coverage for a C.L.T.A. policy and for any endorsements necessary to cure any disapproved title exceptions, and Athens shall pay for the premium for said additional or extended coverage, including but not limited to an A.L.T.A. policy or special endorsements or survey.

G. (§ 407) Physical and Environmental Condition of Site.

1. Athens' Approval of Physical and Environmental Condition; Site Assessment and Remediation.

Prior to the Closing, Athens and its employees, agents and contractors shall have the right to enter onto the Site to conduct soils, engineering, or other tests and studies, to perform preliminary work or for any other purposes to carry out the terms of this Agreement (including due diligence activities during the Feasibility Period pursuant to Section 304 hereof). Athens shall indemnify, defend and hold Agency harmless from and against any claims, injuries or damages arising out of any such Site entry or activity, provided that such indemnity shall not apply to Athens' discovery of Hazardous Materials. Any on-Site due diligence activities shall be undertaken only after securing any necessary permits from the appropriate governmental agencies.

During or prior to the commencement of the Feasibility Period, Agency shall deliver to Athens copies of all documents in the Agency's or City's possession concerning the physical and/or environmental condition of the Site (the "Site Documents"). Athens acknowledges that the Agency has performed Phase I and Phase II Site Assessments. Athens acknowledges receipt

of copies of said Site Assessments. Athens shall notify Agency whether Athens approves or disapproves the physical and/or environmental condition of the Site in accordance with Section 304 hereof.

2. Disclaimer of Warranties.

After expiration of the Feasibility Period and upon the Closing, Athens shall acquire the Site in its "AS-IS" condition and shall be responsible for any defects in the Site, whether patent or latent, including, without limitation, the physical, environmental and geotechnical condition of the Site, and the existence of any contamination, Hazardous Materials, vaults, debris, pipelines, or other structures located on, under or about the Site, and Agency makes no other representation or warranty concerning the physical, environmental, geotechnical or other condition of the Site, the suitability of the Site for the Project, or the present use of the Site, and Agency specifically disclaims all representations or warranties of any nature concerning the Site made by it, the City and their respective employees, agents and representatives except as otherwise provided in this Agreement and the City Agreements. The foregoing disclaimer includes, without limitation, topography, climate, air, water rights, utilities, soil, subsoil, existence of Hazardous Materials or similar substances, the purpose for which the Site is suited, or drainage. Agency makes no representation or warranty concerning the compaction of soil upon the Site, nor of the suitability of the soil for construction.

3. Hazardous Materials.

Athens understands and agrees that in the event Athens incurs any loss or liability concerning Hazardous Materials (as hereinafter defined) and/or underground storage tanks whether attributable to events occurring prior to or following the Closing, then Athens may look to prior owners of the Site, but in no event shall Athens look to Agency or City for any liability or indemnification regarding Hazardous Materials and/or underground storage tanks. Athens, and each of the entities constituting Athens, if any, from and after the Closing, hereby waives, releases, remises, acquits and forever discharges Agency, City, their directors, officers, shareholders, employees, and agents, and their heirs, successors, personal representatives and assigns, of and from any and all Environmental Claims, Environmental Cleanup Liability and Environmental Compliance Costs, as those terms are defined below, and from any and all actions, suits, legal or administrative orders or proceedings, demands, actual damages, punitive damages, loss, costs, liabilities and expenses, which concern or in any way relate to the physical or environmental conditions of the Site, the existence of any Hazardous Material thereon, or the release or threatened release of Hazardous Materials therefrom, whether existing prior to, at or after the Closing. It is the intention of the Parties pursuant to this release that any and all responsibilities and obligations of Agency and City, and any and all rights, claims, rights of action, causes of action, demands or legal rights of any kind of Athens, its successors, assigns or any affiliated entity of Athens, against the Agency or City, arising by virtue of the physical or environmental condition of the Site, the existence of any Hazardous Materials thereon, or any release or threatened release of Hazardous Material therefrom, whether existing prior to, at or after the Closing, are by this release provision declared null and void and of no present or future force and effect as to the parties; provided, however, that no parties other than the Indemnified Parties (defined below) shall be deemed third party beneficiaries of such release. **In connection therewith, Athens and each of the entities constituting Athens, expressly agree to waive any**

and all rights which said party may have with respect to such released claims under 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.”

Athens and each of the entities constituting or related to Athens, shall, from and after the Closing, defend, indemnify and hold harmless Agency, City and their officers, directors, employees, agents and representatives (collectively, the “Indemnified Parties”) from and against any and all Environmental Claims, Environmental Cleanup Liability, Environmental Compliance Costs, and any other claims, actions, suits, legal or administrative orders or proceedings, demands or other liabilities resulting from any Hazardous Materials existing on the Site after Close of Escrow or the release or threatened release of any such Hazardous Materials onto the Site of any kind whatsoever, including, but not limited to, all foreseeable and unforeseeable damages, fees, costs, losses and expenses, including any and all attorneys' fees and environmental consultant fees and investigation costs and expenses, directly or indirectly arising therefrom, and including fines and penalties of any nature whatsoever, assessed, levied or asserted against any Indemnified Parties to the extent that the fines and/or penalties are the result of a violation or an alleged violation of any Environmental Law.

For purposes of this Section and the indemnities and releases hereof, the following terms shall have the following meanings:

“Environmental Claim” means any claim for personal injury, death and/or property damage made, asserted or prosecuted by or on behalf of any third party, including, without limitation, any governmental entity, relating to the Site or its operations and arising or alleged to arise under any Environmental Law.

“Environmental Cleanup Liability” means any cost or expense of any nature whatsoever incurred to contain, remove, remedy, clean up, or abate any contamination or any Hazardous Materials on or under all or any part of the Site, including the ground water thereunder, including, without limitation, (A) any direct costs or expenses for investigation, study, assessment, legal representation, cost recovery by governmental agencies, or ongoing monitoring in connection therewith and (B) any cost, expense, loss or damage incurred with respect to the Site or its operation as a result of actions or measures necessary to implement or effectuate any such containment, removal, remediation, treatment, cleanup or abatement.

“Environmental Compliance Cost” means any cost or expense of any nature whatsoever necessary to enable the Site to comply with all applicable Environmental Laws in effect. “Environmental Compliance Cost” shall include all costs necessary to demonstrate that the Site is capable of such compliance.

“Environmental Law” means any federal, state or local statute, ordinance, rule, regulation, order, consent decree, judgment or common-law doctrine, and provisions and conditions of permits, licenses and other operating authorizations relating to (A)

pollution or protection of the environment, including natural resources, (B) exposure of persons, including employees, to Hazardous Materials or other products, raw materials, chemicals or other substances, (C) protection of the public health or welfare from the effects of by-products, wastes, emissions, discharges or releases of chemical substances from industrial or commercial activities, or (D) regulation of the manufacture, use or introduction into commerce of chemical substances, including, without limitation, their manufacture, formulation, labeling, distribution, transportation, handling, storage and disposal.

"Hazardous Material" is defined to include any hazardous or toxic substance, material or waste which is or becomes regulated by any local governmental authority (other than the City or Agency), the State of California, or the United States Government. The term "Hazardous Material" includes, without limitation, any material or substance which is: (A) petroleum or oil or gas or any direct or derivate product or byproduct thereof; (B) defined as a "hazardous waste," "extremely hazardous waste" or "restricted hazardous waste" under Sections 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); (C) 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); (D) defined as a "hazardous material," "hazardous substance," or "hazardous waste" under Sections 25501(j) and (k) and 25501.1 of the California Health and Safety Code, Division 20, Chapter 6.95 (Hazardous Materials Release Response Plans and Inventory); (E) 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); (F) "used oil" as defined under Section 25250.1 of the California Health and Safety Code; (G) asbestos; (H) listed under Chapter 11 of Division 4.5 of Title 22 of the California Code of Regulations, or defined as hazardous or extremely hazardous pursuant to Chapter 10 of Division 4.5 of Title 22 of the California Code of Regulations; (I) defined as waste or a hazardous substance pursuant to the Porter-Cologne Act, Section 13050 of the California Water Code; (J) designated as a "toxic pollutant" pursuant to the Federal Water Pollution Control Act, 33 U.S.C. § 1317; (K) defined as a "hazardous waste" pursuant to the Federal Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq. (42 U.S.C. § 6903); (L) defined as a "hazardous substance" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq. (42 U.S.C. § 9601); (M) defined as "Hazardous Material" pursuant to the Hazardous Materials Transportation Act, 49 U.S.C. § 5101 et seq.; or (N) defined as such or regulated by any "Superfund" or "Superlien" law, or any other federal, state or local law, statute, ordinance, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning Hazardous Materials and/or underground storage tanks, as now, or at any time here-after, in effect.

Notwithstanding any other provision of this Agreement, Athens' release and indemnification as set forth in the provisions of this Section shall continue in perpetuity.

H. (§ 408) Costs of Escrow.

1. Allocation of Costs.

The Escrow Agent is authorized to allocate costs as follows: Athens shall pay its share of the cost of the Title Policy as provided in Section 406(5) above. Agency shall pay its share of

the cost of the Title Policy as provided in Section 406(5) above, as well as the documentary transfer tax and all recording fees, if applicable. Athens and Agency shall each pay one-half of all Escrow and similar fees, provided that if one Party defaults under this Agreement or cancels the Escrow through no fault of the other, the defaulting or canceling Party shall pay all Escrow fees and charges.

2. Prorations and Adjustments.

Ad valorem taxes and assessments on the Site and insurance for the current year shall be prorated by the Escrow Agent as of the date of Closing with the Agency responsible for those levied, assessed or imposed prior to Closing and Athens responsible for those after Closing. If the actual taxes are not known at the date of Closing, the proration shall be based upon the most current tax figures. When the actual taxes for the year of Closing become known, Athens and Agency shall, within thirty (30) days thereafter, prorate the taxes in cash between the Parties.

3. Extraordinary Services of Escrow Agent.

It is understood that Escrow fees and charges contemplated by this Agreement incorporate only the ordinary services of the Escrow Agent as listed in these instructions. In the event that the Escrow Agent renders any service not provided for in this Agreement, or that the Escrow Agent is made a party to, or reasonably intervenes in, any litigation pertaining to this Escrow or the subject matter thereof, then the Escrow Agent shall be reasonably compensated for such extraordinary services and reimbursed for all costs and expenses occasioned by such default, controversy or litigation.

4. Escrow Agent's Right to Retain Documents.

Escrow Agent shall have the right to retain all documents and/or other things of value at any time held by it hereunder until such compensation, fees, costs and expenses shall be paid.

I. (§ 409) Responsibility of Escrow Agent.

1. Deposit of Funds.

All funds received in Escrow, if any, shall be deposited by the Escrow Agent in a special escrow account with any state or national bank doing business in the State of California and may not be combined with other escrow funds of Escrow Agent or transferred to any other general escrow account or accounts.

2. Notices.

All communications from the Escrow Agent shall be directed to the addresses and in the manner provided in Section 801 of this Agreement for notices, demands and communications between Agency and Athens.

3. Sufficiency of Documents.

The Escrow Agent is not to be concerned with the sufficiency, validity, correctness of form, or content of any document prepared outside of Escrow and delivered to Escrow. The sole duty of the Escrow Agent is to accept such documents and follow Athens' and Agency's instructions for their use.

4. Exculpation of Escrow Agent.

The Escrow Agent shall in no case or event be liable for the failure of any of the Conditions to Closing of this Escrow, or for forgeries or false personation, unless such liability or damage is the result of negligence or willful misconduct by the Escrow Agent.

5. Responsibilities in the Event of Controversies.

If any controversy documented in writing arises between Athens and Agency or with any third party with respect to the subject matter of this Escrow or its terms or conditions, the Escrow Agent shall not be required to determine the same, to return any money, papers or documents, or take any action regarding the Site prior to settlement of the controversy by a final decision by an arbitrator, by a court of competent jurisdiction, or by written agreement of the parties to the controversy, as the case may be. The Escrow Agent shall be responsible for timely notifying Athens and Agency of the controversy. In the event of such a controversy, the Escrow Agent shall not be liable for interest or damage costs resulting from failure to timely close Escrow or take any other action unless such controversy has been caused by the failure of the Escrow Agent to perform its responsibilities hereunder.

V. (§ 500) DEVELOPMENT OF THE SITE.

Provisions relating to development of the Site and the Project will be set forth in the Development Agreement. The provisions of the Development Agreement will be considered an integral part of the Site sale contemplated by this Agreement, such that the default of one agreement shall constitute a default of the other. Athens agrees and acknowledges that it shall be subject to any additional conditions set forth in the Development Agreement

VI. (§ 600) USES OF THE SITE.

A. (§ 601) Use For Materials Recovery Facility and Transfer Station.

Athens covenants and agrees for itself, its successors, its assigns and every successor in interest that during construction and thereafter, Athens and such successors and such assigns shall devote the Site to the uses specified therefor in the PMP and in this Agreement and the Agreements. Athens further agrees to commence and conduct business operations in accordance with the terms of the Franchise Agreement – Operations, to use, devote, and maintain the Site and each part thereof only for MRF/TS and appurtenant uses, subject to the restrictions contained in this Agreement and the other City Agreements. Nothing herein shall constitute a covenant for continuous operations. In general, Athens shall operate the business conducted by it on the Site in a prudent manner, exercising Athens' customary business practices and hours of operation, all as may be established in the Franchise Agreement – Operations.

B. (§ 602) Obligation to Refrain from Discrimination.

There shall be no discrimination against, or segregation of, any persons, or group of persons, on account of race, color, creed, religion, sex, marital status, national origin or ancestry in the rental, sale, lease, sublease, transfer, use, occupancy, or enjoyment of the Site, or any portion thereof, nor shall Athens, or any person claiming under or through Athens, 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, subtenants, sublessees or vendees of the Site or any portion thereof. The nondiscrimination and nonsegregation covenants contained herein shall remain in effect in perpetuity.

C. (§ 603) Form of Nondiscrimination and Nonsegregation Clauses.

Athens shall refrain from restricting the rental, sale, occupation or lease of any portion of the Site on the basis of race, color, creed, religion, sex, sexual preference, marital status, ancestry or national origin of any person. All such deeds, leases, contracts or other transactions shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

1. Deeds.

In Deeds the following language shall appear: "The grantee herein covenants by and for himself or herself or itself, his or her or its heirs, executors, administrators, and assigns, and all persons claiming under or through him or her or it, 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 sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall the grantee, or any persons claiming under or through him or her or 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, lessees, subtenants, sublessees or vendees in the land herein conveyed. The foregoing covenants shall run with the land."

2. Leases.

In any Leases the following language shall appear: "The lessee herein covenants by and for himself or herself or itself, his or her or its heirs, executors, administrators and assigns, and all persons claiming under or through him or her or it, 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 race, color, creed, religion, sex, marital status, national origin or ancestry 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 him or her or 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, lessees, sublessees, subtenants or vendees in the premises herein leased."

3. Contracts.

Any contracts which Athens or Athens' heirs, executors, administrators, or assigns propose to enter into for the sale, transfer, or leasing of the Site shall contain a nondiscrimination

and nonsegregation clause substantially as set forth in this Section. Such clause shall bind the contracting party and subcontracting party or transferee under the instrument.

D. (§ 604) Covenants Run with Land; Effect of Covenants.

1. Covenants Run with the Land.

- (a) All of the provisions, agreements, rights, powers, standards, terms, covenants and obligations contained in this Agreement shall be binding upon the Parties and their respective heirs, successors (by merger, consolidation, or otherwise) and assigns, devisees, administrators, representatives, lessees, and all other persons acquiring any rights or interests in the Site, or any portion thereof, whether by operation of laws or in any manner whatsoever and shall inure to the benefit of the parties and their respective heirs, successors (by merger, consolidation or otherwise) and assigns;
- (b) All of the provisions of this Agreement shall be enforceable as equitable servitudes and constitute covenants running with the land pursuant to applicable law; and
- (c) Each covenant to do or refrain from doing some act on the Site hereunder (i) is for the mutual benefit and burden of, and is a burden upon, the Site and every portion thereof, (ii) runs with such lands, and (iii) is binding upon each Party and each successive owner during its ownership of the Site or any portion thereof, and each person having any interest therein derived in any manner through any owner of such lands, or any portion thereof, and each other person succeeding to an interest in such lands.

