



# AGENDA REPORT

Meeting Date: November 5, 2013

**TO:** Honorable City Council

**FROM:** City Administrator

**SUBJECT:** CITY COUNCIL BRIEFING ON I-710 FREEWAY – TANKER TRUCK FIRE INCIDENT, DOI: SUNDAY, OCTOBER 27, 2013

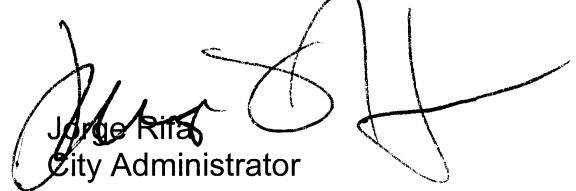
**RECOMMENDATION:**

Receive an update from the Los Angeles County Fire Department on the recent tanker truck fire incident that occurred on Sunday, October 27, 2013, on the I-710 freeway and thereafter consider and take the appropriate action as deemed necessary.

**MOTION:**

Council discretion.

Respectfully submitted,

  
Jorge Rifa  
City Administrator





# AGENDA REPORT

DATE: November 5, 2013

TO: HONORABLE CITY COUNCIL

FROM: CITY ADMINISTRATOR

SUBJECT: UPDATE FROM THE GREEN ZONES WORKING GROUP AND ADOPTION OF THEIR MAJORITY RECOMMENDATION TO IMPLEMENT THE STRATEGY RECOMMENDATIONS LISTED IN THE GREEN ZONES WORKING GROUP RECOMMENDATIONS MATRIX

## RECOMMENDATION:

That the City Council receive an update from the Green Zones Working Group and consider for adoption their majority recommendation to implement the Strategy Recommendations listed in the Green Zones Working Group Recommendations Matrix.

## MOTION:

Move to approve the recommendation.

## BACKGROUND:

The Green Zones Working Group was initiated because of concerns raised by the City's Environmental Justice Advisory Task Force to the Commerce City Council regarding proximity of hazardous sources to sensitive land uses such as homes, schools and churches. In June 2011 the Commerce City Council directed city staff to convene a workshop between the City Council, Planning Commission, Environmental Justice Advisory Task Force, and Commerce Industrial Council Chamber of Commerce to "discuss land use recommendations on Buffer Zones/Sensitive Receptors and Green Zones". The workshop was intended to allow participants to discuss innovative approaches to create separation of hazardous sources and sensitive uses as well as economic development strategies with a focus on "green" practices and objectives". This convening would be a work session between representatives from these four groups and would not require the existing formal structure applied to City of Commerce commissions and task forces. Resources secured through partnerships between the Commerce Environmental Task Force and organizations such as the University of California and the United States Environmental Protection Agency would be used to inform and facilitate the process. The Commerce City Council further directed staff to work with the Commerce Environmental Task Force to further refine the approach and process to facilitate the workshop(s).

## GREEN ZONES WORKING GROUP

Upon review of the scale and scope of work that would be addressed in the workshop(s) the Commerce Environmental Justice Advisory Task Force and city staff determined that a more comprehensive process would be required. The process would now include a series of meetings between participants that would make up the Commerce Green Zones Working Group. A consultant would be retained to facilitate the meetings through resources provided by the United States Environmental Protection Agency. In February 2012 city staff presented this approach to the Commerce City Council. The City Council directed staff to convene a meeting of an initial group of stakeholders that included representatives from the Environmental Justice Advisory Task Force, Commerce Planning Commission, Commerce Industrial Council Chamber of Commerce Board and membership, and University of Southern California Program for Environmental and Regional Equity (PERE). In July 2012 the process was launched with an initial meeting.

The consulting firm of MIG was hired to assist the group, with staff member Esmeralda Garcia facilitating the Group meetings. As directed by the City Council, at its first meeting the Working Group identified additional stakeholders to involve in the process. The final composition of the Working Group included representatives from the residential and business community, advocacy organizations and technical experts. These include:

- Business Community - Small Business
- Business Community - Large Business
- Commerce Industrial Council Chamber of Commerce
- Environmental Justice Advisory Task Force
- Labor/Jobs
- Commerce Planning Commission
- Commerce Residential Community
- USC PERE

The Green Zones Working Group developed a framework by which to organize its strategy recommendations. The framework was based on guiding principles and were ordered around four key objectives including prevention, reduction, revitalization, and reinvestment. An overview of these items was presented to the Planning Commission on October 23, 2013. It was the consensus of the Planning Commission that these concepts be presented to the City Council.

#### ANALYSIS:

#### **Overview of Topics Discussed by the Green Zones Working Group**

Over the course of 14 months, the Commerce Green Zones Working Group collectively dedicated many hours to reviewing data and discussing technical information related to economic factors, regulatory tools, and policy for the City of Commerce. The purpose for this review was to establish a draft policy framework that will guide the Commerce City Council in establishing land use planning policies and processes that address the proximity of hazardous sources and sensitive land uses while encouraging green economic development.

The Green Zones Working Group defined a set of guiding principles that provided direction the design of recommendations and crafting of policy options:

1. **Balance** –The City of Commerce has a large industrial base with a relatively small residential population and area. Seek to maintain a balance between the needs and quality of life of the residential community while still fostering economic development.
2. **Community Health** –Support practices that enhance the quality of life and health for residents and the local workforce.
3. Uses that pose a harmful threat to health in close proximity to sensitive receptors - Promote an environment that safeguards the wellbeing of sensitive land uses and viability of businesses through careful planning and phasing of future improvement activities guided by applicable laws and regulations (i.e. 2005 CARB Air Quality and Land Use Handbook).
4. **“Green” Practices** – Incorporate “green” practices of urban planning and development when formulating recommendations on land use and policy directions.
5. **Image** – Advocate the City as business-friendly with strong community amenities.
6. **Infrastructure** – Ensure adequate infrastructure to meet the current and future needs of the community and business.
7. **Local Workforce** – Support activities that improve workforce opportunities for local residents in light of new industry clusters locating within the City



8. **Connectivity/Mobility** – Enhance the existing transportation system to consider all transit modes, capitalize on existing successful transit, and improve opportunities for the Commerce community and workforce.

### **Issues and Opportunities**

Analysis of challenges/barriers and opportunities relevant to the anticipated policy recommendations also framed this process. They include:

1. Although the City has a successful tax base generated by local business, Commerce is relatively small compared to other cities in the region, resulting in certain limitations. For example, the City relies heavily on outside contracting for services.
2. The City's existing permitting process sometimes poses challenges for new and existing business. The City is knowledgeable of numerous resources that can improve the process. However, due to lack of staff and other City resources, they have not been implemented.
3. The City is in some respects relatively isolated from some resources that would ease or enhance progress toward Working Group goals. For example, utility companies and other permit issuing agencies do not have offices close to the City of Commerce, so agency staff is less accessible, and the City has no control over utility rates and permitting processes.
4. The City of Commerce has within its boundaries existing rail yards and two (2) major State highways, both land uses considered to be a major source of air quality concerns. However, the City does not have jurisdictional oversight or control over either.
5. Existing commercial buildings need redevelopment to improve both air quality and economic vitality.
6. Adaptive re-use might be useful in transition areas to address problems of proximity of harmful land uses near sensitive receptors, as well as to attract new businesses.
7. Attracting artisanal and cottage industry as new business clusters provides a unique opportunity to encourage entertainment and other attractions to provide a greater sense of place for residents and as a means of institutionalizing improved amenities. Beautification projects are also a means to reinforce a stronger community image.

### **General Areas of Agreement**

As early in its formation, and as early as its second working group meeting on October 3, 2012, the Green Zones Working Group discussed, confirmed, and ultimately established the key decision-making process that included building consensus during the process and required a fifty-percent (50%) plus one (1) requirement for decision-making on final recommendations transmitted to the Commerce City Council.

Other methods for consensus building, included providing the post-meeting summary by email to all Working Group members following the meeting for their review. This allowed group members who could not attend the meeting to provide feedback on direction, perspectives, ideas or concurrence presented by the Working Group. Comments were provided to MIG via email and documented in a revised meeting summary. Meeting summaries were reviewed during the following meeting. All Working Group meeting summaries are included as appendices to this report.

The Working Group reached numerous points of agreement before making its final recommendations.

- Establish a community identity for the City of Commerce
- Place special focus on Atlantic Boulevard and Washington Boulevard corridors
- Develop a City of Commerce marketing strategy to attract new business

- Incentives and business attraction are key to creating a new green economy
- The Working Group will use a framework and objectives to develop its recommendations:
  - **Prevention** – provide separation of harmful uses from sensitive receptors.
  - **Reduction** – apply methods to reduce pollution from businesses and industry
  - **Revitalization** – pursue opportunities that could contribute to a “green economy”
  - **Reinvestment** – provide infrastructure to support economic growth and protection of community health
- Any recommendation on uses includes siting of any “new” uses
- Definition for sensitive receptors from the CARB Air Quality and Land Use Handbook (Residences, schools, childcare and daycare centers, urban parks and playgrounds, or medical facilities, senior residential facilities.)
- Exclude freeways and high traffic roads from land use discussion

### **Areas of Dissent**

Potential recommendations affecting land use policy require careful review and thoughtful discussion. The Green Zones Working Group dedicated many hours to review topics and considerations that would be included in a draft land use policy framework. This task required that the Group, with representation from different stakeholder groups with differing perspectives and opinions, arrive at recommendations agreed to by more than half of the group. While the majority of the strategies described in the Recommendations Matrix represent agreement from the group based on the decision-making process developed by the group, there were some areas where there was dissent.

### **Zoning**

As stated in the Overview of Topics Discussed item #3, there was agreement by the group that the issue of uses that pose a harmful threat to health in close proximity to sensitive receptors is extremely important and should be a priority. However, the Working Group had divergent opinions about the tools that it should recommend to the City Council to address this issue. Over the course of several meetings the Working Group discussed changes to the existing City of Commerce Zoning Code. As directed by the City Council in its motion to proceed with the Working Group process with additional resources provided by community partners, the Working Group leveraged resources made available through East Yards Communities for Environmental Justice to review proposed draft changes to the existing Zoning Code. After careful review of these proposed changes to the Zoning Code by all stakeholders represented on the Working Group the participants considered trade-offs and implications of implementation. During this phase of the process the Working Group’s discussion informed other strategy recommendations. However, there were some areas that the Group continued to deliberate.

Those in agreement that revising the city’s Zoning Code would be a good tool to address the issue of proximity between hazardous source and sensitive uses primarily believed that the proposed changes would provide greater certainty for business and the community that which/certain uses are permitted near sensitive receptors. Those with the perspective that the existing Zoning Code should not be revised believed that existing Federal and State regulations and the City’s Zoning Ordinance include policies and regulations that address provide issues resulting from uses that pose a harmful threat to health in close proximity to sensitive receptors. The focus should not be on creating more regulation but on identifying and attracting business that will not pose future hazards to the community.

### **GREEN ZONES WORKING GROUP RECOMMENDATIONS:**

As discussed, the Working Group developed a framework by which to organize its strategy recommendations. The framework is based on goals and values discussed by the group that would help to achieve its objectives as directed in its purpose and charge. The following is a summary of the key strategy recommendations organized by the framework agreed to

by the Working Group. The full text of these items can be found in the Working Group Strategy Recommendations Matrix attached to this report.

**Prevention** – *Provide separation of harmful uses from sensitive receptors*

The Working Group recommended establishing truck routes to address impacts from trucks onto sensitive land uses. The Working Group also discussed land use tools to provide this separation. There was lack of consensus from the group as to which would be the best tool to achieve this. Updating the City's Zoning Code was one tool supported by some of the Working Group members while others favored developing a specific plan in an area or areas.

**Reduction** – *Ensure reduction of polluting effects from industry*

Establishing a voluntary business retrofit program was one proposed method for reducing effects from pollution. This recommendation also includes strategies for seeking funding and other resources as well as outreach to business to promote the program. Financial and non-financial incentives are also included.

**Revitalization** – *Create opportunities that contribute to a healthy green economy*

Creating an office within the City for a "business liaison" is key to the successful implementation of the strategies recommended by the Working Group. This staff or contract position would conduct research, work with other city departments, community and business entities to identify business sectors to attract to Commerce. The role of the Business Liaison would also include managing new business programs such as the retrofit program and developing a marketing plan to attract new business. Other strategy areas recommended by the Working Group are listed in the following summary.

- Land use tools such as the creation of a specific plan, performance standards or overlays to attract new business clusters in designated areas.
- Incentives to attract new business such as streamlined permit process and tax incentives.
- Workforce development to increase employability of local workers.
- Alternative(s) to enterprise zone, given that the state of California is moving to eliminate the zones.
- Incentives for business located in a new "Green Zone".
- Building upgrades and opportunities for adaptive reuse of older and in some cases obsolete industrial buildings.

**Reinvestment** – *Provide adequate infrastructure to support future economic and community health*

The Working Group identified investment in adequate infrastructure as a vital strategy to attracting new business while providing basic needs for the community. Infrastructure identified by the group includes roadways and streets, water and power, sewage. Additional strategies included initiating a campaign to improve the City's image, for example beautification such as façade improvement programs and landscaping. Strategies to enhance the existing transit network would also be an investment in infrastructure.

At the last meeting of the Green Zones Working Group, four recommendations were proposed to address the issue of zoning.

- Update the City's Zoning Code to prevent the intrusion of sensitive land uses into industrial areas and prevent intrusion of new harmful uses into sensitive uses. Use the proposed language developed for the Commerce Green Zones Working Group.
- Develop a Specific Plan in designated area (or areas) to prevent the intrusion of sensitive land uses into industrial areas.
- Develop a Specific Plan in designated area (or areas) to prevent the intrusion of sensitive land uses into industrial areas and industrial uses into sensitive uses.
- Do not recommend any of the proposed zoning tools listed above. There are potentially other tools beyond those listed that the Group did not discuss.

Since there was dissention on these recommendations the Working Group agreed to designate a preference for each of the proposals. Each designated stakeholder representative voted on its preference for each of the alternatives. The results of the vote are noted in the chart below.

Alternative	EJTask Force	Planning Commission	Industrial Council	USC PERE	Resident	Small Business	Large Business	Jobs Labor
Update Zoning Code	Yes			Yes	Yes			
Develop Specific Plan v1								
Develop Specific Plan v2		Yes	Yes			Yes	Yes	Yes
None								

**CONCLUSION:**

As shown above, the majority of the group was in favor of developing a Specific Plan in designated area (or areas) to prevent the intrusion of sensitive land uses into industrial areas and industrial uses into sensitive uses. **Specific Plans are zone changes within a defined geographical area.** They are stand alone zoning documents and include permissible uses, and development standards to regulate the size and placement of a building on a parcel of land, parking, signage, and landscaping to name a few. According to the State's Office of Planning and Research:

*A Specific Plan is a zoning tool used for the systematic implementation of a City's General Plan. It effectively establishes a link between implementing policies of the General Plan and the individual development proposals in a defined area". A Specific Plan may be as general as setting forth broad policy concepts, or as detailed as providing direction to every facet of development from the type, location and intensity of uses to the design and capacity of infrastructure, from the resources used to finance public improvements o the design guidelines of a subdivision. A thorough specific plan can enable planners to effectively implement selected long term general plan objectives in a short time frame. The enabling statutes are flexible, allowing public agencies to create standards for the development of a wide range of projects or solutions to any type of land use issues. The plan may present the land use and design regulations which guide the development of a city center, such as the Santa Monica Civic Center Specific Plan. The specific plan also has disadvantages. These include the time, cost, and obligation of staff resources. To be effective, the plan requires the collection and analysis of significant amounts of detailed data. Since most planning agencies do not have the staff to commit to the preparation process, most plans include the involvement and cost of outside consultants. Similarly, the incorporation of the plan into the day to day planning processes may require the commitment of additional staff time, particularly when the plan establishes regulations which are only applicable to the area affected by the plan.*

The other alternative receiving votes from group members included updating the City's Zoning Code in a comprehensive manner to prevent the intrusion of sensitive land uses into industrial areas and prevent intrusion of new harmful uses into sensitive uses. Use the proposed language developed for the Commerce Green Zones Working Group. Updating a zoning code or ordinance is a major undertaking. A significant amount of time is required to not only understand the issues at hand, but to properly research the mechanisms that are appropriate to address the issues for a particular community. With respect to the proposed ordinance reviewed by the group, potential issues that would require further research include, but are not limited to, the creating nonconformities, impacts to property values and reinvestment potential, and impacts to the City's economic base. These are major issues associated with this any other major zoning ordinance update. Besides these things, there would have to be a significant public outreach component to this process, as well as a thorough analysis pursuant to the California Environmental Quality Act. The proposed ordinance sets forth distance requirements between certain hazardous uses and sensitive

receptors. During the working group meetings there was discussion about creating buffers of 300, 500 and/or 1,000 feet for certain uses and the Group was interested in knowing how many parcels would be affected by the proposed buffer zones. Information was provided at that time, however, upon further review it is inconclusive as to the total number of parcels that would be impacted. However, it could be hundreds of parcels that would be potentially affected. As with any zoning ordinance, the proposed one would not impact every parcel in the same manner.

The Working Group set out to accomplish the goals set forth by the City Council. In doing so, there was consensus on a number of items as set forth in the Recommendations Matrix. Staff is hereby suggesting that the City Council adopt the Group's majority recommendation to implement the recommended strategies contained in the matrix.

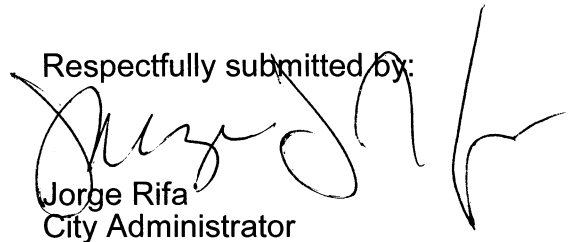
**FISCAL IMPACT:**

There could be a fiscal impact depending upon City Council direction on the next steps in this process. Many of the activities identified in this discussion are services provided by City staff with currently budgeted resources. However, any additional time commitments, further refinement of tasks or implementation of new tasks could require additional financial resources. Depending upon City Council direction, it could cost \$25,000 to \$250,000 to implement many of these concepts. For example, if the Council directed additional meetings of the Green Zones Working Group to further develop and refine the recommendations in this report, an additional \$25,000 could be necessary to facilitate these meetings with MIG consultants. Conversely, to develop a Specific Plan could cost \$75,000 to \$125,000 while a comprehensive update to the city's zoning code as was suggested by some members, could cost in excess of \$250,000.

**RELATIONSHIP TO STRATEGIC GOALS:**

This agenda report relates to the 2009 strategic planning goal: *"Protect and Enhance the Quality of Life in the City of Commerce"*.

Respectfully submitted by:



Jorge Rifa  
City Administrator

Recommended by:




Alex Hamilton  
Assistant Director of Development Services

Fiscal impact reviewed by:



Vilko Domic  
Director of Finance

Prepared by:



Matt Marquez  
City Planner

Approved as to form:



Eddie Olivo  
Eduardo Olivo  
City Attorney

**ATTACHMENTS:**

- 1) Green Zones Working Group Report
- 2) Documents Reviewed By Green Zones Working Group



City of Commerce

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# **Green Zones Working Group Recommendations Report**

October 17, 2013

Prepared for:  
The Green Zones Working Group

Prepared by:



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## Acknowledgments

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#### **Planning Commission**

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#### **Resident**

Kristina Santana

#### **University of Southern California's Program for Environmental and Regional Equity (PERE)**

Dr. James Sadd

### **PARTNERS AND SUPPORT**

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#### **City of Commerce**

Alex Hamilton, Matt Marquez

#### **MIG, Inc.**

Esmeralda García



## table of contents

<b>executive summary</b> .....	1
<b>introduction</b> .....	4
<b>issues and opportunities</b> .....	8
<b>strategy recommendations</b>	
Recommendations Matrix .....	14
Opportunity Areas Map .....	15
<b>appendices</b>	
• PERE – Demographic and Economic Sketch Presentation	
• MIG – Urban Design Best Practices	
• EYCEJ – Wilmington OH Case Study	
• EYCEJ – Green Economy Case Study	
• EYCEJ – Economic Revitalization Environmental Justice Case Study Research	
• City of Commerce – How to Obtain a City of Commerce Business License (packet)	
• EYCEJ – Draft Framework Worksheet	
• City of Commerce – The Greening of the Los Angeles Economy Section II Industry Clusters	
• Don Spivack – Proposed Amendment to City of Commerce Zoning Ordinance PowerPoint Presentation	
• Don Spivack – Proposed Draft Zoning Ordinance Annotated	
• PERE – Information for Defining Facilities of Concern	
• Don Spivack – Proposed Amendment to City of Commerce Zoning Ordinance PowerPoint Presentation, updated	
• Don Spivack – Proposed Draft Zoning Ordinance Annotated, updated	
• EYCEJ – Voluntary Environmental Retrofit and Upgrade Program	
• EYCEJ – Economic Revitalization	
• Don Spivack – Proposed Amendment to City of Commerce Zoning Ordinance Specific Plan Option Presentation	

CITY OF COMMERCE  
Green Zones Working Group Report

- EYCEJ – Column C Economic Revitalization Table Edited
- EYCEJ – Guide to Green
- Industrial Council Chamber of Commerce – Response to proposed Amendment to City of Commerce Zoning Ordinance
- East Yards Communities for Environmental Justice – Response to letter from Commerce Industrial Council Chamber of Commerce

## executive summary

### **INTRODUCTION**

This report describes the strategy recommendations developed by the Green Zones Working Group over the course of a fourteen-month process. As directed by the Commerce City Council, the Commerce Green Zones Working Group was convened to discuss and develop land use recommendations related to Buffer Zones/Sensitive Receptors and Green Zones to address concerns with proximity of hazardous sources and sensitive land uses while encouraging green economic development. The Green Zones Working Group included stakeholder representatives from the Commerce residential and business community, Environmental Justice Advisory Task Force, the Planning Commission, labor and the University of Southern California's Program for Environmental and Regional Equity (PERE). Between July 2012 and September 2013 the Working Group participated in fourteen meetings to discuss data and topics that would become the framework for its recommendations. At the end of the process the Working Group developed and voted on a set of strategies described in the Recommendations Matrix. The Working Group developed a framework by which to organize its strategy recommendations. The framework is based on goals and values discussed by the groups that would help to achieve its objectives as directed in its purpose and charge. The following is a summary of the key strategy recommendations organized by the framework agreed to by the Working Group.

**Prevention** – *Provide separation of uses that pose harmful threat to health from sensitive receptors*

The Working Group recommended establishing truck routes to address impacts from trucks onto sensitive land uses. The Working Group also discussed land use tools to provide this separation. There was dissention from the group as to

which would be the best tool to achieve this. Updating the City's Zoning Code was one tool supported by some of the Working Group members while others favored developing a specific plan in an area or areas.

**Reduction** – *Ensure reduction of polluting effects from industry*

Establishing a voluntary business retrofit program was one proposed method for reducing effects from pollution. This recommendation also includes strategies for seeking funding and other resources as well as outreach to business to promote the program. Financial and non-financial incentives are also included.

**Revitalization** – *Create opportunities that contribute to a healthy green economy*

Creating an office within the City for a "business liaison" is key to the successful implementation of the strategies recommended by the Working Group. This staff or contract position would conduct research, work with other city departments, community and business entities to identify business sectors to attract to Commerce. The role of the Business Liaison would also include managing new business programs such as the retrofit program and developing a marketing plan to attract new business. Other strategy areas recommended by the Working Group are listed in the following summary.

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## **CONCLUSION AND ACTION ITEMS**

The Commerce Green Zones Working Group has fulfilled its charge and respectfully submits this report to the Commerce City Council for its consideration. The Working Group reviewed data, discussed issues, opportunities and implications of proposed recommendations. The recommendations described in this report were developed through a collaborative dialogue between residents, business, environmental advocates, unions, and resource experts. The Working Group expects that the information contained in this report will provide the City Council with the guidance to begin implementation of the Green Zones Working Group recommendations.

CITY OF COMMERCE

# Commerce Green Zones Working Group Report

## introduction

The Green Zones Working Group was initiated because of concerns raised by the City's Environmental Justice Advisory Task Force to the Commerce City Council regarding proximity of hazardous sources to sensitive land uses such as homes, schools and churches. In June 2011 the Commerce City Council directed city staff to convene a workshop between the City Council, Planning Commission, Environmental Justice Advisory Task Force, and Commerce Industrial Council Chamber of Commerce to "discuss land use recommendations on Buffer Zones/Sensitive Receptors and Green Zones". During this workshop participants would discuss innovative approaches to create separation of hazardous sources and sensitive uses as well as economic development strategies with a focus on "green" practices and objectives. This convening would be a work session between representatives from these four groups and would not require the existing formal structure applied to City of Commerce commissions and task forces. Resources secured through partnerships between the Commerce Environmental Task Force and organizations such as the University of California and the United States Environmental Protection Agency would be used to inform and facilitate the process. The Commerce City Council further directed staff to work with the Commerce Environmental Task Force to further refine the approach and process to facilitate the workshop(s).

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directed staff to convene a meeting of an initial group of stakeholders that included representatives from the Environmental Justice Advisory Task Force, Commerce Planning Commission, Commerce Industrial Council Chamber of Commerce board and membership, and University of Southern California Program for Environmental and Regional Equity (PERE). In July 2013 the process was launched with this initial meeting.

As directed by the City Council, at its first meeting the Working Group identified additional stakeholders to involve in the process. The final composition of the Working Group included representatives from the residential and business community, advocacy organizations and technical experts. These include:

- Business Community - Small Business
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During the first meeting of the full Green Zones Working Group, the participants established its decision making process. To fulfill its charge outlined by the City Council, the group would review and discuss data relevant to its charge before making its final recommendations. The group agreed that a 50%+1 vote would be required for decision-making on final recommendations transmitted to the City Council.

### **Green Zones Working Group Topics** Overview of Topics Discussed

Over the course of 14 months, the Commerce Green Zones Working Group collectively dedicated many hours to reviewing data and discussing technical information related to economic factors, regulatory tools, and policy for the City of Commerce. The purpose for this review was to establish a draft policy framework that will guide the Commerce City Council in establishing land use planning policies and processes that address the proximity of hazardous sources and sensitive land uses while encouraging green economic development.

The Green Zones Working Group defined a set of guiding principles that provided direction in the design of recommendations and crafting of policy options:

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8. **Connectivity/Mobility** – Enhance the existing transportation system to consider all transit modes, capitalize on existing successful transit, and improve opportunities for the Commerce community and workforce.

## Issues and Opportunities

Analysis of challenges/barriers and opportunities relevant to the anticipated policy recommendations also framed this process. They include:

1. Although the City has a successful tax base generated by local business, Commerce is relatively small compared to other cities in the region, resulting in certain limitations. For example, the City relies heavily on outside contracting for services.
2. The City's existing permitting process sometimes poses challenges for new and existing business. The City is knowledgeable of numerous resources that can improve the process. However, due to lack of staff and other City resources, they have not been implemented.
3. The City is in some respects relatively isolated from some resources that would ease or enhance progress toward Working Group goals. For example, utility companies and other permit issuing agencies do not have offices close to the City of Commerce, so agency staff is less accessible, and the City has no control over utility rates and permitting processes.
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7. Attracting artisanal and cottage industry as new business clusters provides a unique opportunity to encourage entertainment and other attractions to provide a greater sense of place for residents and as a means of institutionalizing improved amenities. Beautification projects are also a means to reinforce a stronger community image.

### **GENERAL AREAS OF AGREEMENT**

Early in its formation, and as early as its second working group meeting on October 3, 2012, the Green Zones Working Group discussed, confirmed, and ultimately established the key decision-making process that included building consensus during the process and required a fifty-percent (50%) plus one (1) requirement for decision-making on final recommendations transmitted to the Commerce City Council.

Other methods for consensus building, included providing the meeting summary to all Working Group members following the meeting for their review. This would allow group members who could not attend the meeting to provide feedback on direction, perspectives, ideas or concurrence presented by the Working Group. Comments were provided to MIG via email and documented in a revised meeting summary. Meeting summaries were distributed to all Working Group members via email and reviewed during the following meeting. All Working Group meeting summaries are included as appendices to this report.

The Working Group reached numerous points of agreement before making its final recommendations.

- Establish a community identity for the City of Commerce
- Place special focus on Atlantic Boulevard and Washington Boulevard corridors

- Develop a City of Commerce marketing strategy to attract new business
- Incentives and business attraction are key to creating a new green economy
- The Working Group will use a Framework to develop its recommendations:
  - **Prevention** – Provide separation of uses that pose harmful threat to health from sensitive receptors.
  - **Reduction** – Apply methods to reduce pollution from businesses and industry
  - **Revitalization** – Pursue opportunities that could contribute to a “green economy”
  - **Reinvestment** – Provide infrastructure to support economic growth and protection of community health
- Any recommendation on uses includes siting of any “new” uses
- Definition for sensitive receptors from the CARB Air Quality and Land Use Handbook (Residences, schools, childcare and daycare centers, urban parks and playgrounds, or medical facilities, senior residential facilities.)
- Exclude freeways and high traffic roads from land use discussion

#### **AREAS OF DISSENT**

Potential recommendations affecting land use policy require careful review and thoughtful discussion. The Green Zones Working Group dedicated many hours to review topics and considerations that would be included in a draft land use policy framework. This task required that the Group, with representation from different stakeholder groups with differing perspectives and opinions, arrive at

recommendations agreed to by more than half of the group. While the majority of the strategies described in the Recommendations Matrix represent agreement from the group based on the decision-making process developed by the group, there were some areas where there was dissention.

As stated in the Overview of Topics Discussed item #3, there was agreement by the group that the issue of uses that pose a harmful threat to health in close proximity to sensitive receptors is extremely important and should be a priority. However, the Working Group had divergent opinions about the tools that it should recommend to the City Council to address this issue. Over the course of several meetings the Working Group discussed changes to the existing City of Commerce Zoning Code. As directed by the City Council in its motion to proceed with the Working Group process with additional resources provided by community partners, the Working Group leveraged resources made available through East Yards Communities for Environmental Justice to review proposed draft changes to the existing Zoning Code. After careful review of these proposed changes to the Zoning Code by all stakeholders represented on the Working Group the participants considered trade offs and implications of implementation. During this phase of the process the Working Group's discussion informed other strategy recommendations. However, there were some areas that the Group continued to deliberate.

Those in agreement that revising the city's Zoning Ordinance would be a good tool to address the issue of proximity between hazardous source and sensitive uses primarily believed that the proposed changes would provide greater certainty for business and the community that which/certain uses are permitted near sensitive receptors. Those with the perspective that the existing Zoning Ordinance should not be revised believed that existing Federal and State regulations and the City's Zoning Ordinance include policies and regulations that address issues resulting from uses that pose a harmful threat

to health in close proximity to sensitive receptors. The focus should be on identifying and attracting business that will not pose future hazards to the community.

At the last meeting of the Commerce Working Group, four recommendations were proposed to address the issue of zoning.

- Update the City's Zoning Code to prevent the intrusion of sensitive land uses into industrial areas and prevent intrusion of land uses that emit air toxics into sensitive uses. Use the proposed language developed for the Commerce Green Zones Working Group.
- Develop a Specific Plan in designated area (or areas) to prevent the intrusion of sensitive land uses into industrial areas.
- Develop a Specific Plan in designated area (or areas) to prevent the intrusion of sensitive land uses into industrial areas and industrial uses into sensitive uses.
- Do not recommend any of the proposed zoning tools listed above. There are potentially other tools beyond those listed that the Group did not discuss.



## Commerce Green Zones Working Group

The Working Group discussed potential changes to the City of Commerce Zoning as a method to provide separation between uses that pose a harmful threat to health from sensitive receptors. Working Group members discussed the details and implications of such a change to the Zoning Ordinance and did not reach agreement on pursuing this as a recommendation to the City Council. During the discussion group members raised additional alternatives. These are described below.

### A. Prevention – Provide separation of uses that pose harmful threat to health from sensitive receptors

Strategy	Lead	Required Partners/ Funding	Current Initiatives
<b>ALTERNATIVE 1</b>	<b>Update the City's Zoning Code to prevent intrusion of sensitive land uses into industrial areas and prevent intrusion of land uses that emit air toxics into sensitive uses.</b>	Industrial Council, Community Stakeholders	SIC code update underway
	<b>Use the proposed amendment to the City of Commerce Zoning Ordinance attached to these recommendations</b>		
	i. Identify performance standards that set out minimum distance separations, start with CARB recommendations	Development Services, City Planning	CMC contains many safeguards designed to ensure use compatibility and mitigation of environmental impacts. (i.e. CMC 19.31 contains special development standards for a variety of uses including but not limited to Service stations, truck terminals, and warehouses, to name a few). Table 19.11.030(A) includes additional distance requirements.
	ii. Adopt the distance buffers identified by the Green Zones Working Group to restrict certain uses in a defined "buffer" between industrial and non-industrial areas	Development Services, City Planning	Industrial Council, Community Stakeholders
	iii. Restrict certain uses in defined "buffer" between industrial and non-industrial uses as identified by the Green Zones working Group	Development Services, City Planning	Industrial Council, Community Stakeholders
	iv. Incorporate types of harmful uses and sensitive receptors identified by the Green Zones Working Group	Development Services, City Planning	Industrial Council, Community Stakeholders
	v. Provide exceptions when specific conditions can be met such as for craft or artisanal food, craft and furniture production	Development Services, City Planning	Industrial Council, Community Stakeholders
<b>ALTERNATIVE 2</b>	<b>Develop a Specific Plan in designated area (or areas) to prevent the intrusion of sensitive land uses into industrial areas</b>		
<b>ALTERNATIVE 3</b>	<b>Develop a Specific Plan in designated area (or areas) to prevent the intrusion of sensitive land uses into industrial areas and industrial uses into sensitive uses</b>		
<b>ALTERNATIVE 4</b>	<b>Do not recommend any of the proposed zoning tools listed above. There are potentially other tools beyond those listed that the Group did not discuss</b>		



Alternative	EJ Task Force	Planning Commission	Industrial Council	USC PERE	Resident	Small Business	Large Business	Jobs Labor
Update Zoning Code	Yes			Yes	Yes			
Develop Specific Plan v1								
Develop Specific Plan v2		Yes	Yes			Yes	Yes	Yes
None								

Although there was dissention on the proposed recommendation to update the City’s Zoning Ordinance, the Working Group decided to reflect its members’ preference for each of the proposals. Each designated stakeholder representative voted on its preference for each of the alternatives but not one alternative was recommended by the Working Group. The results of the vote are noted in the chart above.



**RECOMMENDATIONS MATRIX**

The following lists the strategy recommendations proposed by the Commerce Green Zones Working Group.