2. Agency Beneficiary.

Agency is deemed a beneficiary of the terms and provisions of this Agreement and of the restrictions and covenants running with the land for and in its own right for the purposes of protecting the interests of the community in whose favor and for whose benefit the covenants running with the land have been provided. The covenants in favor of Agency shall run without regard to whether Agency has been, remains or is an owner of any land or interest therein in the Site or in the PMP. Agency shall have the right, if any of the covenants set forth in this Agreement which are provided for its benefit are breached, to exercise all rights and remedies and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which it may be entitled. With the exception of the City, no other person or entity shall have any right to enforce the terms of this Agreement under a theory of third-party beneficiary or otherwise. The covenants running with the land and their duration are set forth herein, in the Deed, in the other Agreements, and the CC&Rs.

VII. (§ 700) DEFAULTS, REMEDIES, TERMINATION, AND LITIGATION.

A. (§ 701) Defaults and Right to Cure.

Subject to any Enforced Delay, failure or delay by either Party to timely perform any covenant of this Agreement constitutes a default under this Agreement, but only if the Party who so fails or delays does not commence to cure, correct or remedy such failure or delay within thirty (30) days after receipt of a written notice specifying such failure or delay, and does not thereafter prosecute such cure, correction or remedy with diligence to completion; provided that if the default is an immediate danger to the health, safety and general welfare, then the injured Party may specify a shorter period and require immediate action, as may be reasonable under the circumstances.

The injured Party shall give written notice of default to the Party in default, specifying the default complained of by the injured Party. Except as required to protect against further damages, the injured party may not institute proceedings against the Party in default until thirty (30) days after giving such notice, except if a shorter time applies as specified above in this Section 701. Failure or delay in giving such notice shall not constitute a waiver of any default, nor shall it change the time of default.

Except as otherwise provided in this Agreement, waiver by either Party of the performance of any covenant, condition, or promise shall not invalidate this Agreement, nor shall it be considered a waiver of any other covenant, condition, or promise. Waiver by either Party of the time for performing any act shall not constitute a waiver of time for performing any other act or an identical act required to be performed at a later time. The delay or forbearance by either party in exercising any remedy or right as to any default shall not operate as a waiver of any default or of any rights or remedies or to deprive 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.

B. (§ 702) Legal Actions.

1. Institution of Legal Actions.

In addition to any other rights or remedies, and subject to the requirements of Section 701, either Party may institute legal action to cure, correct or remedy any default, to recover damages for any default, or to obtain any other remedy consistent with the purpose of this Agreement. Legal actions must be instituted and maintained in the Superior Court of the County of Los Angeles, State of California, in any other appropriate court in that county.

2. Applicable Law and Forum.

The internal laws of the State of California shall govern the interpretation and enforcement of this Agreement without regard to conflict of law principles.

3. Acceptance of Service of Process.

In the event that any legal action is commenced by Athens against Agency, service of

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

C. (§ 703) Rights and Remedies are Cumulative.

Except as otherwise expressly stated in this Agreement, the rights and remedies of the Parties are cumulative, and the exercise by either Party of one or more of its rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other Party.

D. (§ 704) Specific Performance.

In addition to any other remedies permitted by this Agreement, if subsequent to the Closing either Party defaults hereunder by failing to perform any of its obligations herein, the other Party shall be entitled to seek the judicial remedy of specific performance. In this regard, Athens specifically acknowledges that Agency is entering into this Agreement for the purpose of assisting in the redevelopment of the Site and not for the purpose of enabling Athens to speculate in real property. Notwithstanding any other provision set forth in this Agreement to the contrary, in no event shall Agency have a right prior to the Closing to seek specific performance or other equitable relief to compel Athens to close the Escrow or proceed with development of the Project.

E. (§ 706) Attorneys' Fees.

If either Party to this Agreement is required to initiate or defend any action or proceeding in any way arising out of the Parties' agreement to, or performance of this Agreement, or is made a Party to any action or proceeding by the Escrow Agent or other third party, the prevailing Party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorneys' fees from the other. As used herein, the "prevailing party" shall be the Party determined as such by a court of law pursuant to the definition in Code of Civil Procedure Section 1032(a)(4), as it may be subsequently amended. Attorneys' fees shall include attorneys' fees on any appeal, and in addition a Party entitled to attorneys' fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

F. (§ 707) Defense of Actions; Indemnity.

1. Non-liability of Agency for Entitlements.

As set forth above, Agency has determined that this Agreement is consistent with the General Plan, the PMP, and zoning applicable to the Site and that the development approvals meet all of the legal requirements of state law. The Parties acknowledge that:

- (a) In the future there may be challenges to legality, validity and adequacy of the General Plan, PMP, any applicable specific plan, the development approvals and/or this Agreement or other City Agreements; and
- (b) If successful, such challenges could delay or prevent the performance of this Agreement and the development of the Project.

In addition to the other provisions of this Agreement, including, without limitation, the provisions of this Section 707, Agency shall have no liability under this Agreement for the inability of Athens to develop the Site as contemplated by this Agreement as the result of a judicial determination that on the Effective Date, or at any time thereafter, the General Plan, any applicable specific plan, the development approvals, this Agreement or other City Agreements or portions thereof, are invalid or inadequate or not in compliance with law.

2. Participation in Litigation: Indemnity.

(A) *General Indemnity Obligations of Athens.* Athens agrees to indemnify Agency, City and their elected boards, commissions, officers, agents and employees and will hold and save them and each of them harmless from any and all actions, suits, claims, liabilities, losses, damages, penalties, obligations and expenses (including but not limited to attorneys' fees and costs) against the City and/or Agency for any Claims or Litigation which arise during the Term of this Agreement directly relating to Athens' occupancy of, or activities on, the Site. City or Agency shall promptly provide Athens with notice of the pendency of any such Claims or Litigation and request that Athens defend the same. If City or Agency fails promptly to notify Athens of any such Claims or Litigation or fails to cooperate fully in the defense thereof, Athens shall not, thereafter, be responsible to defend, indemnify, or hold harmless City/Agency. Claims or Litigation may be defended by the City Attorney's office or use legal counsel of the City's choosing, but Athens shall reimburse City or Agency, as appropriate, for any reasonable legal costs incurred by City/Agency. In any case neither City nor Agency shall have liability to Athens. Athens' obligation to pay the defense cost shall extend until judgment and thereafter through any appeals. In the event of an appeal or a settlement offer, the Parties will confer in good faith as to how to proceed, and the resolution of any such appeal and the Parties' response to any such settlement offer shall require the consent of both Parties, which consent shall not be unreasonably withheld, conditioned or delayed.

(B) *Protections for Athens & City In Case of Settlement.* After two (2) years have elapsed from the filing of any court action on any Claims or Litigation without resolution of such action, the Parties agree to meet and confer within thirty (30) days, and to continue to meet and confer for a period of up to six (6) months thereafter (the "Settlement Negotiation Period"), to work in good faith towards a proposed settlement offer to the counterparties in such Claims or Litigation, and negotiate such settlement to a mutually satisfactory resolution (a "Settlement"). Each Party shall be reasonable in its approval or disapproval of any proposed Settlement. Upon the expiration of the Settlement Negotiation Period, if the Parties are unable to agree upon a mutually-acceptable Settlement proposal to the counterparty(ies), then the City/Agency shall have the unilateral right to settle such Claims or Litigation brought against it in its sole and absolute discretion. If Athens opposes the terms of the Settlement entered into by the

City/Agency, then Athens may elect, in its sole and absolute discretion, to either (a) terminate this Agreement, in which event any amounts paid by Athens to the City under the Reimbursement Agreement (or any amendments thereto) and not actually expended by the City or Agency for the purposes set forth therein will be returned to Athens, and the Parties shall have no further obligations to one another under this Agreement, or (b) agree to proceed with the Project, as modified by the Settlement.

In the event that Athens agrees to proceed with the Project, but the Settlement would result in a material adverse change in the density or intensity of the Project (as reasonably determined by the Parties), then the following amounts shall be returned to Athens by the City/Agency: (i) any amounts paid by Athens to the City under the Reimbursement Agreement (or any amendments thereto) and not actually expended by the City/Agency for the purposes set forth therein will be returned to Athens, and (ii) any documented Aggregate Entitlements Defense Costs (defined below) actually paid by Athens to the City Attorney or other designated legal representatives of the City/Agency in the subject litigation.

(C) *Cap on Legal Defense Costs.* Notwithstanding anything to the contrary set forth herein, if at any time the aggregate costs of attorneys' fees (including those of the City Attorney), court costs and/or consultant fees incurred in the course of defending the legality, validity or adequacy of this Agreement, Project development approvals, or other actions of City or Agency pertaining to the approval of the Project (the "Aggregate Entitlements Defense Costs"), equal or exceed the amount of (i) One Million Dollars (\$1,000,000) *less* (ii) the aggregate amount of any costs actually paid from the "Sixth Deposit" per that Amendment No. 4 to Project Reimbursement Agreement dated September 23, 2015, or paid from the "Seventh Deposit" per that Amendment No. 5 to Project Reimbursement Agreement dated March 9, 2016 and not otherwise returned to Athens as set forth in this Section, *then* Athens shall have the right (but not the obligation) at any time to terminate this Agreement and the Development Agreement. Any portion of the Sixth Deposit or Seventh Deposit not actually expended by the City/Agency for the purposes set forth in the Reimbursement Agreement will be returned to Athens, and the Parties shall have no further obligations to one another under this Agreement. Nothing in this paragraph shall be construed as limiting or waiving, in whole or part, Athens' indemnity or hold harmless obligations to the City with respect to damages or other costs for Claims or Litigation that do not qualify as Aggregate Entitlements Defense Costs.

(D) *Rolling Extensions for Legal Defense Expenditures.* Athens shall automatically receive a one (1)-year Rolling Extension under the Franchise Agreement – Trash Collection and Street Sweeping for every Two Hundred Thousand Dollars (\$200,000) of Aggregate Entitlements Defense Costs, with any costs actually paid from the Sixth and Seventh Deposits and not otherwise returned to Athens counting towards such \$200,000 threshold. The parties shall not exceed five (5) years of cumulative Rolling Extensions, it being understood that the Rolling Extensions granted pursuant to this clause (4) may not be terminated by the City excepting in the case of a default by Developer of this Agreement, the Development Agreement, the Reimbursement Agreement, or any other Project-related Agreement that would otherwise permit the City to terminate the applicable agreement(s) in accordance with its/their terms), are not discretionary in nature, and shall apply without regard to whether the MRF/TS is ultimately developed by Athens.

3. **Survival of Indemnity Obligations.**

All indemnity provisions set forth in this Agreement shall survive termination of this Agreement for any reason other than Agency's Default.

VIII. **(§ 800) GENERAL PROVISIONS.**

A. **(§ 801) Notices, Demands and Communications Between the Parties.**

Except as expressly provided to the contrary herein, any notice, consent, report, demand, document or other such item to be given, delivered, furnished or received hereunder shall be deemed given, delivered, furnished, and received when given in writing and personally delivered to an authorized agent of the applicable party, or upon delivery by the United States Postal Service, first-class registered or certified mail, postage prepaid, return receipt requested, or by a national "overnight courier" such as Federal Express, at the time of delivery shown upon such receipt; in either case, delivered to the address, addresses and persons as each party may from time to time by written notice designate to the other and who initially are:

If to Athens: Athens Services
P.O. Box 6009
City of Industry, CA 91716-0009
Attention: President

With copy to: Gibson, Dunn & Crutcher LLP
333 South Grand Avenue, Suite 4900
Los Angeles, CA 90071
Attention: Amy Forbes

If to Agency: Successor Agency to the Irwindale
Community Redevelopment Agency
5050 North Irwindale Avenue
Irwindale, CA 91706

With copy to: Aleshire & Wynder, LLP
18881 Von Karman Avenue, Suite 400
Irvine, CA 92612
Attention: Fred Galante, Agency Counsel

B. **(§ 802) Nonliability of City and Agency Officials and Employees; Conflicts of Interest; Commissions.**

1. **Personal Liability.**

No member, official, employee, agent or contractor of City or Agency shall be personally liable to Athens in the event of any default or breach by Agency or for any amount which may become due to Athens or on any obligations under the terms of the Agreement; provided, it is understood that nothing in this Section 802 is intended to limit Agency's liability.

2. **Conflict of Interest, Warranty, and Representation of Non-Collusion.**

No official, officer, or employee of the Agency has any financial interest, direct or indirect, in this Agreement, nor shall any official, officer, or employee of the Agency participate in any decision relating to this Agreement which may affect his/her financial interest or the financial interest of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any interest of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any State or municipal statute or regulation. The determination of "financial interest" shall be consistent with State law and shall not include interest found to be "remote" or non "interest" pursuant to California Government Code Sections 1091 and 1091.5. Athens warrants and represents that it has not paid or given, and will not pay or give, to any third party including, but not limited to, any Agency official, officer, or employee, any money, consideration, or other thing of value as a result or consequence of obtaining or being awarded this Agreement. Athens further warrants and represents that it has not engaged in any act(s), omission(s), or other conduct or collusion that would result in the payment of any money, consideration, or other thing of value to any third party including, but not limited to, any City official, officer, or employee, as a result or consequence of obtaining or being awarded any agreement. Athens is aware of and understands that any such violation(s) of California Government Code Section 1091 or 1091.5 will render this Agreement void and of no force or effect.

3. **Commissions.**

Agency has not retained any broker or finder or paid or given, and will not pay or give, any third person any money or other consideration for obtaining this Agreement. Agency shall not be liable for any real estate commissions, brokerage fees or finders' fees which may arise from this Agreement, and Athens agrees to hold Agency harmless from any claim by any broker, agent, or finder retained by Athens. Agency agrees to hold Athens harmless from any claim by any broker, agent, or finder retained by Agency.

C. **(§ 803) Enforced Delay: Extension of Times of Performance.**

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

Notwithstanding the foregoing, in addition to specific provisions of this Agreement, performance by either Party hereunder shall not be deemed to be in default where delays or defaults are due to war; insurrection; strikes; lock-outs; riots; floods; earthquakes; fires; casualties; supernatural causes; acts of the "public enemy"; epidemics; quarantine restrictions; freight embargoes; lack of transportation; subsurface conditions on the Site and unknown soils conditions; governmental restrictions or priority litigation; unusually severe weather; inability to secure necessary labor, materials or tools; delays of any contractor, subcontractor or supplier; acts of the other Party; acts or the failure to act of a public or governmental agency or entity (except that acts or the failure to act of Agency shall not excuse performance by Agency); or any other causes beyond the reasonable control or without the fault of the party claiming an extension of time to perform. In the event of such a delay (herein "Enforced Delay"), the Party delayed shall continue to exercise reasonable diligence to minimize the period of the delay. An extension of time for any such cause shall be limited to the period of the enforced delay, and

shall commence to run from the time of the commencement of the cause, provided notice by the Party claiming such extension is sent to the other party within fifteen (15) days of the commencement of the cause. Failure to provide such notice shall constitute a waiver of the claim.

Athens' failure to obtain financing for the Project shall not be considered an event or cause beyond the control of Athens, and shall not entitle Athens to an extension of time to perform.

Times of performance under this Agreement may also be extended by mutual written agreement by Agency and Athens. The Executive Director of Agency shall have the authority on behalf of Agency to approve such extensions of time.

D. (§ 804) Books and Records.

1. Athens to Keep Records.

Athens shall prepare and maintain all books, records and reports reasonably necessary to substantiate Athens' compliance with the terms of this Agreement or reasonably required by the Agency.

2. Right to Inspect.

The Agency and City shall have rights to inspect Athens' books, records and reports in accordance with the terms and provisions of the Other Agreements.

3. Ownership of Documents.

Copies of all drawings, specifications, reports, records, documents and other materials pertaining to the condition of the Site prepared by Athens, its employees, agents and subcontractors, in the performance of this Agreement, which documents are in the possession of Athens and are not confidential shall be delivered to Agency upon written request in the event of a termination of this Agreement, and Athens shall have no claim for additional compensation as a result of the exercise by Agency of its rights hereunder. The Agency shall have an unrestricted right to use such documents and materials as if it were in all respects the owner of the same, provided, however, that (i) Agency shall have no rights of reliance thereon, and (ii) Athens makes no warranty or representation regarding the completeness, accuracy or sufficiency of such documents, and Athens shall have no liability therefor or in connection therewith. Notwithstanding the foregoing, the Agency shall not have any right to sell, license, convey or transfer the documents and materials to any third party, or to use the documents and materials for any other site, except in the case of a termination of this Agreement due to default of Athens.

E. (§ 805) Assurances to Act in Good Faith.

Agency and Athens agree to execute all documents and instruments and to take all action, including deposit of funds in addition to such funds as may be specifically provided for herein, and as may be reasonably required in order to consummate conveyance and development of the Site as herein contemplated, and shall use their commercially reasonable efforts, to accomplish

the closing and subsequent development of the Site in accordance with the provisions hereof. Agency and Athens shall each diligently and in good faith pursue the satisfaction of any conditions or contingencies subject to their approval.

F. (§ 806) 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. The Section headings are for purposes of convenience only, and shall not be construed to limit or extend the meaning of this Agreement. This Agreement includes all attachments attached hereto, which are by this reference incorporated in this Agreement in their entirety.

G. (§ 807) Entire Agreement, Waivers and Amendments.

This Agreement integrates all of the terms and conditions mentioned herein, or incidental hereto, and this Agreement supersedes all negotiations and 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, unless specified otherwise herein, must be in writing and signed by the appropriate authorities of Agency or Athens, as applicable, and all amendments hereto must be in writing and signed by the appropriate authorities of Agency and Athens. Agency's Executive Director shall be authorized to approve and execute minor non-substantive amendments to this Agreement as may be requested by Athens' lender in relation to the protection of such lender's security interest in the Site, without formal approval of the Agency Board of Directors.

H. (§ 808) Severability.

In the event any term, covenant, condition, provision or agreement contained herein is held to be invalid, void or otherwise unenforceable, by any court of competent jurisdiction, such holding shall in no way affect the validity or enforceability of any other term, covenant, condition, provision or agreement contained herein.

I. (§ 809) Time for Acceptance of Agreement by Agency.

This Agreement, when executed by Athens and delivered to Agency, must be authorized, executed and delivered by Agency, not later than the time set forth in the Schedule of Performance. After execution by Athens, this Agreement shall be considered an irrevocable offer until such time the Agreement is vested with an Effective Date.

J. (§ 810) Execution.

1. 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.

2. Agency represents and warrants that: (i) it is a political subdivision duly organized and existing under the laws of the State of California; (ii) by proper action of Agency, Agency has been duly authorized to execute and deliver this Agreement, acting by and through

its duly authorized officers; and (iii) the entering into this Agreement by Agency does not violate any provision of any other City Agreement to which Agency is a party.

3. Athens represents and warrants that: (i) it is duly organized and existing under the laws of the State of California; (ii) by proper action of Athens, Athens has been duly authorized to execute and deliver this Agreement, acting by and through its duly authorized officers; and (iii) the entering into this Agreement by Athens does not violate any provision of any other agreement to which Athens is a party.

[Signatures on Following Page]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date of execution by the Agency.

ATHENS
ARAKELIAN ENTERPRISES, INC., dba
ATHENS SERVICES, a California Corporation

By: _____
Ron Arakelian, Jr.,
Board Chairman

By: _____
Michael Arakelian,
Vice President/Secretary

CITY
CITY OF IRWINDALE

By: _____
Mark Breceda, Mayor

ATTEST:

Deputy City Clerk

AGENCY
THE CITY OF IRWINDALE IN ITS CAPACITY
AS SUCCESSOR TO THE IRWINDALE
COMMUNITY REDEVELOPMENT AGENCY

By: _____
Mark Breceda, Chairperson

ATTEST:

Agency Assistant Secretary

APPROVED AS TO FORM:
ALESHIRE & WYNDER, LLP

City Attorney and Agency Counsel

Attachment 1: Legal Description/Depiction of Site

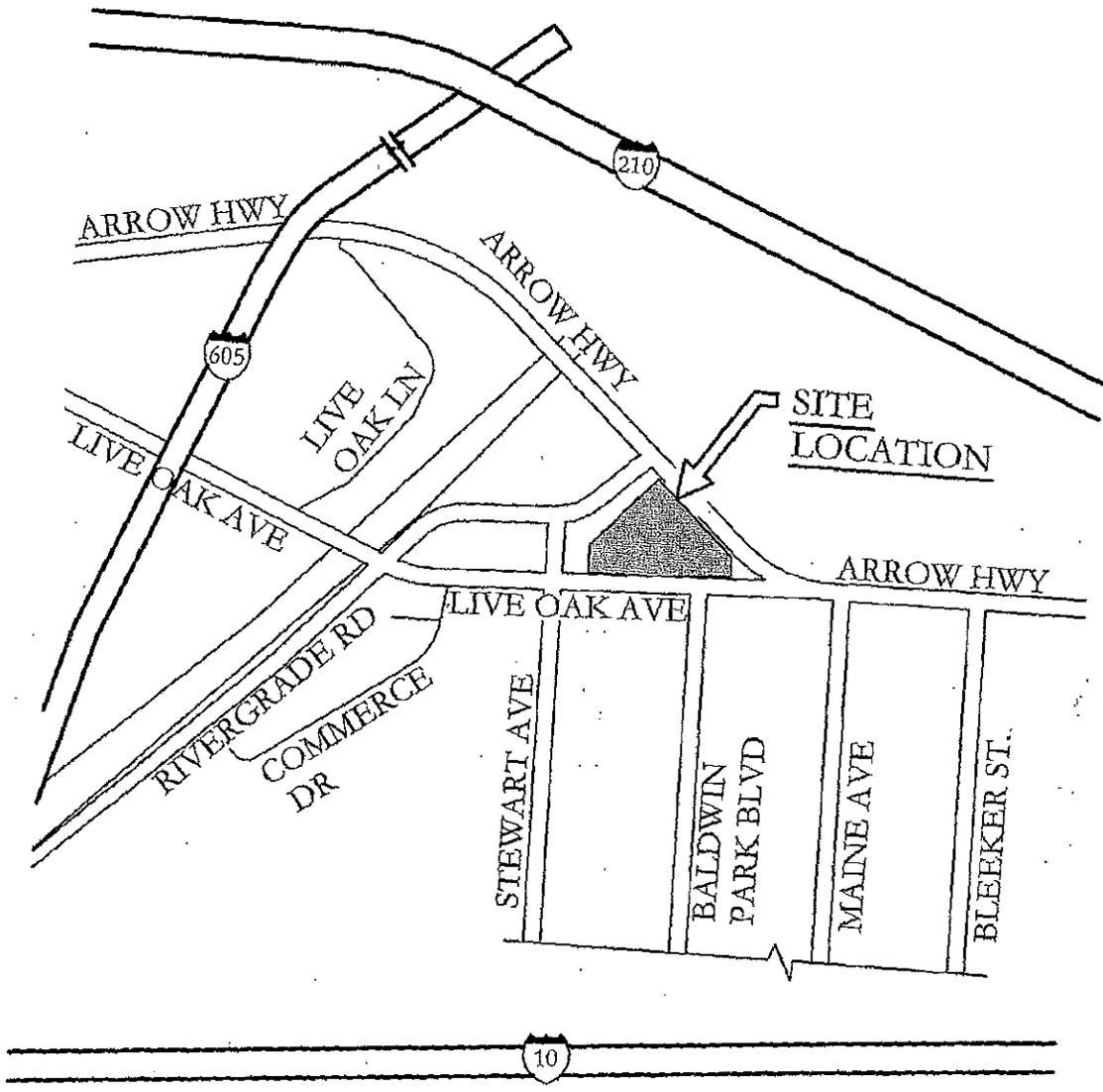
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LEGAL DESCRIPTION

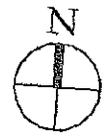
Real property in the City of Irwindale, County of Los Angeles, State of California, described as follows:

PARCEL 2 OF PARCEL MAP NO. 22152, IN THE CITY OF IRWINDALE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAP FILED IN BOOK 231 PAGES 15 THROUGH 18 INCLUSIVE OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 8535-001-911



VICINITY MAP



ATHENS - IRWINDALE
Material Recovery Facility & Transfer Station

Attachment 2: LADWP Easement Legal Depiction

erect, maintain, operate, renew and enlarge lines of poles, towers, wires, cables, and/or any other structures, including ground wires, both overhead and/or under ground, necessary or convenient for the construction, maintenance, operation, regulation and/or grounding of electrical transmission lines for the purpose of transmitting, distributing, regulating, using and controlling electrical energy, together with the right and easement for roads, ingress, egress and other convenient purposes needed or desired at any time by the Grantee; and the right and easement to construct, reconstruct, maintain and operate same and to clear and keep said real property free from explosives, buildings, structures, brush and natural wood growth and inflammable materials for the protection from fire and/or other hazards; in, under, upon, over and across all that certain real property situate in the County of Los Angeles, State of California, bounded and described as follows:

All that portion of the SE $\frac{1}{4}$ of Section 8, Township 1 South, Range 10 West, S.R. & M. lying within the boundaries of a strip of land 120 feet in width, the side lines of said strip of land being parallel with and lying 60 feet on each side of, measured at right angles to, a center line described as follows, to-wit:

Beginning at a point in the south line of said Section 8, said point being N. 89° 30' 33" E 594.78 feet, measured along said line, from the southwest corner of said Section 8; thence from said point of beginning N. 64° 42' 44" East 2421.12 feet to a point; thence N. 80° 23' 21" East, 74.87 feet to a point in the east line of said section said line being the center line of Maine Avenue, said last mentioned point being N. 0° 07' 10" West, 1383.39 feet measured along said line from the southwest corner of said Section 8; the side lines of said strip of land to be prolonged and shortened respectively so as to begin and terminate in the lines in which the above described center line begins and terminates.

TOGETHER with all necessary and/or convenient means of ingress and egress to and from said above described real property for the uses and purposes and the exercising of the rights herein granted and conveyed.

EXCEPTING AND RESERVING unto the grantor, its successors and assigns, the right to pass to and fro, over and across said lands and the right to construct, reconstruct, maintain and operate such railroads or railroad tracks, roadways, pipe lines or like means of conduit, as said grantor, its successors or assigns may deem necessary, convenient or desirable for its own benefit or use over, upon, under and across said herein described real property, together with such grazing, agricultural and mineral rights and the right to maintain, cultivate, irrigate, use, plant and replant said real property with orchards, groves, vineyards or plants to a height not exceeding twenty-five feet, and erect non-inflammable fences; or if necessary or convenient to give to any third person, firm or corporation the right to do those things which said grantor hereby expressly excepts and reserves to itself; always provided, however, said grantor, in the exercise of the rights herein excepted and reserved or any hereof, shall not in anywise whatsoever interfere with or prohibit the free and complete use and enjoyment by the grantee, its successors or assigns of the rights and/or easements hereby granted and conveyed and provided, further, that no building or other structure and no inflammable fence, material or explosive of any nature or kind shall be placed maintained or erected upon any portion of the above described real property by the grantor, its successors or assigns, except as herein otherwise specifically provided.

It is further provided, that no other easement thereon shall be given by the grantor, to any third person, firm or corporation, except for such purposes as are herein specifically and expressly reserved, without the written consent of said grantee.

TO HAVE AND TO HOLD the above mentioned easements and rights unto the City of Los Angeles, its successors and assigns forever.

IN WITNESS WHEREOF, said corporation has caused these presents to be executed by its officers thereunto duly authorized and affixed its corporate seal hereto, this 14th day of December, 1936;

UNITED CONCRETE PIPE CORPORATION,
By T. P. Polich, Vice President,
And D. L. Roberts, Secretary.

State of California, County of Los Angeles last On this 14th day of December, 1936, before me, Margaret R. Dornelley, a Notary Public in and for said County, duly commissioned personally appeared T. P. Polich, known to me to be the Vice President and D. L. Roberts, known to me to be the Secretary of UNITED CONCRETE PIPE CORPORATION, the Corporation

that executed the within instrument, known to me to be the person who executed the within instrument on behalf of the Corporation therein named and acknowledged to me that such Corporation executed the same. WITNESS my hand and official seal, Margaret H. Donnelly, Notary Public in and for said County and State.

Approved and to form this 22 day of Feb, 1937 Ray L. Chesebro, City Attorney, by Russell E. Jarvis, Deputy. Right of Way & Land Div. Clearance Approved By Ford Hendricks, Description, correct, R. F. Scattergood, Chief Electrical Eng'r. and Gen. Mgr. by Ray E. Ballinger.

RESOLVED, that deed executed by UNITED CONCRETE PIPE CORPORATION of date December 14, 1935, conveying to The City of Los Angeles, for a consideration of \$2800.00 an easement over certain real property situate in the County of Los Angeles, State of California, more particularly described in said deed, to, and the same is hereby accepted.

I HEREBY CERTIFY, that the foregoing is a full, true and correct copy of a resolution adopted by the Board of Water and Power Commissioners of the City of Los Angeles, at its meeting of Feb 26, 1937.

J. P. Vroman, Secretary, Board of Water and Power Commissioners, City of Los Angeles
#24 Copy of original recopied at request of Title Ins. Co. of Los Angeles, 3130 A.M. Copyist was compared G.L. Logan, County Recorder, by J. P. Vroman, Deputy
Feb 26 1937

(This Deed constitutes a gift and requires no revenue stamp.) GRANT DEED, Individual.

In consideration of love and affection GERALD P. MONTGOMERY, a married woman does hereby grant to GEORGE F. MONTGOMERY and PAQUITA Y. MONTGOMERY, husband and wife, as joint tenants, the real property in the City of Los Angeles, County of Los Angeles, State of California, described as:

Parcel No. 1. That certain Lot, piece or parcel of land situate, lying and being in Section 7, T. 1 S. R. 14 W., S. E. E. & M., in the City of Los Angeles, County of Los Angeles, State of California. DESCRIBED AS FOLLOWS:

Beginning at the most northerly corner of Lpt. 1 of Tract No. 11076 as shown on map of said Tract, recorded in Book 186, Pages 3 and 4 of Maps, Records of Los Angeles County, said corner being also in the easterly line of Lot 1, Block 2 of Tract No. 10122 as shown on map of said Tract, recorded in Book 144, Pages 51 to 54 inclusive of Maps, Records of said Los Angeles County; Thence N 0° 26' 26" E along the easterly line of the aforementioned Lot 1, Block 2 of said Tract No. 10122, a distance of 112.55 feet, more or less to the northeast corner of said Lot, said corner being in the southeasterly line of Belfast Drive, 25 feet in width, as shown on said map of Tract No. 10122; Thence northerly along said southeasterly line of Belfast Drive, the same being a curve concave to the northwest, tangent at the last mentioned point to a line bearing N 62° 24' 10" E and having a radius of 93.00 feet, a distance of 61.97 feet, measured along the arc of said curve to a point whereat tangent to said curve bears N 14° 43' 56" E;

Thence leaving said southeasterly line of Belfast Drive S 76° 13' 25" E a distance of 30.00 feet to a point; Thence S 41° 31' 30" E a distance of 55.93 feet to a point; Thence S 45° 14' 30" E a distance of 121.30 feet to a point; Thence N 18° 17' 30" E a distance of 61.97 feet to a point; Thence southeasterly along a curve concave to the northeast, tangent at its point of beginning to a line bearing S 25° 28' 38" E and having a radius of 127.50 feet, a distance of 13.43 feet measured along the arc of said curve to a point whereat tangent to said curve bears S 33° 04' 00" E;

Thence S 26° 47' 30" E a distance of 87.13 feet to a point; Thence S 39° 23' 30" W a distance of 62.70 feet more or less to a point in the northeasterly line of Lot 1 of Tract No. 11076 aforementioned; Thence N 47° 00' 00" W along said northeasterly line of Lot 1 of Tract No. 11076, a distance of 160.97 feet more or less to the point of beginning.