## Commerce Green Zones

### Working Group Strategy Recommendations

#### A. Prevention – Provide separation of uses that pose harmful threat to health from sensitive receptors

Strategy	Lead	Responsible Parties/ Funding	Current Initiatives
A1 - Address issues harmful impacts from trucks onto sensitive land uses			
i. Establish truck routes that avoid proximity to schools, parks and similar uses	City Planning, Public Works, Community Services	Industrial Council, Community Stakeholders	

#### B. Reduction – Ensure reduction of polluting effects from industry

Strategy	Lead	Responsible Parties/ Funding	Current Initiatives
B1 - Establish a voluntary business retrofit program for existing and new businesses			
i. Provide technical and financial assistance for existing businesses to implement measures that reduce pollution, reduce cost and increase profit	Development Services Economic Development Business Liaison, City Planning	Industrial Council, Community Stakeholder, SCE, Sempra, CalWater, AQMD, ARB, WQMD, Cal recycle	PACE Program, IDB, RMDZ, LACDC Business Loan Programs
ii. Assist new businesses in identifying and applying for programs that help pay for any pollution-reducing actions that have start-up cost implications	Development Services Economic Development Business Liaison, City Planning	Industrial Council, Community Stakeholder, SCE, Sempra, CalWater, AQMD, ARB, WQMD, Cal recycle	PACE Program, IDB, RMDZ, LACDC Business Loan Programs
iii. Provide technical and financial assistance for existing businesses to apply for programs that improves worker health and performance that results in improved worker productivity for increased bottom line for business	Development Services- Economic Development Business Liaison, City Planning		
iv. Provide energy efficiency audits and trainings	Development Services- Economic	SCE and Sempra	

**B. Reduction – Ensure reduction of polluting effects from industry**

Strategy	Lead	Responsible Parties/ Funding	Current Initiatives
<p>v. Provide retrofit contractor referrals</p>	<p>Development Business Liaison, City Planning</p> <p>Development Services- Economic Development Business Liaison, City Planning</p>		
<p><b>B2- Seek grant funding opportunities to implement business retrofit program</b></p>			
<p>i. Apply for regional, state and federal grants (i.e. SB353, AB 118, etc) to fund program</p>	<p>Development Services, Economic Development Business Liaison</p>	<p>Industrial Council + other agencies, community groups, EYCEJ</p>	
<p>ii. Partner with private entities to provide monetary and/or in kind contributions</p>	<p>Development Services, Economic Development Business Liaison</p>	<p>Industrial Council + other agencies, community groups, EYCEJ</p>	
<p><b>B3 - Ensure adequate resources to implement pollution reduction strategies</b></p>			
<p>i. Create a designated office in the city to manage the business retrofit program and other programs</p>	<p>City Administrator's office, Development Services- Economic Development City Planning</p>		
<p>ii. Provide adequate staff to expeditiously process permits</p>	<p>City Administrator's office, Development</p>		



**B. Reduction – Ensure reduction of polluting effects from industry**

Strategy	Lead	Required Partners/ Funding	Current Initiatives
	Services- Economic Development City Planning		
<b>B4 - Develop a business outreach program to promote the voluntary business retrofit program and other technical assistance</b>			
i. Highlight business retrofit program participants	Development Services, Economic Development, Business Liaison, PIO		
ii. Create a packet of materials that includes collateral materials about the retrofit program an other resource documents such as the Commerce Guide to Green	Development Services, Economic Development, Business Liaison, PIO		
<b>B5 - Create a capital improvement program to resolve issues of environmental pollution</b>			
i. Assess funding needs	City Administrator's Office, All City Departments with Public Works & Development Services facilitating the delivery of projects	Industrial Council/Community Stakeholders	Measure AA Local ½ sales tax measure will fund city capital improvement projects that upgrade and modernize infrastructure
ii. Explore funding sources and mechanisms			
<b>B6 - Identify priority business funding programs for improvement</b>			
i. Reference the financial and technical assistance programs identified in the "Guide to Green"			

**B. Reduction – Ensure reduction of polluting effects from industry**

Strategy	Lead	Business Partners / Funding	Current Initiatives
<p><b>B7 - Provide non-financial incentives to shift from polluting to non-polluting industrial processes</b></p> <p>i. Create an award program that recognizes businesses that have successfully participated in the retrofit program (use the Guide to Green as a foundation)</p> <p>ii. Create an information and education program to demonstrate cost savings associated with retrofitting</p>	<p>Development Services- Economic Development Business Liaison</p>		

### C. Revitalization – Create opportunities that contribute to a healthy green economy

Strategy	Lead	Required Partner, Funding	Current Initiatives
<b>C1 - Create an office staffed by one or more City staff or consultant to provide support services to new and existing business – Business Liaison</b>			
i. Provide support with expediting permit process for new and existing business	Development Services, Economic Development, Business Liaison	Industrial Council/Community Stakeholders	One-on-one on a case by case basis through city staff
ii. Develop ongoing relationships with utility companies and regulatory agencies to facilitate permit process	Development Services, Economic Development, Business Liaison	Industrial Council/Community Stakeholders	One-on-one on a case by case basis through city staff
iii. Ensure flexibility for the Business Liaison to manage the business retrofit program as needed (see strategy B1)	Development Services, Economic Development, Business Liaison	Industrial Council/Community Stakeholders	
<b>C2 - Identify appropriate business type to attract to the City of Commerce</b>			
i. Consult with business and brokerage community to identify business type(s) and characteristics – start with artisanal business described by the Green Zones Working Group and inform with food production, processing and distribution research and data from USC and other academic research	Development Services, Economic Development, Business Liaison, Planning	Industrial Council/Community Stakeholders	
ii. Review city's tax and fee structure to identify taxes or fees that deter business attraction and expansion	Development Services, Economic Development, Business Liaison, Planning	Industrial Council/Community Stakeholders	
iii. Initiate a survey that gauges existing business' reasons for locating in Commerce, needs of potential new business for relocating to Commerce and businesses that located outside of commerce	Development Services, Economic Development, Business Liaison, Planning	Industrial Council/Community Stakeholders	
iv. Use zoning overlays or performance standards applied to attract uses that encourage better paying jobs and address issues with low employment per acre	Development Services and Planning		
v. Create mixed use zones and implement programs to foster core-area mixed use/mixed-income developments	Development Services and Planning	Current housing element update includes	

**C. Revitalization – Create opportunities that contribute to a healthy green economy**

Strategy	Reach	Required Policies/Programs	Current Initiatives
	Planning	potential for mixed-use in Housing Opportunity Overlay. General Plan includes policies for mixed-use along Atlantic	
<b>C3 Create a marketing and outreach program to attract targeted new business</b>			
i. Prepare a targeted marketing program outlining benefits to locating in the City of Commerce	Development Services, Economic Development, Business Liaison, Planning	Industrial Council/Community Stakeholders	
<b>C4 - Develop a Specific Plan in a designated area (or areas) to attract new business and revitalize economic development</b>			
i. Prioritize the areas identified by the Green Zones Working Group (see Opportunity Areas Map)	Development Services, Economic Development, Business Liaison, Planning		
ii. Consider future land use changes in the area around the Commerce/Montebello Metrolink station to maximize future opportunities	Development Services, Economic Development, Planning		
<b>C5 - Create incentives to attract new business</b>			
i. Provide preferential or streamlined permit processing for targeted businesses	Development Services, Economic Development, Business Liaison, Planning		
ii. Identify potential tax incentives--reductions in fees, reductions in taxes, forgiveness of selected taxes such as sales tax on materials purchased	Development Services, Economic Development, Business Liaison, Planning		

### C. Revitalization – Create opportunities that contribute to a healthy green economy

Strategy	Lead	Funding	Current Initiatives
iii. Create and implement mixed use and housing incentives in town center and other non-industrial growth areas	Development Services, Economic Development, Business Liaison, Planning		Current housing element update includes potential for mixed-use in Housing Opportunity Overlay. General Plan also includes policies for mixed-use along Atlantic.
iv. Review city's tax and fee structure to identify taxes or fees that deter business attraction and expansion	Development Services, Economic Development, Business Liaison, Planning		
<b>C6 - Identify building upgrade programs to make existing real estate more attractive and utility bills lower (weatherization, energy efficiency, water conservation, solar, etc.)</b>			
i. Use adaptive re-use to accommodate live/work and/or artisanal use opportunities			
ii. Apply performance standards based on use and business type			
<b>C7 - Create workforce development opportunities to increase employability of local workers</b>			
i. Undertake research including business interviews to understand skill needs of workers in targeted industries	Development Services and Planning		
ii. Introduce incentives for mixed use development including residential and consider special incentives to create work force housing	Development Services and Planning		
iii. Provide incentives for persons with desired skills to live in Commerce	Development Services and Planning		
iv. Attract new desirable businesses with a particular focus on quality of jobs, pay scales, density of jobs, and how a base of such uses might become a way to attract additional businesses that are bigger city revenue generators or cost less in city services	Development Services and Planning		
v. Partner with learning institutions to assess worker skill needs and provide job training (Montebello School District; LAUSD Occupational Center, Bell; LACAUSA; and other workforce development centers)	Development Services, Planning and Business Liaison		
<b>C8 - Explore need for and feasibility of new legislation to create and implement economic zones such as a new or expanded enterprise zone</b>			

**C. Revitalization – Create opportunities that contribute to a healthy green economy**

Strategy	Lead	Responsible Agency/ Funding	Current Initiatives
i. Monitor new program to replace Enterprise Zones and/or seek new legislative support	Development Services	State of California, County of Los Angeles and Industrial Council	Industrial Council tracking new legislation
<b>C9 - Establish a "Green Zone" geographic area to provide additional benefits to business participating in retrofit program and located in these zones</b>			
i. Identify a geographic area to designate as a "Green Zone"	Development Services- Economic Development City Planning		
ii. Provide façade improvement grants	Development Services- Economic Development Business Liaison	Industrial Council/Community Stakeholders	
iii. Facilitate vendor preference for city contracts with businesses located in a Green Zone	Development Services- Economic Development Business Liaison	Industrial Council/Community Stakeholders	

## D. Reinvestment – Provide adequate infrastructure to support future economic and community health

Strategy	Lead	Required Partners/Funding	Current Initiatives
<b>D1 - Invest in adequate infrastructure</b>			
i. Explore cost sharing between businesses and city	Public Works/Development Services	Industrial Council/Community Stakeholders	Measure AA addresses aging city infrastructure (Mello Roos, IFD's, will depend on measure AA results
ii. Consider creating infrastructure financing districts for specific system requirements (i.e., if city seeks to expand presence of food businesses and they need additional water supply)	Public Works/Development Services	Industrial Council/Community Stakeholders	Measure AA addresses aging city infrastructure (Mello Roos, IFD's, will depend on measure AA results
iii. Complete a needs assessment to determine improvement needs	Public Works/Development Services	Industrial Council/Community Stakeholders	Measure AA addresses aging city infrastructure (Mello Roos, IFD's, will depend on measure AA results
<b>D2 – Ensure safe and improved roadways and streets for workforce and local residents</b>			
i. Improve major streets that connect workers to jobs in Commerce	Public Works/Development Services, Community Services	Industrial Council/Community Stakeholders	Measure AA will address aging city infrastructure.
ii. Consider all modes of transit in street improvements	Public Works/Development Services, Community Services	Industrial Council/Community Stakeholders	Measure AA funds may be used to assist with improving mobility.
iii. Implement urban design treatments to enhance the pedestrian experience on the corridors and other connectors	Public Works/Development Services, Community Services	Industrial Council/Community Stakeholders	Measure AA funds may be used to enhance the pedestrian experience.
iv. Provide adequate street lighting where it is insufficient	Public Works/Development Services, Community Services	Industrial Council/Community Stakeholders	Measure AA funds may be used to provide adequate street lighting.
v. Improve linkages throughout the city to restore connectivity between uses	Development Services-Economic Development Business Liaison		
<b>D3 – Ensure adequate water, sewage, natural gas, and broadband and electrical systems to retain existing and attract new business</b>			
i. Assess current deficiencies in water, sewage, natural gas, broadband and electrical systems	Public Works/Development Services	SCE, Sempra, CalWater, LACSD, LACFD.	

**D. Reinvestment – Provide adequate infrastructure to support future economic and community health**

Strategy	Lead	Required Parties/Funding	Current Initiatives
<ul style="list-style-type: none"> <li>ii. Develop and implement a prioritized list of improvements to water, sewage, natural gas broadband and electrical</li> </ul>	<ul style="list-style-type: none"> <li>Public Works/Development Services</li> </ul>	<ul style="list-style-type: none"> <li>SCE, Sempra, CalWater, LACSD, LACFD.</li> </ul>	
<b>D4 - Create façade improvement programs in commercial areas</b>			
<ul style="list-style-type: none"> <li>i. Provide technical and design assistance, management of design and construction resources</li> </ul>	<ul style="list-style-type: none"> <li>Development Services-Economic Development Business Liaison</li> </ul>	<ul style="list-style-type: none"> <li>AB32 BID</li> </ul>	
<ul style="list-style-type: none"> <li>ii. Secure funding sources and partnerships to assist businesses with financing</li> </ul>	<ul style="list-style-type: none"> <li>Development Services-Economic Development Business Liaison</li> </ul>	<ul style="list-style-type: none"> <li>AB32 BID</li> </ul>	
<b>D5 – Improve the city’s image to retain existing business and attract new business</b>			
<ul style="list-style-type: none"> <li>i. Develop a branding and formal marketing campaign for Commerce to establish a city identity</li> </ul>	<ul style="list-style-type: none"> <li>Development Services, Economic Development, Business Liaison, Planning, PIO</li> </ul>	<ul style="list-style-type: none"> <li>Industrial Council/Community Stakeholders</li> </ul>	
<ul style="list-style-type: none"> <li>ii. Collaborate with private property owners to improve issues of blight with their vacant properties</li> </ul>	<ul style="list-style-type: none"> <li>Development Services, Business Liaison, Planning</li> </ul>	<ul style="list-style-type: none"> <li>Industrial Council/Community Stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>Code Enforcement currently works with property owners to improve blight.</li> </ul>
<ul style="list-style-type: none"> <li>iii. Enforce existing ordinance to address issues of blight/vacant properties</li> </ul>	<ul style="list-style-type: none"> <li>Development Services, Business Liaison, Planning</li> </ul>	<ul style="list-style-type: none"> <li>Industrial Council/Community Stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>Code Enforcement currently works with property owners to improve blight.</li> </ul>
<ul style="list-style-type: none"> <li>iv. Implement a citywide aesthetic improvement program</li> </ul>	<ul style="list-style-type: none"> <li>Development Services, Economic Development, Business Liaison, Planning</li> </ul>	<ul style="list-style-type: none"> <li>Industrial Council/Community Stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>The Keep Commerce Beautiful committee was formed by the City Council to discuss matters such as this and meets on a quarterly basis.</li> </ul>



**D. Reinvestment – Provide adequate infrastructure to support future economic and community health**

Strategy	Lead	Required Partners/Funding	Current Initiatives
<b>D6 – Improve access and connectivity to foster all modes of transportation</b>			
i. Improve mobility by accommodating all modes of transit to connect with the regional network and transit system and to increase access to hubs and destinations within the City of Commerce	Public Works/Development Services, Community Services	Industrial Council/Community Stakeholders	Measure AA funds may be used to assist with improving mobility.
ii. Assess existing transit mode options to identify transit related issues	Public Works/Development Services, Community Services	Metro, Montebello Transit	
iii. Increase opportunities to maximize the use of Metrolink such as shuttle service from the Metrolink station to jobs in Commerce	Public Works/Development Services, Community Services	Industrial Council/Community Stakeholders, Metrolink	
iv. Identify opportunities to create pedestrian and biking trails/paths for residents and workers (ex. Rails to Trails program)	Public Works/Development Services, Community Services	Industrial Council/Community Stakeholders	



### **OPPORTUNITY AREAS MAP**

The Green Zones Working Group identified strategy recommendations focused in specific areas in the city. These areas are described in the Opportunity Areas Map.



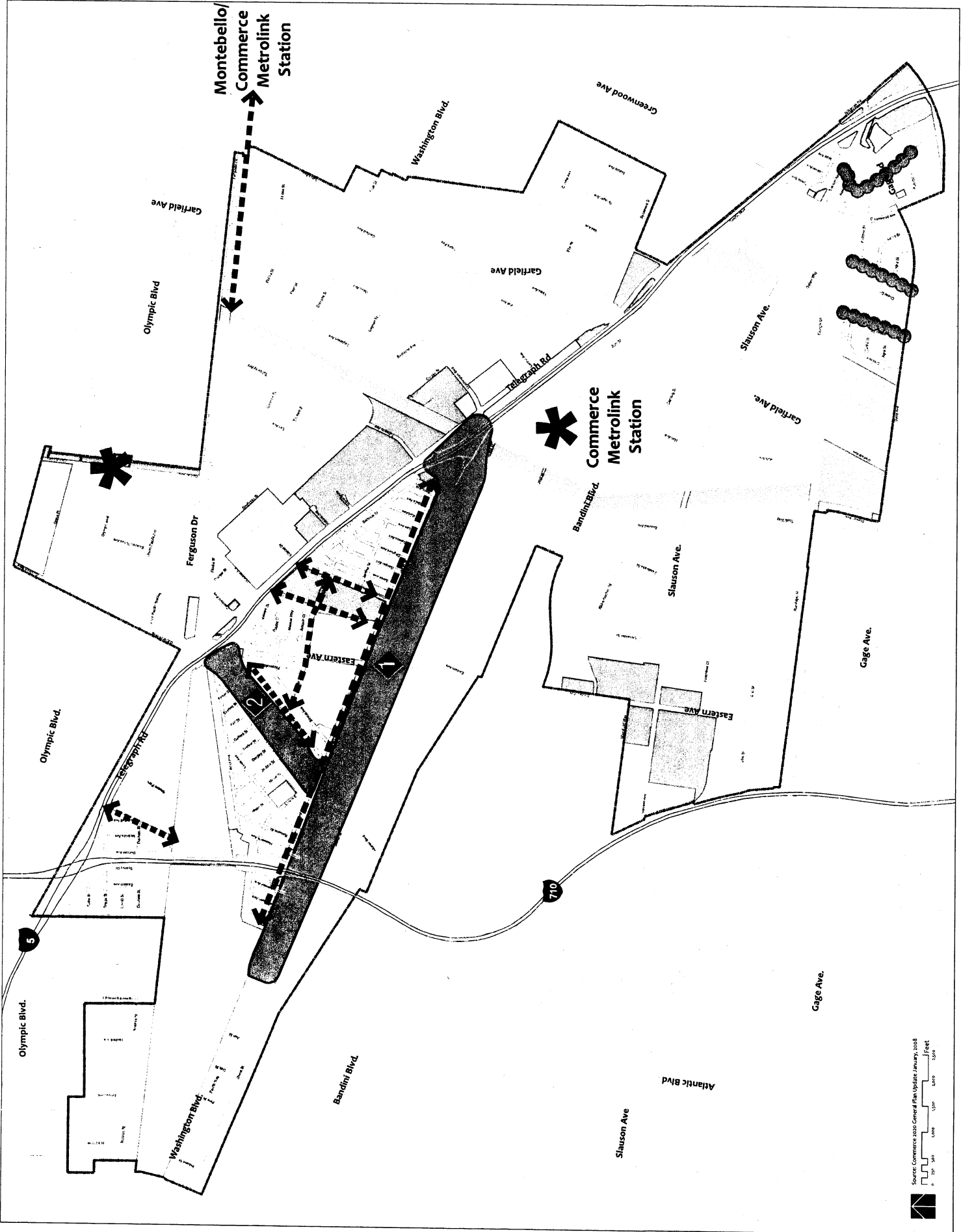


# GREEN ZONES WORKING GROUP OPPORTUNITY AREAS

City of Commerce, CA

## LEGEND

- Green Zones Opportunity Areas
- Specific Plan Areas
- Washington Boulevard Corridor
- Atlantic Boulevard Corridor
- Opportunity Areas
- Proposed Pedestrian-Oriented Improvements
- Improved Bike/Pedestrian Connections
- Land Use Designations
- Commercial Manufacturing
- Commercial
- Residential
- Housing Opportunity
- Transportation
- Industrial
- Public Facilities
- Base Map Features
- City Boundary



**DISCLAIMER:**  
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Source: Commerce 2008 General Plan Update January, 2008  
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## Appendices







# GREEN ZONES WORKING GROUP OPPORTUNITY AREAS

City of Commerce, CA

## LEGEND

Green Zones Opportunity Areas

Specific Plan Areas

Washington Boulevard Corridor

Atlantic Boulevard Corridor

Opportunity Areas

Proposed Pedestrian-Oriented Improvements

Improved Bike/Pedestrian Connections

Land Use Designations

Commercial Manufacturing

Commercial

Residential

Housing Opportunity

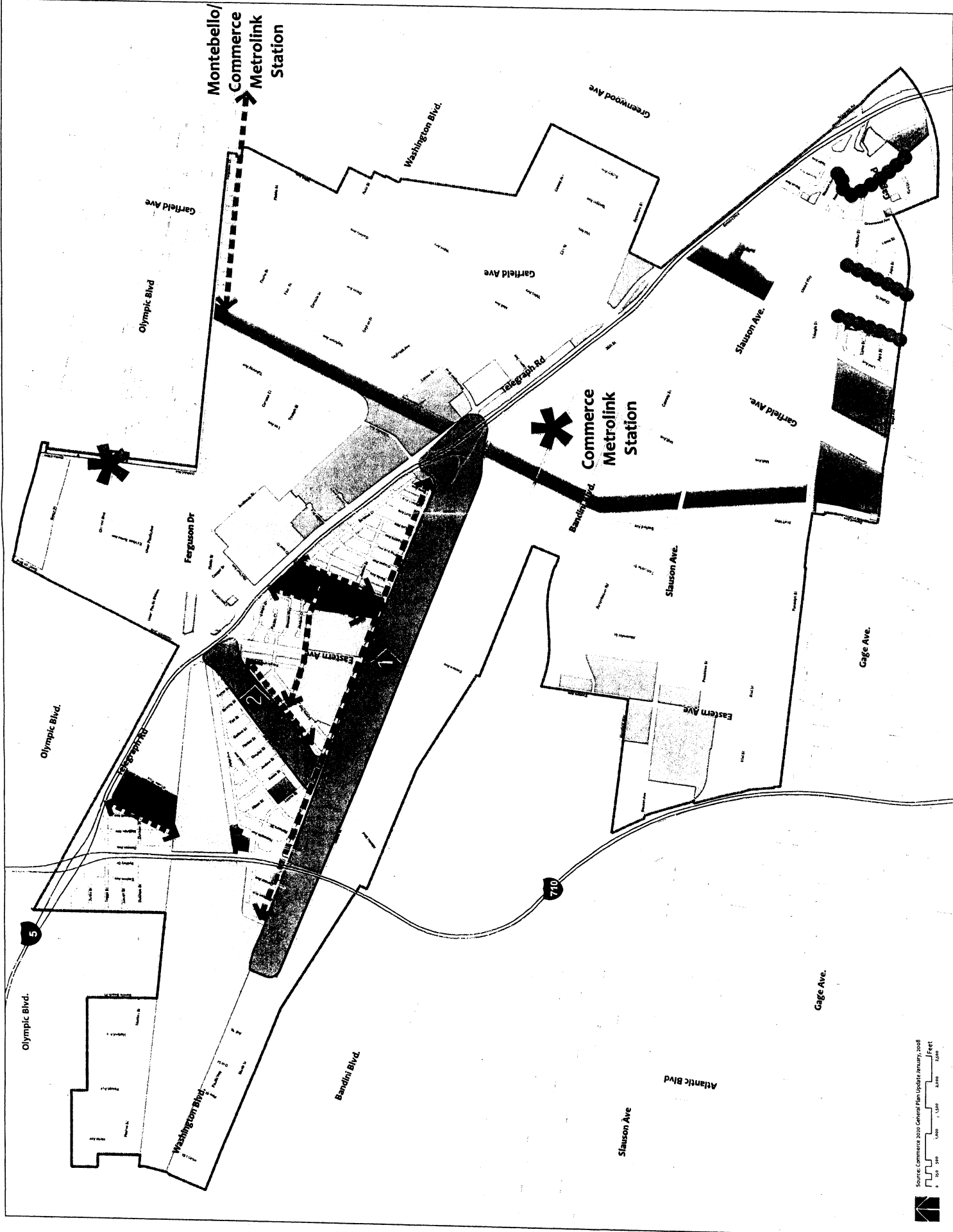
Transportation

Industrial

Public Facilities

Base Map Features

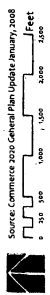
City Boundary



DISCLAIMER:

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City of Commerce, CA  
General Plan, 2015-2035



Source: City of Commerce, CA  
Map Date: January, 2015



**CITY OF COMMERCE GREEN ZONE WORKING GROUP: Draft Framework Worksheet**

Objective: "Guide the City in its attainment of green economic development strategies, bringing into balance the human health problems associated with the environmental impacts of industrial and commercial land uses in a predominantly industrial community and the need to improve the quality of life in Commerce."

Policy Goals	A. Prevention / Provide separation of harmful uses from sensitive receptors	B. Reduction Voluntary Business Retrofit Programs	C. Revitalization / Attract New Business, Invest in Adequate Infrastructure Economic Development Strategy	D. Concentrate change in specific areas
<p align="center"><b>Promote Economic Vitality / Expand City Revenue Base</b></p>	<p>1. Identify types of harmful uses and sensitive receptors. Explore land use and zoning changes that would prevent new harmful uses in proximity to sensitive uses and placement of sensitive uses in proximity to harmful uses.</p> <p>2. Identify safe distances; adopt changes to land use plan and to uses allowed in specific zones; look to rezoning selected parcels; adopt an overlay restricting certain uses in a defined "buffer" between industrial and non-industrial districts.</p> <p>3. Identify performance standards that set out minimum distance separations into zoning ordinance (start with CARB recommendations) to apply to permit applications for new businesses.</p> <p>4. Prevent intrusion of sensitive uses into industrial areas through land use and zoning designations or overlays that preclude certain uses in particular areas such as buffer districts.</p> <p>5. Establish truck routes that avoid proximity to schools, parks and similar uses.</p> <p>6. Prevent intrusion of sensitive uses into industrial areas and prevent intrusion of new harmful uses into sensitive uses.</p>	<p>1. Use voluntary financial and technical assistance programs, including both financing and training, to improve financial stability of existing businesses and provide financial assistance to make improvements that reduce polluting effects, reduce cost and increase profit.</p> <p>2. Use voluntary business retrofit programs to assist new businesses in identifying and applying for programs that help pay for any pollution-reducing actions that have start-up cost implications.</p> <p>3. Use voluntary financial and technical assistance programs, to improve financial stability of existing businesses, to apply for programs that improve worker health and performance (less infrastructure impact, more consumer spending), and improve worker productivity for increased bottom line for business and increased local tax revenue.</p> <p>4. Provide adequate staffing to expeditiously handle permits.</p>	<p>1. Identify by type and characteristics businesses the City would like to attract (consult with business and brokerage community); prepare a marketing program that lays out why a business should come to Commerce, the advantages of locating there, and the incentives offered to desired businesses.</p> <p>2. Adopt changes to land use plan and to uses allowed in specific zones; look to rezoning selected parcels; adopt an overlay restricting certain uses in a defined "buffer" between industrial and non-industrial districts.</p> <p>3. Identify potential tax incentives—reductions in fees, reductions in taxes, forgiveness of selected taxes such as sales tax on materials purchased—to attract desired businesses.</p> <p>4. Prepare handouts that describe standards and how they can be effectuated at minimal or no cost to an applicant.</p> <p>5. Identify adequacy of water, electric and other utility supply for targeted businesses (including internet capacity). Look at whether utility rates are competitive.</p> <p>6. Provide adequate staffing to expeditiously handle permits.</p> <p>7. Provide preferential or streamlined permit processing for targeted businesses.</p> <p>8. Identify building upgrade programs to make existing real estate more attractive and utility bills lower (weatherization, energy efficiency, water conservation, solar, etc.).</p> <p>9. Look at adequacy of and appropriateness of land use and zoning designations.</p> <p>10. Limit expansion of uses that provide low employment per acre and/or low wage jobs, possibly through zoning overlays or performance standards applied to businesses.</p> <p>11. Undertake research including business interviews to understand skill needs of workers in targeted industries.</p> <p>12. Explore need for and feasibility of new legislation to create and implement economic zones such as a new or expanded enterprise zone.</p> <p>13. Concentrate change in specific areas by changes in land use designations, zoning and introduction of incentives for specifically mixed use development including residential and consider special incentives to create work force housing.</p> <p>14. Create and implement mixed use and housing incentives in town center and other non-industrial growth areas.</p> <p>15. Provide incentives for persons with desired skills to live in Commerce.</p> <p><b>Workforce Development Program</b></p> <p>16. Attract new desirable businesses with a particular focus on quality of jobs, pay scales, density of jobs, and how a base of such uses might become a way to attract additional businesses that are bigger city revenue generators or cost less in city services.</p> <p>17. Analyze both desired businesses and those that are likely to be attracted to Commerce by understanding its business-attraction attributes.</p> <p>18. Review city's tax and fee structure to identify taxes or fees that deter business attraction and expansion.</p> <p>19. Create mixed use zones and implement programs to foster core-area mixed use/mixed-income developments.</p> <p><b>Voluntary Business Retrofit Programs (#20-26)</b></p>	<p>1. Invest in adequate infrastructure; explore cost sharing between businesses and city; look at creation of infrastructure financing districts for specific system requirements (for example, if city seeks to expand presence of food businesses and they need additional water supply)—complete a needs assessment to determine improvement needs.</p> <p>2. Streets, bikeways, sidewalks, street lighting.</p> <p>3. Water, sewerage and electrical systems.</p> <p>4. Facade improvement programs in commercial areas—technical assistance, design assistance, financing, management of design and construction resources.</p> <p>5. Develop community specific plan (ADDED AT GZWG MTG 2.20.13)</p>
<p align="center"><b>Promote Community Health / Support a Safe Environment</b></p>	<p>1. Establish truck routes that avoid proximity to schools, parks and similar uses.</p> <p>2. Create and implement a capital improvement program to resolve issues of environmental pollution.</p> <p>3. Identify priority business funding programs for improvement; create or designate an office in the city and with government partners/agencies to help connect businesses with such programs.</p> <p>4. Provide incentives to shift from polluting to non-polluting industrial processes (i.e. awards, media, monetary, etc.).</p>	<p>7. Establish truck routes that avoid proximity to schools, parks and similar uses.</p> <p>8. Create and implement a capital improvement program to resolve issues of environmental pollution.</p> <p>9. Identify priority business funding programs for improvement; create or designate an office in the city and with government partners/agencies to help connect businesses with such programs.</p> <p>10. Provide incentives to shift from polluting to non-polluting industrial processes (i.e. awards, media, monetary, etc.).</p>	<p>6. Concentrate change in specific areas by changes in land use designations, zoning and introduction of incentives for specifically mixed use development including residential and consider special incentives to create work force housing.</p> <p>7. Streets, bikeways, sidewalks, street lighting.</p>	<p><b>Workforce Development Program (#27-30)</b></p>





# AGENDA REPORT

Meeting date: November 5, 2013

**TO:** Honorable City Council

**FROM:** City Administrator

**SUBJECT:** CINCO DE MAYO AND SEPTEMBER 16 CELEBRATIONS

**RECOMMENDATION:**

Receive a report on and thereafter consider and take appropriate action as deemed necessary with respect to a proposal from the Parks and Recreation Department to move the annual Cinco De Mayo event from Rosewood to Bristow Park and to restore funding for a September 16<sup>th</sup> Celebration event, which will also be held at Bristow Park.

**MOTION:**

Council discretion.

**BACKGROUND:**

This item was agendized at the request of Councilmembers Altamirano and Baca Del Rio, who would like to move the annual Cinco De Mayo Celebration from Rosewood Park to Bristow Park and consider restoring funding so that the Parks and Recreation Department can organize the annual September 16<sup>th</sup> Celebration.

The Cinco De Mayo event is already funded for 2014, as part of the FY 2013-14 budget. If so directed, staff can produce the event at Bristow Park. If Council elects to allocate funding for the September 16<sup>th</sup> Celebration for 2014, it is recommended that Council direct staff to bring this item back to Council during the FY 2014-15 budget process, so that Council can consider this funding allocation in the context of the entire budget.

**ANALYSIS:**

Cinco De Mayo - For many years, the City's Cinco De Mayo Celebration was held at Bristow Park. In 2010, the event was moved to Rosewood Park, per the request of the Parks and Recreation Commission. The Commission recommended that the event be moved to Rosewood Park, due to the increased parking that is available, in comparison to Bristow Park. Moving the event to Rosewood Park also allowed the Parks and Recreation Department to consolidate the event with the Annual Baby Show, Garden Show and Going Green events, for a savings of approximately \$4,000.

If staff is directed to move the Cinco De Mayo Celebration back to Bristow Park in 2014, the Department will offer the Baby Show and Garden Show/Going Green event as standalone events in the spring of 2014, without requesting the \$4,000 needed to produce these events independent of Cinco de Mayo. The Department is able to absorb these expenses, this year. However, the Department will request the \$4,000 to offer these standalone events in subsequent years, beginning with the FY 2014-15 budget process.

September Celebration - The Parks and Recreation Department produced the annual September 16<sup>th</sup> Celebration, until 2009. In 2009, the Department of Parks and Recreation experienced budget reductions and the United Family of Bristow began organizing the event, which enabled the Parks and Recreation Department to eliminate approximately \$25,000 from the budget. The United Family of Bristow has produced the event for

several years on a smaller scale, with logistical support from the Parks and Recreation Department. The United Family of Bristow is now encouraging the City to resume full responsibility for the production of the event.

Staff is requesting that Council allocate \$25,000 as part of the FY 2014-15 budget process to resume production of the September 16<sup>th</sup> Celebration, at Bristow Park, beginning in 2014. This funding will be sufficient to provide a band, entertainment, rides, food, and coverage from the Sheriff's Department.

**FISCAL IMPACT:**

Staff recommends returning to Council as part of the FY 2014-15 budget process to request a total of \$29,000, to produce the Garden Show and Going Green events as standalone events (\$4,000) and to produce the September 16<sup>th</sup> Celebration (\$25,000), in 2014.

**RELATIONSHIP TO STRATEGIC GOALS:**

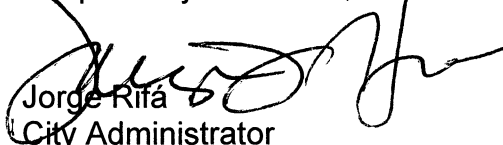
This agenda item relates to Council's historic focus of preserving and enhancing the quality of life for city residents.

Recommended by:



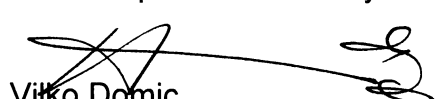
Scott Wasserman  
Director of Parks and Recreation

Respectfully submitted,



Jorge Rifa  
City Administrator

Fiscal Impact reviewed by:



Vitko Domic  
Director of Finance

Approved as to Form:



Eduardo Olivo  
City Attorney



# AGENDA REPORT

Meeting date: November 5, 2013

**TO:** Honorable City Council

**FROM:** City Administrator

**SUBJECT:** Day of Service

**RECOMMENDATION:**

Receive a report on staff's efforts to organize the Third Day of Service event and provide policy direction, as appropriate.