Parcel 2: The westerly 6 feet of that portion of Lot 1 Tract No. 11076 as per map recorded in Book 144, at Pages 51 to 54 of Maps, records of Los Angeles County, lying northerly of the following described line, to-wit: Beginning at the northwesterly corner of Lot 2 of said Tract No. 11076, the same lying, an angle-point in the easterly line of said Lot 1; thence North 89° 30' 25" West a distance of 20 feet, more or less to a point in the westerly line of said Lot 1.

Parcel 3: An easement for pedestrian travel over the westerly 10 feet of that portion of Lot No. 1 of said Tract No. 11076, lying southerly of the following:

21028/303 OR

QUITCLAIM DEED

THIS INSTRUMENT WITNESSETH THAT WHEREAS, on the 18th day of August, 1944, and May 4, 1944, the Board of Water and Power Commissioners of The City of Los Angeles by resolutions Nos. 178 and 800 respectively ordered the sale to the United States of America and its assigns of all the right, title and interest of the City of Los Angeles and the Department of Water and Power of The City of Los Angeles in and to the herein-after described real property, and the City Council of The City of Los Angeles on the 3rd day of September, 1942, by Ordinance No. 86,205 as amended by Ordinance No. 86408 of May 26, 1944, approved said sale.

NOW, THEREFORE, The City of Los Angeles and the Department of Water and Power of The City of Los Angeles, hereinafter collectively referred to as Grantor, in consideration of the sum of Ten Dollars (\$10.00), and other valuable considerations, receipt of which is hereby acknowledged, hereby remise, release and quitclaim unto the United States of America and its assigns all the right, title and interest of The City of Los Angeles and the Department of Water and Power of The City of Los Angeles in and to all those certain pieces and parcels of land situate and lying in the County of Los Angeles, State of California, and more particularly described as follows: That portion of that certain strip of land 120 feet in width in the SW-1/4 of Section 4, T. 1 N. 10 W., S.E.B. & M., described in deeds to the City of Los Angeles recorded in Book 13098, page 143 and in Book 13097 page 187 of Official Records of Los Angeles County, lying westerly of a line bearing N. 35° 21' 30" E. which intersects the center line of the strip of land described in said deeds at a point distant thereon N. 89° 41' 02" W. 2,020.66 feet from the center line of Irwindale Avenue; the south 120 feet of the N-1/2 of the SE-1/4 and the south 120 feet of the N-1/2 of the SW-1/4 of Section 6 of said Township and Range, as described in deeds to the City of Los Angeles recorded in Book 14334, page 79, Book 14190, page 595, Book 14190, page 808, Book 14538, page 354, Book 13877, page 148, Book 13824, page 186, and Book 13820, page 384 of said Official Records; and that portion of that certain strip of land 120 feet in width in the SE-1/4 of Section 6 of said Township and Range, described in deed to the City of Los Angeles recorded in Book 13287, page 176 of said Official Records, lying northerly of the westerly prolongation of a line which is parallel with and 195 feet northerly of the southerly line of Section 8, of said Township and Range.

Said right, title and interest being the right of way and easements for power transmission line and other purposes owned of record by the grantors, the use of which has been abandoned by said grantors by reason of the removal therefrom and the relocation elsewhere of the transmission line formerly occupying the same, all as set forth in the resolutions and ordinance above referred to.

IN WITNESS WHEREOF, the said City of Los Angeles, by its City Council, has caused this instrument to be executed in its behalf by its Mayor, to be attested by its Clerk, and its corporate seal to be hereunto affixed by said Clerk, and Department of Water and Power of The City of Los Angeles, by the Board of Water and Power Commissioners of the City of Los Angeles, has caused this instrument to be executed in its behalf by its proper officers thereunto duly authorized and its official seal to be hereunto affixed this 14th day of August, 1944.

THE CITY OF LOS ANGELES
By R. L. Burns, Acting Mayor

Attest:
(Seal) Walter G. Paterson, City Clerk

DEPARTMENT OF WATER AND POWER OF THE CITY OF LOS ANGELES BY BOARD OF WATER AND POWER COMMISSIONERS OF THE CITY OF LOS ANGELES
By R. A. Hartner, President
And Joseph L. Williams, Secretary

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES. On this 21st day of August, 1944, before me, J. E. Hopper, a Notary Public in and for said County and State, duly commissioned and sworn, personally appeared R. L. Burns, known to me to be the Acting Mayor, and WALTER G. PATERSON, known to me to be the City Clerk of the City of Los Angeles, the municipal corporation that executed the within instrument, known to me to be the persons who executed the within instrument on behalf of said The City of Los Angeles, and acknowledged to me that such municipal corporation executed the same. IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

J. E. Hopper, Notary Public in and for said County and State.

21885
STATE OF CALIFORNIA, COUNTY OF LOS ANGELES. On this 14th day of August, 1944, before me, Leo A. Strome, a Notary Public in and for said County and State, duly commissioned and sworn, personally appeared M. A. Haffner, known to me to be the President, and Joseph L. Williams, known to me to be the Secretary of the Board of Water and Power Commissioners of the City of Los Angeles, the municipal corporation that executed the within instrument, known to me to be the persons who executed the within instrument on behalf of said Department of Water and Power of the City of Los Angeles, and acknowledged to me that such municipal corporation executed the same. IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.
(Seal)

Leo A. Strome, Notary Public in and for said County and State.

DESCRIPTION APPROVED WM. S. PETERSON Engineer of Design and Construction By L. T. Mariner AUTHORIZED BY RES. 880 5-4-44 APPROVED AS TO FORM AND LEGALITY RAY L. CHESEBRO City Attorney May 22, 1944 By Cecil A. Borden (CECIL A. BORDEN) Deputy
#1286 Copy of original recorded at request of WAR DEPARTMENT OFFICE OF THE DIVISION ENGINEER, May 7, 1945, 10:18 A.M., Copyist #105 Compared, Mame B. Beatty, County Recorder, #1.70-12-B.

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS THAT, I, Walter Buckner HANNER do hereby appoint Evelyn Oriskhanck HANNER as my attorney for me and in my name, to demand, sue for, and receive all debts, moneys, securities, goods, chattels, legacies or other personal property to which I am now or may hereafter become entitled, or which are now or may become due, owing or payable to me from any person or persons whomsoever; and in my name to give effectual receipts and discharge for the same; to draw and endorse checks; to make and execute any and all contracts, to execute original notes; to assign stocks and bonds and generally transact any and all business for me incident thereto; to sell and convey my real estate and appurtenances and all parcels thereof wherever situate and for such price as my herein named attorney shall deem advisable, with full authority to give a good receipt therefor, which receipt shall release the person paying such money from being to the application thereof or being responsible for the loss or misapplication thereof; and my said attorney is hereby vested with all rights to sign and seal as my act and deed any instruments in writing necessary for carrying into effect any act hereunder.

I hereby ratify whatsoever my said attorney shall lawfully do and cause to be done in or concerning the premises by virtue of these presents.

IN WITNESS WHEREOF I have hereunto set my hand and seal this 9th day of March,

1945.

Witnessed, signed, sealed and delivered in the presence of:

Walter Buckner Hanner. (15)

Francis L. Schubert 2nd Lt U.S.M.C.

Wm. W. Spates Esq.

STATE OF NORTH CAROLINA, COUNTY OF CRAVEN. On this 9th day of March, 1945, before me personally came First Lieutenant Walter Buckner Hanner, USMC, to me known and known by me to be the same person mentioned in, and whose name is signed to, the foregoing instrument, and he duly acknowledged to me that he executed the same.

John C. Eddy (JOHN C. EDDY), 1st Lt, USMC.

Authority Act of Congress of April 9, 1943.

#1507 Copy of original forwarded at request of APPOINTING, May 9 1945, 11:28 A.M., Copyist #105 Compared, Mame B. Beatty, County Recorder, #1.00-4-B.

Ray L. Cheesbro Deputy

U.S.I.R.S. #9-35 Cancelled

GRANT DEED

IN CONSIDERATION of \$10.00, receipt of which is acknowledged, RAYMOND FERINE and LUCRETTA V. D. FERINE, husband and wife do hereby grant to STANLEY A. KOCH and DELLA M. KOCH, husband and wife, as joint tenants, with right of survivorship the real property in the city of Santa Monica County of Los Angeles, State of California, described as:

Lot "W" Block 42 of Santa Monica, in the city of Santa Monica, County of Los Angeles State of California, as per map recorded in Book 3 Pages 30 and 31 and in book 39 page 45 at seq. Miscellaneous records of said county. Subject to the general and special

Attachment 3: SCE Easement Legal Depiction

11/15/2024 10:00 AM

RECORDING REQUESTED BY
 SOUTHERN CALIFORNIA EDISON COMPANY
 FIRST AMERICAN TITLE COMPANY OF L.A.
 COUNTY OF IRVINDALE

WHEN RECORDED MAIL TO
 SOUTHERN CALIFORNIA EDISON COMPANY

P.O. Box 470
 LONG BEACH, CA 90801

ATTN: REAL PROP. AND ADMIN. SVCS.
 LAND RIGHTS

93 314324

RECORDED IN OFFICIAL RECORDS
 OF LOS ANGELES COUNTY, CA
 FEB 19 1993 AT 8 A.M.
 Recorder's Office

FEE \$14 G
 4

SPACE ABOVE THIS LINE FOR RECORDER'S USE

DOCUMENTARY TRANSFER TAX \$
 COMPUTED ON FULL VALUE OF PROPERTY CONVEYED
 OR COMPUTED ON FULL VALUE LESS LIENS AND
 ENCUMBRANCES REMAINING AT TIME OF SALE
Willa J. ... SOUTHERN CALIF. EDISON CO.
 SIGNATURE OF DECLARANT OR AGENT DETERMINING TAX FIRM NAME
Willa and Associates, less than \$100
 Location: City of Irwindale
 A.P.N. 8535-001-911

GRANT OF EASEMENT

APPROVED BY MANAGER
 REAL PROP. & ADMIN. SER.
 DATE 5/21/92
 BY R.D.
 FEB 19 1993
 70294
 6800

IRVINDALE COMMUNITY REDEVELOPMENT AGENCY, a public body, corporate and politic, established under the "Community Redevelopment Laws" of the State of California, hereinafter referred to as "Grantor", hereby grants to SOUTHERN CALIFORNIA EDISON COMPANY, a corporation, its successors and assigns, hereinafter referred to as "Grantee", all those certain permanent easements and rights of way to construct, operate, use, maintain, alter, add to, reconstruct, enlarge, repair, renew, replace, inspect, improve, interest, relocate, and/or remove, at any time and from time to time, underground electrical systems and communication systems, hereinafter referred to as "systems", consisting of wires, underground conduits, cables, vaults, manholes, handholes, and including above-ground enclosures, markers and concrete pads and other appurtenant fixtures and equipment necessary or useful for conveying electric energy to be used for light, heat, power and for transmitting intelligence by electrical means and/or other purposes, in, under, on, over, along and across that certain real property in the City of Irwindale, County of Los Angeles, State of California, as described on the attached Exhibit "A" and by this reference made a part hereof.

Grantor further grants, bargains, sells and conveys unto the Grantee the right of assignment, in whole or in part, to others, without limitation, and the right to apportion or divide in whatever manner Grantee deems desirable, any one or more, or all, of the easements and rights, including but not limited to all rights of access and ingress and egress granted to the Grantee by this Grant of Easement.

Grantor hereby also grants to Grantee, its successors and assigns, and its and their contractors, agents and employees, the right of free access to said systems and every part thereof, at all times, for the purpose of exercising the rights herein granted, and the right to clear and to keep clear the above described real property, free from explosives, buildings, structures, equipment, brush, combustible material and any and all other obstructions of any kind, including but not limited to planter boxes, walls, fences (other than farm, grazing or pasture fences) and earth fill and the right to trim or remove any tree, tree root, vine, or shrub which, in the opinion of Grantee, may endanger said systems, or any part thereof, or interfere with the exercise of the rights herein granted.

Grantor shall not excavate or change, nor permit the excavation or changing of the surface of the ground of the above described real property without the previous written consent of Grantee.

The terms, covenants and conditions of this Grant of Easement shall bind and inure to the benefit of the heirs and assigns of Grantor and the successors and assigns of Grantee.

9-217043-5D

Grant of Easement
Irwindale Community
Redevelopment Agency, to
S.C.E. Co., a corp.
Serial No. 32434A

EXECUTED this 28 day of July, 1992.

IRWINDALE COMMUNITY
REDEVELOPMENT AGENCY

By George Caswell
Executive Director

By _____

GRANTOR

STATE OF CALIFORNIA }
COUNTY OF Los Angeles } ss.

On July 28, 1992, before me, Kathleen L. Guerrero,
personally appeared George Caswell and
personally known to me (or proved to me on the basis of satisfactory evidence) to
be the persons whose names are subscribed to the within instrument and
acknowledged to me that they executed the same in their authorized capacities
and that by their signatures on the instrument the persons, or the entity upon
behalf of which the persons acted, executed the instrument.

WITNESS my hand and official seal,

Kathleen L. Guerrero



93 314324

Serial 62424A

EXHIBIT "A"

The Northeasterly 23.00 feet of Parcel 2 of Parcel Map No. 22152 in the City of Irwindale, County of Los Angeles, State of California, as shown on the map filed in Book 231, pages 15 through 18 of Parcel Maps in the office of the County Recorder of said County.

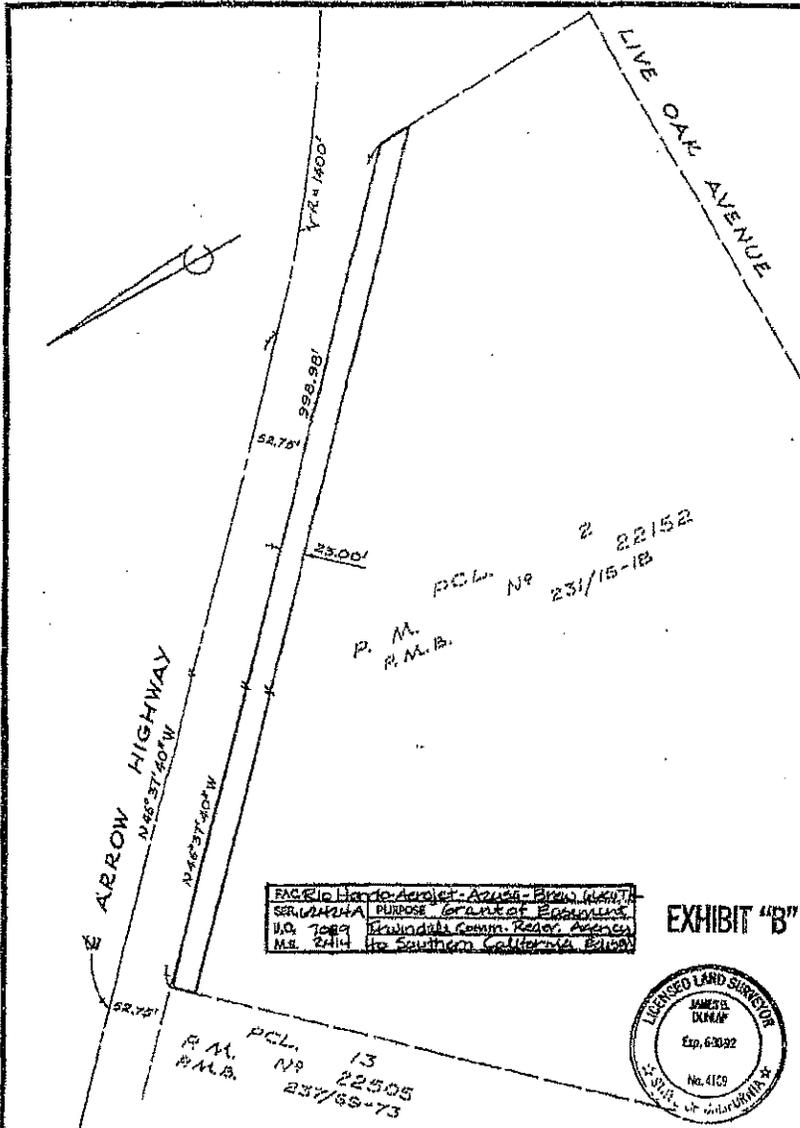
Subject to covenants, conditions, reservations, restrictions, rights of way and easements, if any, of record.