**MOTION:**

Move to approve the recommendation.

**BACKGROUND AND ANALYSIS:**

At its meeting of October 15, 2013, Council received a report from staff regarding efforts to organize the Third Annual Day of Service, to coincide with a national Martin Luther King Jr. Day of Service event, in January, 2014. At this meeting, Mayor Pro Tem Leon and Councilmember Baca Del Rio agreed to join the Parks and Recreation Director to identify possible project sites for the event.

After touring the City and considering several project sites, the Councilmembers concluded that public areas that are maintained by City staff are well maintained and do not afford meaningful cleanup work for Day of Service volunteers. The Councilmembers subsequently decided to consult with the Montebello Unified School District to explore the feasibility of collaborating on a project or multiple projects at Bandini Elementary School. Councilmember Baca Del Rio agreed to contact District officials to discuss this possibility.

Many Commerce residents have strong ties to Bandini Elementary School, which would generate significant interest in the Day of Service. Logistically, it is safer and easier to organize and manage projects on school property than a public parkway or other areas with high traffic.

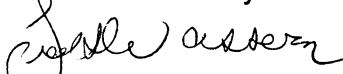
**FISCAL IMPACT:**

This activity can be carried out without additional impact on the current operating budget.

**RELATIONSHIP TO STRATEGIC GOALS:**

This item relates to Council's strategic goal of improving and maintaining infrastructure and beautifying the community. Many Commerce children would benefit if Bandini Elementary School is able to host one or more community service projects.

Recommended by:

  
Scott Wasserman  
Director of Parks & Recreation

Respectfully submitted,

  
Jorge Rifa  
City Administrator

Approved as to Form:

  
Eduardo Olivo  
City Attorney







# AGENDA REPORT

DATE: November 5, 2013

TO: HONORABLE CITY COUNCIL

FROM: CITY ADMINISTRATOR

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA, APPROVING AN AGREEMENT FOR PURCHASE AND SALE OF REAL PROPERTY AND JOINT ESCROW INSTRUCTIONS WITH SUZANNE R. MAHONEY, TRUSTEE OF THE CONSTANCE M. MISSIMER FAMILY TRUST U/D DATED 08/11/03

RECOMMENDATION:

Approve and adopt the Resolution and assign the number next in order.

MOTION:

Move to approve the recommendation.

ANALYSIS:

The Washington Boulevard Reconstruction Project (the "Project") is a regional project that will help alleviate the impacts of the goods movement to and from the Ports of Los Angeles, the BNSF Hobart Yard and surrounding areas. The Project boundaries are Washington Boulevard from westerly City of Commerce (the "City") limits to the I-5 freeway. The Project calls for the widening of Washington Boulevard from two lanes in each direction to three lanes in each direction. Additionally, the Project calls for reconstructing all traffic lanes in concrete; street median, parkway and sidewalk improvements; upgrading traffic signals, and the relocation of street lights, storm drains and utilities.

In order to move forward with the Project, the City needs the property located at 4545-4549 East Washington Boulevard, Commerce, California 90040, as more particularly described as Lots 708, 709, 710, and 711 of Tract No. 8047, in the City of Commerce, County of Los Angeles, State of California, as per map recorded in Book 95, Pages 18 and 19 of the Maps, in the Office of said County (the "Property"), for right of way access. The Owner of the Property is Suzanne R. Mahoney, Trustee of the Constance M. Missimer Family Trust U/D Dated 08/11/03 ("Missimer Family Trust").

The City's real property negotiator, Tierra West, negotiated an agreement to purchase the Property from the Missimer Family Trust. The proposed agreement provides that the City will pay \$1,465,000 for the Property. Escrow will close on November 21, 2013. This time period will allow the City time to complete its environmental due diligence on the Property.

The City needs the Property for right of way access to complete the Project. Therefore, staff recommends the approval of the proposed agreement.


FISCAL IMPACT: The purchase price for the Property is \$1,465,000.

Fiscal Impact Reviewed by,

Approved As to Form,

Respectfully submitted,

  
Vilko Domic  
Finance Director

  
Eduardo Olivo  
City Attorney

  
Jorge Rifa  
City Administrator

AGENDA ITEM No. 19



RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA, APPROVING AN AGREEMENT FOR PURCHASE AND SALE OF REAL PROPERTY AND JOINT ESCROW INSTRUCTIONS WITH SUZANNE R. MAHONEY, TRUSTEE OF THE CONSTANCE M. MISSIMER FAMILY TRUST U/D DATED 08/11/03

WHEREAS, the Washington Boulevard Reconstruction Project (the "Project") is a regional project that will help alleviate the impacts of the goods movement to and from the Ports of Los Angeles, the BNSF Hobart Yard and surrounding areas. The Project boundaries are Washington Boulevard from westerly City of Commerce (the "City") limits to the I-5 freeway. The Project calls for the widening of Washington Boulevard from two lanes in each direction to three lanes in each direction. Additionally, the Project calls for reconstructing all traffic lanes in concrete; street median, parkway and sidewalk improvements; upgrading traffic signals, and the relocation of street lights, storm drains and utilities; and

WHEREAS, in order to move forward with the Project, the City needs the property located at 4545-4549 East Washington Boulevard, Commerce, California 90040, as more particularly described as Lots 708, 709, 710, and 711 of Tract No. 8047, in the City of Commerce, County of Los Angeles, State of California, as per map recorded in Book 95, Pages 18 and 19 of the Maps, in the Office of said County (the "Property"), for right of way access; and

WHEREAS, the Owner of the Property is Suzanne R. Mahoney, Trustee of the Constance M. Missimer Family Trust U/D Dated 08/11/03 ("Missimer Family Trust"); and

WHEREAS, the City's real property negotiator, Tierra West, negotiated an agreement to purchase the Property from the Missimer Family Trust. The proposed agreement provides that the City will pay \$1,465,000 for the Property; and

WHEREAS, the City needs the Property for right of way access to complete the Project. Therefore, staff recommends the approval of the proposed agreement.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMMERCE DOES HEREBY RESOLVES AND ORDERS AS FOLLOWS:

Section 1. The Purchase and Sale Agreement between the City of Commerce and Suzanne R. Mahoney, Trustee of the Constance M. Missimer Family Trust U/D Dated 08/11/03 for the property located at 4545-4549 East Washington Boulevard, Commerce, California 90040, as more particularly described as Lots 708, 709, 710, and 711 of Tract No. 8047, in the City of Commerce, County of Los Angeles, State of California, as per map recorded in Book 95, Pages 18 and 19 of the Maps, in the Office of said County, is hereby approved.

Section 2. The Mayor is hereby authorized to execute the Agreement for and on behalf of the City of Commerce.

PASSED, APPROVED and ADOPTED this 5<sup>th</sup> day of November, 2013.

\_\_\_\_\_  
Joe Aguilar  
Mayor

ATTEST:

\_\_\_\_\_  
Teresa Jackson  
Interim City Clerk



**AGREEMENT FOR PURCHASE AND SALE OF  
REAL PROPERTY AND JOINT ESCROW INSTRUCTIONS**

THIS AGREEMENT FOR THE PURCHASE AND SALE OF REAL PROPERTY AND JOINT ESCROW INSTRUCTIONS ("Agreement") is entered into as of \_\_\_\_\_, 2013 by and between the **CITY OF COMMERCE**, a body corporate and politic ("Buyer") and **SUZANNE R. MAHONEY, TRUSTEE OF THE CONSTANCE M. MISSIMER FAMILY TRUST U/D DATED 08/11/03** ("Seller"), and as hereinafter collectively referred to as the "Parties."

**RECITALS**

WHEREAS, Buyer desires to acquire all of Seller's rights, interest, and title in and to Seller's property (hereinafter called "Property" or "Premises") described as follows:

That real property commonly known as 4545-4549 East Washington Boulevard, Commerce, California 90040, as more particularly described in Exhibit "A" which is attached hereto and incorporated herein by this reference.

WHEREAS, Seller desires to sell to Buyer the Property on the terms and conditions set forth herein.

NOW, THEREFORE, with reference to the foregoing Recitals that are incorporated herein by this reference, and for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Seller agrees to sell and Buyer agrees to purchase all of the Property under the terms and conditions of this Agreement.

**ARTICLE 1**

**DEFINITIONS**

- 1.1. Description of the Property. The Property to be sold and purchased under this Agreement consists of the following:
  - 1.1.1. Land. "Land" is that real estate that is described in Exhibit "A" and depicted in Exhibit "B" a copy of said map is attached hereto and incorporated herein by this reference.
  - 1.1.2. Appurtenances. "Appurtenances" includes all privileges, rights, easements appurtenant to the Land, vested in Seller including without limitation all minerals, oil, gas, and other hydrocarbon substances on and under the Land; all development rights, air rights, water, water rights, and water stock vested in Seller and relating to the Land; all right, title and interest of Seller in and to any streets, alleys passages, water and sewer taps, sanitary or storm drain capacity or reservations and right under utility easements, and other easements and other rights-of-way including in, adjacent to or used

in connection with the beneficial use and enjoyment of the Land.

1.1.3. Improvements. “Improvements” includes any and all buildings, structures, fences, parking areas, or improvements located upon the Land or upon the Improvements, including fixtures, systems, and equipment attached to the Land or Improvements and used in connection with the operation or occupancy of the Land and all Improvements, if any.

1.1.4. Existing Lease. Buyer assumes the existing month-to-month lease, thereby relieving Seller from responsibility and liability associated therewith. Seller shall transfer tenant’s security deposit, if any, to the Buyer. Buyer commits to pay relocation costs to Fleet Pride, Inc., irrespective of further transfers of the Property or expiration of the lease.

1.2. Other Definitions.

1.2.1. Effective Date. “Effective Date” means the date upon which the Agreement is fully executed.

## ARTICLE 2

### PURCHASE PRICE

2.1. Amount. The full purchase price (the “Purchase Price”) for the Property is ONE MILLION FOUR HUNDRED SIXTY-FIVE THOUSAND DOLLARS AND NO CENTS (\$1,465,000.00) cash, with no offsets.

2.2. Earnest Money Deposit. In consideration of this Agreement and to bind this sale and secure the performance of Buyer and Seller hereunder, Buyer shall deposit the sum of ONE HUNDRED THOUSAND DOLLARS AND NO CENTS (\$100,000.00) (the “Earnest Money”) with Escrow Holder upon full execution of this Agreement.

2.3. Investment and Release of Earnest Money. The Earnest Money shall be deposited into the Escrow Account by wire transfer. The Escrow Holder shall invest the Earnest Money in an FDIC insured interest-bearing demand trust account, reasonably acceptable to Buyer. At Closing, all interest on the Earnest Money shall (i) be added to and treated as an additional deposit and (ii) be credited (together with the Earnest Money) towards the Purchase Price. Buyer acknowledges and agrees that the Earnest Money shall be released to Seller (and shall become Seller’s sole property) if the transactions contemplated by this Agreement are not consummated on or before the Closing Date in the event such failure is a result of Buyer’s default hereunder. In the event the Earnest Money is returned to the Buyer in accordance herewith, all interest shall belong to the Buyer.

- 2.4. **Payment of Purchase Price.** The Purchase Price shall be paid as follows:
- (a) Buyer shall deposit the Earnest Money no later than five (5) business days following the full execution of this Agreement, provided the Escrow Holder has given the Buyer the information necessary to effectuate a wire transfer of funds into the Escrow Account.
  - (b) Buyer shall deliver the balance of the Purchase Price to Escrow Holder, plus or minus Buyer's share of pro-rations and costs of escrow hereunder and any interest earned on the Earnest Money as prescribed in Section 2.3 above, by wire transfer in immediately available funds on the Closing Date (defined below).
- 2.6 **Full Consideration.** The Parties herein set forth their entire agreement. The performance of this Agreement constitutes the entire consideration for the purchase and sale of the Property and the release of all claims by Seller that could have been asserted with respect to the acquisition of the Property described herein, and shall relieve Buyer of all further obligations or claims on this account. Seller agrees that this Agreement is in full settlement of: (i) any claim that is made or could have been made in an eminent domain proceeding, including, but not limited to claims for the Property, any interests in the Property, all improvements pertaining to the realty, including trade fixtures, personalty, and equipment located on said Property, or related to the Property, loss of goodwill, severance damages, unreasonable pre-condemnation activity, as well as claims for relocation benefits and/or payments pursuant to California Government Code Section 7260, *et seq.*; (ii) any claim that has been made or could have been made for expenses incurred by Seller by reason of Buyer's intended acquisition of the Property; (iii) any claim that it has made or could have been made against Buyer in connection with the project in which the Property is situated; and (iv) any claim that it has made could have been made arising from Buyer's acquisition of the Property.

### ARTICLE 3

#### INSPECTIONS AND CONTINGENCIES

- 3.1. **Title to Land.** Buyer has been allowed to review title to the Property as shown on a current preliminary title report (the "Title Report") from the Title Company and any and all as-built surveys in existence that show the location of all improvements and recorded easements on the Property (the "Survey"). To the extent that the Seller has any surveys performed previously, the Seller shall provide such documents to the Buyer. In addition to the Title Report and Survey, the Buyer shall be provided with all leases and names of tenants and occupants, any existing Phase I or Phase II reports and environmental reports related to the Property ("Preliminary

Documents”).

Seller shall deliver to Buyer, the Title Report, Survey and Preliminary Documents (the “Title Documents”) within five (5) days after the Effective Date.

- 3.1.1 **Buyer’s Title Notice.** Within ten (10) business days after Buyer's receipt of the “Title Documents,” Buyer may approve or disapprove (in its sole and absolute discretion) the Title Documents for the Property by delivering written notice to Seller (“Buyer's Title Notice”) specifying each title defect or matter for which Buyer is requesting a cure by Seller (“Title Defect”) and each Title Company requirement (“Title Requirement”) which Buyer is requesting Seller to satisfy in order for the Title Policy to be issued by Tigor/Fidelity Title & Escrow through the Escrow Holder for the Property at Closing. Buyer's failure to deliver Buyer's Title Notice to Seller within the time period specified above shall be deemed to have elected to terminate this Agreement.
- 3.1.2 **Seller’s Title Notice.** Within ten (10) business days after receiving Buyer's Title Notice, Seller shall deliver to Buyer written notice (“Seller's Title Notice”) of those Title Defects that Seller covenants and agrees to either eliminate or cure to Buyer's satisfaction by the Closing Date and those Title Requirements that Seller agrees to satisfy by the Closing Date. Seller's failure to deliver Seller's Title Notice to Buyer within the time period specified above shall be deemed to constitute Seller's election not to eliminate or cure any such Title Defect or to satisfy any such Title Requirements. If Seller elects (or is deemed to have elected) not to eliminate or cure any Title Defects or to not satisfy any Title Requirements, the Buyer shall have the right, by written notice (the “Buyer’s Election Notice”) delivered to Seller within five (5) business days of Seller's Title Notice or within five (5) business days after the expiration of the time period during which Seller is entitled to deliver Seller's Title Notice, whichever occurs first, to either (i) waive its prior notice as to the Title Defects which Seller has elected not to cure and those Title Requirements which Seller has elected not to satisfy, or (ii) terminate this Agreement as provided later in this section. Buyer's failure to deliver any written notice within such five (5) business day period shall be deemed to have elected to terminate this Agreement.
- 3.1.3 **Additional Encumbrances.** If any encumbrance or other exception to title arises or is discovered after the delivery of the Title Report (an “Additional Encumbrance”), the party discovering such Additional Encumbrance shall promptly give written notice to the other. No later than five (5) business days after delivery of the



notice of such Additional Encumbrance, Buyer shall deliver a new Buyer's Title Notice to Seller specifying whether the Additional Encumbrance is a Title Objection or a Permitted Exception. If Buyer objects to the Additional Encumbrance, the parties shall proceed in the same manner as set forth above for Title Objections arising from the Title Report. If Buyer fails to deliver Buyer's Election Notice within the time specified in this section, Buyer shall be deemed to have elected to terminate this Agreement.

3.1.4 Seller's Failure to Remove or Cure Title Objection. If Seller elects to remove or cure a Title Objection and fails to do so at least fifteen (15) days before the Closing Date, or fails to show that it will be able to do so on the Closing Date, then Seller shall be in default under this Agreement, and Buyer shall have all its rights and remedies as provided by this Agreement. Seller shall not be in default if Seller has diligently attempted to remove/cure said objection and Buyer agrees to extend the Closing by a reasonable amount of time to allow Seller to remove or cure the Title Objections.

3.2. Contingencies: Inspection and Financing.

(a) Buyer's obligation to purchase the Property is expressly conditioned on its approval, in its sole discretion, of the condition of the Property, and the physical and environmental condition of the Property. Buyer shall be entitled to (i) conduct all inspections of the Property deemed necessary by Buyer, including without limitation, an environmental and soil inspection, all to be obtained at the sole cost and expense of Buyer. Buyer shall have until the Contingency Date to conduct such investigation as Buyer may chose ("Due Diligence") to determine, in its sole discretion, whether this contingency is met. All inspections and approvals, must be completed and/or obtained by the Contingency Date (as defined herein). If on or before 5:00 p.m. (Pacific Standard Time) on the date which is 60 days after the Effective Date (the "Contingency Date"), Buyer disapproves of any of the Due Diligence Materials or the physical and environmental condition of the Property, this Agreement shall terminate without any liability on the part of either party, except for Buyer's indemnity obligations set forth in paragraph 3.2(b) below. In the event of such termination, the Earnest Money shall be returned to Buyer. Buyer shall promptly return to Seller all Due Diligence Materials and any copies of the same. If by 5:00 p.m. (Pacific Standard Time) on the Contingency Date Buyer approves of the Due Diligence Materials and the physical and environmental condition of the Property by providing Seller with written notice, then this Agreement shall remain in full force and effect and the Earnest Money shall be held by the Escrow Holder and credited to Seller as provided herein.