Approved as to legal description:

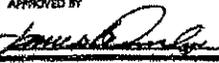


Signed James B. Dunlap
Date 7-7-92

4



93 314324

 WILLIAMSON & SCHMID CONSULTING CIVIL ENGINEERS AND LAND SURVEYORS 18101 Red Hill Avenue • Tustin, California 92680 714/250-7900 • 714/250-0210 FAX	Sketch to accompany a legal description.	SCALE 1" = 100' DRAWN BY CAR SURVEYED BY CHECKED BY R.G.M. FIELD BOOK
	APPROVED BY  L.S. 4109	S.C.E. CO. EASEMENT (REDEVELOPMENT AGENCY)

Attachment 4: Project Depiction

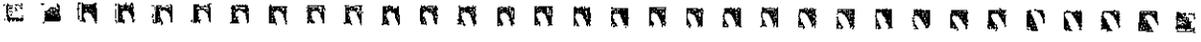


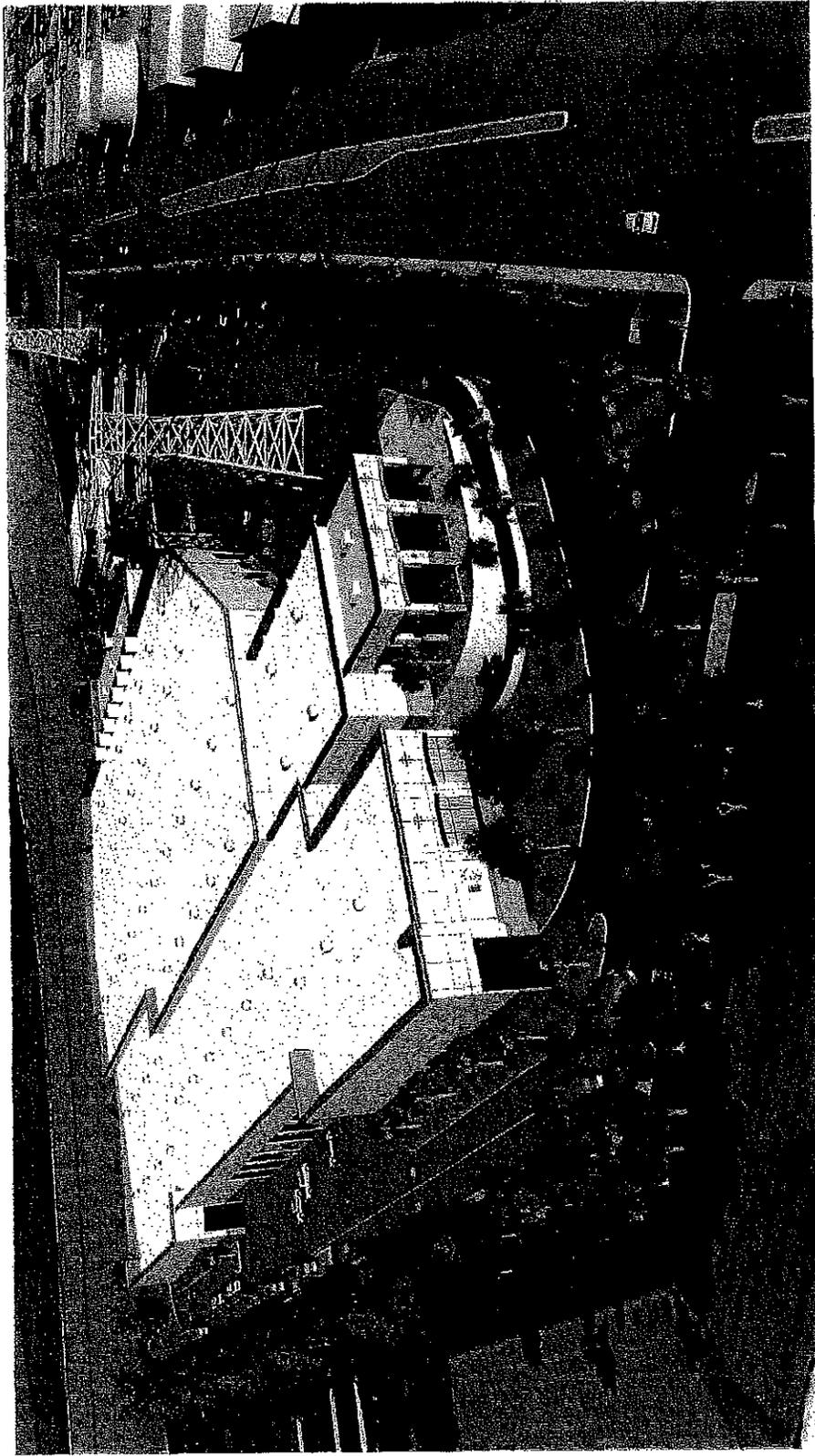
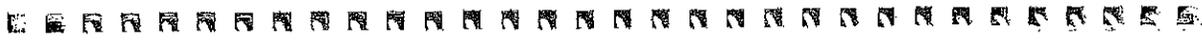
**ATHENS-IRWINDALE
Material Recovery Facility and Transfer Station**

ARROW HIGHWAY
IRWINDALE, CA

PROJECT AERIAL VIEW FROM
1.5VE OAK AVE AND ARROW HIGHWAY
18 AUGUST 2018

401.0000
ACQUISITION
DATE 12/18/2018
© 2018



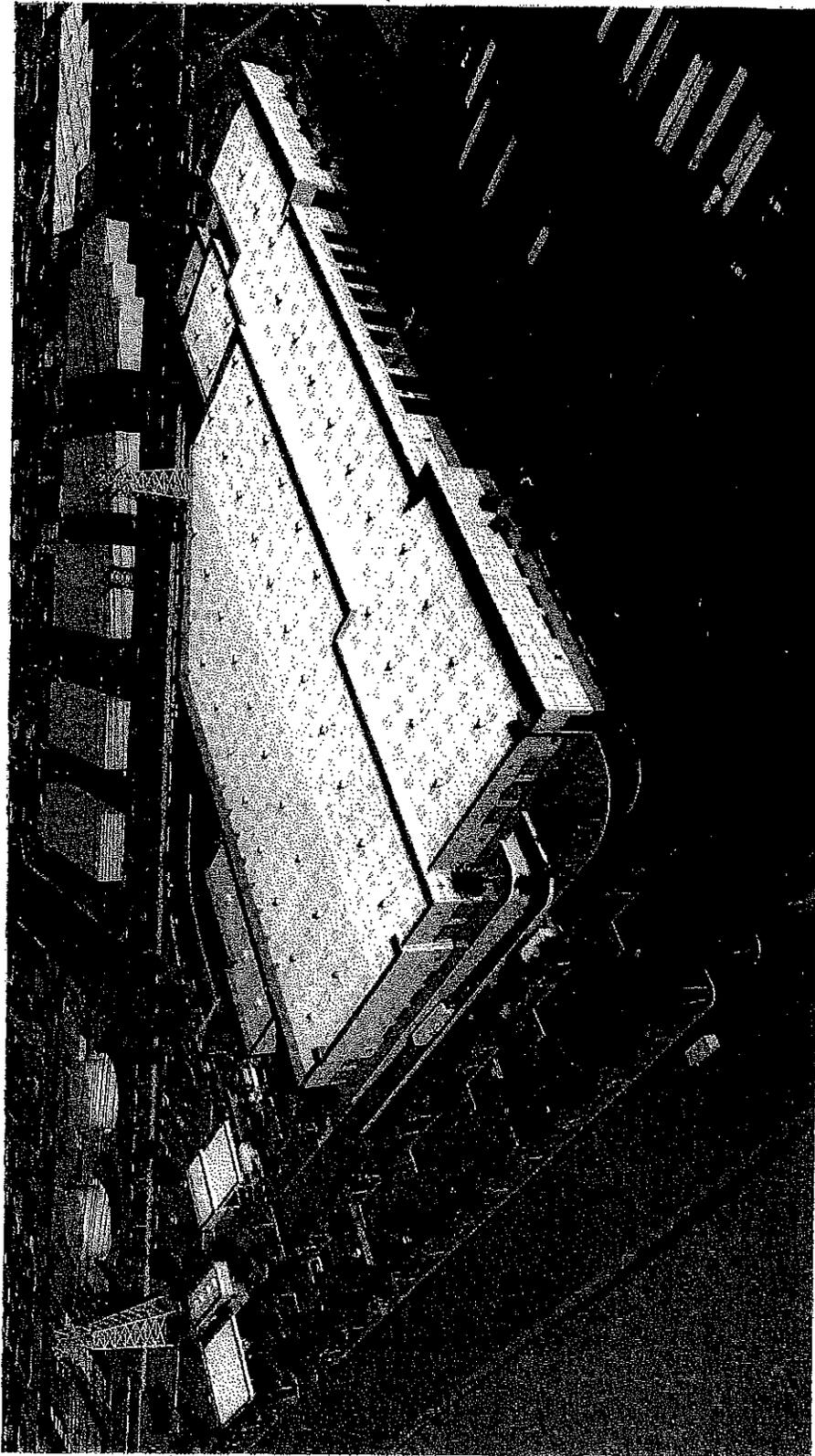


**ATHENS-IRWINDALE
Material Recovery Facility and Transfer Station**

PROJECT AERIAL VIEW FROM
LIVE OAK AVENUE
IRVINDALE

ARROW HIGHWAY
IRVINDALE, CA

DATE 8/20/03
PROJECT NO. 03-001
DRAWING NO. 03-001-01
SCALE 1" = 100'



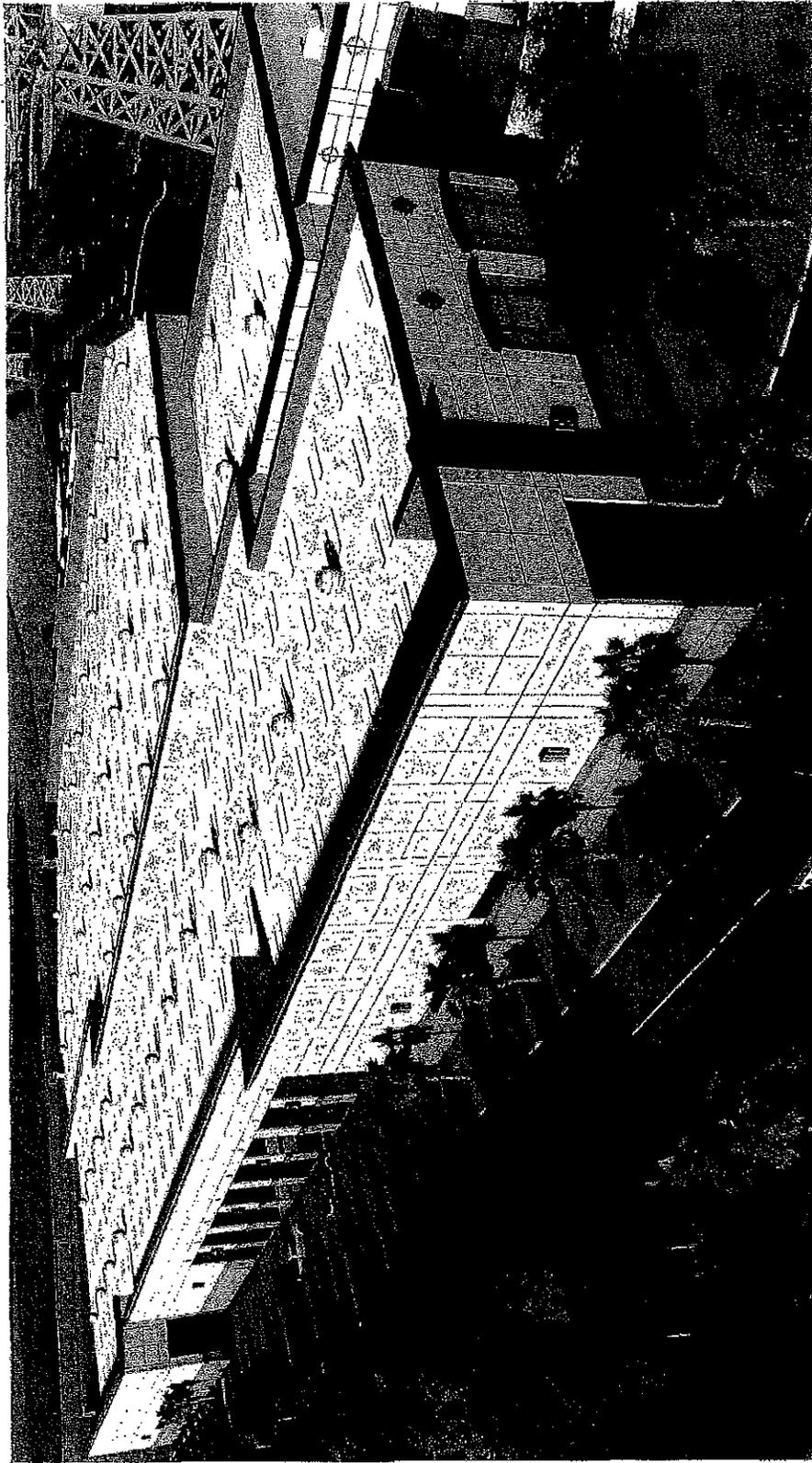
**ATHENS-IRWINDALE
Material Recovery Facility and Transfer Station**