(b) Buyer and its representatives may enter upon and inspect the Property; provided, however, that with respect to each such inspection or

test, Buyer agrees to satisfy the following conditions and requirements:

(1) Buyer shall have obtained Seller's prior consent to such inspection and to the identity of the firm who will undertake the same. Seller's consent shall not be unreasonably withheld. Buyer and/or its representatives may enter upon the Property to perform studies, physical inspections, investigations and tests ("Tests") on the Property; provided, however, that with respect to such Tests, Buyer agrees to satisfy the following conditions and requirements:

- (i) All inspections and testing shall be at Buyer's expense;
- (ii) All inspections and testing of the physical Property shall take place within 30 days of the Effective Date;
- (iii) Seller shall receive copies of all tests, inspections and reports, including existing Phase I;
- (iv) Seller shall have received at least twenty-four (24) hours prior notice of the names of the persons who will enter the Property, the time of their entry and duration of their stay and the nature of their activities thereat, together with evidence satisfactory to Seller of the existence of adequate public liability and other insurance covering all risks arising out of such entry;
- (v) Such entry and inspection shall not damage the Property in any respect and shall be subject to and conducted in such a manner as to minimize interference with the operations on and occupancy of the Property by Seller and Seller's agents, tenants and assignees;
- (vi) Buyer shall promptly restore the Property to its condition prior to such inspection and obtain all receipts, releases, waivers, discharges and assurances and perform all other acts necessary to keep the Property free from mechanics' and materialmen's liens and all other claims arising out of such inspection; and
- (vii) Buyer shall indemnify and hold Seller harmless from and against any claim, action, cause of action, demand, liability, obligation, loss, cost, damage or expense (including actual attorneys' fees and costs) which may arise or which Seller may sustain or incur

by reason of or in connection with any such entry, inspection or testing; provided that Buyer shall not be responsible for uncovering any pre-existing conditions.

- (viii) No invasive testing will be allowed, without Seller's permission, which shall not be unreasonably withheld.

(c) In the event that Buyer has not satisfied, approved or waived any contingency, Buyer shall have the option, exercisable by notice to Seller and Escrow Holder on or before the Contingency Date, to terminate this Agreement. Should Buyer decide to proceed with the Agreement, there shall be no reductions in price or charges against the Purchase Price. Similarly, if Buyer finds anything unacceptable and Seller is unwilling or unable to remedy the matter, the Agreement shall terminate.

- 3.3. Due Diligence Materials. Seller agrees to provide those items set forth on Exhibit "C" attached hereto (the "Due Diligence Materials") within five (5) days of the Effective Date.
- 3.5. Natural Hazard Disclosure Statement. By the date which is ten (10) days after the Effective Date, Seller shall have executed and delivered to Buyer, a Natural Hazard Disclosure Statement, as prescribed by California law.

#### ARTICLE 4

#### CLOSING AND ESCROW

- 4.1. Deposit with Escrow Holder and Escrow Instructions. Within five (5) days of the Effective Date escrow shall be opened and the Parties shall deposit an executed counterpart hereof, together with the Earnest Money, with Escrow Holder. This Agreement together with the "General Provisions" of Escrow Holder's standard preprinted form of escrow instructions shall serve as the instructions to Escrow Holder for consummation of the purchase and sale contemplated hereby. Seller and Buyer agree to execute such additional and supplementary escrow instructions as may be appropriate to enable the Escrow Holder to comply with the terms of this Agreement; provided, however, that in the event of any conflict between the provisions of this Agreement and any supplementary escrow instructions, including such General Provisions, the terms of this Agreement shall control unless such supplemental escrow instructions specifically are stated to control. Seller acknowledges that this transaction could be accomplished through a single Escrow Account, and agrees to pay all costs and or fees associated with Seller's request, if any, to open multiple escrow accounts to consummate this transaction.

- 4.2. **Closing.** The closing hereunder (the "Closing") and the execution and exchange of documents and the delivery of all items to be made at the Closing under the terms of this Agreement shall be made through escrow at the offices of Escrow Holder; provided, however that all such actions shall be effective as of the Closing Date, unless expressly indicated otherwise. The Closing is deemed to have occurred when Seller's Deed to Buyer has been recorded, the Escrow Holder holds and can record and deliver the remaining documents described in this Section, the Title Company is irrevocably and unconditionally committed to issue the Title Policy, and Buyer has delivered the Purchase Price in immediately available funds to Escrow Holder.

Seller and Buyer agree that the Closing shall occur on the "Closing Date." The Closing Date shall be January 9, 2014.

4.3. **Conditions Precedent.**

- 4.3.1 **Seller's Conditions Precedent.** The following conditions are conditions precedent to Seller's obligation to sell the Property:

- (a) Delivery by Buyer at Closing of the Purchase Price, and
- (b) Performance by Buyer as and when required by this Agreement of each and every term, covenant, condition and agreement required to be performed by Buyer pursuant to this Agreement.

In the event that the conditions in this paragraph 4.3.1(a) are not satisfied, Seller may elect, at its sole discretion, to terminate this Agreement or waive satisfaction of the condition and close escrow.

- 4.3.2 **Buyer's Conditions Precedent.** The following conditions are conditions precedent to Buyer's obligation to purchase the Property:

- (a) It is a Buyer's Closing Condition that, on the Closing Date, Seller will convey to Buyer good, marketable and indefeasible fee simple title to the Property, free and clear of all liens, conditions, exceptions or reservations, except those specifically approved by Buyer, by execution and delivery of a Deed.
- (b) No Hazardous Materials shall have been discovered on the Property after the Contingency Date that were not previously disclosed to Buyer or discovered by Buyer

before the Contingency Date.

- (c) The physical condition of the Property must be substantially the same on the Closing Date as on the Effective Date, reasonable wear and tear excepted, and changes and/or damage to the Property as a result of Buyer's activities on the Property excepted.
- (d) Delivery by the Title Company at Closing of a CLTA Extended Coverage Policy of Title Insurance in the full amount Purchase Price, issued by the Title Company showing title to the Property vested in Buyer, subject only to the permitted exceptions provided for in this agreement.
- (e) Performance by Seller as and when required by this Agreement of each and every term, covenant, condition and agreement required to be performed by Seller pursuant to this Agreement.

In the event that the conditions set forth above in this paragraph 4.3.2 are not satisfied (and Buyer is not otherwise in default of this Agreement), Buyer may elect to terminate this Agreement or waive satisfaction of the condition and close escrow in either instance by giving written notice to Seller. In the event of such termination, the Earnest Money shall be returned to Buyer. Buyer's obligation to purchase the Property or otherwise to perform any obligation provided in this Agreement shall be conditioned expressly upon the due and timely performance by Seller of each and every covenant, undertaking and agreement to be performed by Seller pursuant to this Agreement at or prior to Closing and the truth, accuracy and completeness of each representation and warranty made in this Agreement by Seller.

- 4.3.3. Waiver. At any time or times on or before the Closing Date, at Buyer's or Seller's election as the case may be, either Buyer or Seller may waive any of the foregoing conditions set forth in Section 4.3.1 or 4.3.2 respectively, by written notice to the other. Other than Buyer's and Seller's consummation of the transactions contemplated herein pursuant to this Agreement which shall waive all such unfulfilled conditions, no waiver shall be effective unless made in writing by the party having the benefit of the condition, specific as to the conditions or matters so waived. No such waiver shall be inferred or implied by any act or conduct of Buyer or Seller, or reduce the rights or remedies of Buyer or Seller arising from any breach of any undertaking, agreement, covenant, warranty or representation by the other party under this Agreement.

- 4.4. **Delivery by Seller.** At the Closing, Seller shall deposit with Escrow Holder the following:
- (a) A duly executed and acknowledged Grant Deed to the Real Property in substantially the same form as Exhibit "D" attached hereto (the "Deed").
  - (b) An affidavit of Seller certifying that Seller is not a "foreign person," as defined in the Federal Foreign Investment in Real Property Tax Act of 1980, and the 1984 Tax Reform Act, as amended, and a properly executed Form 590 or other evidence sufficient to establish that Buyer is not required to withhold any portion of the Purchase Price under the California Revenue and Taxation Code.
  - (c) All other documents and instruments called for hereunder which have not previously been delivered.
- 4.5. **Delivery by Buyer.** At the Closing, Buyer shall deposit with Escrow Holder the following:
- (a) The amount necessary to consummate the transaction in good and immediate federal funds.
  - (b) All other documents and instruments called for hereunder which have not previously been delivered.
- 4.6. **Other Instruments.** Seller and Buyer shall each deposit with Escrow Holder such other instruments as are reasonably requested by Escrow Holder or otherwise required to close the escrow and consummate the purchase of the Property in accordance with the terms hereof and to obtain the issuance of an owners title insurance policy in the amount of the Purchase Price (the "Title Policy"). The Title Policy shall ensure Buyer marketable and insurable fee simple title to the Property, all rights, privileges and easements appurtenant thereto, and to the Improvements, by duly executed and acknowledged grant deed in a form acceptable to Buyer and shall be a current ALTA Extended Coverage Owner's Policy of Title Insurance (current version of Form B-1970), in the full amount of the Purchase Price, subject only to such exceptions as Buyer shall approve pursuant to paragraph 3.1 above. Said policy shall provide full coverage against mechanics' or materialmen's liens arising out of the construction of any of the Improvements and shall contain such special endorsements as Buyer may reasonably require.
- 4.7. **Pro-rations and Apportionments.** Subject to the following, all revenues and expenses shall be prorated as of November 30, 2013 so that Seller shall bear all expenses and have the benefit of all income with respect to the Property

through and including the period preceding that time subject to the following:

- (a) Any revenue or expense amount which cannot be ascertained with certainty as of Closing Date shall be pro-rated on the basis of the Parties' reasonable estimates of such amount and shall be the subject of a final pro-ration as soon thereafter as the precise amounts can be ascertained. A pre-Closing statement setting forth such agreed pro-rations shall be prepared by Escrow Holder and executed by Seller and Buyer at the Closing. Escrow Holder shall not make any pro-ration except as set forth on such executed statement.
- (b) Expenses to be pro-rated shall include all property taxes and assessments affecting the Property, property operations rents and expenses, association dues, utilities, license and permit fees in connection with the Property and all other expenses customarily pro-rated, as well as other recurring costs.
- (c) Buyer shall pay for a Standard CLTA Policy and 100% of the escrow costs. Buyer shall pay for the costs of investigation, Buyer's legal work, document stamps and 100% of the escrow fees, as well as all costs and charges related to additional endorsements. Furthermore, in the event a Survey does not exist, Buyer shall have the option to request one to be prepared (at Buyer's sole expense).
- (d) Buyer acknowledges that Seller shall terminate all of its insurance coverage with respect to the Property as of the Closing Date and agrees that Buyer shall be responsible for obtaining its own insurance as of the Closing Date and thereafter, unless other arrangements are made for the assignment of Seller's existing insurance coverage hereunder.
- (e) Except as otherwise provided in this Agreement, Buyer shall pay for normal Buyer's and Seller's escrow costs and charges.

4.8. Payment of Pro-ration Adjustments. Seller and Buyer hereby agree that if any of the aforesaid pro-rations cannot be calculated accurately on the Closing Date, then the same shall be calculated within sixty (60) days after the Closing Date and either party owing the other party a sum of money based on such subsequent pro-ration(s) shall promptly pay said sum to the other party. Either party owing the other party any sum based on adjustments made to pro-rations after the Closing Date shall promptly pay the same to the other party within twenty (20) days after delivery of a statement therefore. In the event such payment is not timely made, such sum shall accrue interest at the rate of ten percent (10%) per annum (or, if less, the maximum rate then permitted by law to be contracted for by the parties) from the date of demand until the date of payment.

- 4.9. Close of Escrow. Provided that Escrow Holder has received the documents and funds described in Sections 2.2, 4.4, 4.5 and 4.6 above and has not received notice from any party either that an agreement of another party hereunder has not been performed, that a condition set forth herein has not been satisfied or waived or that this Agreement has terminated (by its terms or by an election duly made hereunder), and further provided that the issuance of, or an unconditional commitment to issue, the Title Policy, has been obtained, Escrow Holder is authorized and instructed at 8:00 a.m. on the Closing Date to:
- (a) Record the Deed with the Los Angeles County Recorder.
  - (b) Deliver the Title Policy and all other items deposited by Seller in Escrow with respect to the Property to Buyer.
- 4.10. Closing Costs. Buyer and Seller agree that Buyer shall be obligated to pay the costs associated with closing Escrow. Buyer and Seller generally agree to share the Closing Costs as follows:
- 4.10.1 Seller shall pay all costs associated with removing any debt encumbering the Property;
  - 4.10.2 Buyer shall pay the cost of the CLTA Title Policy;
  - 4.10.3 Buyer shall pay the cost of recording the Grant Deed;
  - 4.10.4 Seller shall pay any sales tax; and
  - 4.10.5 Buyer shall pay the documentary transfer tax and Buyer shall pay any applicable municipal transfer tax.
  - 4.10.6 Seller shall pay for any unpaid delinquent taxes and/or any penalties and interest thereon, and for any delinquent or non-delinquent assessments or bonds against the Property.
- 4.11. Disbursement of Funds. On the Closing Date, Escrow Holder shall disburse the Purchase Price (as adjusted to reflect Seller's share of pro-rations and costs of escrow hereunder) by wire transfer pursuant to separate instructions to Escrow Holder solely from Seller. Such funds are to be wired no later than 11:00 a.m. on such date in order that such funds may be received by Seller on the Closing Date.



## ARTICLE 5

### REPRESENTATIONS, WARRANTIES AND COVENANTS; INDEMNIFICATION

- 5.1. Seller's Preclosing Covenants.
- 5.1.1. No Amendment or Agreements. On or after the Effective Date, Seller shall not (a) amend or waive any right under any Title Documents or Due Diligence Documents, or (b) enter into any lease or other agreement of any type affecting the Property that would survive the Closing Date, without Buyer's prior written consent. Before the Contingency Date, Buyer may not unreasonably withhold its consent under this Section. After the Contingency Date, however, Buyer shall have sole discretion in all such matters.
- 5.1.2. No Marketing. Seller and Seller's representatives, agents, and designees agree not to market, show or list the Property to any other prospective buyer during the term of this Agreement.
- 5.1.3. Notification. Seller shall promptly notify Buyer of any material change in any condition with respect to the Property, or of any material event or circumstance that makes any representation or warranty of Seller under this Agreement untrue or misleading.
- 5.2. Representations and Warranties of Seller. Seller represents and warrants to Buyer all of the following, as of the Closing:
- 5.2.1. Litigation. Except as set forth in Section 7.20 below, to the best of Seller's knowledge, there is no pending litigation or threatened litigation by any governmental authority or person against Seller relating to the Property that might, if it and all other pending and threatened litigation were adversely determined, result in a material adverse change in the Property or its operation or that challenges the validity of or otherwise materially adversely affects the transaction contemplated by this Agreement.
- 5.2.2. Other Proceedings. To the best of Seller's knowledge, no attachments, execution proceedings, assignments for the benefit of creditors, insolvency, bankruptcy, reorganization, or other proceedings are pending or threatened against Seller or Seller's interest in the Property, nor are any such proceedings contemplated by Seller.
- 5.2.3. Due Authorization. This Agreement and the performance of Seller's obligations under it and all documents executed by Seller that are to be delivered to Buyer at the Closing are, or on the Closing

Date shall be, duly authorized, executed, and delivered by Seller and are, or at the Closing Date shall be, legal, valid, and binding obligations of Seller, and do not, and on the Closing Date shall not, violate any provision of any agreement or judicial order to which Seller are a party or to which Seller or the Property is subject. No consent of any partner, shareholder, creditor, investor, judicial or administrative body, government agency, or other party is required for Seller to enter into or to perform Seller's obligations under this Agreement, except as has already been obtained.

- 5.2.4. Lessees. Seller shall deliver to Buyer true and complete copies of all the Leases pertaining to the Property. "Leases" means all written agreements between Seller and all parties having rights to occupy or possess the Property. A schedule of all Leases, the duration of each, the current rental payable under each, and certain other information respecting each such Lease ("Rent Roll"). Except as set forth in the Rent Roll, there are no other Leases in force as of the date of this Agreement, and no person, other than (i) the tenants named in the Lease; and (ii) those parties who have rights under any permitted exception, have any right to use, occupy or possess the Property or any portion thereof. Except as set forth in the Rent Roll, no rent concessions are due any tenant; no rent has been paid more than one (1) month in advance by any tenant, no security or other deposit or advance payments of any kind have been made by any tenant; no tenant has any claim against Seller for any security deposit or other deposits (except for the return of the unused portion of their security deposit at the termination of the tenant's lease); no breach exists on the part of any tenant, whether in the payment of rent (or other sum), or the performance of any obligation or covenant under their respective Lease, and no tenant has any defense or off-set to rent or any other obligation accruing after the Closing.

Each of the Leases described in the Rent Roll is in full force and effect. Seller has not received any written notice of any breach on the part of Seller under any Lease. After the execution of this Agreement, no Lease will be modified or amended and there will be no new Leases. There are no oral agreements for the use, occupancy or possession of the Property or any portion thereof. There are no oral agreements with any tenant which materially change the terms of any of the Leases, or which would make the information on the Rent Roll materially inaccurate.