PROJECT AERIAL VIEW
LOOKING SOUTH
8 AUGUST 2005

ATHECW HIGHWAY
IRWINDALE, CA

FOR FILE
ARCHITECTS
ENGINEERS
PLANNERS
AND ENVIRONMENTAL SCIENTISTS

0 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100

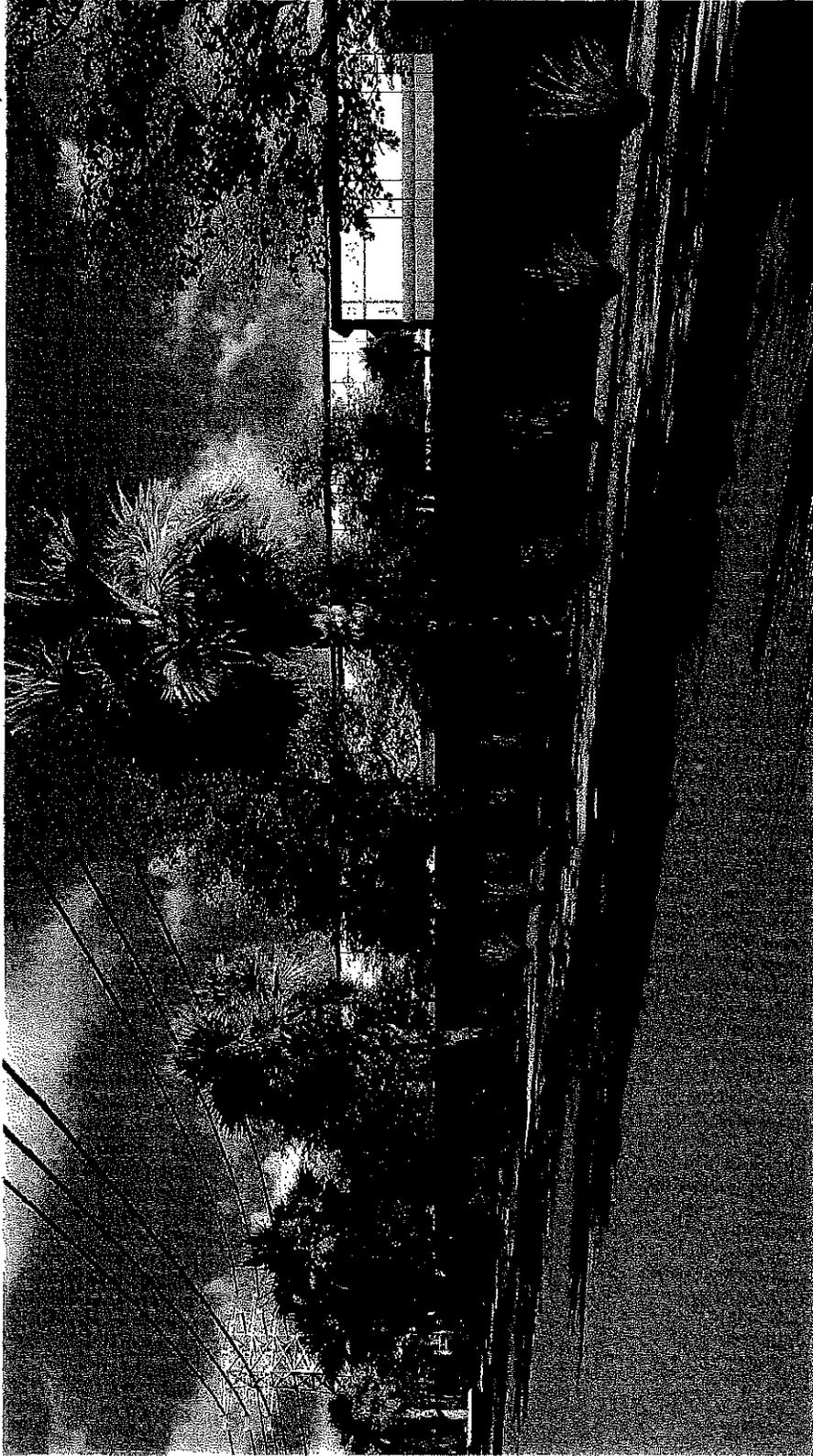


ATHENS-IRWINDALE Material Recovery Facility and Transfer Station

ELEVATED VIEW OF GREEN WASTE/
SELF-HAUL / C/D AREA
14 AUGUST 2015

ARROW HIGHWAY
IRWINDALE, CA

© 2015
MCM GROUP
A PRINCIPAL
OF CH2M HILL

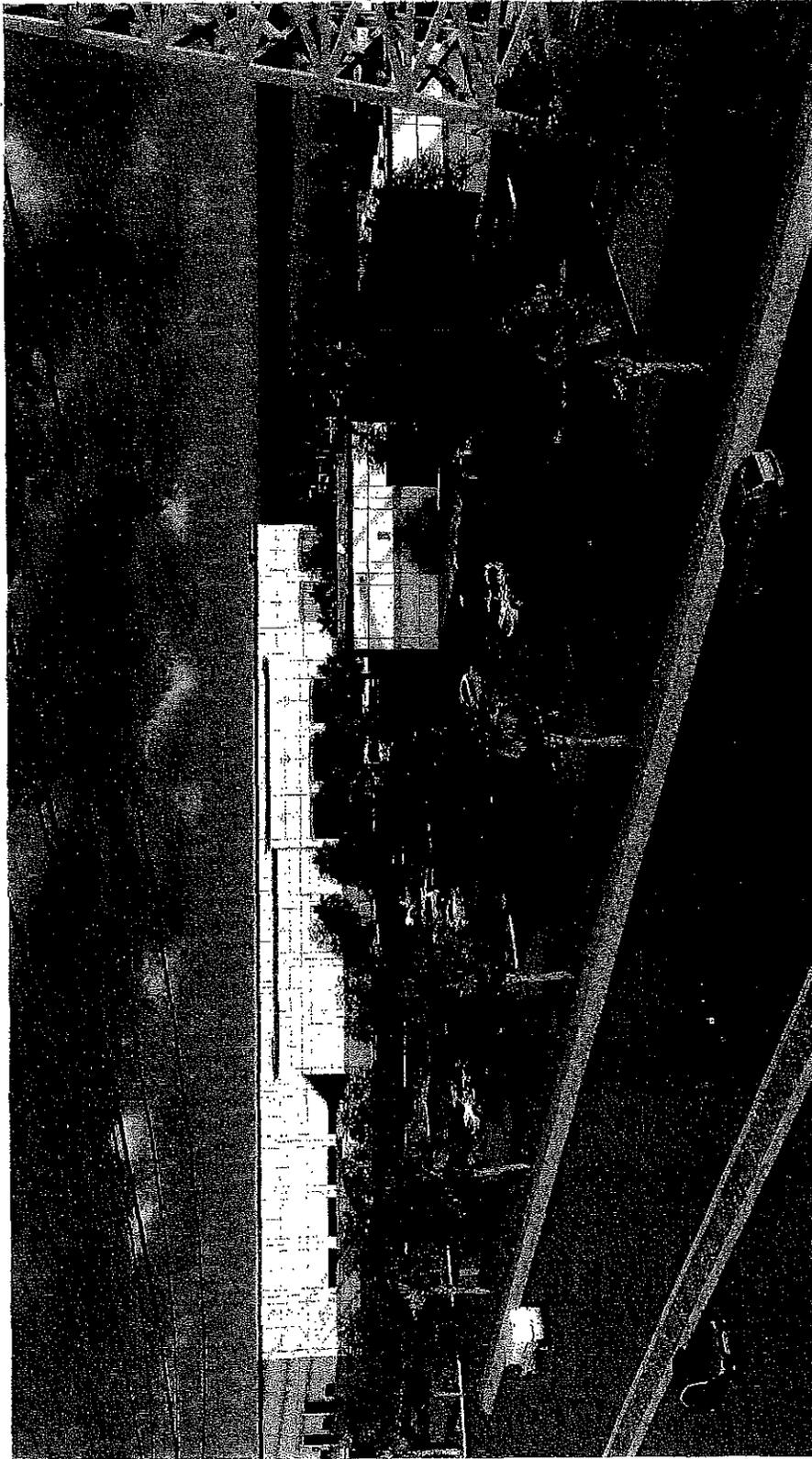


ATHENS-IRWINDALE
Material Recovery Facility and Transfer Station

STREET VIEW FROM WESTBOUND
LIVE OAK AVENUE
11/10/2015 10:56

ARROW HIGHWAY
IRWINDALE, CA

10/1/2015
10:56 AM
11/10/2015 10:56

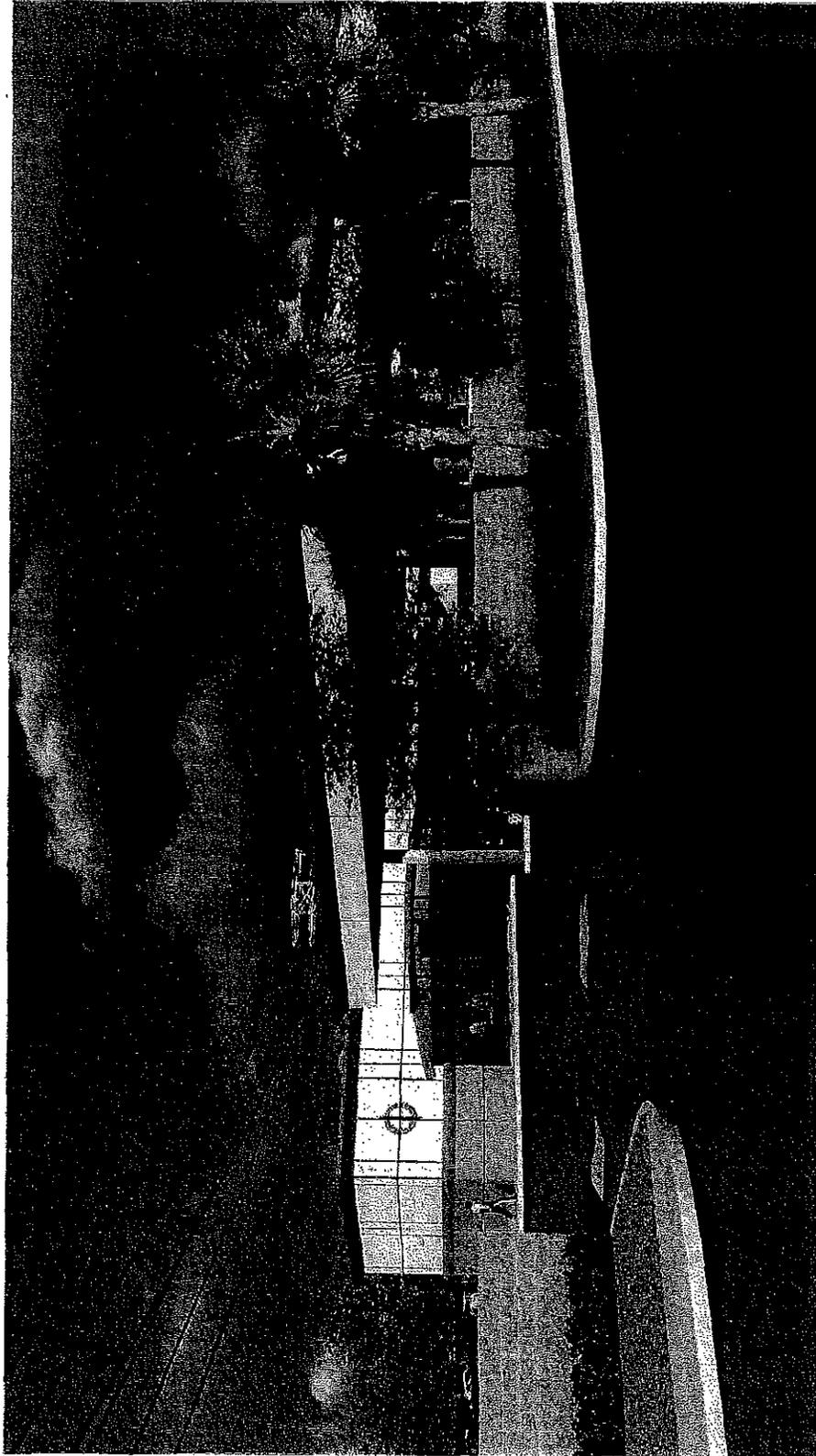


ATHENS-IRWINDALE
Material Recovery Facility and Transfer Station

ELEVATED VIEW STREET LEVEL VIEW FROM
WESTBOUND LIVE OAK AVENUE
10 AUGUST 2010

ARROW HIGHWAY
IRWINDALE, CA

AMT PHOTO
AUGUST 2010
ARROW HIGHWAY
IRWINDALE, CA



ATHENS-IRWINDALE
Material Recovery Facility and Transfer Station

VIEW FROM ARROW NORTHBOUND
(CONVENIENCE STORE)
14 AUGUST 2018

ARROW HIGHWAY
IRWINDALE, CA

ARCHITECT
JOHN WILSON
11111
11111
11111

Attachment 5: Schedule of Performance

Attachment 5
SCHEDULE OF PERFORMANCE

<u>Event</u>	<u>Item To Be Performed</u>	<u>Time For Performance</u>	<u>Agreement Reference</u>
1.	Agency and City conduct duly-noticed public hearing on DDA and FEIR	May 25, 2016	DDA § 216
2.	City files Notice of Determination for FEIR	May 26, 2016	N/A
3.	Oversight Board conducts duly-noticed public hearing on DDA	June 9, 2016	N/A
4.	State of California Department of Finance approves (or is deemed to have approved) or disapproves DDA	Within 45 days from Oversight Board Approval	N/A
5.	Execution of DDA	Within one (1) Business Day of the City's adoption of the DDA by ordinance	N/A
6.	Effective Date of DDA	Sixty (60) days following the City's adoption of the DDA by ordinance	DDA § 217
7.	Commencement of Feasibility Period	Upon the Effective Date (Event 6 above)	DDA § 222
8.	Notice Planning Commission public hearing for GPA, ZC, DA, CUP, SP&DR, CUP, and FA	08/05/16	N/A
9.	Planning Commission public hearing for recommendation to City Council	08/17/16	N/A
10.	City notices City Council public hearing	09/02/16	N/A
11.	City Council public hearing (including first reading of ordinances for General Plan Amendment, Zone Text Amendment, and Development Agreement)	09/14/16	N/A

<u>Event</u>	<u>Item To Be Performed</u>	<u>Time For Performance</u>	<u>Agreement Reference</u>
12.	SP&DR, CUP, and Franchise Agreement become effective	09/26/16	N/A
13.	City Council public hearing (second reading of ordinances for General Plan Amendment, Zone Text Amendment, and Development Agreement)	09/28/16	N/A
14.	General Plan Amendment, Zone Text Amendment, and Development Agreement ordinances become effective	10/31/16	N/A
15.	Athens orders Preliminary Title Report for Agency Parcel	60 days prior to Closing	DDA § 406(3)
16.	Athens approves or disapproves title exceptions shown in Preliminary Title Report pursuant to delivery of Title Exceptions Notice	30 days prior to Closing	DDA § 406(3)
17.	Agency notifies Athens whether Agency will cure any disapproved exceptions or public easements	Within seven (7) days after receiving Title Exceptions Notice	DDA § 406(3)
18.	Athens submits application to California Integrated Waste Management Board (CIWMB) for Solid Waste Facilities Permit (SWFP)	Within sixty (60) days of Event 14	DDA Recital J(8)
19.	Athens responds to written inquiries received by CIWMB regarding SWFP application	Within thirty (30) days of receipt of such written inquiry	N/A
20.	Athens responds to written inquiries received by LADWP regarding sub-easement or license of LADWP easement area	Within thirty (30) days of receipt of such written inquiry	DDA § 404(1)(d)
21.	Athens responds to written inquiries received by SCE regarding sub-easement or license of SCE easement area	Within thirty (30) days of receipt of such written inquiry	DDA § 404(1)(d)

<u>Event</u>	<u>Item To Be Performed</u>	<u>Time For Performance</u>	<u>Agreement Reference</u>
22.	Athens prepares and submits to City its Schematic Design Drawings for the Project	Within ninety (90) day of Event 14	N/A
23.	City reviews and approves or disapproves the Schematic Design Drawings	Within sixty (60) days of Event 22	N/A
24.	Athens prepares and submits to City Design Development Drawings and Preliminary Landscape Plans for the Project	Within ninety (90) day of Event 23	N/A
25.	City reviews and approves or disapprove the Design Development Drawings and Preliminary Landscape Plans	Within thirty (30) days of Event 24	N/A
26.	Athens submits final building plans (Construction Drawings) for the Project	Within sixty (60) days of Event 25	N/A
27.	City reviews and approves or disapproves the final building plans (Construction Drawings) for the Project	Within ninety (90) days of Event 26	DDA § 404(2)(b)
28.	Opening of Escrow	The last to occur of the execution of the DDA, the City Agreements, the Other Agreements, and the adoption of the Ordinances (as such terms are defined in the DDA)	DDA § 403
29.	Expiration of Feasibility Period; Athens approves or disapproves of the Site condition	Fifteen (15) days after Opening of Escrow	DDA § 222
30.	Escrow Agent gives notice of fees, charges, costs, and documents to close Escrow	No more than sixty (60) days after the opening of Escrow	DDA § 405(2)

<u>Event</u>	<u>Item To Be Performed</u>	<u>Time For Performance</u>	<u>Agreement Reference</u>
31.	Deposits into Escrow by Agency: <ul style="list-style-type: none"> a) the Deed for the Site, executed and acknowledged by Agency; b) the executed and acknowledged CC&Rs in recordable form; c) a FIRPTA Certificate; d) payment to Escrow Agent of Agency's share of Escrow costs, title and transfer fees, each as determined by the Escrow Agent pursuant to Section 405; and e) Approvals received from the DOF or other such documents relating to the PMP as reasonably needed by Athens for it to obtain a satisfactory condition of Title 	On or before, but not later than one (1) business day prior to the date set for the Closing	DDA § 404(1)
32.	Deposits into Escrow by Athens: <ul style="list-style-type: none"> a) an estoppel certificate certifying that Agency has completed all acts, other than as specified, necessary for conveyance, if such be the fact; b) the executed and acknowledged CC&Rs in recordable form; c) the Purchase Price; and d) payment to Escrow Agent of Athens' share of Escrow costs, title and transfer fees, each as determined by the Escrow Agent pursuant to Section 405 	On or before, but not later than one (1) business day prior to the date set for the Closing	DDA § 404(2)

<u>Event</u>	<u>Item To Be Performed</u>	<u>Time For Performance</u>	<u>Agreement Reference</u>
33.	Close of Escrow	Within thirty (30) days of the satisfaction of all conditions to closing pursuant to the DDA	DDA § 405

It is understood that the foregoing Schedule of Performance is subject to all of the terms and conditions set forth in the text of the Disposition and Development Agreement, including any events of Enforced Delay. The summary of the items of performance in this Schedule of Performance is not intended to supersede or modify the more complete description in the text; in the event of any conflict or inconsistency between this Schedule of Performance and the text of the Disposition and Development Agreement, the text shall govern.

The time periods set forth in this Schedule of Performance may be altered or amended only by written agreement signed by both Athens and City. However, minor adjustments may be implemented by the City Manager as needed to conform the above Schedule with the Parties' actual performance of agreements and/or undertaking of Project activities. A failure by either Party to enforce a breach of any particular time provision shall not be construed as a waiver of any other time provision. The Executive Director of Agency and City Manager of the City shall have the authority to approve extensions of time without Agency Board or City Council action, respectively, not to exceed a cumulative total of 180 days.

Attachment 6: Grant Deed

FREE RECORDING REQUESTED BY

City of Irwindale
5050 N. Irwindale Ave.
Irwindale, CA 91706
Attn: City Manager

**AND WHEN RECORDED RETURN TO AND
MAIL TAX STATEMENTS TO:**

Athens Services
P.O. Box 6009
City of Industry, CA 91716-0009
Attention: President

(Space Above This Line for Recorder's Office Use Only)
(Exempt from Recording Fee per Gov. Code §6103)

GRANT DEED

FOR A VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, the CITY OF IRWINDALE ACTING AS SUCCESSOR AGENCY TO THE IRWINDALE REDEVELOPMENT AGENCY, a public body, corporate and politic ("**Grantor**") acting under the California Community Redevelopment Law (Health & Safety Code Section 33000 *et seq.*) hereby grants to ARAKELIAN ENTERPRISES, INC., dba ATHENS SERVICES, a California Corporation ("**Grantee**"), that certain real property in the City of Irwindale, County of Los Angeles, State of California, as more particularly described in Exhibit "A" attached hereto and incorporated herein by this reference (the "**Site**").

As conditions of this conveyance, Grantee covenants by and for itself and any successors-in-interest for the benefit of Grantor and the City of Irwindale, a municipal corporation, as follows:

1. Governing Documents. The Site is being conveyed subject to the terms of that certain Disposition and Development Agreement between Grantor and Grantee dated _____ (the "DDA") and that certain Development Agreement dated _____ (the "DA"). The DDA and DA are public records on file in the office of the City Clerk of the City of Irwindale, located at 5050 North Irwindale Avenue, Irwindale, CA 91706, and are incorporated herein by this reference. Grantee covenants and agrees for itself and its successors and assigns to use, operate and maintain the Site in accordance with the DDA and DA.

2. Uses. Grantee covenants and agrees for itself, its successors, its assigns, and every successor in interest to the Site or any part thereof, that upon the date of this Grant Deed and during construction through completion of development and thereafter, Grantee shall devote the Site to the uses specified in the DDA, DA, and this Grant Deed for the periods of time specified therein. All uses conducted on the Site shall conform to the DDA and/or DA and all applicable provisions of the City's Municipal Code. The foregoing covenants shall run with the land.

3. Term of Restriction. Grantee hereby covenants and agrees for itself, its successors, its assigns, and every successor-in-interest to the Site that Grantee, such successors and such assigns, shall not develop, operate, maintain or use the Site in violation of the terms and conditions of the DDA and/or DA (unless expressly waived in writing by Grantor) for the term of either the DDA or DA, whichever term is longer; provided that, however, the covenants contained in Section 5 shall remain in effect in perpetuity.

4. **Reservation of Existing Streets.** Grantor excepts and reserves any existing street, proposed street, or portion of any street or proposed street lying outside the boundaries of the Site which might otherwise pass with a conveyance of the Site.

5. **Non-Discrimination.** Grantee covenants that there shall be no discrimination against, or segregation of, any persons, or group of persons, on account of race, color, creed, religion, sex, marital status, age, ancestry, or national origin in the rental, sale, lease, sublease, transfer, use, occupancy, or enjoyment of the Site, or any portion thereof, nor shall Grantee, or any person claiming under or through Grantee, 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, subtenants, sublessees, or vendees of the Site or any portion thereof. The nondiscrimination and non-segregation covenants contained herein shall remain in effect in perpetuity.

6. **Form of Nondiscrimination Clauses in Agreements.** Grantee shall refrain from restricting the rental, sale, or lease of any portion of the Site on the basis of race, color, creed, religion, sex, marital status, age, ancestry, or national origin of any person. All such deeds, leases, or contracts shall contain or be subject to substantially the following nondiscrimination or non-segregation clauses:

(a) **Deeds:** In deeds the following language shall appear: "The grantee herein covenants by and for itself, its 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 race, color, creed, religion, sex, marital status, age, ancestry, or national origin in the sale, lease, rental, sublease, transfer, use, occupancy, tenure, or enjoyment of the land herein conveyed, nor shall the grantee itself, or any persons 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, lessees, subtenants, sublessees, or vendees in the land herein conveyed. The foregoing covenants shall run with the land."

(b) **Leases:** In leases the following language shall appear: "The lessee herein covenants by and for itself, its heirs, executors, administrators, successors, and assigns, and all persons claiming under or through them, 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 race, color, creed, religion, sex, marital status, age, ancestry, or national origin in the leasing, subleasing, renting, transferring, use, occupancy, tenure, or enjoyment of the land herein leased nor shall the lessee 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, lessees, sublessees, subtenants, or vendees in the land herein leased."

(c) **Contracts:** In contracts pertaining to conveyance of the realty the following language shall appear: "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, age, ancestry, or national origin in the sale, lease, rental, sublease, transfer, use, occupancy, tenure, or enjoyment of the land, nor shall the transferee 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, lessees, subtenants, sublessees, or vendees of the land."

The foregoing covenants shall remain in effect in perpetuity.

7. **Mortgage Protection.** No violation or breach of the covenants, conditions, restrictions, provisions or limitations contained in this Deed shall defeat or render invalid or in any way impair the lien or charge of any mortgage, deed of trust or other financing or security instrument permitted by and approved by Grantor pursuant to the DDA or DA; provided, however, that any successor of Grantee to the Site shall be bound by such remaining covenants, conditions, restrictions, limitations and provisions, whether such successor's title was acquired by foreclosure, deed in lieu of foreclosure, trustee's sale or otherwise.

8. **Covenants to Run With the Land.** The covenants contained in this Deed shall be construed as covenants running with the land and not as conditions which might result in forfeiture of title, and shall be binding upon Grantee, its heirs, successors and assigns to the Site, whether their interest shall be fee, easement, leasehold, beneficial or otherwise.

9. **DOF Approval.** The Agreement and the transfer contemplated by this Deed was approved by the California Department of Finance ("DOF") as evidenced by that certain letter from the DOF dated 05/13/2014, a copy of which is attached hereto as Exhibit "B" and incorporated herein by reference ("**DOF Approval Letter**").

IN WITNESS WHEREOF, Grantor and Grantee have caused this instrument to be executed on their behalf by their respective officers or agents hereunto as of the date first above written.

GRANTOR:

THE CITY OF IRWINDALE ACTING AS
SUCCESSOR AGENCY TO THE IRWINDALE
REDEVELOPMENT AGENCY

By: _____
_____, Chair

ATTEST:

By: _____
_____, Agency Clerk

APPROVED AS TO FORM:
ALESHIRE & WYNDER, LLP

By: _____
Fred Galante, Agency Counsel

ACCEPTANCE BY GRANTEE

By its acceptance of this Deed, Grantee hereby agrees as follows:

1. Grantee expressly understands and agrees that the terms of this Deed shall be deemed to be covenants running with the land and shall apply to all of the Grantee's successors and assigns (except as specifically set forth in the Deed).
2. The provisions of this Deed are hereby approved and accepted.

Dated: _____

ARAKELIAN ENTERPRISES, INC., dba ATHENS SERVICES, a California corporation

By: _____
Ron Arakelian, Jr., Board Chairman

By: _____
Michael Arakelian, Vice President/Secretary

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On _____, before me, _____, personally
appeared _____

_____ personally
known to me (or 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.

Witness my hand and official seal.

Notary Public

[SEAL]

STATE OF _____)
) ss.
COUNTY OF _____)

On _____, before me, _____, personally
appeared _____ personally

known to me (or 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.

Witness my hand and official seal.

Notary Public

[SEAL]

EXHIBIT "A"
LEGAL DESCRIPTION OF SITE

LEGAL DESCRIPTION

Real property in the City of Irwindale, County of Los Angeles, State of California, described as follows:

PARCEL 2 OF PARCEL MAP NO. 22152, IN THE CITY OF IRWINDALE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAP FILED IN BOOK 231 PAGES 15 THROUGH 18 INCLUSIVE OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 8535-001-911

EXHIBIT "B"
DOF APPROVAL LETTER



DEPARTMENT OF
FINANCE

EDMUND G. BROWN JR. • GOVERNOR

915 L STREET ■ SACRAMENTO CA ■ 95814-3705 ■ WWW.DOF.CA.GOV.

August 8, 2014

Ms. Eva Carreon, Finance Director
City of Irwindale
5050 N. Irwindale Avenue
Irwindale, CA 91706

Dear Ms. Carreon:

Subject: Long-Range Property Management Plan

Pursuant to Health and Safety Code (HSC) section 34191.5 (b), the City of Irwindale Successor Agency (Agency) submitted a Long-Range Property Management Plan (LRPMP) to the California Department of Finance (Finance) on December 20, 2013. The Agency subsequently submitted a revised LRPMP to Finance on June 3, 2014. Finance has completed its review of the LRPMP, which may have included obtaining clarification for various items.

The Agency received a Finding of Completion on April 26, 2014. Further, based on our review and application of the law, we are approving the Agency's use or disposition of all the properties listed on the LRPMP. Our approval of the LRPMP also took into account the corresponding OB Resolution No. 2014-06-020, which specified:

- The revenues generated from Property No. 20, commonly referred to as the North Kincaid Pit/Former Denny's, will be applied towards future approved enforceable obligations.

Additionally, the following was noted during our review but does not require a revised plan to be submitted:

- The LRPMP proposed to transfer Property No. 23, located on 16025 Calle Del Norte to the City of Irwindale (City) as government use. Based on our review of the deed dated January 13, 1977, the City owns the property; therefore, it is not required to be listed on the LRPMP.
- Incorrect Assessor's Parcel Number (APN) number for the Property No. 9, located at 4600 Rivergrade Road. The correct APN is 8535-020-045.

In accordance with HSC section 34191.4, upon receiving a Finding of Completion from Finance and approval of a LRPMP, all real property and interests in real property shall be transferred to the Community Redevelopment Property Trust Fund of the Agency, unless that property is subject to the requirements of an existing enforceable obligation. Pursuant to HSC section 34191.3, the approved LRPMP shall govern, and supersede all other provisions relating to the disposition and use of all the real property assets of the former redevelopment agency,

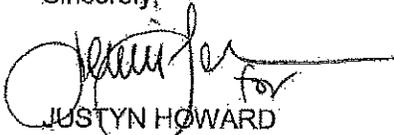
Ms. Eva Carreon
August 8, 2014
Page 2

Agency actions taken pursuant to a Finance approved LRPMP which requires the Agency to enter into a new agreement are subject to oversight board (OB) approval per HSC section 34181 (f). Any OB action approving a new agreement in connection with the LRPMP should be submitted to Finance for approval.

Pursuant to HSC section 34167.5, the California State Controller's Office (Controller) has the authority to claw back assets that were inappropriately transferred to the city, county, or any other public agency. Determinations outlined in this letter do not in any way eliminate the Controller's authority. Should the Controller claw back real property assets not contemplated in the existing approved LRPMP, the LRPMP must be revised to include these additional real assets. The revised LRPMP must be approved by the OB and Finance before the disposition of the clawed back assets can occur.

Please direct inquiries to Cindie Lor, Supervisor or Hugo Lopez, Lead Analyst at (916) 445-1546.

Sincerely,



JUSTYN HOWARD
Assistant Program Budget Manager

cc: Mr. Gus Romo, Community Development Director, City of Irwindale
Mr. Dominique Clark, Redevelopment Consultant, RSG, Inc.
Ms. Kristina Burns, Manager, Department of Auditor-Controller, Los Angeles County
Ms. Elizabeth Gonzalez, Bureau Chief, Local Government Audit Bureau, California State
Controller's Office
California State Controller's Office

Attachment 7: CC&Rs

FREE RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

Successor Agency to the
Irwindale Community Redevelopment Agency
5050 North Irwindale Avenue
Irwindale, CA 91706

(Space Above This Line for Recorder's Office Use Only)

**DECLARATION OF COVENANTS, CONDITIONS,
AND RESTRICTIONS**

THIS DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS ("Declaration") is made this ____ day of _____, 20__ by THE SUCCESSOR AGENCY TO THE IRWINDALE COMMUNITY REDEVELOPMENT AGENCY (hereinafter "Agency" or "Declarant").

RECITALS:

A. Declarant Agency is the fee owner of that certain real property located in the City of Irwindale, County of Los Angeles, State of California (the "City") more particularly described in Exhibit "A" attached hereto and incorporated herein by reference (the "Property"). The Agency was formed pursuant to Health & Safety Code § 34167.5, which made the Agency the successor-in-interest to all assets and obligations of the former Irwindale Community Redevelopment Agency ("Former RDA"). On December 29, 2011, the California State Supreme Court issued a ruling on the constitutional validity of two 2011 legislative budget trailer bills, ABX1 26 (Chapter 5, Statutes of 2011) and ABX1 27 (Chapter 6, Statutes of 2011), which resulted in the outright dissolution of all 425 redevelopment agencies in the State of California. As part of that dissolution process, former redevelopment lands, like the Property, inured to successor agencies by operation of law. Moreover, the dissolution laws provide a process for the disposition and/or transfer of assets, including property holdings of the Former RDA. Subsequent legislation, AB 1484 (Chapter 26, Statutes of 2012), which was passed, signed, and enacted on June 28, 2012, provided further detailed procedures governing the disposition of Former RDA assets such as the Site.

B. On January 6, 2005, the City issued a Request for Expressions of Interest and Statements of Qualifications ("REI/SOQ") from interested and qualified parties to plan, permit, build, operate and maintain a state-of-the-art regional municipal solid waste transfer station and recovery facility ("MRF/TS") at the Property to manage and process mixed municipal waste ("MMW") generated within and outside of the City. The City received multiple responses to the REI/SOQ. On March 3, 2005, ARAKELIAN ENTERPRISES, INC., dba ATHENS SERVICES, a California Corporation ("Athens") submitted a proposal in response to the City's REI/SOQ that met or exceeded all requirements of the REI/SOQ by proposing the construction and operation of the

MRF/TS, accompanied by a public Fueling Facility/Convenience Store and appurtenant improvements (collectively, the "Project").