- 5.2.5 Other Contracts. As used herein, the term "Other Contracts" means all agreements, written and/or oral, to which Seller is a party and which directly affect the ownership or operation of the Property (other than the Leases). As of the date of this Agreement, there are no Other Contracts. Prior to the Closing, no Other Contracts will be

entered without the prior written consent of Buyer.

- 5.2.6 **Personal Property.** Seller has no knowledge that anyone will, at the Closing, have any right to possession of any personal property, if any, included in the Purchase Price nor knowledge of any liens or encumbrances affecting such personal property, except as disclosed by this Agreement or otherwise in writing to Buyer.
- 5.2.7 **Hazardous Materials.** “Hazardous Materials” means any substance, material, or waste which is or becomes, regulated by any local governmental authority, the State of California, or the United States Government, including, but not limited to, any material or substance which is: (i) defined as a “hazardous waste,” “extremely hazardous waste,” or “restricted hazardous waste” under Section 25115, 25117 or 25122.7, or listed pursuant to Section 25140 of the California Health and Safety Code, Division 20, Chapter 6.5 (“Hazardous Waste Control Law”), (ii) defined as a “hazardous substance” under Section 25316 of the California Health and Safety Code, Division 20, Chapter 6.8 (“Carpenter-Presley-Tanner Hazardous Substance Account Act”), (iii) defined as a “hazardous material,” “hazardous substance,” or “hazardous waste” under Section 25501 of the California Health and Safety Code, Division 20, Chapter 6.95 (“Hazardous Materials Release Response Plans and Inventory”), (iv) defined as a “hazardous substance” under Section 25281 of the California Health and Safety Code, Division 20, Chapter 6.7 (“Underground Storage of Hazardous Substances”), (v) petroleum and products thereof, (vi) asbestos, (vii) polychlorinated biphenyls, (viii) methyl tert butyl ether, (ix) listed under Article 9 or defined as “hazardous” or “extremely hazardous” pursuant to Article 11 of Title 22 of the California Administrative Code, Division 4, Chapter 20, (x) designated as “hazardous substances” pursuant to Section 311 of the Clean Water Act (33 U.S.C. § 1317), (xi) defined as a “hazardous waste” pursuant to Section 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. § 6901, *et seq.* (42 U.S.C. § 6903), or (xii) defined as “hazardous substances” pursuant to Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. § 9601, *et seq.* Seller, to Seller’s actual knowledge, acknowledges that no hazardous materials as defined herein are located on or under the Property; that there has been no release, storage, treatment, generation, or disposal of any hazardous materials on, under, or from the Property; and that no hazardous materials have been transported from the Property. Seller acknowledges that the property has been used and zoned as commercial property. Seller has no other knowledge concerning hazardous materials on the Property.
- 5.2.8 **Foreign Person.** Seller is not a foreign person or persons and is/are a

“United States Person” as such term is defined in Section 7701(a)(30) of the Internal Revenue Code of 1986, as amended.

- 5.3. Representations and Warranties of Buyer. Buyer represents and warrants to Seller all of the following, as of the date hereof and as of the Closing:
- (a) Buyer is a governmental body in the State of California, and has the full power and authority to enter into and comply with the terms of this Agreement. The execution, delivery and performance of this Agreement by Buyer have been duly authorized and approved by all requisite action, and no other authorizations or approvals, whether of governmental bodies or otherwise, will be necessary in order to enable Buyer to enter into or to comply with the terms of this Agreement.
  - (b) This Agreement and all other documents and certificates executed and delivered by Buyer in connection with the transactions contemplated by this Agreement constitute legal, valid and binding obligations of Buyer, enforceable against Buyer in accordance with their respective terms. Neither this Agreement nor anything provided to be done under this Agreement violates or shall violate any contract, document, understanding, agreement or instrument to which Buyer is a party or by which it is bound.
- 5.4. Effect and Survival of Representations and Warranties. Each of the representations and warranties in this Agreement (a) is material and being relied upon by the party to which the representation and warranty is made; (b) is true in all respects as of the Effective Date; (c) shall be true in all respects on the Closing Date; and (d) shall survive the Closing, except as otherwise provided in this Agreement.
- 5.5. Breach of Representations and Warranties. If Seller or Buyer believes that the other party is in breach of the representations and warranties set forth in Sections 5.1 or 5.2 above, then such party shall provide express written notice of any claim of breach or default to the alleged breaching or defaulting party, and such alleged breaching or defaulting party shall have five (5) business days in which to cure such alleged default; provided, however, that no such cure period may extend beyond the Closing.
- 5.6. Risk of Loss. Seller shall assume the risk of loss, destruction or damage to the Property by fire, Act of God, other casualty, or condemnation prior to the Closing Date and the transfer of title to the Property to Buyer. Buyer assumes, as of the Closing Date and transfer of title, all hazards of damage to or destruction of the Property and of the taking of the Property or any part thereof for public use, and agrees that no such damage, destruction or taking shall constitute a failure of consideration. Upon the full execution of this Agreement, Buyer shall have an insurable interest in the Property. Buyer

shall have the option in the event of destruction or taking of a part of the Property subsequent to the full execution of this Agreement but prior to the Closing Date that materially adversely affects Buyer's use of the Property to (i) cancel this Agreement, in which event Sellers shall refund, without interest, the Earnest Money and neither party shall have any further right or obligation to or against the other or to (ii) proceed with the execution of the Agreement with an abatement of the Purchase Price measured by the proceeds of any insurance collected or condemnation award obtained.

## ARTICLE 6

### DEFAULT AND TERMINATION

- 6.1. Default by Seller. Seller shall be deemed to be in default under this Agreement if Seller fails, for any reason other than Buyer's default under this Agreement or the failure of a condition precedent to Seller's obligation to perform under this Agreement, to meet, comply with, or perform any covenant, agreement, or obligation required on its part within the time limits and in the manner required in this Agreement, or a material breach shall have occurred of any representation or warranty (made by Seller) because of Seller's actual fraud or intentional misrepresentation.

In the event Seller fails to perform any of its obligations or is otherwise in default hereunder, Buyer has the right to give notice to Seller and/or Escrow Holder specifically setting forth the nature of such failure and stating that Seller shall have a period of ten (10) days to cure such failure. Buyer has the right to exercise any remedy available to it at law and/or in equity if any or all of the following occur: (1) Seller has not cured such failure within such period, (2) such failure is not capable of being cured within ten (10) days or at all, (3) Seller has not commenced in good faith the curing of such failure within such period, and/or (4) Seller does not diligently complete such cure prior to the Closing Date or, if applicable, the Termination Date.

If Seller defaults in its obligations under this Agreement to sell the Property to Buyer on the Closing Date through no fault of Buyer, then Buyer at its option may have the right to specific performance of this Agreement or the right to recover the cost incurred in conducting its Due Diligence up to One Hundred Thousand Dollars (\$100,000). If, after the Closing Date, Buyer determines that Seller has breached any representation or warranty set forth in Article 5, then Buyer shall have the right to bring an action for general and specific damages to Buyer subject to the limitations in this section.

Buyer acknowledges and agrees, however, that any action for specific performance of this Agreement and the right to record a Notice of Lis Pendens or Notice of Pendency of Action or any similar notice against any portion of the Property (collectively, "Property Specific Remedies") must be filed, served upon Seller and/or recorded, if at all, within thirty (30) days

from and after the earlier of (i) the date Buyer learns of such default by Seller, or (ii) the Termination Date. Buyer further acknowledges and agrees that its failure to timely file and/or record any Property Specific Remedies shall constitute Buyer's irrevocable waiver of the right to pursue any Property Specific Remedies and Seller shall have the uncontested right to expunge any Property Specific Remedies which are not so timely pursued.

- 6.2. Default by Buyer. Buyer shall be deemed to be in default under this Agreement if Buyer fails, for any reason other than Seller's default under this Agreement or the failure of a condition precedent to Buyer's obligation to perform under this Agreement, to meet, comply with, or perform any covenant, agreement, or obligation required on its part within the time limits and in the manner required in this Agreement, or a material breach shall have occurred of any representation or warranty (made by Buyer) by reason of Buyer's actual fraud or intentional misrepresentation.

In the event Buyer fails to perform any of its obligations or is otherwise in default hereunder, Seller has the right to give notice to Buyer and/or Escrow Holder specifically setting forth the nature of such failure and stating that Buyer shall have a period of five (5) business days to cure any failure to either pay money or perform by a date certain and a period of ten (10) days to cure any other failure. Seller has the right to waive such failure and proceed to the Closing if any or all of the following occur: (1) Buyer has not cured such failure within the applicable period, (2) such failure is not capable of being cured within ten (10) days, (3) Buyer has not commenced in good faith the curing of such failure within such period, and/or (4) Buyer does not diligently complete such cure prior to the Closing Date or, if applicable, the Termination Date.

- 6.3. Effect of Termination.

- (a) Upon the termination of this Agreement for any reason, neither Buyer nor Seller shall have any further liability or obligation hereunder, except as otherwise set forth herein. This Article 6 and those provisions which survive such termination pursuant to Section 7.3 below, and Escrow Holder shall within five (5) business days thereafter, return to the party entitled thereto (or, if not specified hereunder to the contrary, to the party who deposited the same) all items previously deposited with Escrow Holder in connection with this escrow.
- (b) In the event this Agreement is terminated pursuant to Section 6.1 or Section 6.2 above, the party in default shall immediately upon demand from Escrow Holder pay all escrow costs and cancellation charges.
- (c) In the event Buyer timely elects to terminate this Agreement in

accordance with Section 3.1 or 3.2, Buyer and Seller shall split all escrow costs and cancellation charges equally, and shall execute supplemental escrow instructions prepared by Escrow Holder canceling the escrow opened hereunder, unconditionally releasing each other from all past and future obligations and liabilities under this Agreement and instructing Escrow Holder to immediately disburse the Deposit (less 50% of all escrow costs and cancellation charges) to Buyer.

- (d) If this Agreement is terminated before the Closing Date for Seller's default, then, in addition to any remedy Buyer has under this Agreement, Seller shall reimburse Buyer for the costs incurred by Buyer in conducting its Due Diligence up to One Hundred Thousand Dollars (\$100,000).

## ARTICLE 7

### MISCELLANEOUS

7.1. Notices. Any notice, approval or other communication required or permitted to be given under this Agreement shall be in writing and shall be sent by a nationally recognized overnight private courier company or by United States mail, registered or certified mail, postage prepaid, return receipt requested, or by facsimile transmission and addressed as follows:

If to Buyer:                   City of Commerce  
  2535 Commerce Way  
  City of Commerce, California 90040  
  Attn: Jorge Rifa  
  City Administrator

With a copy to:                Olivo Law  
  320 West Whittier Boulevard, Suite 224  
  La Habra, California 90631  
  Attn: Eduardo Olivo, Esq.  
  (562) 697-2440

If to Seller:                    SUZANNE R. MAHONEY, TRUSTEE OF THE  
  CONSTANCE M. MISSIMER FAMILY TRUST U/D  
  DATED 08/11/03  
  915 Via Fruteria  
  Santa Barbara, CA 93110  
  Attn: Ms. Suzanne R. Mahoney  
  Telephone No.: (805) 687-0829  
  Facsimile No.: \_\_\_\_\_  
  Email Address: mahos@sbcglobal.net

With a copy to: Eisner, Kahan, Gorry, Chapman, Ross & Jaffe  
9601 Wilshire Boulevard, Suite 700  
Beverly Hills, CA 90210  
Attn: Michael Smooke, Esq.  
Telephone No.: (310) 855-3210  
Facsimile No.: (310) 855-3201

Escrow Holder: Ticor/Fidelity Title and Escrow  
21731 Ventura Boulevard, Suite 100  
Woodland Hills, California 91364  
Attn: Rick Drumm and Michael Mahoney  
Telephone No.: 818-449-3005  
Facsimile No.: 818-703-5190

or such other address as either party may from time to time specify in writing to the other in accordance with this Section 7.1. Such notices shall be deemed delivered upon delivery or refusal to accept delivery as indicated in the U.S. Postal Service return receipt or similar advice from such courier company, as the case may be.

7.2. Brokers and Finders.

- (a) Buyer hereby represents and warrants that it has not agreed to pay any broker's fee, finder's fee, commission or other similar compensation in connection herewith, and it has not acted through any broker or finder who could claim any such other or additional compensation. Buyer agrees to indemnify and hold Seller harmless from and against all damages, liabilities, costs, expenses and losses (including, without limitation, reasonable attorneys' fees and costs) which Seller may sustain or incur by reason of any claim for any such fee or compensation, other than claims based upon dealings solely with Seller. The payment of such commissions is a condition to the Closing.
- (b) Seller hereby represents and warrants that it has not agreed to pay any broker's fee, finder's fee, commission or other similar compensation in connection herewith, and it has not acted through any broker or finder who could claim any such other or additional compensation. Seller further agrees to indemnify and hold Buyer harmless from and against all damages, liabilities, costs, expenses and losses (including, without limitation, reasonable attorney's fees and costs) which Buyer may sustain or incur by reason of any claim for any such fee or compensation, other than claims based upon dealings solely with Buyer. The payment of such commissions is a condition to the Closing.

7.3. Survival of Representations and Warranties. All representations, covenants



and warranties of the Parties contained herein or in any document, certificate or statement delivered pursuant to this Agreement are intended to and shall remain true and correct at all times during the term of this Agreement and shall be deemed to be material. Each such representation and warranty and all indemnities contained herein shall survive the Closing Date and any other termination of this Agreement for a period of two (2) years. .

- 7.4. Further Acts. Each party shall, at the request of the other, execute, acknowledge (if appropriate) and deliver whatever additional documents, and do such other acts, as may be reasonably required in order to accomplish the intent and purposes of this Agreement.
- 7.5. Merger of Prior Agreements; Amendments. This Agreement and the Exhibits hereto constitute the full and complete agreement and understanding, and supersede all prior and contemporaneous agreements and understandings, between the Parties hereto relating to the subject matter hereof. Without limiting the foregoing, the Parties acknowledge and agree that all prior offers, counter offers and correspondence regarding the Property among the Parties or their agents are null and void and of no force or effect. This Agreement may be amended or modified only by a written instrument executed by the party asserted to be bound thereby.
- 7.6. Attorneys' Fees. In the event either Buyer or Seller brings any suit or other proceeding with respect to the subject matter or to enforce any provision of this Agreement, the prevailing party (as determined by the court, agency or other authority which adjudicates such suit or proceeding) shall, in addition to such other relief as may be awarded, be entitled to recover reasonable attorneys' fees, expenses and costs of investigation as actually incurred (including, without limitation, attorneys' fees, expenses and costs of investigation incurred in appellate proceedings, in establishing the right to indemnification or in any action or participation in, or in connection with, any state or federal bankruptcy or debtor relief case or proceeding).
- 7.7. Validity. In the event any provision of this Agreement, or the application thereof in a particular context is held unenforceable, invalid or in violation of law by any court or quasi-judicial body of competent jurisdiction, then the application of such provision in other contexts shall not be affected thereby and, in all events, the remaining provisions hereof shall remain in full force and effect.
- 7.8. No Waiver. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision hereof. No waiver shall constitute a continuing waiver. No waiver shall be binding unless executed by the party making the waiver, except as may otherwise be provided in this Agreement,

- 7.9. **Confidentiality.** Until the Closing, all information, studies and reports relating to the Property obtained by Buyer, either by the observations and examinations of its agents and representatives or as disclosed to it by Seller, shall remain confidential. If the transaction contemplated herein fails to close for any reason, Buyer shall return to Seller all reports provided by Seller to Buyer, and shall destroy all information, reports and studies prepared on behalf of Buyer and make no further distributions or disclosures thereof. Notwithstanding the foregoing, Buyer shall be entitled to disclose the foregoing to its brokers, prospective tenants, consultants and its financial joint venturers.
- 7.10. **Possession.** Subject to existing leases, possession of the Property shall be delivered to Buyer on the Closing Date.
- 7.11. **Exculpation.** The liability of Seller hereunder shall be limited solely to its interest in the Property.
- 7.12. **Assignments.** This Agreement shall be binding upon, and inure to the benefit of, the Parties hereto and their respective successors, and assigns. Prior to the Closing Date, neither party shall assign this Agreement, except that Buyer shall have the right to assign all or any portion of its interest in this Agreement to another public entity provided that Buyer gives written notice of such assignment to Seller.
- 7.13. **No Third Party Beneficiaries.** Nothing in this Agreement, express or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any person other than the Parties and their respective permitted assigns, nor is anything in this Agreement intended to relieve or discharge any obligation of any third person to any party to this Agreement or give any third person any right of subrogation or action over or against any party to this Agreement.
- 7.14. **Modified Time is of the Essence.** If full performance of this Agreement is not completed by the Closing Date, either party shall have the right thereafter to declare time to be of the essence by giving written notice thereof to the other party. Such notice shall contain a declaration that time is of the essence and shall fix the time, place and date of final settlement, which date may not be sooner than 30 days following the date of such notice.
- 7.15. **Interpretation.** Words in the singular shall be deemed to include the plural and vice-versa and words in a particular gender shall be deemed to include each other gender. The captions and headings of the Articles and Sections of this Agreement are for convenience of reference only and shall not be deemed to define or limit the provisions hereof. The language in all parts of this Agreement shall be construed as a whole in accordance with its fair meaning and without regard to California Civil Code § 1654 or similar

statutes.

7.16. References. Unless otherwise indicated all references to days are to calendar days. Under the terms of this Agreement, whenever the time for performance of a covenant or condition falls on a Saturday, Sunday, or California State or Federal holiday, such time for performance shall be extended to the next business day. "Business Day" means days other than Saturday, Sunday and California State or Federal holidays.

7.17. Institution of Legal Actions and Governing Law.

(a) In addition to any other rights or remedies, available to the parties, the parties may institute legal action to cure, correct or remedy any default or breach, or obtain any other remedy consistent with the purpose of this Agreement. Such legal actions must be instituted in the Superior Court of the County of Los Angeles, State of California, or in any other appropriate court with applicable jurisdiction.

(b) This Agreement shall be governed by and construed in accordance with the internal laws, and not the law of conflicts, of the State of California applicable to agreements made and to be performed in such state.

7.18. Counterparts; Exhibits. This Agreement may be executed in one or more counterparts by the Parties hereto. All counterparts shall be construed together and shall constitute one agreement. All exhibits attached hereto and referred to herein are hereby incorporated herein as though fully set forth at length.

7.19. Eminent Domain. Buyer is a governmental agency authorized by law to exercise eminent domain to acquire property for public use. Buyer hereby represents that it has contemplated acquiring the Property through the use of eminent domain for public roadway purposes and is purchasing the Property in lieu of the use of eminent domain. Buyer acknowledges that Seller has agreed to the sale of the Property with the understanding that Buyer was considering the exercise of eminent domain. Seller further agrees that the Purchase Price and terms for payment thereof represent full compensation for the Property, appurtenances, leasehold interests, if any, goodwill, if any, severance damages, if any, relocation payments, if any, costs for pre-condemnation damages, interest, costs, disbursements and expenses incurred in connection with the acquisition of the Property and improvements pertaining to realty, if any, and any and all other forms of compensation required to be paid under law by a public agency in connection with the exercise of eminent domain. Upon Seller's request, Buyer shall provide Seller with a Resolution of Necessity and a letter or letters stating that the sale is in lieu of or under the threat of eminent

domain.

- 7.20. **Reporting Responsibility.** Escrow Holder shall be deemed to be the person responsible for closing this transaction for purposes of Section 6045(e)(2)(A) of the IRC and shall prepare and file all returns and statements required by law, if any.

*(signatures follow on the next page)*

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement or caused this Agreement to be executed by their respective officers, duly authorized, as of this date, month and year first above written.

**Seller: SUZANNE R. MAHONEY, TRUSTEE OF THE  
CONSTANCE M. MISSIMER FAMILY TRUST  
U/D DATED 08/11/03**

By \_\_\_\_\_  
Suzanne R. Mahoney, Trustee      Date

**Approved as to Form:**

By \_\_\_\_\_  
Michael Smooke, Esq.      Date

**Buyer: CITY OF COMMERCE**

By \_\_\_\_\_  
Joseph Aguilar, Mayor      Date

**Approved as to Form:**

By \_\_\_\_\_  
Eduardo Olivo, Legal Counsel      Date

**CONSENT OF ESCROW HOLDER**

TICOR/FIDELITY TITLE & ESCROW (the Escrow Holder) accepts the foregoing Purchase and Sale Agreement and Joint Escrow Instructions as escrow instructions, agrees to act as escrow holder and agrees to be bound by their provisions applicable to it as Escrow Holder.

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

Title: \_\_\_\_\_

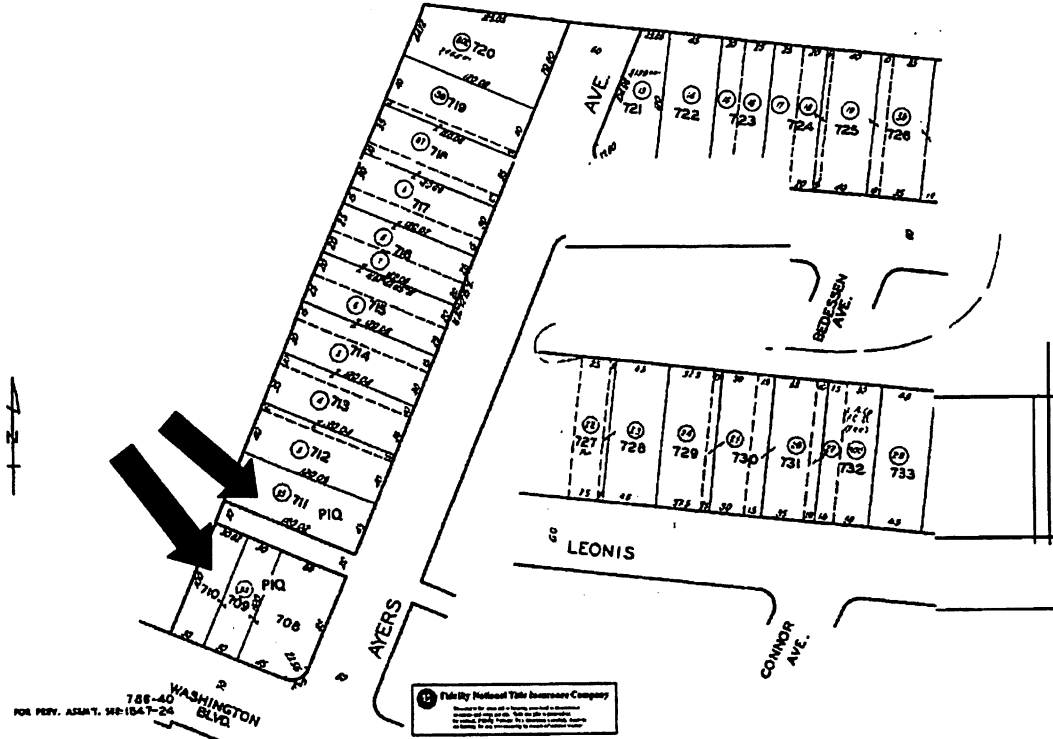
EXHIBIT A

LEGAL DESCRIPTION

**THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF COMMERCE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS: LOTS 708, 709, 710, AND 711 OF TRACT NO. 8047, IN THE CITY OF COMMERCE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 95, PAGES 18 AND 19 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.**

APN: 5243-024-033, 5243-024-034

EXHIBIT B  
 MAP OF PROPERTY



5243 24 2002  
 CASE 1" = 80'  
 \*\*1

**EXHIBIT C**

**Form of Grant Deed & Certificate of Acceptance**

PARCEL NO.  
A.P. NO. 5243-024-033, 5243-024-034

RECORDING REQUESTED BY AND  
WHEN RECORDED MAIL TO:

CITY OF COMMERCE  
2535 COMMERCE WAY  
COMMERCE, CA 90040  
Attn: City Clerk

---

(SPACE ABOVE THIS LINE FOR  
RECORDER'S USE)

**EXEMPT FROM RECORDING FEE  
NO DOCUMENTARY TRANSFER TAX REQUIRED  
PURSUANT TO GOVERNMENT CODE SECTION 6103**

**GRANT DEED**

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, and **SUZANNE R. MAHONEY, TRUSTEE OF THE CONSTANCE M. MISSIMER FAMILY TRUST U/D DATED 08/11/03 ("Grantor")**, hereby GRANTS to the **City of Commerce Community, a body corporate and politic ("Grantee")** and its successors and assigns, that certain real property located in the City of Commerce, County of Los Angeles, State of California, more particularly shown and described in **Exhibit "A"** attached hereto and incorporated herein by this reference.

This deed and all of the provisions hereof are binding upon Grantor's successors and assigns.

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

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



**Exhibit "A"**

**LEGAL DESCRIPTION**

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

**LOTS 708, 709, 710, AND 711 OF TRACT NO. 8047, IN THE CITY OF COMMERCE, COUNTY OF LOSANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 95, PAGES 18 AND 19 OF MAPS, INTHE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.**

STATE OF CALIFORNIA )  
 ) ss  
COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_, 2013, before me, \_\_\_\_\_, a  
Notary Public in and for said State, personally appeared  
\_\_\_\_\_, personally known to me (or proved to me on the  
basis of satisfactory evidence) to be the person whose name is subscribed to the within  
instrument, and acknowledged to me that he executed the same in his authorized capacity,  
and that by his signature on the instrument the person, or the entity upon behalf of which  
the person acted, executed the instrument.

WITNESS my hand and official seal.

\_\_\_\_\_  
Notary Public

[SEAL]

STATE OF CALIFORNIA )  
 ) ss  
COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_, 2013, before me, \_\_\_\_\_, a  
Notary Public in and for said State, personally appeared  
\_\_\_\_\_, personally (or proved to me on the basis of  
satisfactory evidence) to be the person whose name is subscribed to the within instrument,  
and acknowledged to me that he executed the same in his authorized capacity, and that by  
his signature on the instrument the person, or the entity upon behalf of which the person  
acted, executed the instrument.

WITNESS my hand and official seal.

\_\_\_\_\_  
Notary Public

[SEAL]

**CERTIFICATE OF ACCEPTANCE**

This is to certify that the interest in real property conveyed by the foregoing GRANT DEED from **SUZANNE R. MAHONEY, TRUSTEE OF THE CONSTANCE M. MISSIMER FAMILY TRUST U/D DATED 08/11/03** to the CITY OF COMMERCE is hereby accepted by the undersigned on behalf of CITY OF COMMERCE pursuant to authority conferred by a resolution of the CITY OF COMMERCE and the grantee hereby consents to the recordation of this Easement Deed by its duly authorized officer.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2013

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

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

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

Document comparison by Workshare Compare on Thursday, October 17, 2013  
10:14:44 AM

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Document 2 ID	interwovenSite://NTDMS1/iManageLA/381099/3
Description	#381099v3<iManageLA> - Suzanne Mahoney/Commerce CA Property - PSA
Rendering set	Standard

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Insertion	
Moved to	
Style change	
Format change	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

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Moved to	0
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Format changed	0
Total changes	57



# AGENDA REPORT

MEETING DATE: November 5, 2013

TO: HONORABLE CITY COUNCIL

FROM: CITY ADMINISTRATOR

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA, APPROVING THE FIRST AMENDMENT TO THE AGREEMENT WITH DEKRA-LITE FOR THE INSTALLATION, MAINTENANCE AND STORAGE OF HOLIDAY DECORATIONS; AND APPROVING A CITY COUNCIL SUB-COMMITTEE TO DEVELOP RECOMMENDATIONS FOR A NEW HOLIDAY DECORATIONS PROGRAM

## RECOMMENDATION:

Approve and adopt the Resolution approving the First Amendment to the Agreement with Dekra-Lite for the installation, maintenance and storage of holiday decorations; approve a City Council Sub-committee to develop recommendations for a new Holiday Decorations Program; appoint two Councilmembers to the Sub-committee; appropriate \$50,000 (not-to-exceed) to expand the current Holiday Decorations Program; and assign the number next in order.

## MOTION:

Move to approve the recommendation.

## BACKGROUND/ ANALYSIS:

On October 8, 2013, the City Council approved a one year Agreement with Dekra-Lite in the amount of \$87,572.85 for the installation, maintenance, and storage of holiday decorations. At this meeting, staff notified Council that Southern California Edison does not allow decorations on wooden poles especially those with overhead power, cable, and telephone lines. This policy affects the Veteran's Memorial and Bristow neighborhoods. As a result, Council requested staff to investigate alternative decorating options for these areas.

Dekra-Lite and City staff visited these areas and suggest the following expansion of the City's current Holiday Decorations Program to include the Veteran's Memorial and Bristow areas:

1. Greenwood Library – rooftop decorations of either a season's greetings sign or Santa sleigh with a string of lights along the roof edge facing Gage and Greenwood Avenues.
2. Veteran's Memorial Park – large reindeer with gift boxes or large holiday lights at the memorial upon entering the park.
3. Bristow Park – several large holiday banners mounted onto the fence on either side of the park sign and garland along the top of the fence facing Triggs Street. The banners would be designed in-house and the City's tree and maintenance crew can install the decorations.

Photographs of the suggested decorations are attached. The total cost of the expanded decoration program will not exceed \$50,000. Dekra-Lite will be responsible for providing all labor, materials, equipment, tools and incidentals necessary for the installation and removal of the holiday decorations for the Greenwood Library and Veteran's Park areas.

Staff recommends amending the Agreement with Dekra-Lite to expand the Holiday Decoration Program to include the Veteran's Memorial Park area including Greenwood Library and authorize an additional funding not to exceed \$50,000 with City staff assigned to decorate the Bristow area. Further, staff recommends approving a two-member City Council Sub-committee to develop recommendations for a new Holiday Decoration Program. Council can continue working with the established Council Ad-Hoc Committee or appoint two other councilmembers.

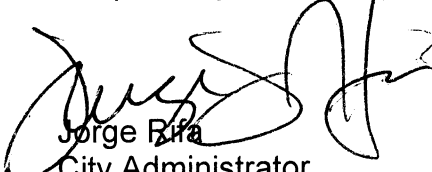
FISCAL IMPACT:

Staff recommends Council appropriate \$50,000 to expand the current Holiday Decoration Program and use account number 10-5160-54075, Equipment Rental. The Fiscal Impact will not exceed \$50,000. Funds are available in reserves.

RELATIONSHIP TO 2009 STRATEGIC GOALS:

The issue before the Council is applicable to the following Council's strategic goal: *"Protect and Enhance Quality of Life in the City of Commerce."*

Respectfully submitted,



Jorge Rifa  
City Administrator

Recommended by



Alex Hamilton  
Assistant Director of  
Community Development

Prepared by:



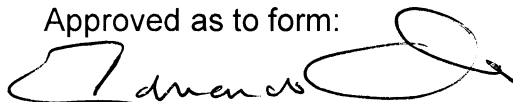
Gina Nila  
Environmental Services Manager

Fiscal impact reviewed by:



Vilko Domic  
Director of Finance

Approved as to form:



Eduardo Olivo  
City Attorney

Attachments: Resolution  
First Amendment  
Photographs of suggested holiday decorations  
Dekra-Lite proposals (4)

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE,  
CALIFORNIA, APPROVING THE FIRST AMENDMENT TO THE AGREEMENT WITH  
DEKRA-LITE FOR THE INSTALLATION, MAINTENANCE AND STORAGE OF  
HOLIDAY DECORATIONS; AND APPROVING A CITY COUNCIL SUB-COMMITTEE  
TO DEVELOP RECOMMENDATIONS FOR A NEW HOLIDAY DECORATIONS  
PROGRAM

WHEREAS, on October 8, 2013, the City Council approved a one year Agreement with Dekra-Lite for the installation, maintenance, and storage of holiday decorations; and

WHEREAS, Southern California Edison does not allow decorations on wooden poles especially those with overhead power, cable, and telephone lines, which affects the Veteran's Memorial and Bristow neighborhoods; and

WHEREAS, as a result, Council requested staff to investigate alternative decorating options for these areas; and

WHEREAS, Dekra-Lite and City staff visited these areas and suggest an expansion of the City's current Holiday Decorations Program to include the Veteran's Memorial and Bristow areas; and

WHEREAS, staff recommends amending the Agreement with Dekra-Lite to expand the Holiday Decorations Program to include the Veteran's Memorial area including Greenwood Library and authorize an additional funding not to exceed \$50,000 with City staff assigned to decorate the Bristow area.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMMERCE DOES HEREBY RESOLVE, DECLARE AND DETERMINE AS FOLLOWS:

SECTION 1. The First Amendment to the Agreement by and between Dekra-Lite and the City of Commerce is hereby approved. The Mayor is authorized to sign the First Amendment for and on behalf of the City.

SECTION 2. The sum of Fifty Thousand Dollars (\$50,000) is hereby appropriated in order to fund the expansion of the Holiday Decorations Program to include the Veteran's Memorial and Bristow areas. The City shall utilize account number 10-5160-54075, equipment rental for this program.

SECTION 3. A two-member City Council Sub-committee is hereby established in order to develop recommendations for a new Holiday Decoration Program.

PASSED, APPROVED AND ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

\_\_\_\_\_  
Joe Aguilar, Mayor

ATTEST:

\_\_\_\_\_  
Teresa Jackson, CMC  
Interim City Clerk





**FIRST AMENDMENT TO THE AGREEMENT BETWEEN THE CITY OF COMMERCE  
AND DEKRA-LITE FOR INSTALLATION, MAINTENANCE AND STORAGE OF  
HOLIDAY DECORATIONS**

The First Amendment to the Agreement (hereinafter "First Amendment") is made and entered into as of the 5<sup>th</sup> day of November, 2013 ("Effective Date") by and between the City of Commerce, a public body of the State of California ("City") and Dekra-Lite, a California corporation in good standing ("Contractor")

**WITNESSETH**

This First Amendment is made with reference to the following facts:

- A. On October 8, 2013, the parties hereto entered into a one year Agreement for the installation, maintenance and storage of holiday decorations (hereinafter "Agreement").
- B. The parties desire to enter into a First Amendment to the Agreement in the manner hereinafter set forth.

**NOW, THEREFORE**, in consideration of the mutual promises, conditions and covenants herein contained, the parties hereto agree as follows:

1. Term of Agreement:

Pursuant to provisions in Section 2 ("Term") of the Agreement:

- A. The parties hereto agree to expand the City's current Holiday Decorations Program to include the Veteran's Memorial Park area including the Greenwood Library.
- B. Compensation for the expanded program shall be in the amount reflected in Dekra-Lite's proposal dated October 29, 2013, attached hereto.

City of Commerce, a Municipal Corporation

Dekra-Lite, Contractor

\_\_\_\_\_  
Joe Aguilar, Mayor

\_\_\_\_\_  
LeeRoy Chaffin II, Senior Vice  
President

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Teresa Jackson, CMC  
Interim City Clerk

\_\_\_\_\_  
Eduardo Olivo  
City Attorney