C. On or about _____, 2014, in order to promote industrial development and fulfill the City's obligations under the California Integrated Waste Management Act of 1989 (Public Resources Code Sections 40000 *et seq.* (the "Act") and the Global Warming Solutions Act of 2006 ("AB 32"), City and Athens, along with the Agency, finalized a series of agreements regarding the Project (referred to herein collectively as the "Agreements" as defined below), including conveyance of the Property to Athens and Athens' development and operation of the proposed MRF/TS. The Parties intend that the MRF/TS will provide for the long-term management and recycling of municipal solid waste generated in the City. The MRF/TS will serve as a point to accept, process, recover, and transfer MMW and residue following diversion activities to an appropriate permitted end-point disposal facility.

D. Pursuant to the City's development requirements, the City has approved the following land-use entitlements: (i) a Conditional Use Permit ("CUP"), (ii) Site Plan and Design Review Permit (collectively, "Site Plan"), and (iii) General Plan Amendment/Zone Change and Zoning Code Amendment ("GPA/ZA") to allow Athens to develop and operate a solid waste processing and materials recovery facility and transfer station ("MRF/TS") on the Property (the "Project"). The CUP, Site Plan and GPA/ZA for the Project are herein collectively referred to as the "City Entitlements".

E. Agreements governing the Project and Athens' use of the Property include: (i) a Development Agreement ("DA"), (ii) a Disposition and Development Agreement ("DDA") undertaken in compliance with ABx1 26 and AB 1484, which DDA places certain restrictions on the Property in order that Athens may develop and operate the MRF/TS, (iii) a "Reimbursement Agreement" between City and Athens, dated October 22, 2008, as amended, under which Athens is obligated to reimburse or advance funds to City for all development costs associated with the Project, including but not limited to conducting environmental reviews under CEQA, processing and negotiating permits, entitlements and conditions, and legal costs; (iv) a Franchise Agreement – Operations of MRF/TS, governing the use and operation of the MRF/TS (as may be amended from time to time, the "Franchise Agreement – Operations"), (v) a Franchise Agreement – Trash Collection and Street Sweeping, dated April 13, 2011, as amended, governing the exclusive right and obligation of Athens to collect solid waste and sweep streets in the City ("Franchise Agreement – Trash Collection and Street Sweeping"), (vi) an "LADWP Easement Agreement" governing Athens' rights over that certain easement over the Site owned by the Los Angeles Department of Water and Power, (vii) an "SCE Easement Agreement" governing Athens' rights over that certain easement over the Site owned by Southern California Edison, and (viii) a "Solid Waste Facilities Permit" to be issued by the California Integrated Waste Management Board or its successor ("SWFP"). The foregoing agreements and instruments, together with all City ordinances approving the foregoing agreements and instruments, as each may be amended from time to time in accordance with its respective terms, are collectively referred to herein as the "Agreements".

F. Athens, the Agency and City intend, in exchange for the parties' entering into the Agreements and City approval of the City Entitlements, that Athens, its successors and assigns shall hold, sell, and convey the Property subject to the covenants, conditions, restrictions, and reservations set forth in this Declaration and that the Agency and City shall have the right and power to enforce the covenants, conditions, restrictions, and reservations as provided herein.

G. Declarant Agency desires to establish and grant certain covenants, conditions and restrictions upon the Property for the purpose of enhancing and protecting the value, desirability and attractiveness of the Property and effectuating the Redevelopment Plan and the operations of the MRF/TS. Such covenants, conditions and restrictions shall bind the Property, the Agency and its successors and assigns, including Athens.

NOW, THEREFORE, the Declarant Agency covenants and agrees, for itself, its successors and assigns, and all persons claiming under or through it, that the Property shall be held, transferred, encumbered, used, sold, conveyed, leased and occupied subject to the covenants and restrictions hereinafter set forth.

TERMS AND CONDITIONS

ARTICLE 1 COVENANTS, CONDITIONS, AND RESTRICTIONS

1.1 **Recitals.** The foregoing Recitals are true and correct and incorporated herein by this reference.

1.2 **Project & Use.** Athens' development of the Property shall be undertaken pursuant to the City Entitlements and terms of the Agreements. Agency declares, and Athens, for itself and its successors and assigns, hereby covenants and agrees that the Property may only be used for the operation of the Project and related purposes, consistent with the terms, covenants and conditions as set forth in the Agreements and City Entitlements. Agency declares, and Athens, for itself and its successors and assigns, hereby covenants and agrees that the Property shall not be occupied, purchased, conveyed or otherwise utilized for purposes of real estate speculation.

1.3 **Incorporation of Franchise Operations Agreement.** Agency declares, and Athens, for itself and its successors and assigns, hereby covenants and agrees to hold, use and maintain the Property, and to operate the MRF/TS, subject to all rights and obligations established by the Franchise Agreement – Operations. All terms and provisions of the Franchise Agreement – Operations, a true and correct copy of which is attached hereto as Exhibit "B" and incorporated herein by this reference, are hereby incorporated into the terms of this Declaration as though set forth herein in full, and the provisions of the Franchise Agreement – Operations shall be binding upon the Property as a covenant, condition and restriction hereof.

1.4 **Compliance With Ordinances.** Athens, for itself and its successors and assigns, shall comply with all ordinances, regulations and standards of the City and

Agency applicable to the Property. Athens shall comply with all rules and regulations of any assessment district of the City with jurisdiction over the Property.

1.5 **Public Agency Rights of Access.** Agency declares, and Athens, for itself and its successors and assigns, hereby covenants and agrees to grant to the Agency, the City and other public agencies the right, at their sole risk and expense, to enter the Property or any part thereof at all reasonable times with as little interference as possible for the purpose of construction, reconstruction, relocation, maintenance, repair or service of any public improvements or public facilities located on the Property. Any damage or injury to the Property or to the improvements constructed thereon resulting from such entry shall be promptly repaired at the sole expense of the public agency responsible for the entry.

1.6 **Non-Discrimination.** 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, age, ancestry, sexual orientation, gender or national origin in the sale, lease, rental, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property, nor shall the transferee 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, lessees, subtenants, sublessees, or vendees of the Property.

ARTICLE 2 ENFORCEMENT

2.1 **Termination.** No breach of this Declaration shall act as a waiver or entitle any party to cancel, rescind or otherwise terminate this Declaration, or excuse the performance of such obligations hereunder; provided that, however, this limitation shall not affect in any manner any other rights or remedies available by reason of such breach or by reason of the terms and provisions of the other Agreements.

2.2 **Injunction.** Notwithstanding anything contained herein to the contrary, in the event of any violation or threatened violation of any of the terms, covenants, restrictions and conditions contained herein, in addition to the other remedies herein provided, the right to enjoin such violation or threatened violation in a court of competent jurisdiction shall remain available.

2.3 **City as Third-Party Beneficiary.** Declarant and Athens hereby acknowledge and agree that the terms of this Declaration and of the Agreements are intended for the benefit of the City of Irwindale and, as such, the City is hereby declared to be a third-party beneficiary to this Declaration with all rights and powers of enforcement over this Declaration.

ARTICLE 3 ENCUMBRANCES & MORTGAGE PROTECTION

3.1 **Athens' Breach Not to Default Mortgage Lien.** The breach of any of the covenants or restrictions contained in this Declaration by Athens or its successors and

assigns shall not defeat or render invalid the lien of any mortgage or deed of trust made in good faith and for value as to the Property or any part thereof or interest therein, whether or not said mortgage or deed of trust is subordinated to this Declaration; but, unless otherwise herein provided, the terms, conditions, covenants, restrictions and reservations of this Declaration shall be binding and effective against the holder of any such mortgage or deed of trust and any owner of any of the Property or any part thereof whose title thereto is acquired by foreclosure, deed-in-lieu of foreclosure, trustee's sale, or otherwise.

3.2 **Amendments or Modifications to Declaration.** No purported rule, regulation, modification, amendment and/or termination of this Declaration shall be binding upon or affect the rights of any mortgagee holding a mortgage or deed of trust upon the Property that is recorded in the Office of the Los Angeles County Recorder prior to the date any such rule, regulation, modification, amendment or termination is recorded in such office, without the prior written consent of such mortgagee.

3.3 **Liens Subordinate.** Any monetary lien provided for herein shall be subordinate to any bona fide mortgage or deed of trust covering an ownership interest or leasehold or subleasehold estate in and to the Property and any purchaser at any foreclosure or trustee's sale (as well as any by deed or assignment in lieu of foreclosure or trustee's sale) under any such mortgage or deed of trust shall take title free from any such monetary lien, but otherwise subject to the provisions hereof; provided that, after the foreclosure of any such mortgage and/or deed of trust, all other assessments provided for herein to the extent they relate to the expenses incurred subsequent to such foreclosure, assessed hereunder to the purchaser at the foreclosure sale, as owner of the Property after the date of such foreclosure sale, shall become a lien upon the Property and may be perfected and foreclosed.

ARTICLE 4 COVENANTS TO RUN WITH THE LAND

This Declaration is designed to create equitable servitudes and covenants running with the Property. Agency hereby declares that all of the Property shall be held, sold, conveyed, encumbered, hypothecated, leased, used, occupied and improved subject to these covenants, conditions, restrictions and equitable servitudes, all of which are for the purposes of uniformly enhancing or protecting the value, attractiveness and desirability of the Property. The covenants, conditions, restrictions, reservations, equitable servitudes, liens and charges set forth herein shall: (i) run with the Property, (ii) be binding upon all persons having any right, title or interest in the Property, or any part thereof, their heirs, successive owners and assigns, and (iii) shall be binding upon Athens, its successors and assigns and successors in interest.

ARTICLE 5 TERM

5.1 **Term of Declaration.** The effective term of the covenants, conditions and restrictions contained in this Declaration shall be coterminous with the longest term applicable to the Agreements, or whichever of the Agreements is last to terminate.

5.2 **Upon Termination of Declaration.** Upon expiration of the term of this Declaration, the covenants, conditions and restrictions described herein shall automatically terminate and cease to be of binding effect, and the City and the Agency shall, after written request of Athens or its successor, execute and record such instruments as Athens reasonably requires to release and relinquish this Declaration. In addition, Athens shall have the right to execute and record such instruments as may be reasonably required to release and relinquish this Declaration and any amendment thereto.

ARTICLE 6 MISCELLANEOUS

6.1 **Modification.** This Declaration may not be modified, terminated or rescinded, in whole or in part, except by a written instrument duly executed and acknowledged by the parties hereto, their successors or assigns, and duly recorded in the Office of the County Recorder, County of Los Angeles.

6.2 **Governing Law.** This Declaration shall be governed by and construed in accordance with the laws of the State of California.

6.3 **Severability.** The invalidity or unenforceability of any provision of this Declaration with respect to a particular party or set of circumstances shall not in any way affect the validity and enforceability of any other provision hereof, or the same provision when implied to another party or to a different set of circumstances.

6.4 **Notices.** Any notice to be given under this Declaration shall be given by personal delivery or by depositing the same in the United States Mail, certified or registered, postage prepaid, at the following address:

If to Athens: Athens Services
P.O. Box 6009
City of Industry, CA 91716-0009

With copy to: Gibson, Dunn & Crutcher LLP
333 South Grand Avenue, Suite 4900
Los Angeles, CA 90071
Attention: Amy R. Forbes

If to Agency/City: Successor Agency to the Irwindale RDA or City of Irwindale
5050 North Irwindale Avenue
Irwindale, CA 91706

With copy to: Aleshire & Wynder, LLP
18881 Von Karman Avenue, Suite 400
Irvine, CA 92612
Attention: Fred Galante, Agency Counsel

Any notice delivered personally shall be effective upon delivery. Any notice given by mail as above provided shall be effective forty-eight (48) hours after deposit in the mails. Any party may change address for notice by giving written notice of such change to the other party.

IN WITNESS WHEREOF, the undersigned has executed this Agreement as of the date first written above.

"AGENCY" AS DECLARANT:

SUCCESSOR AGENCY TO THE
IRWINDALE COMMUNITY
REDEVELOPMENT AGENCY

Date: _____

By: _____
_____, Chairperson

ATTEST:

By: _____
Agency Secretary

APPROVED AS TO FORM:

ALESHIRE & WYNDER, LLP

By: _____
Agency Counsel

ACKNOWLEDGED & ACCEPTED BY
"ATHENS"

ARAKELIAN ENTERPRISES, INC., dba
"Athens Services," a California Corporation

By: _____
Ron Arakelian, Jr.,
Board Chairman

By: _____
Michael Arakelian,
Vice President/Secretary

Attachment 8: Required Approvals

1. Oversight Board Resolution
2. State Department of Finance Approval of Sale
3. General Plan Amendment (Commercial to Commercial/Industrial)
4. Zone Text Amendment (Alcohol Sales Distance Requirements)
5. Development Agreement (Use Authorization and Project Conditions)
6. Conditional Use Permit (Alcohol Sales)
7. Franchise Agreement (Franchise and Regulate Operations)

From: "Tejani, Zuber" <Zuber.Tejani@dof.ca.gov>

Date: Friday, June 17, 2016 at 2:04 PM

To: Jeff Khau <jkhau@webrsg.com>

Cc: 'Gustavo Romo' <gromo@ci.irwindale.ca.us>, Eva Carreon <ecarreon@ci.irwindale.ca.us>, Jim <jksimon@webrsg.com>, "Oltmann, Kylie" <Kylie.Oltmann@dof.ca.gov>

Subject: RE: Irwindale - OB Resolution No. 2016-04-025 Approving Purchase and Sale Agreement for PMP Property No. 1

Good afternoon,

We are in receipt of your Oversight Board (OB) Resolution No. 2016-04-025 approving the purchase and sale agreement of site no. 1 – 2200 Arrow Highway of the Long-Range Property Management Plan (LRPMP).

Pursuant to Health and Safety Code section 34179 (h), the Department of Finance (Finance) may request a review of OB actions submitted to Finance. This email serves as notice that Finance is not initiating a review of OB Resolution No. 2016-04-025. The Agency's LRPMP was approved by Finance on August 8, 2014. Pursuant to HSC section 34191.5 (f), actions to implement the disposition of property pursuant to an approved LRPMP are no longer subject to Finance's review. Therefore, Finance will not be reviewing this OB resolution. The Agency should dispose of their properties in accordance with their approved LRPMP.

Please direct any questions to Finance's redevelopment email address at:
Redevelopment_Administration@dof.ca.gov.

Sincerely,

Zuber Tejani

Analyst

Local Government Unit

(916) 445-1546 x 3766

Zuber.Tejani@dof.ca.gov

From: Jeff Khau [<mailto:jkhau@webrsg.com>]

Sent: Friday, June 10, 2016 3:57 PM

To: Redevelopment Administration; successor@auditor.lacounty.gov; RDA-SDsupport@sco.ca.gov

Cc: 'Gustavo Romo'; ecarreon@ci.irwindale.ca.us; fgalante@awattorneys.com; Jim Simon; Tejani, Zuber; Jeff Khau; 'Laura Nieto'; jdavidson@ci.irwindale.ca.us; Alpa'

Subject: Irwindale - OB Resolution No. 2016-04-025 Approving Purchase and Sale Agreement for PMP Property No. 1

Good afternoon,

On June 9, 2016, the Irwindale Oversight Board adopted the attached Resolution No. 2016-04-025, thereby approving the Purchase and Sale Agreement for the property listed as Site No. 1 in the

Successor Agency's Long-Range Property Management Plan (17-Acre Site; APN 8535-001-911; 2200 Arrow Highway).

A copy of the Purchase and Sale Agreement is included as an exhibit to the attached resolution. Please let me know if you have any questions.

Thank you,

Jeff Khau



309 W 4th Street | Santa Ana CA 92701

714.316.2113

CA BRE Individual License #01891467

CA BRE Corporate License #01930929

Visit us at:

