COMMUNITY DEVELOPMENT COMMISSION
of the County of Los Angeles
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Gloria Molina
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Commissioners

Carlos Jackson
Executive Director

April 15, 2008

Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Honorable Board of Commissioners
Community Development Commission
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors and Commissioners:

APPROVE A RESOLUTION AND OWNER PARTICIPATION AGREEMENT WITH DOKHY LLC FOR COMMERCIAL DEVELOPMENT IN THE MARAVILLA COMMUNITY REDEVELOPMENT PROJECT AREA (1)
(3 Vote)

IT IS RECOMMENDED THAT THE BOARD OF SUPERVISORS AFTER THE PUBLIC HEARING:

Adopt the attached Resolution, Attachment A, finding that the disposition to Dokhy LLC of Commission-owned properties located in the Maravilla Community Redevelopment Project (MCRP) area, identified in Attachment B (Commission Parcels), is not less than the fair reuse value and that the sale of the Commission Parcels will assist in the elimination of blight, and approving the sale and the Owner Participation Agreement for commercial development in the MCRP area.

IT IS RECOMMENDED THAT THE BOARD OF COMMISSIONERS OF THE COMMUNITY DEVELOPMENT COMMISSION:

1. Consider the attached Initial Study/Mitigated Negative Declaration, Attachment C, prepared pursuant to the requirements of the California Environmental Quality Act (CEQA), together with any comments received during the public review process, for a commercial development on a 36,625 square foot site (Project) identified in Attachment B, located on the southwest corner of E. Cesar Chavez Avenue and Mednik Avenue in the Maravilla Community Redevelopment Project (MCRP) area.

2. Find that with the incorporation of the mitigation measures identified in the Mitigation and Monitoring Plan, Attachment D, and required as a condition of project approval, the proposed Project will not have a significant effect on the environment; approve the Initial Study/Mitigated Negative Declaration; find that the Project will have no adverse effect on wildlife resources; and authorize the Executive Director of the Community Development Commission to complete and file with the County Clerk a Certificate of Fee Exemption for the Project described above.

3. Find that the Initial Study/Mitigated Negative Declaration reflects the independent judgment of the Commission, and instruct the Executive Director to file a Notice of Determination with the County Clerk, as required by CEQA; and instruct the Executive Director to take any and all actions necessary to complete the implementation of this environmental review action, for the Project described above.

4. Approve and authorize the Executive Director to execute and administer an Owner Participation Agreement (OPA) with Dokhy LLC (Participant), presented in substantially final form as Attachment E, and all related documents, and approve the disposition of the Commission Parcels identified in Attachment B to the Participant, to be effective following approval as to form by County Counsel and execution by all parties.

5. Approve and authorize the use of up to $150,000 in Maravilla Tax Increment Funds for off-site improvements in accordance with the OPA.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

The purpose of this action is to approve the Resolution and OPA between the Commission and the Participant for the sale of Commission Parcels, which will be used for needed commercial development in the MCRP area.

FISCAL IMPACT/FINANCING:

There is no impact on the County general fund. The Commission will fund up to $150,000 in Maravilla Tax Increment Funds for off-site improvements. The Participant will finance construction and related costs.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

On February 20, 1973, the Board of Supervisors adopted the Redevelopment Plan and subsequent amendments for the one-third of a square mile MCRP area. The Redevelopment Plan calls for the planned orderly growth of the MCRP area, including: removal of slum and blight; redevelopment and rehabilitation of existing lots and structures; development of commercial/retail space; and development of affordable housing in designated areas.

On April 3, 2007, your Board authorized the Executive Director to enter into an Agreement to Negotiate Exclusively (ANE) with the Participant to negotiate an OPA for development of the Project.

The Commission Parcels to be conveyed to the Participant total approximately 31,617 square feet. The development will include a total of 36,625 square feet which will consist of a 4,341 square foot Denny's restaurant, 1,102 square foot Subway restaurant, a 1,102 square foot pizza take-out restaurant and 2,218 square feet of office space. There will be approximately 20,239 square feet of parking and open patio area and 2,615 square feet of landscape area.

Section 33433 of the Health and Safety Code of California Community Redevelopment Law requires that the Board of Supervisors, after a public hearing, approve a Resolution finding that the sale price for the properties is not less than the fair reuse value, that the conveyance of the properties will assist in the elimination of blight, and approving the sale of the properties.

The Commission's financial consultant, pursuant to Section 33433, has prepared the attached Summary Report, Attachment F, which estimates the reuse value of the Commission Parcels at negative $59,000. The disposition for the Commission Parcels is consistent with the reuse value.

The Project will improve the elimination of blighting influences through site clearance, the assemblage of the site with new structures, diversification of the local commercial base, and by providing future job opportunities. Based on the projected uses, it is estimated that the development will generate up to an estimated 52 full- and part-time jobs, creating new employment opportunities for local community residents.

The Commission may sell the Commission Parcels only after a public hearing. In accordance with Sections 33431 and 33433, notice of the public hearing was published once a week for two weeks in a newspaper of general circulation in the County of Los Angeles prior to the public hearing.

County Counsel has approved the Resolution as to form. The Commission and County Counsel negotiated the attached OPA with the Participant, and the Maravilla Community Advisory Committee has received information and supports the proposed development.

ENVIRONMENTAL DOCUMENTATION:

CEQA requirements will be satisfied by approval of the Initial Study/Mitigated Negative Declaration, including the Mitigation and Monitoring Plan, and filing of a Notice of Determination with the County Clerk. A fee must be paid to the State Department of Fish and Game when certain notices required by CEQA are filed with the County Clerk. The Commission is exempt from paying this fee when your Board finds that the Project will have no significant impact on wildlife resources. The Project is located in an urban setting, and the Initial Study/Mitigated Negative Declaration concludes that there will be no adverse effect on wildlife resources.

The environmental review record for this Project is available for public viewing during regular business hours at the Commission's main office located at 2 Coral Circle in Monterey Park.

IMPACT ON CURRENT PROJECT:

Approval of the Resolution, the sale of Commission Parcels and execution of the OPA will bring needed commercial development to the MCRP area and increase employment opportunities for local residents, all in accordance with the Redevelopment Plan.

Respectfully submitted,

Bobbette A. Glover

for CARLOS JACKSON
Executive Director
Attachments: 6

ATTACHMENT A

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, FINDING THAT THE CONSIDERATION FOR THE CONVEYANCE OF CERTAIN REAL PROPERTY IN THE MARAVILLA COMMUNITY REDEVELOPMENT PROJECT AREA IS NOT LESS THAN THE FAIR REUSE VALUE IN ACCORDANCE WITH COVENANTS AND CONDITIONS GOVERNING SUCH SALE; FINDING THAT THE CONVEYANCE OF THE REAL PROPERTY WILL ASSIST IN THE ELIMINATION OF BLIGHT; APPROVING THE CONVEYANCE OF THE REAL PROPERTY TO DOKHY, LLC; AND APPROVING THE OWNER PARTICIPATION AGREEMENT PERTAINING THERETO

WHEREAS, the Community Development Commission of the County of Los Angeles (the "Commission") is a public body, corporate and politic, established and authorized to transact business and exercise its powers, all under and pursuant to the California Community Redevelopment Law (Part 1 of Division 24 of the Health and Safety Code) and the Community Development Commission Law (Part 1.7 of Division 24 of the Health and Safety Code); and

WHEREAS, on February 20, 1973, the Board of Supervisors adopted the Maravilla Community Redevelopment Plan (the "Redevelopment Plan") by Ordinance No. 10,661; and created the Maravilla Community Redevelopment Project; and all the requirements of law for and precedent to the adoption and approval of the Redevelopment Plan have been complied with; and

WHEREAS, the Board of Supervisors amended the duration of the Redevelopment Plan's activities to be forty years from the date of Redevelopment Plan adoption; and

WHEREAS, the Commission is engaged in activities necessary to execute and implement the Redevelopment Plan for the Maravilla Community Redevelopment Project; and

WHEREAS, in order to implement the Redevelopment Plan, the Commission proposes to convey certain real property ("Commission Parcels") in the Maravilla Community Redevelopment Project Area to Dokhy, LLC (the "Participant") pursuant to the terms and provisions of the Owner Participation Agreement (the "OPA") between the Participant and the Commission and which Commission Parcels are described in Exhibit No. 1, legal description which is attached and incorporated by reference; and

WHEREAS, the Participant pursuant to the OPA, will acquire the Commission Parcels from the Commission for not less than fair reuse value for uses in accordance with the Redevelopment Plan and the covenants and conditions of the OPA; and

WHEREAS, the Participant proposes to develop a commercial development on a 36,625 square foot site comprising of 31,617 square feet of Commission Parcels and 5,008 square feet of property owned by the Participant (collectively, the "Site"), which

will eliminate blighting influences in the Maravilla Community Redevelopment Project Area; and

WHEREAS, the proposed Site is a blighted area currently comprised of underutilized commercial and deteriorated structures; and

WHEREAS, the proposed commercial center project will provide new commercial opportunities to area residents, an improved environment and will become a strong complement to the Maravilla Business District within the Maravilla Community Redevelopment Project Area; and

WHEREAS, the Commission has prepared a summary report required by Section 33433 of the Health and Safety Code setting forth the cost of the OPA to the Commission, the estimated value of the property interest to be conveyed, determined at the highest and best uses permitted under the Redevelopment Plan, and has made the summary report available for public inspection in accordance with the California Community Redevelopment Law; and

WHEREAS, pursuant to the provisions of the California Community Redevelopment Law, the Commission held a public hearing on the proposed conveyance of Commission Parcels and the OPA after publication of notice as required by law; and

WHEREAS, the Commission has duly considered all terms and conditions of the proposed conveyance and has found that the redevelopment of the Site pursuant to the OPA assists in the elimination of slum and blight in furtherance of the health, safety, and welfare of the Maravilla community, and in accordance with the public purposes and provisions of applicable Federal, State and local law; and

WHEREAS, the Board of Supervisors must approve the conveyance of the Commission Parcels to the Participant by the Commission pursuant to Section 33433 of the Health and Safety Code.

NOW, THEREFORE, the Board of Supervisors of the County of Los Angeles, California, resolves as follows:

Section 1. The Board finds that the foregoing recitals are true and correct.

Section 2. The Board, in accordance with Section 33433 of the California Health and Safety Code, finds and determines that the consideration for conveyance of the Commission Parcels by the Commission to Participant pursuant to the OPA is not less than the fair reuse value at the use and with the covenants and conditions and development costs authorized by the conveyance.

Section 3. The Board finds and determines that the conveyance of the Commission Parcels by the Commission to the Participant pursuant to the OPA will assist in the elimination of blight and is consistent with the Five-Year Implementation Plan of the Redevelopment Plan adopted pursuant to Section 33490 of the California Health and Safety Code.

Section 4. The conveyance of the Commission Parcels by the Commission to Participant and the OPA which establishes the terms and conditions for the conveyance and development of the Site are approved.

The foregoing Resolution was on the _____ day of April 2008, adopted by the Board of Supervisors of the County of Los Angeles.

PASSES AND ADOPTED this _____ day of April 2008, by the following vote:

_____

AYES:

NOES:

ABSENT:

_____
Chair of the Board of Supervisors

ATTEST:
SACHI A. HAMAI
Executive Officer-Clerk Of
The Board of Supervisors

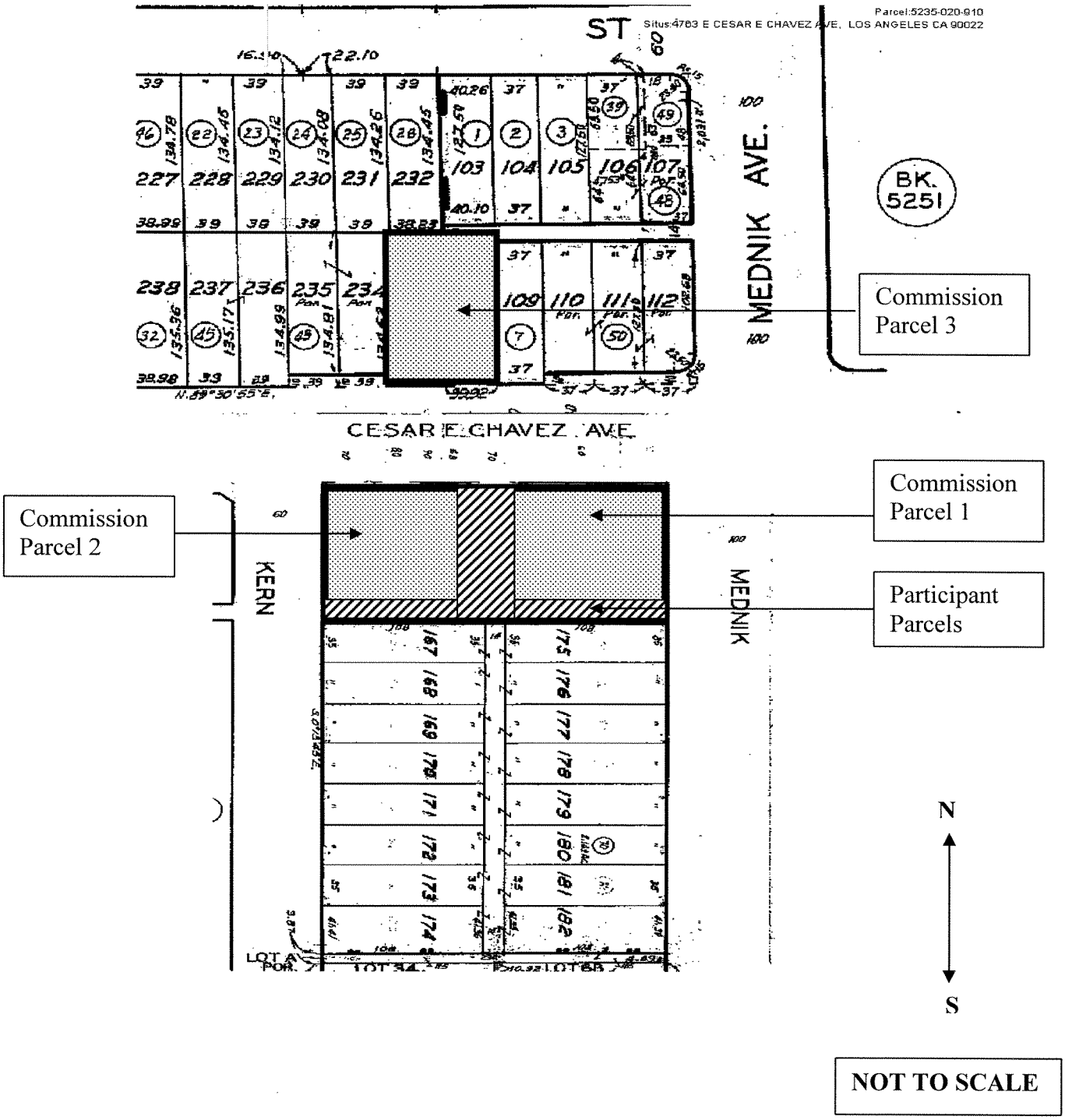
By_____
Deputy

APPROVED AS TO FORM:
RAYMOND G. FORTNER, JR.
County Counsel

By_____
Deputy

ATTACHMENT B

MAP OF THE SITE



CEQA – INITIAL STUDY/MITGATED NEGATIVE DECLARATION

Project Name: Mednik-Chavez Commercial Development

Project Location: The project site is located at 4760-4782 East Cesar Chavez Avenue, in unincorporated Los Angeles County, California. Figure 1 shows the regional location of the project, and Figure 2 shows the location of the project site within Los Angeles County.

Assessor's Parcel Number(s): 5235-010-069, 936, 937, 938, 939 & 940

Statement of Need: The proposed project would further the County's goals of assisting in economic redevelopment.

Project Description: The proposed project involves the construction of 8,722 square feet (sf) of commercial development on a 24,378 sf (0.57-acre) parcel. Figure 3 shows photos of the exiting onsite conditions and Figure 4 shows the proposed site plan. Approximately 4,341 sf of building area would be dedicated to restaurant use, 3,906 would be dedicated to retail uses, and 475 sf would be service area. As shown in Figure 5, the maximum building height would be 33 feet. The project includes 59 at grade parking spaces. Proposed landscaping would cover approximately 2,615 sf, or about 11% of the site. Existing trees along Cesar Chavez Avenue and Mednik Avenue would be maintained and/or replanted. Offsite improvements would include utilities, driveway approach, curbs and sidewalks.

Site preparation would include demolition of the approximately 2,000 sf building and removal of the approximately 1,000 sf modular building in order to accommodate the proposed retail center.

The project site is zoned C-3. A zone change would not be required.

Impact Categories	No Impact Anticipated	Potentially Beneficial	Potentially Adverse Requires Documentation Only	Potentially Adverse Requires More Study	Needs Mitigation	Requires Project Modification	Source or Documentation (See Attached References)
Land Development							
Conformance With Comprehensive Plans and Zoning	X						The project site is zoned C-3. A zone change is not needed (a).
Compatibility and Urban Impact	X						The project site is bounded by Cesar Chavez Avenue to the north, with commercial uses across the street; multi-family residences to the south; Mednik Avenue to the east, with LACDC office building across the street; Kern Avenue to the west, with commercial uses beyond (b). The proposed project would be compatible with the scale and type of surrounding development.
Slope	X						The project site is generally flat (b). The proposed development would not involve major topographic modifications or create any significant erosion or sedimentation problems.
Erosion	X						There is no evidence of any substantial erosion problems onsite (b). The project would not involve any ground disturbance other than grading for building pads.
Soil Suitability	X						There is no evidence of soil suitability problems on the project site (b). Routine soil tests would determine foundation design parameters for new structures.
Hazards and Nuisances, Including Site Safety	X						The following databases were checked for known hazardous materials contamination at the project site: • Comprehensive Environmental Response, Compensation, and Liability Information System (CERCLIS) database (c) • Geotracker search for leaking underground fuel tanks, Spills-Leaks-Investigations-Cleanups (SLIC) and Landfill sites (d) • Cortese list of Hazardous Waste and Substances Sites (e) • The Department of Toxic Substances Control's Site Mitigation and Brownfields Database (f). No results were found. In addition, the site and surrounding properties do not appear to, and are not known to, have supported industrial or other uses that are likely to have resulted in soil or groundwater contamination.
Energy Consumption	X						Project operation would incrementally increase the consumption of electricity and natural gas. However, because these resources are available both locally and regionally, no significant impact to the availability of energy resources is expected over the long-term. The project would comply with state energy conservation requirements.

Impact Categories	No Impact Anticipated	Potentially Beneficial	Potentially Adverse Requires Documentation Only	Potentially Adverse Requires More Study	Needs Mitigation	Requires Project Modification	Source or Documentation (See Attached References)
Noise							
Effects of Ambient Noise on Project and Contribution to Community Noise Levels	X						Project construction would generate temporary noise level increases. Local noise ordinances would apply. The proposed project involves the development of commercial/retail space and is not expected to generate substantial noise. The project itself is not a noise sensitive use. Impacts relating to noise would be less than significant.
Air Quality							
Effects of Ambient Air Quality on Project and Contribution to Community Air Pollutant Levels	X						The project site is located in the South Coast Air Basin, which is a nonattainment area for ozone, carbon monoxide, and fine particulate matter (PM_{10}). Future employees and customers of the proposed retail development would be exposed to potentially unhealthy ambient air because this regional condition cannot be feasibly mitigated. Traffic associated with the 8,722 sf project would incrementally increase air pollutant emissions, but such emissions would not exceed locally adopted significance thresholds or hinder attainment of state or federal air quality standards (g). Existing South Coast Air Quality Management District (SCAQMD) regulations restrict the emissions of dust and fumes during construction and the project would be required to conform to these requirements.
Environmental Design and Historic Values							
Visual Quality - Coherence, Diversity, Compatible Use, and Scale	X						The proposed project would involve the development of 8,722 sf of commercial space and surface parking. The surrounding land uses consist of residential, commercial, and office development (b). The project would be compatible with the visual context of the existing neighborhood.
Historic, Cultural, and Archaeological Resources					X		Historic and archaeological evaluations were conducted for the project site (see attached reports prepared by San Buenaventura Research Associates [h] and Conejo Archaeological Consultants [i]). Based on the historic resources evaluation, the project site is not eligible for listing on the National Register of Historic Places. Conejo Archaeological Consultants determined that no known archaeological resources would be adversely affected by project implementation. However, during grading, or any other earth moving events, discovery of any archaeological finds would require immediate cessation of activities and review by a qualified professional of the find for

Impact Categories	No Impact Anticipated	Potentially Beneficial	Potentially Adverse Requires Documentation Only	Potentially Adverse Requires More Study	Needs Mitigation	Requires Project Modification	Source or Documentation (See Attached References)
							recommendations.
Socioeconomic Conditions							
Demographic/Character Changes	X						The proposed project includes 8,722 sf of commercial/retail space. The proposed commercial/retail development would serve the surrounding area and increase shopping opportunities for nearby residents. As the proposed project does not include the construction of residences, no increase in population would occur as a result of project development. Therefore, no substantial change to the existing demographic character of the area would occur.
Displacement	X						Development of the proposed project would not displace any residences.
Employment and Income Patterns		X					The proposed project would generate temporary employment opportunities during construction and long-term employment opportunities at the commercial/retail space. No adverse impacts to employment or income patterns are expected. The increase in employment opportunities associated with the proposed project would be potentially beneficial to employment and income patterns.
Community Facilities and Services							
Educational Facilities	X						The proposed project is a commercial/retail development. It would not generate additional students at area schools.
Commercial Facilities		X					The proposed project would not adversely affect commercial facilities. As the project is a commercial/retail development, it would increase the amount of commercial facilities available to nearby residents.
Health Care	X						The proposed project would not increase demand for health care services. Therefore, no adverse impacts to health care services would occur.
Social Services	X						The proposed project is a commercial/retail development. It would not require any new social services.
Solid Waste					X		The proposed project would incrementally increase the generation of solid waste over existing conditions. This increase is not expected to significantly affect area landfills. Nevertheless, because of ongoing concerns about regional landfill capacity, project design should accommodate solid waste recycling.
Waste Water	X						The proposed project would increase wastewater generation as compared to the current use of site. However, it is expected that the current wastewater infrastructure that is in place would accommodate urban development similar to that proposed. Any needed system improvements would be made in conjunction with site

Impact Categories	No Impact Anticipated	Potentially Beneficial	Potentially Adverse Requires Documentation Only	Potentially Adverse Requires More Study	Needs Mitigation	Requires Project Modification	Source or Documentation (See Attached References)
							development.
Storm Water	X						Currently, approximately 2,000 sf of the project site is pervious surface. The proposed project would include 2,615 sf of landscaped area, which would be a net increase in onsite pervious surface area. As such, stormwater generation may incrementally decrease as a result of project implementation. In addition, storm drains would be installed on the site as part of project development and would be sized adequately to accommodate runoff from the site. The project would comply with local, state, and federal requirements pertaining to control of stormwater runoff. Therefore, significant impacts would not occur.
Water Supply					X		The proposed project would incrementally increase water consumption as compared to the current use but is not expected to significantly affect water supply. Nevertheless, because of ongoing concerns about water supply in the Southern California region, water conservation measures shall be incorporated into the design of the project.
Public Safety Police	X						The Los Angeles County Sheriff's Department's East Los Angeles Station, located approximately 0.5 miles southeast of the project site at 5019 East Third Street, provides police protection services in the project vicinity (a). The proposed project would incrementally increase demand for police protection services. However, this increase would be nominal and no adverse impacts to police services are expected.
Fire	X						The Los Angeles County Fire Department Station 1 would provide fire protection, paramedic and emergency medical technician services to the project site. The station is located 1108 North Eastern Avenue, approximately 1.5 miles southeast of the project site (a). The proposed project would incrementally increase the demand for fire protection services; however, the site is within the existing service area. As the project would be required to comply with Fire Department requirements, no adverse impacts to fire protection services are anticipated from development of the project.
Emergency Medical	X						The Los Angeles County Fire Department would provide emergency medical services. Nearby hospitals include the Santa Marta Hospital, the Los Angeles Community Hospital and the Monterey Park Hospital. No adverse impacts to emergency medical services are anticipated.
Open Space And Recreation Open Space	X						

Impact Categories	No Impact Anticipated	Potentially Beneficial	Potentially Adverse Requires Documentation Only	Potentially Adverse Requires More Study	Needs Mitigation	Requires Project Modification	Source or Documentation (See Attached References)
							The proposed project would not adversely affect any areas designated as public open space.
Recreation	X						Belvedere Park and Obregon Park are located approximately250 feet east and 0.75 mile south west of the site, respectively (a). No adverse impacts to these facilities would occur.
Cultural Facilities	X						The proposed project would not adversely affect any cultural facilities (b).
Transportation	X						The existing onsite restaurant generates an estimated 254 average daily vehicle trips (ADT) (j). The proposed project would generate an estimated 780 average daily vehicle trips (ADT) (j), which would be an estimated net increase of 526 ADT. This would incrementally increase traffic on roadways in the immediate project vicinity. Although the County of Los Angeles normally requires a traffic study for projects that would result in a net increase of 500 ADT, the Los Angeles County Department of Public Works has reviewed the proposed project and determined that a traffic study would not be required (k). Significant impacts to the area circulation system are not anticipated. The proposed project includes 59 parking spaces, or about 29% fewer than the County Code requirement. This parking reduction can be approved through an administrative review. Although parking does not meet the Code requirement, it is anticipated that the number of spaces proposed would be sufficient to meet project demand.
Natural Features							
Water Resources	X						The proposed project would not affect water resources (b).
Surface Water	X						No surface water is located onsite (b). Therefore, no impacts to surface water would occur.
Watercourses	X						There are no watercourses within the vicinity of the project area (b). No impact to watercourses is anticipated.
Unique Natural Features and Agricultural Lands	X						The project site is in a highly urbanized area. The proposed project would not affect any natural features. No active agricultural lands or agriculturally zoned lands are present within the project area (a, b).
Vegetation and Wildlife	X						The project site is in a highly urbanized area. No important biotic communities exist and no wildlife was observed onsite (b). Therefore, the project would not significantly affect vegetation or wildlife.
Long-Term Effects							
Growth-Inducing Impacts	X						The proposed project is a commercial/retail development and would not induce population growth. The project would

Impact Categories	No Impact Anticipated	Potentially Beneficial	Potentially Adverse Requires Documentation Only	Potentially Adverse Requires More Study	Needs Mitigation	Requires Project Modification	Source or Documentation (See Attached References)
							not require the extension of infrastructure or roadways since the site has been developed in the past. Therefore, the project's potential to induce growth is not considered significant.
Cumulative Effects	X						The proposed project would provide infill development in an urbanized area. While it would increase the intensity of development on the project site, it would not result in any significant impacts that would be cumulatively considerable.

Area of Statutory/ Regulatory Compliance	Not Applicable To this Project	Consultation Required and Completed	Permits Required and Obtained	Project Consistent with Applicable Policies	Conditions and/or Mitigation Actions Required	Note Compliance Documentation
1. Historic Properties 36 CFR 800 (CDBG) 36 CFR 801 (UDAG)					X	Historic and archaeological evaluations were conducted for the project site (see attached reports prepared by San Buenaventura Research Associates [e] and Conejo Archaeological Consultants [f]). Based on the historic resources evaluation, the project site is not eligible for listing on the National Register of Historic Places. Conejo Archaeological Consultants determined that no known archaeological resources would be adversely affected by project implementation. However, during grading, or any other earth moving events, discovery of any archaeological finds would require immediate cessation of activities and review by a qualified professional of the find for recommendations.
2. Floodplain Management 42 FR 26951	X					The project site is located within flood zone C or X, FEMA panel 06504308-50B, indicating minimal flood potential and no flood insurance requirement (l).
3. Wetlands Protection 42 FR 26951	X					No wetlands are located on or near the project site (b).
4. Coastal Zone Plan 16 U.S.C. 1451	X					The project site is not located in a coastal zone (m).
5. Sole Source Aquifers 42 U.S.C. 201, 300(g) and 21 U.S.C. 349	X					No impact to primary drinking water sources is anticipated.
6. Endangered Species 16 U.S.C. 1531	X					The project site is in an urbanized area. No endangered species are located in the area.
7. Wild and Scenic Rivers 16 U.S.C. 1271	X					No wild or scenic rivers are located in the site vicinity (n).

Area of Statutory/ Regulatory Compliance	Not Applicable To this Project	Consultation Required and Completed	Permits Required and Obtained	Project Consistent with Applicable Policies	Conditions and/or Mitigation Actions Required	Note Compliance Documentation
8. Air Quality Protection 42 U.S.C. 7401	X					The project site is located in the South Coast Air Basin, which is a nonattainment area for ozone, carbon monoxide, and fine particulate matter (PM_{10}). Future employees and customers the proposed commercial/retail project would therefore be exposed to potentially unhealthy ambient air as this regional condition cannot be feasibly mitigated. Traffic associated with the project would incrementally increase air pollutant emissions, but such emissions would not exceed locally adopted significance thresholds or hinder attainment of state or federal air quality standards (g). Existing SCAQMD regulations restrict the emissions of dust and fumes during construction and the project would be required to conform to these requirements.
9. Farmland Protection 7 U.S.C. 4201	X					No agricultural uses are located onsite or in the vicinity of the project site.
10. Environmental Justice Executive Order 12898	X					The proposed project would provide additional employment opportunities in the community. The project would not expose low-income or minority populations to any environmental justice concerns.
11. HUD Environmental Standards, 24 CFR 51 as amended						
a. Noise Abatement 24 CFR 51B	X					Project construction would generate temporary noise level increases. Local noise ordinances would apply. The proposed project involves commercial/retail development and is not expected to generate substantial noise. The project itself is not a noise sensitive use. Impacts relating to noise would be less than significant.
b. Landfill Hazards CPD Letter 79-33	X					The project site is not subject to any known landfill hazards (b).
c. Upset Hazards 24 CFR 51B	X					The project site is not subject to any known upset hazards, nor would the proposed use create any significant upset hazards (b).
d. Flammable Oper. 24 CFR 51C	X					The project site is not subject to any known flammable operations or explosives (b).

Area of Statutory/ Regulatory Compliance	Not Applicable To this Project	Consultation Required and Completed	Permits Required and Obtained	Project Consistent with Applicable Policies	Conditions and/or Mitigation Actions Required	Note Compliance Documentation
e. Toxic/Radioactivity HUD Notice 79-33	X					The project site is not subject to any known radioactivity (b). The following databases were checked for known hazardous materials contamination at the project site: • Comprehensive Environmental Response, Compensation, and Liability Information System (CERCLIS) database (c) • Geotracker search for leaking underground fuel tanks, Spills-Leaks-Investigations-Cleanups (SLIC) and Landfill sites (d) • Cortese list of Hazardous Waste and Substances Sites (e) • The Department of Toxic Substances Control's Site Mitigation and Brownfields Database (f). No known sources of contamination are present on-site.
f. Airport Clear Zones 24 CFR 51D	X					The project site is not in an airport clear zone (a).

Summary of Findings and Conclusions:

The proposed project involves the construction of a retail center measuring 8,247 square feet (sf). Components of the proposed development include 4,341 sf of restaurant space, 475 sf of service area space and 3,906 sf of retail space. Parking for the proposed project would include 59 spaces. In addition, proposed onsite landscaping would cover 2,615 sf. Existing trees along Cesar Chavez Avenue and Mednik Avenue would be maintained and/or replanted as necessary. Offsite improvements would include utilities, driveway approach, curbs and sidewalks.

Site preparation would include demolition of the approximately 2,000 sf building and removal of the approximately 950 sf modular building in order to accommodate the proposed retail center.

The project site is zoned C-3. A zone change would not be required. Neighboring land uses consist of residential, commercial and office development. The proposed project would be compatible with the scale and visual character of the surrounding area.

The project site is generally flat. No watercourses or water resources are located in the project area. No threatened or endangered wildlife was observed on the site.

The proposed project would not significantly affect public facilities. Implementation of the project would create temporary employment opportunities during construction and long-term employment opportunities during operation of the proposed retail and restaurant development. No historic resources are located on the project site. Implementation of mitigation measures is required to ensure that the proposed project would not disturb unknown archaeological resources or human remains.

The proposed project would not consume substantial quantities of water or energy or generate substantial quantities of solid waste or wastewater. Nevertheless, water conservation measures and recycling facilities should be incorporated into project design. The project is located outside the 500-year flood area, indicating minimal flood potential in the area.

The proposed project would conform to all applicable federal, state, and regional air pollution control regulations, and would not significantly affect local or regional air quality. The project would incrementally increase daily traffic volumes in the immediate area; however, project-generated traffic would not significantly affect local roadways.

Summary of Environmental Conditions:

The project site is located in a highly urbanized area. No wildlife was observed onsite.

Project Modifications and Alternatives Considered:

No unavoidably significant impacts were identified for the proposed project. Therefore, project alternatives or modifications have not been considered.

Mitigation Measures Required:

The following mitigation measures are required:

1. **Archaeological Resources/Human Remains.** In the event that archaeological resources are unearthed during project construction, all earth disturbing work within the APE must be temporarily suspended until an archaeologist has evaluated the nature and significance of the find. After the find has been appropriately mitigated, work in the area may resume. A Gabrielino representative should monitor any archaeological field work associated with Native American materials. If human remains are unearthed, State Health and Safety Code Section 7050.5 requires that no further disturbance shall occur until the Los Angeles County Coroner has made the necessary findings as to origin and disposition pursuant to Public Resources Code Section 5097.98. If the remains are determined to be of Native American descent, the coroner has 24 hours to notify the Native American Heritage Commission.

2. **Solid Waste Recycling.** Because of ongoing concerns about available landfill capacity, project design shall incorporate space for separate bins for waste and recyclable materials.

3. **Water Supply.** Because of ongoing concerns about regional water supplies, the following shall be incorporated into project design:

    - To the degree feasible, landscaped areas shall be designed with drought-tolerant species. Irrigation shall be accomplished with drip systems. Planting beds shall be heavily mulched in accordance with water-conserving landscape design practice.

    - All new structures shall be fitted with water conserving fixtures, including, but not limited to, low flow faucets and toilets.

4. **Additional Modifications.** Minor changes to the mitigation measures required as a condition of funding approval are permitted, but can only be made with the approval of the Executive Director of the Community Development Commission (CDC) of Los Angeles County.

References:

a. Los Angeles Department of Regional Planning Website, http://planning.co.la.ca.us, accessed online September 2007. (ELECTRONIC)

b. Rincon Consultants, Inc., site visit, September 26, 2007.

c. Comprehensive Environmental Response, Compensation, and Liability Information System (CERCLIS) database, http://www.epa.gov/superfund/sites/cursites/, accessed online September 26, 2007. (ELECTRONIC)

d. Geotracker search for leaking underground fuel tanks, Spills-Leaks-Investigations-Cleanups (SLIC) and Landfill sites, http://geotracker.swrcb.ca.gov/search/, accessed online September 26, 2007. (ELECTRONIC)

e. Cortese list of Hazardous Waste and Substances Sites, http://www.dtsc.ca.gov/SiteCleanup/Cortese_List.cfm, accessed online September 26, 2007. (ELECTRONIC)

f. Department of Toxic Substances Control's Site Mitigation and Brownfields Database http://www.epa.gov/enviro/html/bms/index2.html, accessed online September 26, 2007. (ELECTRONIC)

g. South Coast Air Quality Management District, http://www.aqmd.gov, accessed online September 2007. (ELECTRONIC)

h. San Buenaventura Research Associates, *4760-4782 E. Cesar Chavez Avenue,* October 2, 2007. (PRINTED)

i. Conejo Archaeological Consultants, *Negative Archaeological Survey Report for the Metnik-Chavez Commercial Development Project,* October 3, 2007. (PRINTED)

j. Institute of Transportation Engineers, *Trip Generation,* 7th Edition, 2003.
Project-generated traffic was calculated by multiplying the project size (units) by the applicable trip generation rate. The average daily traffic (ADT) rate for high turnover (sit-down) restaurants is 127.15 trips per 1,000 sf and the proposed restaurant component would measure 4,816 sf (the 475 sf service area was included). The ADT for a shopping center is 42.94 trips per 1,000 sf and the proposed retail component would measure 3,906 sf. Therefore, approximately 780 ADT would be generated by the proposed project [(127.15 x 4.816) + (42.92 x 3.906)].

k. Donald Dean, Environmental Officer, Community Development Commission of Los Angeles County, September, 2007. (PERSONNEL COMMUNICATION)

l. FEMA Mapping Service, http://www.msc.fema.gov/, accessed online September 2007. (ELECTRONIC)

m. California Coastal Commission, www.coastal.ca.gov, accessed online September 2007. (ELECTRONIC)

n. National Wild and Scenic Rivers System, www.nps.gov/rivers, accessed online September 2007. (ELECTRONIC)

1. Is the project in compliance with applicable laws and regulations? ☒Yes ☐No

2. Is an EIS required? ☐Yes ☒No

3. A Finding of No Significant Impact (FONSI) can be made. The project will not significantly affect the quality of the human environment. ☒Yes ☐No

Basic Reasons Supporting Decision:

The proposed project involves the construction of a retail center measuring 8,247 sf. Components of the proposed development include 4,341 sf of restaurant space, 475 sf of service area space and 3,906 sf of retail space. Onsite surface parking would be provided. The proposed project would further the County's goals of assisting in economic redevelopment. The project involves infill development in a highly urbanized area of Los Angeles County. Based on the initial study, it has been determined that with implementation of recommended mitigation measures, the proposed project would not generate any significant environmental impacts.

The following mitigation measures are required:

1. **Archaeological Resources/Human Remains.** In the event that archaeological resources are unearthed during project construction, all earth disturbing work within the APE must be temporarily suspended until an archaeologist has evaluated the nature and significance of the find. After the find has been appropriately mitigated, work in the area may resume. A Gabrielino representative should monitor any archaeological field work associated with Native American materials. If human remains are unearthed, State Health and Safety Code Section 7050.5 requires that no further disturbance shall occur until the Los Angeles County Coroner has made the necessary findings as to origin and disposition pursuant to Public Resources Code Section 5097.98. If the remains are determined to be of Native American descent, the coroner has 24 hours to notify the Native American Heritage Commission.

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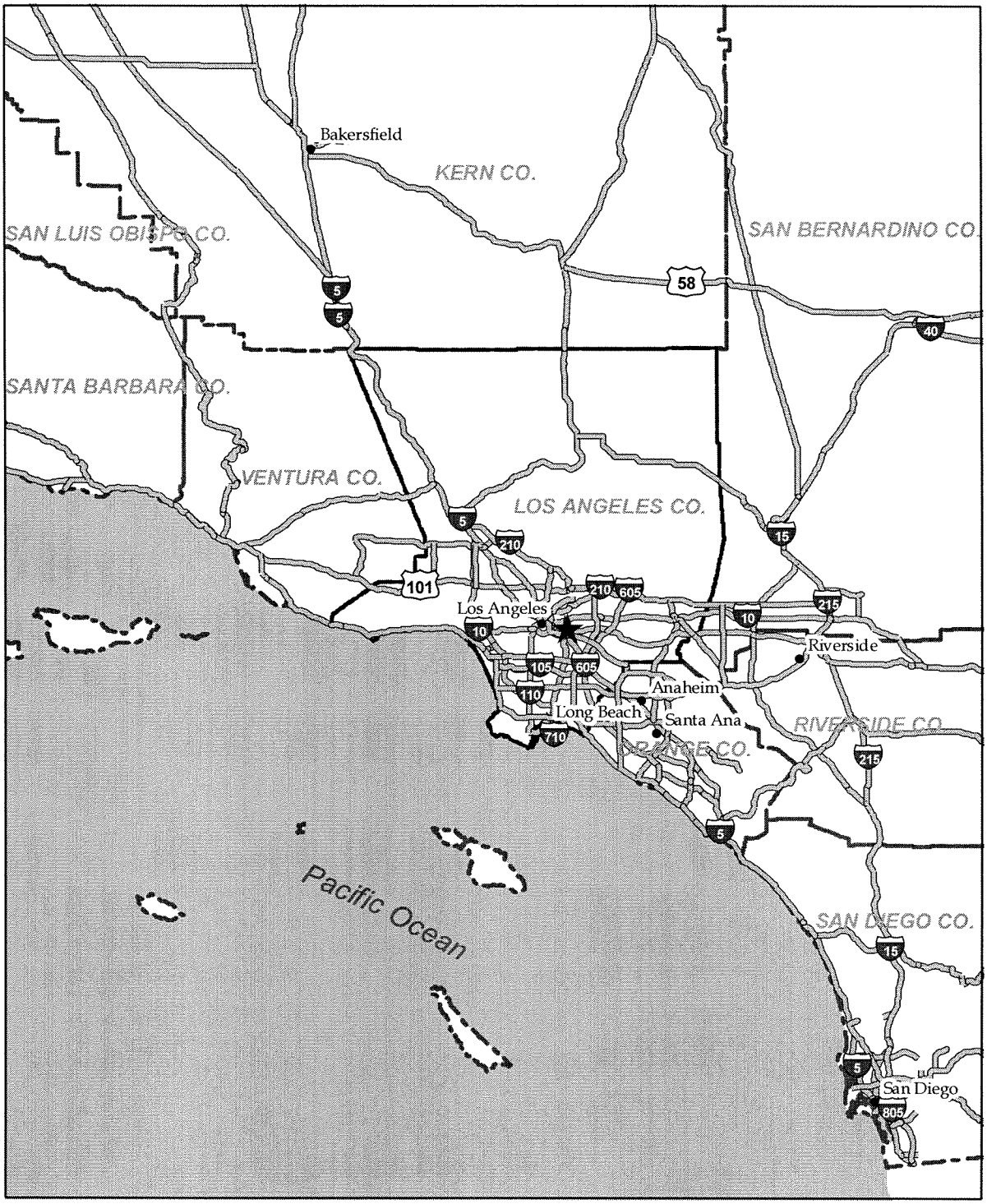
   - All new structures shall be fitted with water conserving fixtures, including, but not limited to, low flow faucets and toilets.

4. **Additional Modifications.** Minor changes to the mitigation measures required as a condition of funding approval are permitted, but can only be made with the approval of the Executive Director of the Community Development Commission (CDC) of Los Angeles County.

Prepared by:	Sean Wazlaw	**Title:**	Environmental Planner
Date:	October 4, 2007		
Concurred in:	Donald Dean	**Title:**	**Environmental Officer**

Attachments: Figures, Historic Report, Archeological Report



Source: ESRI, 2004.

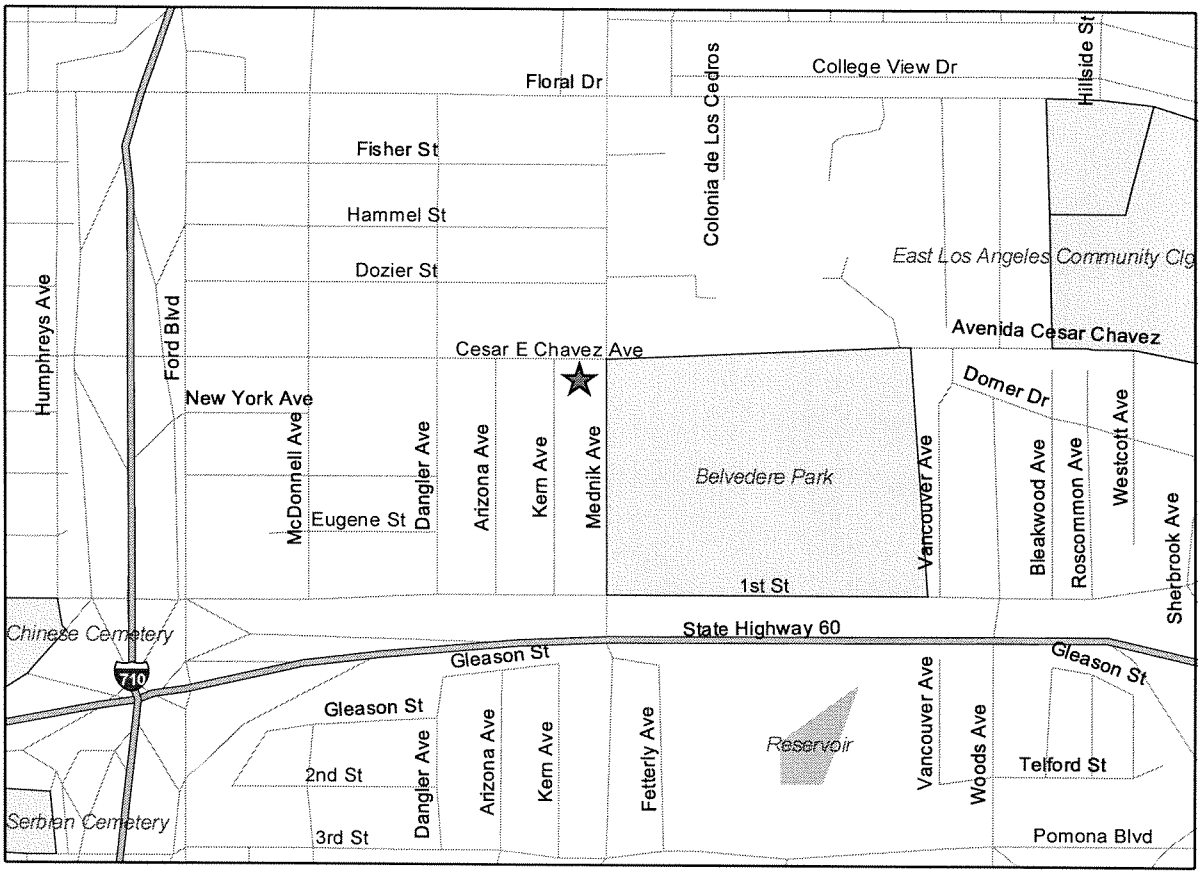
★ Project Location

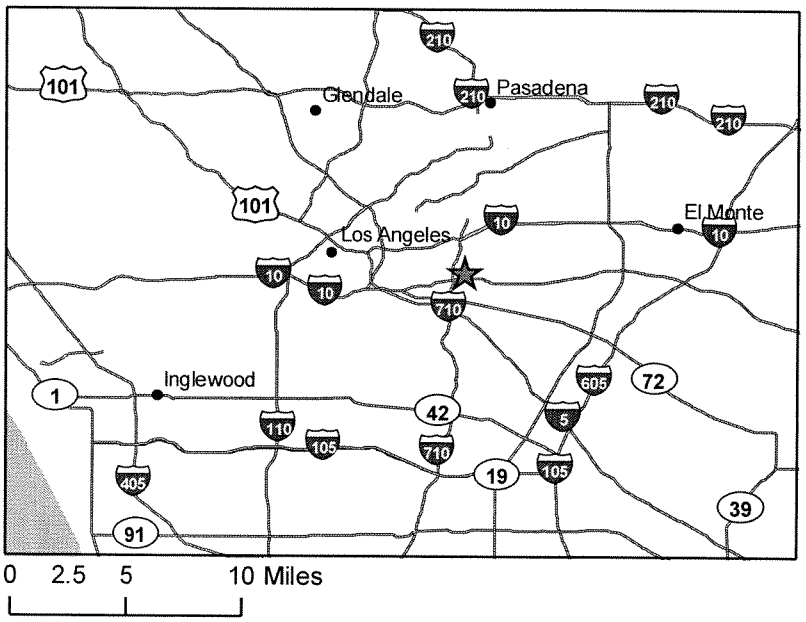
0 25 50 Miles

N

Regional Location Figure 1

LACDC





Source: US Bureau of the Census, TIGER data. 2000. ESRI, 2004.

Site Location

Figure 2

LACDC

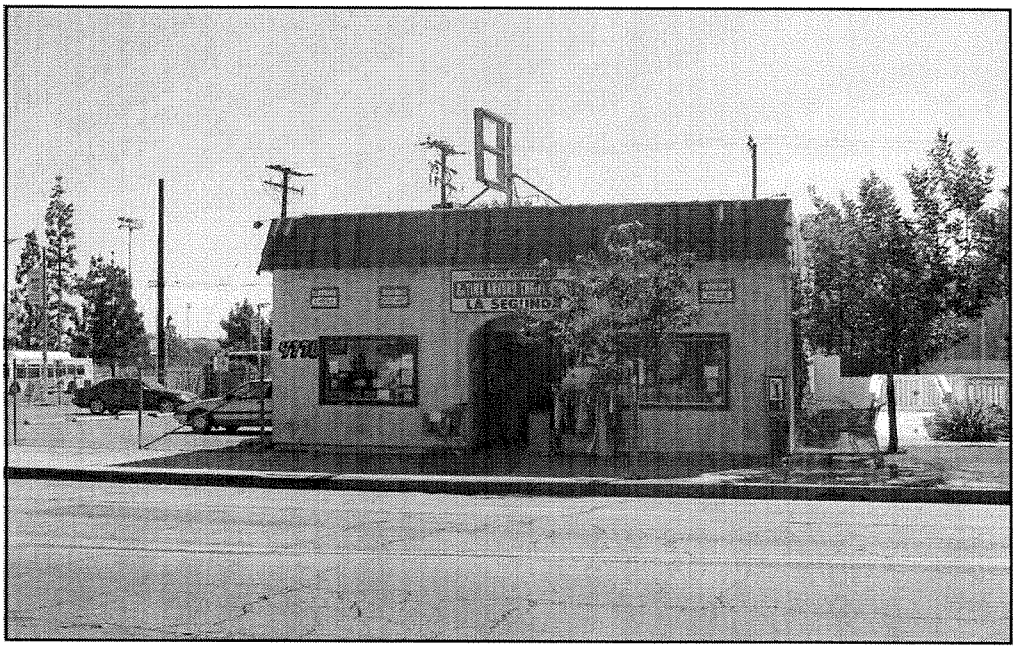


Photo 1 - View of project site looking south from north side of Cesar Chavez Avenue.

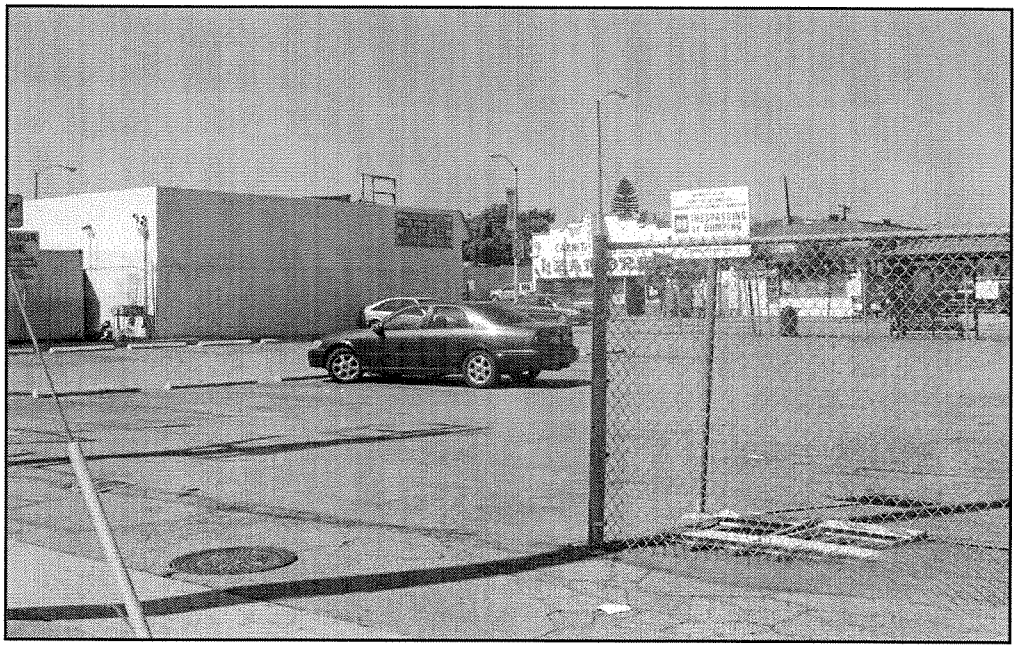
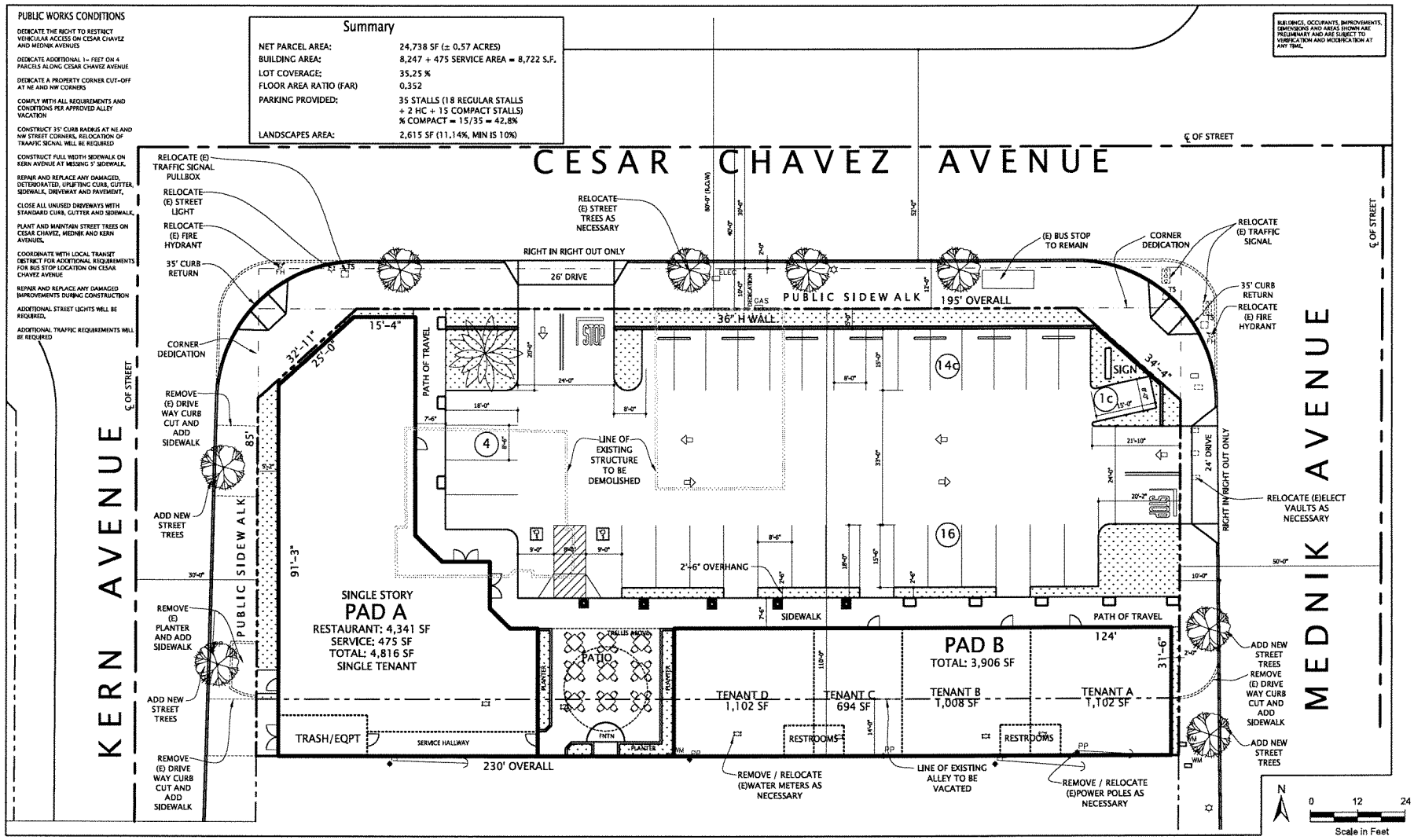


Photo 2 - View of project site looking northwest from the alley south of the project site.

Source: Rincon Consultants, Inc. October, 2007.

Existing Onsite Conditions

Figure 3



Proposed Site Plan

Figure 4

Source: Bala Vairavan Architects Inc., 2007

LACDC

Proposed Building Elevations

Figure 5

Source: Bala Vairavan Architects Inc., 2007

LACDC

HISTORIC RESOURCES REPORT
4760-4782 E. CESAR CHAVEZ AVENUE
LOS ANGELES, CA

October 2, 2007

Prepared for:

Rincon Consultants, Inc.
790 E. Santa Clara Street
Ventura, CA 93001

Prepared by:

SAN BUENAVENTURA
RESEARCH ASSOCIATES
HISTORIC · RESOURCES · CONSULTING
1528 WOODLAND DRIVE ■ SANTA PAULA CA 93060

1. Introduction

This report was prepared for the purpose of assisting the Los Angeles Community Development Commission in their compliance with the California Environmental Quality Act (CEQA) as it relates to historic resources, in connection with Mednik-Chavez commercial development project. The project calls for the demolition of two commercial buildings and the construction of a 9,224 square foot commercial building at 4760-4782 E. Cesar Chavez Avenue in East Los Angeles County. [Figure 1]

This report assesses the historical and architectural significance of potentially significant historic properties in accordance with the National Register of Historic Places (NRHP) and the California Register of Historical Resources (CRHR) Criteria for Evaluation. A determination will be made as to whether adverse environmental impacts on historic resources, as defined by CEQA and the CEQA Guidelines, may occur as a consequence of the proposed project, and recommend the adoption of mitigation measures, as appropriate.

This report was prepared by San Buenaventura Research Associates of Santa Paula, California, Judy Triem, Historian; and Mitch Stone, Preservation Planner, for Rincon Consultants, and is based on a field investigation and research conducted in October 2007. The conclusions contained herein represent the professional opinions of San Buenaventura Research Associates, and are based on the factual data available at the time of its preparation, the application of the appropriate local, state and federal regulations, and best professional practices.

2. Administrative Setting

The California Environmental Quality Act (CEQA) requires evaluation of project impacts on historic resources, including properties "listed in, or determined eligible for listing in, the California Register of Historical Resources [or] included in a local register of historical resources." A resource is eligible for listing on the California Register of Historical Resources if it meets any of the criteria for listing, which are:

1. Is associated with events that have made a significant contribution to the broad patterns of California's history and cultural heritage;
2. Is associated with the lives of persons important in our past;
3. Embodies the distinctive characteristics of a type, period, region, or method of construction, or represents the work of an important creative individual, or possesses high artistic values; or
4. Has yielded, or may be likely to yield, information important in prehistory or history. (PRC §5024.1(c))

By definition, the California Register of Historical Resources also includes all "properties formally determined eligible for, or listed in, the National Register of Historic Places," and certain specified State Historical Landmarks. The majority of "formal determinations" of NRHP eligibility occur when properties are evaluated by the State Office of Historic Preservation in connection with federal environmental review procedures (Section 106 of the National Historic Preservation Act of 1966). Formal determinations of eligibility also occur when properties are nominated to the NRHP, but are not listed due to owner objection.

The criteria for determining eligibility for listing on the National Register of Historic Places (NRHP) have been developed by the National Park Service. Eligible properties include districts, sites, buildings and structures,

A. That are associated with events that have made a significant contribution to the broad patterns of our history; or
B. That are associated with the lives of persons significant in our past; or
C. That embody the distinctive characteristics of a type, period, or method of construction or that represent the work of a master, or that possess high artistic values, or that represent a significant and distinguishable entity whose components may lack individual distinction; or
D. That have yielded, or may be likely to yield, information important in prehistory or history.

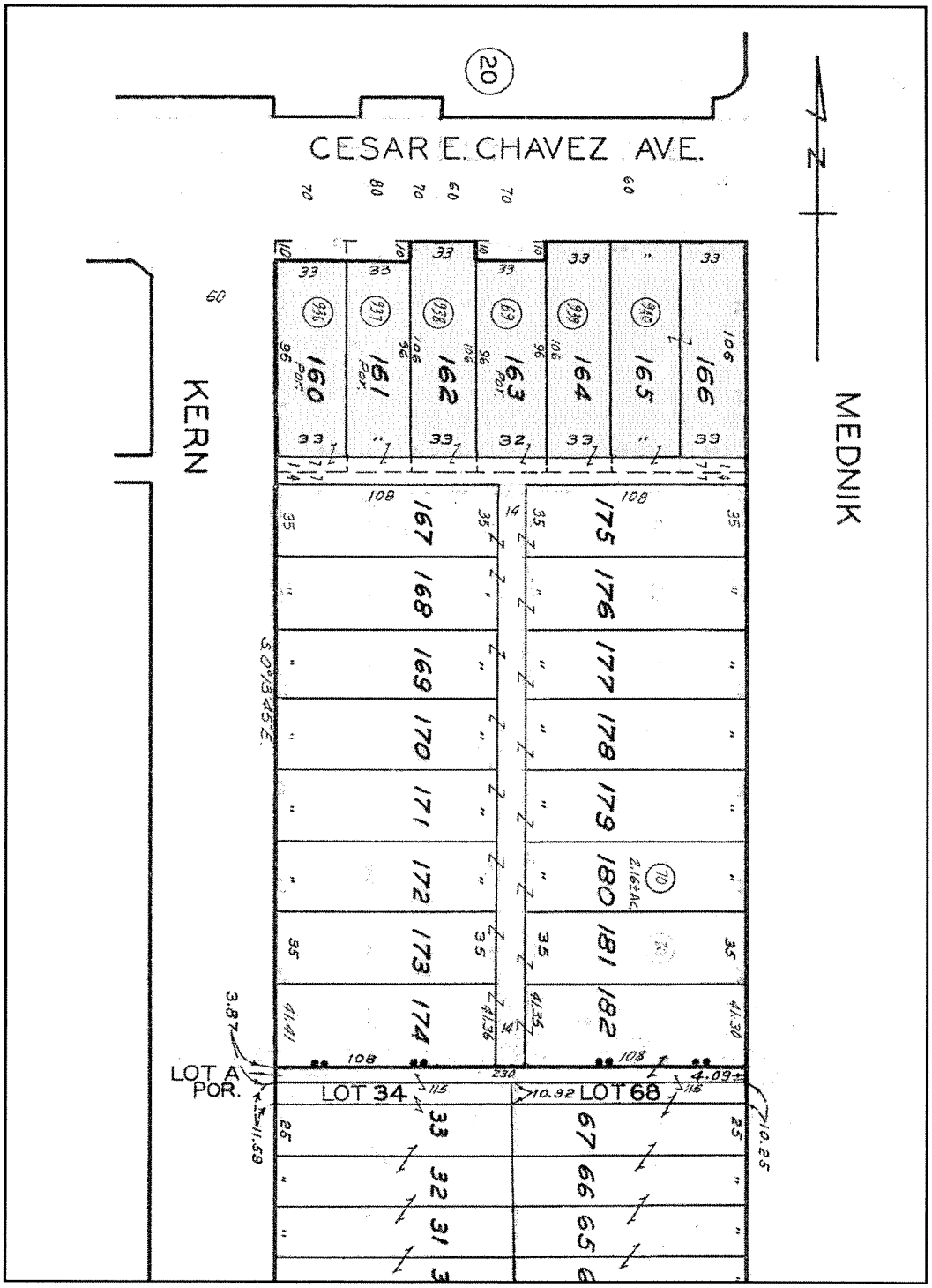


Figure 1. Site Location [Source: Los Angeles County Assessor, Map Book 5235, Page 10]

According to the National Register of Historic Places guidelines, the "essential physical features" of a property must be present for it to convey its significance. Further, in order to qualify for the NRHP, a resource must retain its integrity, or "the ability of a property to convey its significance."

The seven aspects of integrity are: Location (the place where the historic property was constructed or the place where the historic event occurred); Design (the combination of elements that create the form, plan, space, structure, and style of a property); Setting (the physical environment of a historic property); Materials (the physical elements that were combined or deposited during a particular period of time and in a particular pattern or configuration to form a historic property); Workmanship (the physical evidence of the crafts of a particular culture or people during any given period of history or prehistory); Feeling (a property's expression of the aesthetic or historic sense of a particular period of time), and; Association (the direct link between an important historic event or person and a historic property).

The relevant aspects of integrity depend upon the National Register criteria applied to a property. For example, a property nominated under Criterion A (events), would be likely to convey its significance primarily through integrity of location, setting and association. A property nominated solely under Criterion C (design) would usually rely primarily upon integrity of design, materials and workmanship. The California Register regulations include similar language with regard to integrity, but also state that "it is possible that historical resources may not retain sufficient integrity to meet the criteria for listing in the National Register, but they may still be eligible for listing in the California Register." (CCR §4852 (c))

The minimum age criterion for the National Register of Historic Places (NRHP) and the California Register of Historical Resources (CRHR) is 50 years. Properties less than 50 years old may be eligible for listing on the NRHP if they can be regarded as "exceptional," as defined by the NRHP procedures, or in terms of the CRHR, "if it can be demonstrated that sufficient time has passed to understand its historical importance" (Chapter 11, Title 14, §4842(d)(2))

Historic resources as defined by CEQA also includes properties listed in "local registers" of historic properties. A "local register of historic resources" is broadly defined in §5020.1 (k) of the Public Resources Code, as "a list of properties officially designated or recognized as historically significant by a local government pursuant to a local ordinance or resolution." Local registers of historic properties come essentially in two forms: (1) surveys of historic resources conducted by a local agency in accordance with Office of Historic Preservation procedures and standards, adopted by the local agency and maintained as current, and (2) landmarks designated under local ordinances or resolutions. These properties are "presumed to be historically or culturally significant... unless the preponderance of the evidence demonstrates that the resource is not historically or culturally significant." (Public Resources Code §§ 5024.1, 21804.1, 15064.5)

3. Impact Thresholds and Mitigation

According to PRC §21084.1, "a project that may cause a substantial change in the significance of an historical resource is a project that may have a significant effect on the environment." The Public Resources Code broadly defines a threshold for determining if the impacts of a project on an historic property will be significant and adverse. By definition, a substantial adverse change means, "demolition, destruction, relocation, or alterations," such that the significance of an historical resource would be impaired (PRC §5020.1(6)). For purposes of NRHP eligibility, reductions in a resource's integrity (the ability of the property to convey its significance) should be regarded as potentially adverse impacts.

Further, according to the CEQA Guidelines, "an historical resource is materially impaired when a project... [d]emolishes or materially alters in an adverse manner those physical characteristics of an historical resource

that convey its historical significance and that justify its inclusion in, or eligibility for, inclusion in the California Register of Historical Resources [or] that account for its inclusion in a local register of historical resources pursuant to section 5020.1(k) of the Public Resources Code or its identification in an historical resources survey meeting the requirements of section 5024.1(g) of the Public Resources Code, unless the public agency reviewing the effects of the project establishes by a preponderance of evidence that the resource is not historically or culturally significant."

The lead agency is responsible for the identification of "potentially feasible measures to mitigate significant adverse changes in the significance of an historical resource." The specified methodology for determining if impacts are mitigated to less than significant levels are the *Secretary of the Interior's Standards for the Treatment of Historic Properties with Guidelines for Preserving, Rehabilitating, Restoring, and Reconstructing Historic Buildings and the Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings* (1995), publications of the National Park Service. (PRC §15064.5(b)(3-4))

4. Historical Setting

General Historical Context

The project site is located in a section of of Los Angeles County known as East Los Angeles, a somewhat indefinite area typically defined as encompassing the land between the Los Angeles River on the west and the cities of Alhambra, Monterey Park and Montebello on the east, the City of Commerce on the south and Glendale on the north. Greater East Los Angeles is composed of numerous, fairly distinct, and mainly unincorporated communities. Among these are Highland Park, El Sereno, Brooklyn Heights, Boyle Heights, Lincoln Heights, Belvedere and City Terrace. Other, less well-defined portions of the district lacking any specific neighborhood identification are referred to today simply as East Los Angeles, in particular, the unincorporated sections of Los Angeles County located between the Pomona and Golden State freeways.

With the explosive growth of the Los Angeles region during the first decades of the twentieth century, the character of East Los Angeles began a rapid transition from ranching, vegetable growing, fruit farming and dairies to working-class streetcar suburbs. The many and various neighborhoods of East Los Angeles which developed during the 1900s, 1910s and 1920s, quickly took on the distinct ethic characters of the immigrants who settled them.

Notable populations of Russians, Armenians, Jews, Chinese, Italians, Japanese, and Mexicans coalesced in East Los Angeles. By 1930, these neighborhoods had developed individual, well-recognized social, political and economic identities. After 1940, however, many of these ethic groups began to disburse, and the ethnic composition of East Los Angeles shifted, taking on the predominantly Mexican-American character it reflects today.

Cesar Chavez Avenue was originally called Brooklyn Avenue and was the major commercial district in the area originally known as Belvedere. The first people to settle along Brooklyn Avenue and in the adjacent neighborhoods in the early 1900s was a mixture of Euro-American, Russian and Jewish residents. Starting in the 1920s the area became predominantly Mexican as labor needs increased and Mexican families came in great numbers to the area. The Mexicans referred to the central area as *La Maravilla* (the wondrous).

The project site is located within the Maravilla Community. The name came from the small tract referred to as Maravilla Park that opened in the 1920s. The boundaries of the tract are Cesar Chavez Avenue (formerly Brooklyn Avenue) on the north; First Street on the south; Dangler Avenue on the west; and Mednik Avenue on the east. During the late 1920s single family residences and commercial buildings (stores) were located on the

4700 block of then Brooklyn Avenue. Gradually the houses gave way to businesses and all the commercial buildings have since been demolished except two at 4760 and 4770 E. Cesar Chavez Avenue.

5. Potential Historic Resources

Two building are located on the project site, consisting of seven parcels, located on the south side of Cesar Chavez Avenue between Mednik and Kern avenues. The rest of the buildings located along the commercial block have been demolished.

4760 E. Cesar Chavez Avenue. The Los Angeles County Assessor records a 1969 date of construction for this building. Located on two lots is a modular building, rectangular in plan, with a flat roof and cornice. Steps lead up to a full front open porch/patio with a wood railing. It features a pair of double French doors and multi-paned windows with wood mouldings. Siding is stucco. [Photo 1]

4770 E. Cesar Chavez Avenue. This one story building listed with a 1972 date of construction in the Los Angeles Assessor's Records database. Its appearance indicates an earlier date of perhaps late 1920s. Sanborn Maps for 1928 show a building at this location. The building has a rectangular plan with a flat roof with raised parapet and a faux mansard cornice covered with tile. The recessed entry has a rounded arch with a fixed small display window on either side with a wood moulding. The building is covered with stucco. The building has been altered with changes to the storefront cornice and possibly windows. [Photo 2]

6. Eligibility of Historic Resources

National and California Registers: Significance, Eligibility and Integrity

The building at 4770 E. Cesar Chavez Avenue is not associated with any events that have made a significant contribution to the history of East Los Angeles. (Criterion A/1) It is generally representative of the commercial development of the community, but did not play any known notable role in this development. No significant persons are known to be associated with this property. (Criterion B/2) The building does not embody the distinctive characteristics of a type or period or possess high artistic value. (Criterion C/3) It appears to be a rather ordinary commercial building from the late 1920s which as been substantially altered.

Integrity Discussion

The integrity of **location** is the same as the building at 4770 E. Cesar Chavez Avenue is in its original location. The integrity of **design** has been somewhat altered with changes to the storefront. The **setting** has also been altered with the removal of adjacent commercial buildings from the 1920s through 1940s period. To the extent that the building is altered, its integrity of **materials** and **workmanship** is also reduced. The integrity of **feeling** and **association** are intact because the building continues to be used commercially. On a whole, this property at 4770 E. Cesar Chavez Avenue appears to lack the integrity required to be eligible for listing on the NRHP or CRHR.

Properties Less Than 50 Years of Age

Properties less than 50 years of age may be eligible if they can be found to be "exceptional." While no hard and fast definition for "exceptional" is provided in the NRHP literature, the special language developed to support nominating these properties was clearly intended to accommodate properties which demonstrate a level of importance such that their historical significance can be understood without the passage of time. In general, according to NRHP literature, eligible "exceptional" properties may include, "resources so fragile that survivors of any age are unusual. [Exceptionalness] may be a function of the relative age of a community and its perceptions of old and new. It may be represented by a building or structure whose developmental or de-

sign value is quickly recognized as historically significant by the architectural or engineering profession [or] it may be reflected in a range of resources for which the community has an unusually strong associative attachment."

The property at 4760 E. Cesar Chavez Avenue is less than 50 years of age. It does not appear to rise to the exceptional level either architecturally or historically. It is an ordinary modular building.

Conclusions

The buildings at 4760 and 4770 E. Cesar Chavez Avenue do not appear eligible for listing on the NRHP or CRHR either individually or as contributors to a historic district. No Los Angeles County historic preservation ordinance applies to this unincorporated area of East Los Angeles. Consequently no historic resources as defined by CEQA are located on the project site. These properties should not be regarded as contributing to the setting of any eligible properties.

7. Project Impacts

The proposed project should not be seen as resulting in significant adverse impacts on historic resources.

8. Selected Sources

California Historical Landmarks, 1990

Community Research Group. *Completion Report for the Greater East Los Angeles Cultural Heritage Survey*. Los Angeles: The East Los Angeles Community Union, 1979.

Ethnic Survey, Los Angeles County entries.

Federal Register Listings through January, 2007

Los Angeles County Assessors information

Romo, Ricardo. *History of a Barrio: East Los Angeles*. Austin: University of Texas Press, 1983.

Sanborn Maps, 1928

Photo 1. Project site: 4760 E. Cesar Chavez Avenue, northern elevation.

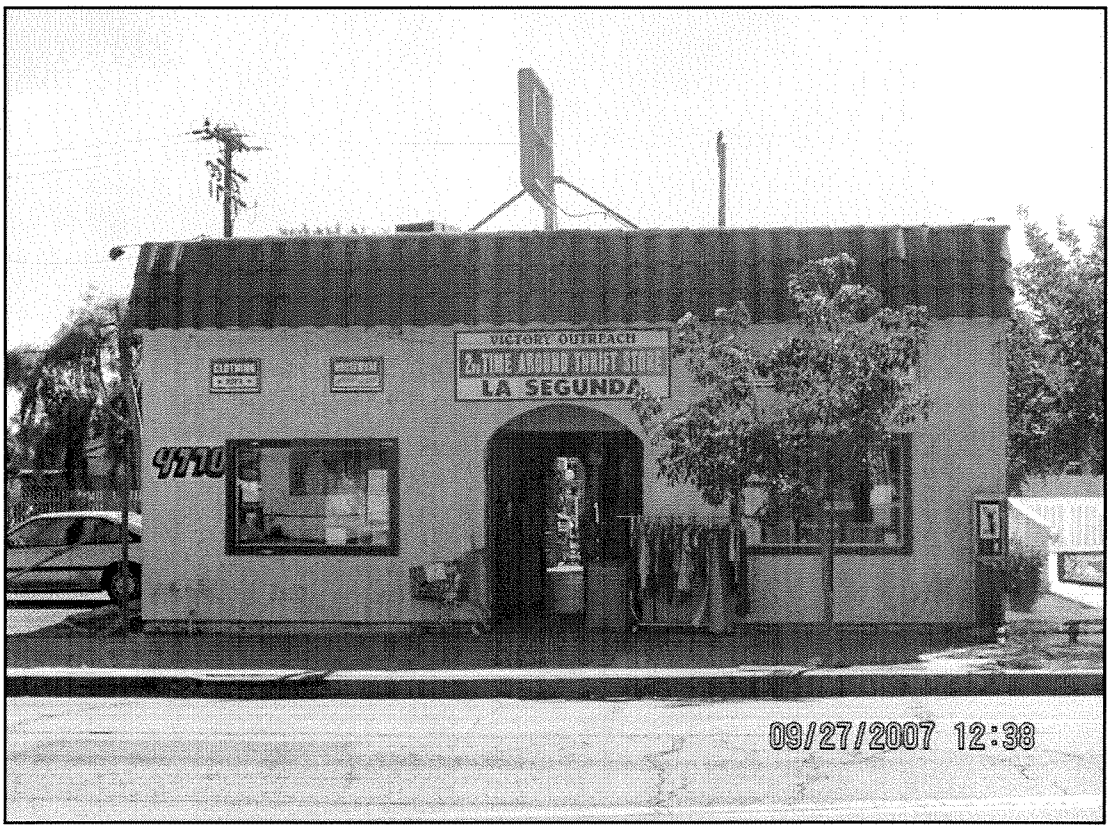
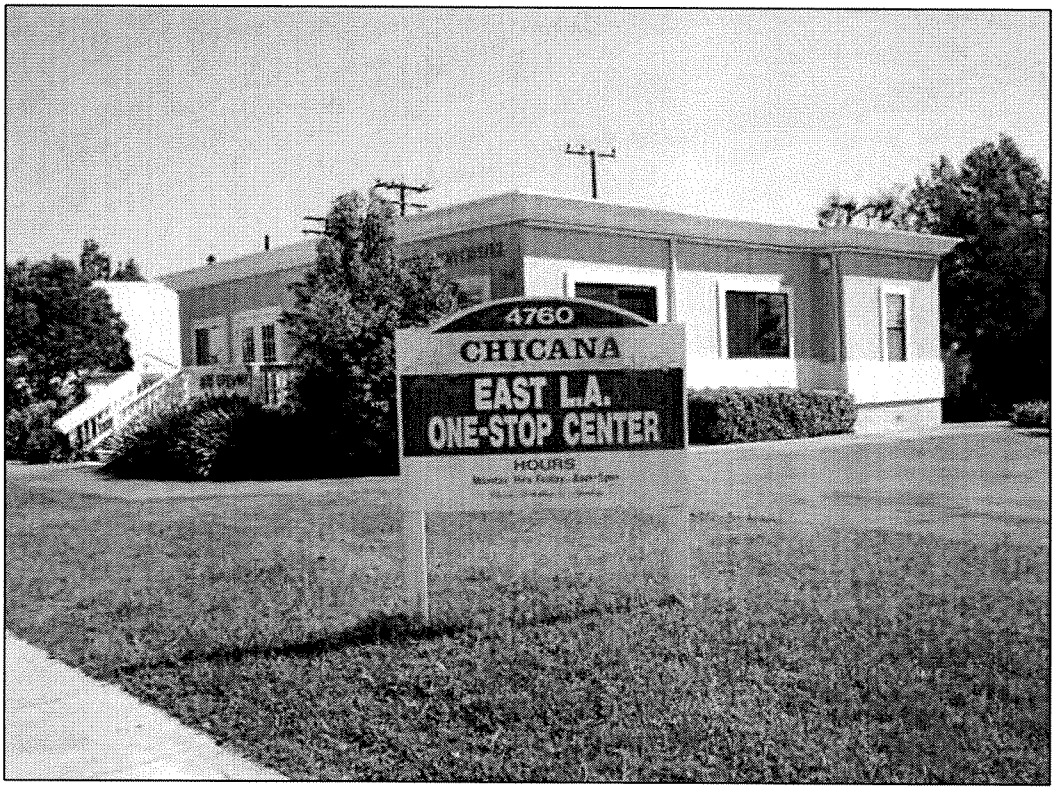


Photo 2. Project site: 4770 E. Cesar Chavez Avenue, northern elevation.



ARCHAEOLOGICAL SURVEY REPORT OF AN APPROXIMATE 0.54-ACRE AREA FOR THE MEDNIK-CHAVEZ COMMERCIAL DEVELOPMENT PROJECT 4760- 4782 E. CESAR CHAVEZ AVENUE UNINCORPORATED EAST LOS ANGELES LOS ANGELES COUNTY, CALIFORNIA

(USGS 7.5' Los Angeles Quadrangle)

Prepared for:
Los Angeles County
Community Development Commission
2 Coral Circle
Monterey Park, California 91755
Contact: Donald Dean

Prepared by:
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2321 Goldsmith Avenue
Thousand Oaks, California 91360
805/494-4309
Author: Mary Maki

Document No. 07-226
October 3, 2007

I. INTRODUCTION WITH PROJECT DESCRIPTION AND LOCATION

CDC Project Name/No.:	**Location:**	**Thomas Bro. Grid:**	**Assessor Parcel Nos.**	**CDC Contact:**
Mednik-Chavez Commercial Development Project	4760-4782 E. Cesar Chavez Ave East Los Angeles Los Angeles County	Pg. 635, G5	5235-010-069, -936, -937, -938, -939, & -940	Donald Dean Environmental Officer (323) 890-7186

This report was prepared at the request of Donald Dean of the Los Angeles County Community Development Commission (CDC). It presents the results of a Phase I archaeological investigation conducted by Conejo Archaeological Consultants (Conejo) for the Mednik-Chavez Commercial Development Project. The project involves new construction of an approximately 9,224 square-feet L-shaped commercial building at 4760-4782 E. Cesar Chavez Avenue in unincorporated East Los Angeles, Los Angeles County (Exhibits 1, 2 & 3). The project also involves demolition of existing structures. Offsite improvements will include pavement repair, curbs, gutters, sidewalks, and utility installation.

This archaeological study was undertaken in compliance with Section 106 of the National Historic Preservation Act and its implementing regulations under 36 CFR 800 (as amended). This study also complies with Section 21083.2 of the California Environmental Quality Act.

II. STUDY FINDINGS

Based on the South Central Coastal Information Center's (SCCIC) record search results, Native American Heritage Commission (NAHC) sacred lands file check, Conejo's survey findings, and the extent of previous ground disturbance within the project's area of potential effect (APE), the Mednik-Chavez Commercial Development Project will not impact any documented archaeological resources. Therefore, no further archaeological investigations are warranted prior to project approval. In the unexpected event that prehistoric and/or historic cultural materials are encountered during construction, all earth disturbing work within the vicinity of the find must be temporarily halted until a qualified archaeologist can evaluate the nature and significance of the find, as detailed in Section VI of this report.

III. ENVIRONMENTAL SETTING

Physical Environment: The project is located on the USGS 7.5' Los Angeles Quadrangle, Range 12W, Township 2S, within the historic territory of Rancho San Antonio. The project's approximate 0.54-acre APE consists of Assessor Parcel Numbers 5235-010-069, -936, -937, -938, -939, & -940. (Exhibit 2). The subject property is located at the southwest corner of Cesar Chavez Avenue and Mednik Avenue, in a mixed commercial and residential area of unincorporated East Los Angeles. The APE is bordered by Cesar Chavez Avenue and commercial development to the north, Mednik

Avenue and commercial development to the east, an alley and residential development to the south, and by Kern Avenue and commercial development to the west.

A paved parking lot, thrift store and the Chicana Services Action Center are currently located on the subject property. Where not built or paved over the property is landscaped. There are no stands of native vegetation within or adjacent to the project APE. No natural drainages occur within or adjacent to the project APE.

Cultural Environment:

The project site lies within the historic territory of the Native American group known as the Gabrielino, one of the wealthiest, most populous, and most powerful ethnic nationalities in aboriginal southern California (Bean and Smith 1978). The Gabrielino followed a sophisticated hunter-gatherer lifestyle, and were a deeply spiritual people (McCawley 1996). The Gabrielino territory included the Los Angeles Basin (which includes the watersheds of the Los Angeles, San Gabriel, and Santa Ana Rivers), the coast from Aliso Creek in the south to Topanga Creek in the north, and the four southern Channel Islands. For in depth information on the Gabrielino, the reader is referred to McCawley's (1996) *The First Angelinos, The Gabrielino Indians of Los Angeles.*

IV. SOURCES CONSULTED

Results:

South Central Coastal Information Center

A record search was conducted at the South Central Coastal Information Center housed at California State University Fullerton on October 1, 2007. The record search identified no prehistoric or historic sites within a 0.5-mile radius of the project's APE.

Nine archaeological surveys have been conducted within a 0.5-mile radius of the project APE. None of these surveys included the project APE.

Federal, State & Local Historic Listings

The listings of the National Register of Historic Places (NRHP) includes no properties within or adjacent to the project APE (National Park Service 2007). There are no California Historical Landmarks or Points of Historical Interest located within or adjacent to the project APE (Office of Historic Preservation 2007a, 1992). The California State Historic Resources Inventory lists no evaluations within or adjacent to the project APE (Office of Historic Preservation 2007b).

Historian Judy Triem is in the process of conducting a Section 106 review of the project APE's built environment.

Native American Heritage Commission

A sacred lands file check was conducted by Dave Singleton of the NAHC on September 24, 2007. No sacred lands were identified within or adjacent to the project site.

Historic Maps

No Sanborn Fire Insurance Maps were found for the project area. The 1900 USGS 15' Pasadena Quadrangle shows no development within the project area. The 1966 USGS 7.5' Los Angeles Quadrangle shows the project area as developed. The current Cesar Chavez Avenue is labeled as Brooklyn Avenue. The 1981 and 1994 USGS 7.5' Los Angeles Quadrangles show no changes within the immediate project area from the 1966 version.

V. FIELD METHODS

The approximate 0.54-acre project APE was surveyed by Mary Maki on October 1, 2007 (Exhibits 2 & 3). Ms. Maki is certified by the Register of Professional Archaeologists (RPA) and has over 17 years archaeological experience in southern California.

As approximately 90 percent of the project APE was built or paved over, a systematic archaeological survey was not feasible. Instead all visible ground surfaces within the landscaped areas were closely inspected. Within the landscaped areas ground surface visibility was generally fair. The soil on the project site was a silty sand. No prehistoric or historic archaeological resources were observed. However, the lack of ground surface visibility across the vast majority of the APE rendered the survey results inconclusive as to the absence of prehistoric or historic resources.

The ground surface throughout the project APE has been extensively disturbed by grading and trenching associated with the existing development.

VI. REMARKS

Although survey efforts were limited by development of the project APE, based on the SCCIC record search results, the NAHC sacred lands file check, the lack of natural water courses in the general project area, and the extent of past ground disturbances on the property, no impact to archaeological resources is anticipated from project development. Therefore, no further archaeological investigation is warranted prior to project implementation as long as the following two recommendations are included as conditions of project approval.

1. In the event that archaeological resources are unearthed during project construction, all earth disturbing work within the APE must be temporarily suspended until an archaeologist has evaluated the nature and significance of the find. After the find has been appropriately mitigated, work in the area may resume. A Gabrielino representative should monitor any archaeological field work associated with Native American materials.

2. If human remains are unearthed, State Health and Safety Code Section 7050.5 requires that no further disturbance shall occur until the Los Angeles County Coroner has made the necessary findings as to origin and disposition pursuant to Public Resources Code Section 5097.98. If the remains are determined to be of Native American descent, the coroner has 24 hours to notify the Native American Heritage Commission.

VII. CERTIFICATION

Prepared By: Mary K. Maki	**Title:** Principal Investigator	**Qualification:** RPA Certified 17 Years So. CA arch experience
Signature:		**Date:** October 3, 2007

VIII. MAPS

Project Vicinity ☒ USGS 7.5' Los Angeles Quadrangle ☒ Archaeological APE/APN ☒

IX. PHOTOGRAPHS

Yes ☒ **No** ☐ **Attached Yes** ☒ **No** ☐ (See Title Page)

X. CITATIONS

Bean, Lowell John and Charles R. Smith

1978 Gabrielino. In *Handbook of North American Indians: California*, Volume 8. Edited by R.F. Heizer, pp. 505-508. W.G. Sturtevant, general editor. Smithsonian Institution, Washington D.C.

Los Angeles County Assessor

2007 http://maps.assessor.lacounty.gov/mapping/gifimage.asp?val=2068004.00.

McCawley, William

1996 *The First Angelinos, The Gabrielino Indians of Los Angeles*. Malki Museum Press, Morongo Indian Reservation, Banning, California.

National Park Service

2007 National Register of Historic Places. Department of the Interior. http://www.nr.nps.gov/iwisapi/explorer.dll?IWS_SCHEMA=NRIS1&IWS_LOGIN=1&IWS_REPORT=100000039.

Office of Historic Preservation

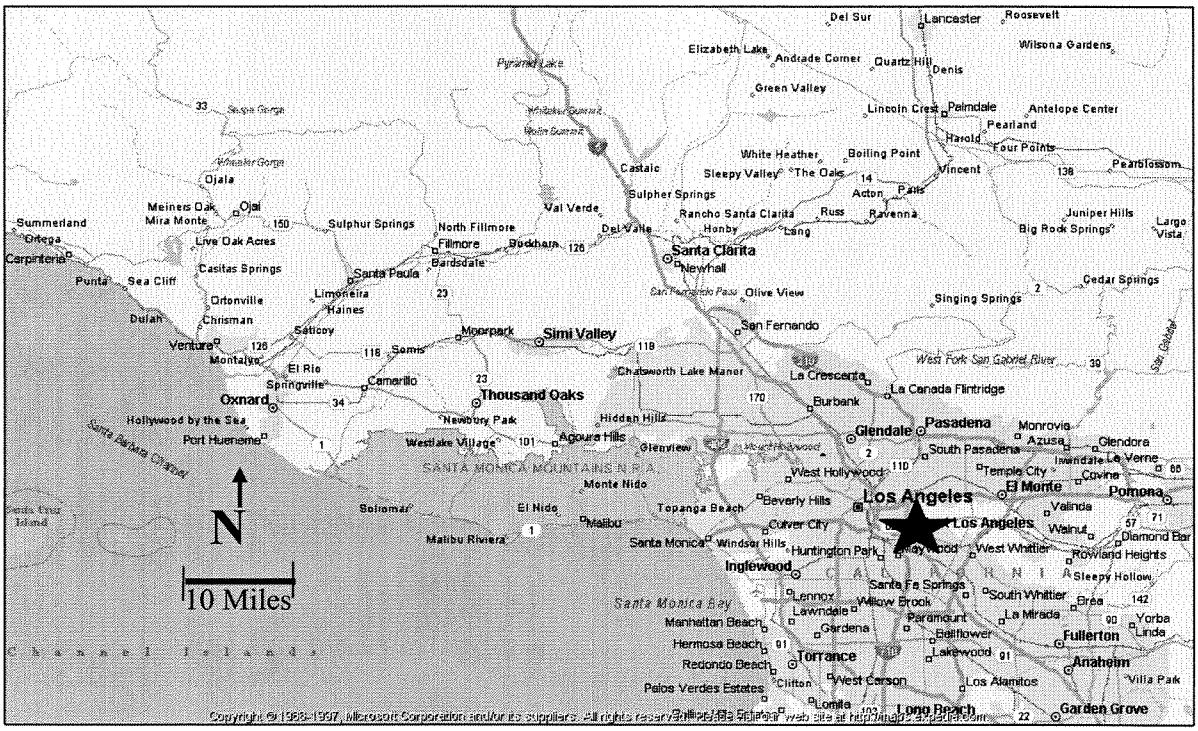
2007a California Historical Landmarks, Los Angeles County. http://ohp.parks.ca.gov/?page_id=21427.

2007b Directory of Properties in the Property Data File for Los Angeles County. Department of Parks and Recreation, Sacramento, California, 05/01/07.

1992 *California Points of Historical Interest.* Department of Parks and Recreation, Sacramento, California.

Individuals and Institutions Contacted

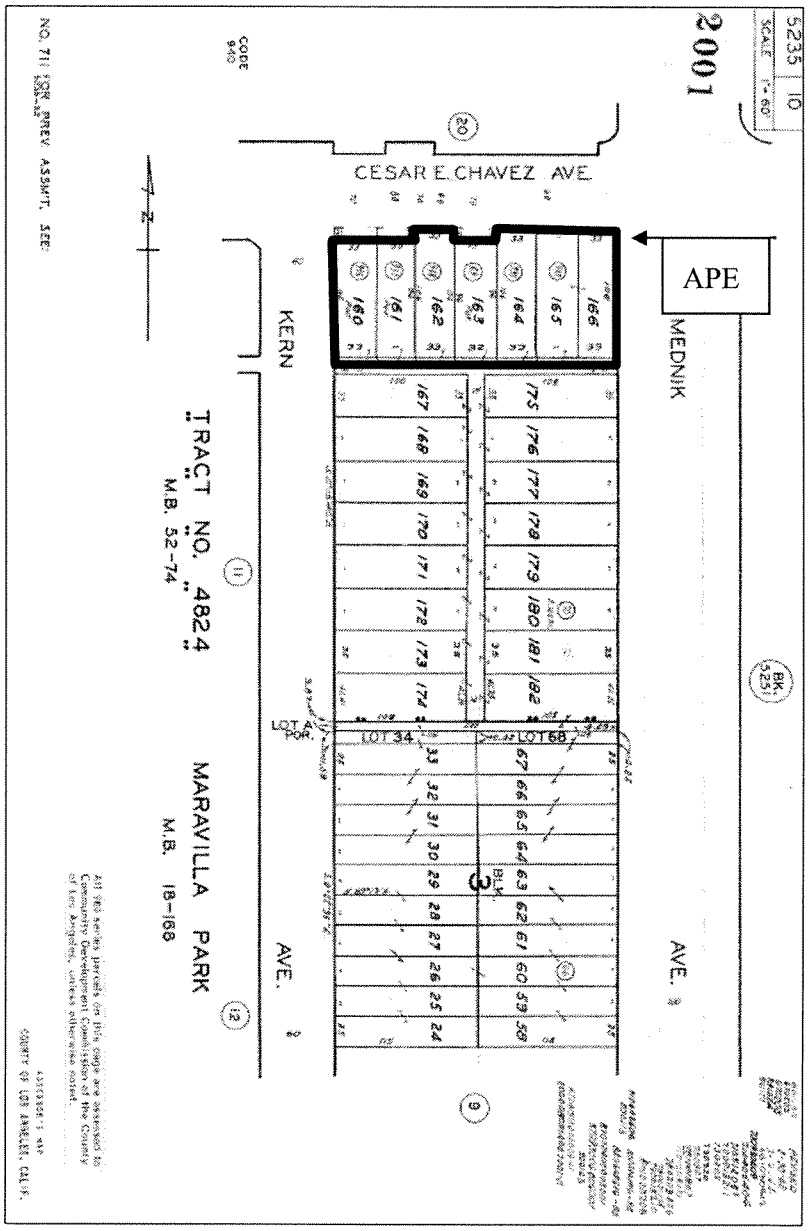
Singleton, David, Program Analyst, Native American Heritage Commission, letter dated September 24, 2007



PROJECT VICINITY MAP

Mednik-Chavez Commercial Development Project
4760-4782 E. Cesar Chavez Avenue
East Los Angeles, Los Angeles County

Exhibit 1

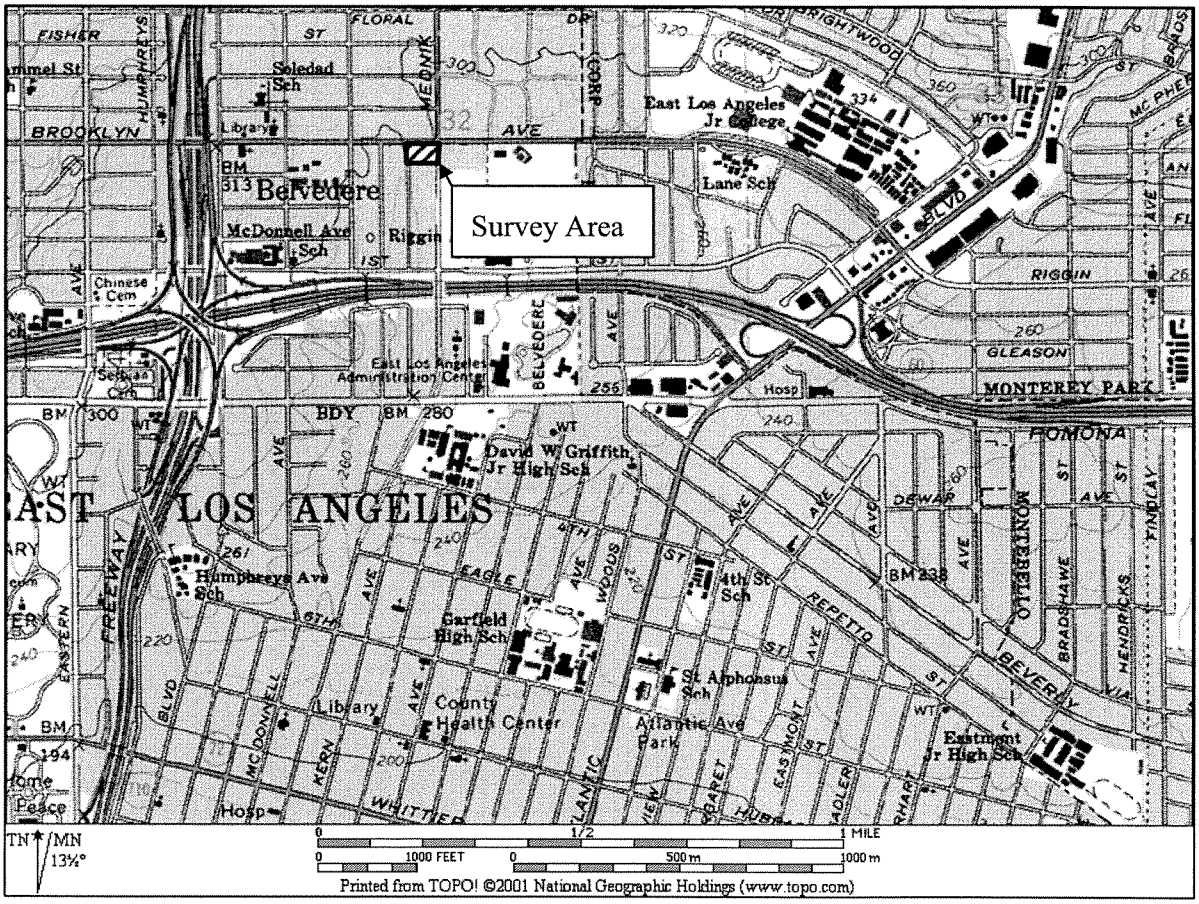


Source: Los Angeles County Assessor - http://assessormap.lacountyassessor.com/mapping/viewer.asp

AREA OF POTENTIAL EFFECT

Mednik-Chavez Commercial Development Project
4760-4782 E. Cesar Chavez Avenue
East Los Angeles, Los Angeles County

Exhibit 2



Source: USGS 7.5' Los Angeles Quadrangle, 1966, photorevised 1981, minor revisions 1994

ARCHAEOLOGICAL SURVEY AREA

Mednik-Chavez Commercial Development Project
4760-4782 E. Cesar Chavez Avenue
East Los Angeles, Los Angeles County

Exhibit 3

Mitigation Measure/Condition of Approval	Action Required	When Monitoring to Occur	Monitoring Frequency	Responsible Agency or Party	Compliance Verification		
					Initial	Date	Comments
Historic, Cultural, and Archaeological Resoures							
In the event that archaeological resources are unearthed during project construction, all earth disturbing work within the project's archaeological area of potential effect (APE) must be temporarily suspended until a qualified archaeologist has evaluated the nature and significance of the find. A Gabrielino representative should monitor any excavation associated with Native American materials. After the find has been appropriately mitigated, work in the area may resume. If human remains are unearthed, State Health and Safety Code Section 7050.5 requires that no further disturbance shall occur until the County Coroner has made the necessary findings as to origin and disposition pursuant to Public Resources Code Section 5097.98. If the remains are determined to be of Native American descent, the coroner has 24 hours to notify the Native American Heritage Commission.	Field verification during construction	Throughout construction	Periodically during construction	CDC			
Solid Waste Recycling							
Because of ongoing concerns about available landfill capacity, project design shall incorporate space for separate bins for waste and recyclable materials.	Verification that project design include recycling features	Prior to construction phase	Once	CDC			
Water Supply							
Because of ongoing concerns about regional water supplies, the following shall be incorporated into project design: a. Landscaped areas shall be designed with drought-tolerant species, minimizing to 50% areas dedicated to turf. Irrigation shall be accomplished with drip systems. Planting beds shall be heavily mulched in accordance with water-conserving landscape design practice. b. Structures shall be fitted with water conserving fixtures, including, but not limited to, low flow	Verification that project design include water conserving features	Prior to construction phase	Once	CDC			

Key: **CDC – Los Angeles County Community Development Commission**

Mitigation Measure/Condition of Approval	Action Required	When Monitoring to Occur	Monitoring Frequency	Responsible Agency or Party	Compliance Verification		
					Initial	Date	Comments
faucets and toilets.							
Additional Modifications							
Minor changes to the mitigation measures required as a condition of funding approval are permitted, but can only be made with the approval of the Executive Director of the Community Development Commission of the County of Los Angeles. Any modifications must continue to satisfy the requirements of NEPA and CEQA, as determined by the County.							

Key: **CDC – Los Angeles County Community Development Commission**

OWNER PARTICIPATION AGREEMENT

COMMUNITY DEVELOPMENT COMMISSION
OF THE COUNTY OF LOS ANGELES

And

DOKHY, LLC

Maravilla Community Redevelopment Project

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Attachment No. 3	Schedule of Performance
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Exhibit A	Site Plan
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Exhibit D	Earned Income Credit (EIC) Notice 1015
Exhibit E	Safely Surrendered Baby Law
Exhibit F	Design Guidelines

OWNER PARTICIPATION AGREEMENT

THIS AGREEMENT is entered into as of the _____ day of _____, **2008**, by and between the COMMUNITY DEVELOPMENT COMMISSION OF THE COUNTY OF LOS ANGELES (the "**Commission**") and DOKHY, LLC., a California Limited Liability Company (the "**Participant**"). The Commission and the Participant agree as follows:

I. [§100] **SUBJECT OF AGREEMENT**.

A. [§101] Purpose of this Agreement.

The purpose of this Agreement is to effectuate the Redevelopment Plan (the "**Redevelopment Plan**") for the Maravilla Community Redevelopment Project area (the "**Project Area**") by providing for the disposition and development of certain real property labeled as Commission Parcel 1, Commission Parcel 2 and Commission Parcel 3, (jointly identified as "**Commission Parcels**") and Participant Parcels (collectively the "**Site**"), identified on "**Map of Site**" (Attachment No. 1), included within the boundaries of the Project Area.

Pursuant to the terms and conditions of this Agreement, the Participant will demolish existing improvements on Commission Parcel 1, Commission Parcel 2 and Participant Parcels and construct the Site with **8,722** square feet of restaurant and retail use, 35 parking spaces and 2,615 square feet of landscaped areas (the "**Center**"), and improve an existing 24 space parking lot ("**Parking Lot**") on approximately **9,900** square feet located on Commission Parcel 3 (the "**Project**"). Denny's or equivalent restaurant as approved by the Commission's Executive Director, will occupy 4,341 square feet of space.

The development of the Site pursuant to this Agreement and the fulfillment generally of this Agreement are in the vital and best interests of the County of Los Angeles (the "**County**"), and the health, safety, morals, and welfare of its residents, and in accordance with the public purposes and provisions of applicable federal, state, and local laws and requirements. Implementation of this Agreement will further the goals and objectives of the Redevelopment Plan.

B. [§102] The Redevelopment Plan.

This Agreement is subject to the provisions of the Redevelopment Plan which was approved and adopted on February 20, 1973, by the Board of Supervisors of the County of Los Angeles by Ordinance No. 10,661. Said Redevelopment Plan, as it now exists and as it may be subsequently amended pursuant to Section VI.B of the Redevelopment Plan, is incorporated herein by reference and made a part hereof as though fully set forth herein.

C. [§103] The Project Area.

The Project Area is located in the County of Los Angeles, California, and the exact boundaries thereof are specifically described in the Redevelopment Plan.

D. [§104] The Site.

The Site is that portion of the Project Area shown on Map of the Site (Attachment No. 1) and incorporated herein by reference. The Site is currently comprised of that certain property owned by the Commission (the "**Commission Parcels**") and that certain property owned by Participant (the "**Participant Parcels**") as are more particularly described in the Legal Description of the Site (Attachment No. 2).

E. [§105] Parties to this Agreement.

1. [§106] The Commission.

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

The office of the Commission is located at 2 Coral Circle, Monterey Park, California 91755. "**Commission**", as used in this Agreement, includes the Community Development Commission of the County of Los Angeles and any assignee of or successor to its rights, powers, and responsibilities.

2. [§107] The Participant.

The Participant is a California limited liability company. The principal office of the Participant, for the purposes of this Agreement, is located at 225 E. 9th Street, Los Angeles, California 90015. Wherever term "**Participant**" is used herein, such term shall include any permitted nominee, assignee, or successor in interest as herein provided.

3. [§108] Prohibition Against Transfer and Assignment of Agreement

The qualifications and identity of the Participant are of particular concern to the County and the Commission, and it is because of such qualifications and identity that the Commission has entered into this Agreement with the Participant. No voluntary or involuntary successor in interest of the Participant shall acquire any rights or powers under this Agreement except as expressly set forth herein. This Agreement may be terminated by the Commission, and the full amount of the then-current unencumbered fair market value of the unimproved land, less the purchase price, set forth herein below, shall be immediately due and payable to the Commission, upon written notice if there is any significant change (voluntary or involuntary) in the membership, management, or control of the Participant prior to the completion of the development of the Site as evidenced by the issuance of a Certificate of Completion as provided in

Section 327. In the event of such termination prior to the issuance of a Certificate of Completion, Participant shall immediately return to the Commission any and all unused funds received by Participant from the Commission in connection with this Project.

Except as otherwise expressly permitted by this Agreement, the Participant shall not assign all or any part of this Agreement without the prior written approval of the Commission, which approval shall not be unreasonably withheld. It shall not be unreasonable for the Commission to withhold such approval if the proposed assignee fails to demonstrate to the reasonable satisfaction of the Commission that it possesses the financial resources and development experience to develop the Project as set forth in this Agreement. This prohibition shall not be deemed to prevent the granting of easements or permits to facilitate the development of the Site, or the recordation of deeds of trust and mortgages to fund such development in accordance with this Agreement or to restrict the leasing of all or part of the Site or improvements thereon.

This prohibition shall not apply, in any case, to a lease or sale of the Site, or portion thereof, and/or the assignment of this Agreement by Participant to an entity of which at least fifty-one percent (**51%**) of the voting rights or control are owned and retained by a managing member of Participant, provided that: (i) such successor entity shall expressly assume all liability and obligations of Participant under this Agreement; and (ii) any such sale or lease shall not relieve Participant or the managing member of the day-to-day control and responsibility for development and construction of the Site. In addition, this prohibition shall not apply to the sale of a portion of the Center to a prospective occupant of the Center ("**Pad Sale**") as part of the development of the Project. Such Pad Sale shall include a reciprocal parking agreement wherein the Pad user will be subject to the parking requirements of the Center and Parking Lot.

Any request for permission for a transfer of title to the Site, or portion thereof, to a third party or any request for permission to transfer ownership or control of Participant to a third party shall be submitted to the Commission in writing and Participant shall not transfer title to the Site or portion thereof, without the prior written approval of the Commission. This restriction on transfer, sale, conveyance or assignment of the Site shall expire upon the completion of the development of the Site as evidenced by the issuance of a Certificate of Completion.

II. [§200] **DISPOSITION OF THE SITE.**

A. [§201] Disposition of the Site.

In accordance with and subject to all the terms, covenants, and conditions of this Agreement and the Quit Claim Deed, in substantially the form attached hereto as Attachment No. 5 and made a part hereof, the Commission and Participant agree that the Participant shall assemble the Site in accordance with the terms, conditions and provisions of this Agreement.

1. [§201.1] Commission Parcels.

Commission shall quit claim the Commission Parcels to Participant and Participant agrees to purchase the Commission Parcels for the purchase price of **$0.00** and in consideration of the obligations of Participant pursuant to this Agreement. The Commission Parcels shall be conveyed to Participant in accordance with the Schedule of Performance (Attachment No. 3).

2. [§201.2] Participant Parcels.

Participant shall contribute Participant Parcels for development as part of Site.

3. [§201.3] Relocation and Demolition.

Prior to such conveyance to Participant of the Commission Parcels the Commission shall be responsible for and shall comply with applicable provisions of federal law for relocation of all tenants on the Site displaced as a result of development of the Site. Commission shall be responsible for all legally eligible relocation expenses of any such tenant.

The Commission will be responsible for demolition and removal of the modular trailer that houses the operations of Chicana Service Action Center located on Commission Parcel 2. The Commission will remove foundation and cap utilities at the property line. All such work by the Commission shall be accomplished prior to the close of escrow.

The Participant will be responsible for demolition of structure located on Participant Parcels.

B. [§202] Escrow.

The Commission agrees to open an escrow ("**Escrow**") for conveyance of the Commission Parcels with an escrow company mutually approved by the Commission and the Participant, as escrow agent (the "**Escrow Agent**"), in the County of Los Angeles, State of California, within the time established in the Schedule of Performance (Attachment No. 3) and incorporated herein by this reference. This Agreement constitutes the joint escrow instructions of the Commission and the Participant, and a duplicate original of this Agreement shall be delivered to the Escrow Agent upon the opening of escrow. The Commission and the Participant shall provide such additional escrow instructions as shall be necessary and consistent with this Agreement; provided however, that in the event of any conflict between such instructions and the terms of this Agreement, the terms of this Agreement shall prevail. The Escrow Agent hereby is empowered to act under this Agreement and upon indicating its acceptance of the provisions of this Section 202 in writing, delivered to the Commission and to the Participant within **five (5) days** after the opening of the escrow, shall carry out its duties as Escrow Agent hereunder.

At or prior to the close of Escrow, the Participant shall deposit or cause to be deposited with the Escrow Agent the Purchase Price for such Commission Parcels. Upon delivery of the Quit Claim Deed (Attachment No. 5) for the Commission Parcels to the Escrow Agent by the Commission pursuant to Section 207 of this Agreement, the Escrow Agent shall record such deeds in accordance with these escrow instructions, provided that the title to the Commission Parcels can be vested in the Participant in accordance with the terms and provisions of this Agreement. The Escrow Agent shall cause to be paid all transfer fees required by law. Any insurance policy governing the Commission Parcels is not to be transferred. Participant shall be responsible for obtaining its own insurance of the Center and Parking Lot upon conveyance by the Commission.

The Participant shall pay in escrow to the Escrow Agent the following fees, charges, and costs promptly after the Escrow Agent has notified the Participant of the amount of such fees, charges, and costs, but not earlier than **three (3) days** prior to the scheduled date for the close of Escrow for the conveyance of the Commission Parcels:

1. One-half of the escrow fee; and

2. The portion of the premium for the title insurance policy or special endorsements to be paid by the Participant as set forth in Section 208 of this Agreement.

The Commission shall pay in escrow to the Escrow Agent the following fees, charges, and costs promptly after the Escrow Agent has notified the Commission of the amount of such fees, charges, and costs, but not earlier than **three (3) days** prior to the scheduled date for the close of Escrow:

1. One-half of the escrow fee;

2. Cost of drawing the Quit Claim deed with respect to the Commission Parcels only;

3. Recording fees with respect to the Commission Parcels only;

4. Notary fees with respect to the Commission Parcels only;

5. The portion of the premium for a C.L.T.A. standard title insurance policy to be paid by the Commission as set forth in Section 208 of this Agreement;

6. Ad valorem taxes, if any, upon the Commission Parcels for any time prior to conveyance of such title; and

7. Any State, County, or City documentary transfer tax.

The Escrow Agent is authorized to:

1. Pay and charge the Commission and the Participant, respectively, for any fees, charges, and costs payable under and in accordance with this Section 202 of this Agreement. Before such payments are made, the Escrow Agent shall notify the Commission and the Participant of the fees, charges, and costs necessary to close escrow on each respective property;

2. Disburse funds and deliver the Quit Claim Deed and other documents to the parties entitled thereto when the conditions of this escrow have been fulfilled by the Commission and the Participant; and

3. Record any instruments delivered through this escrow, if necessary or proper, to vest title in the Participant in accordance with the terms and provisions of this Agreement.

All funds received in this escrow shall be deposited by the Escrow Agent with other escrow funds of the Escrow Agent in a general escrow account or accounts with any state or national bank doing business in the State of California. Such funds may be transferred to any other such general escrow account or accounts. All disbursements shall be made by check of the Escrow Agent or as directed by the Commission. All adjustments shall be made on the basis of a **thirty (30) day** month.

If this escrow is not in condition to close before the time for conveyance established in Section 204 of this Agreement, or as it may be extended as provided herein below, either party who then shall have fully performed the acts to be performed before the conveyance of title may, in writing, terminate this Agreement in the manner set forth in Section 504 or 505 hereof, as the case may be, and demand the return of its money, papers, or documents. Thereupon all obligations and liabilities of the parties under this Agreement shall cease and terminate in the manner set forth in Section 504 or 505 hereof, as the case may be.

If neither the Commission nor the Participant shall have fully performed the acts to be performed before the time of conveyance established in Section 204, no termination or demand for return shall be recognized until **ten (10) days** after the Escrow Agent shall have mailed copies of such demand to the other party or parties at the address of its or their principal place or places of business. If any objections are raised within the **ten (10) day period**, the Escrow Agent is authorized to hold all money, papers, and documents with respect to the Site and/or the Participant Site until instructed in writing by both the Commission and the Participant or upon failure thereof by a court of competent jurisdiction. If no such demands are made, the escrow shall be closed as soon as possible. Nothing in this Section 202 shall be construed to impair or affect the rights or obligations of the Commission or the Participant to specific performance.

Any amendment of these escrow instructions shall be in writing and signed by both the Commission and the Participant. At the time of any amendment, the Escrow Agent shall agree to carry out its duties as Escrow Agent under such amendment.

All communications from the Escrow Agent to the Commission or the Participant shall be directed to the addresses and in the manner established in Section 601 of this Agreement for notices, demands, and communications between the Commission and the Participant.

The liability of the Escrow Agent under this Agreement is limited to performance of the obligations imposed upon it under Sections 202 to 208, inclusive, of this Agreement.

Neither the Commission nor the Participant shall be liable for any real estate commissions or brokerage fees which may arise herefrom. The Commission and the Participant each represent that neither has engaged any broker, agent, or finder in connection with this transaction.

C. [§203] Commission's Conditions to Close Escrow

1. Subject to the satisfaction (or the Commission's written waiver), the conditions precedent are as follows:

(a) Participant shall deliver to the Commission true and correct copies of tenant leases, showing that not less than **80%** of the retail leasable space at the Project has been leased to Denny's, Subway and Pronto Pizza or tenants comparable in credit worthiness, name or brand recognition and business reputation, as approved by the Commission's Executive Director;

(b) Participant to the Commission Evidence of Financing described in Section 213 hereof from a qualified financial institution. Participant shall not be in default under the loan agreement and other documents evidencing, securing or guaranteeing the financings contemplated;

2. When, and only when, Escrow Agent has confirmed that all the closing conditions above have been satisfied, and Escrow Agent has received written certifications on behalf of Commission from the Executive Director that all other closing conditions have been timely satisfied or waived, then Escrow Agent shall carry out the close of Escrow ("**Close of Escrow**") within five (5) business days after delivery of a fully executed OPA to escrow:

(a) causing the Quit Claim Deed relating to ownership of the Site to be recorded in the Official Records in the Office of the County Recorder for Los Angeles County, California; and

(b) causing the Title Policy to be issued and delivered, as described in Section 209 hereof.

D. [§204] Conveyance of Title and Delivery of Possession.

Provided that the Participant is not in default under this Agreement and all conditions precedent to such conveyance have occurred, and subject to any mutually agreed upon extensions of time, conveyance of the Commission Parcels shall be completed on or prior to the date specified in the Schedule of Performance (Attachment No. 3). The Commission and the Participant agree to perform all acts necessary for conveyance of title in sufficient time for title to be conveyed in accordance with the foregoing provisions.

The Commission Parcels shall be conveyed free of any possession or right of possession by the Commission or any tenancy by third party, unless otherwise approved or waived in writing by the respective parties.

Possession of the Commission Parcels shall be delivered to the Participant concurrently with the conveyance of title, except that limited access may be permitted before conveyance of title as permitted in Section 212 of this Agreement. The Participant shall accept title and possession of the Commission Parcels in accordance with the time established in the Schedule of Performance (Attachment No. 3) and subject to the conditions of closing as set forth in this Agreement.

E. [§205] Form of Deed.

The Commission shall convey to the Participant concurrent title to the Commission Parcels by Quit Claim Deed in substantially the form set forth in Attachment No. 5.

F. [§206] Condition of Title.

The Commission shall relinquish and transfer to the Participant by Quit Claim Deed all of the Commission's interests and title which may exist whatsoever in the Commission Parcels at the time of conveyance.

G. [§207] Time for and Place of Delivery of Deed.

Subject to any mutually agreed upon extensions of time, the Commission shall deposit each respective Quit Claim Deed for the Commission Parcels, with the Escrow Agent on or before the date established for the conveyance of the Site in the Schedule of Performance (Attachment No. 3).

H. [§208] Title Insurance.

Concurrently with recordation of the Quit Claim Deed for the Commission Parcels, a title insurance company satisfactory to the Commission and Participant ("**Title Company**"), shall provide and deliver to the Participant a title insurance policy issued by the Title Company for the Commission Parcels insuring that the title to the Commission Parcels is vested in the Participant in a condition acceptable to the Participant. The Title

Company shall provide the Participant with the title insurance policy for the Commission Parcels in the amount not less than the unencumbered fair market value for the property. The Title Company shall provide the Commission with a copy of the Participant's title insurance policy for the Commission Parcels transferred to the Participant.

Concurrent with the issuance of the title insurance policy for the Commission Parcels, the Title Company shall, if requested by the Participant, and at the sole expense of the Participant, provide the Participant with an endorsement to insure the amount of the Participant's estimated construction costs of the improvements to be constructed on the Site and any lender's interest in the Site.

The Commission shall pay only for that portion of the title insurance premium attributable to a California Land Title Association (CLTA) standard form policy of title insurance. The Participant shall pay for all other premiums for title insurance coverage or special endorsements requested by Participant which exceeds a CLTA policy.

I. [§209] Taxes and Assessments.

Ad valorem taxes and assessments, if any, on the Commission Parcels only, levied, assessed, or imposed for any period prior to conveyance shall be borne by the Commission. All ad valorem taxes and assessments levied or imposed for any period commencing after conveyance shall be paid by the Participant. Any possessory interest or other ad valorem taxes, assessments and fees accruing to the Participant shall be paid by the Participant.

J. [§210] Zoning of the Site.

The Participant, at its sole cost and expense, is responsible for obtaining all zoning and land use approvals and any other County approvals required to permit the development of the Site, and issuance of a building permit for, and construction of the improvements in accordance with the provisions of this Agreement and the use, operation, and maintenance of such improvements. The Commission shall recommend to other governmental agencies having the appropriate jurisdiction that approval for the necessary parking variance required in order to construct the proposed Center be granted.

K. [§211] Condition of the Site.

Upon the Participant's request, the Commission agrees to provide, or cause to be provided to the Participant, all data and information pertaining to the Site known and within the custody of the Commission. However, notwithstanding the foregoing, such data and information shall be made available without warranty or representation by the Commission as to the completeness, correctness, or validity of such data and information.

The Commission will provide a Phase I environmental report of said properties to Participant prior to the execution of this Agreement. Possession of the Commission Parcels shall be delivered by the Commission to the Participant in an "**as is**" physical condition, with no warranty expressed or implied by Commission as to the presence of Hazardous Substances or the condition of the soil, its geology, or the presence of known or unknown faults. If the soil condition is not in all respects entirely suitable for the use or uses to which the Site will be put, then it is the sole responsibility and obligation of the Participant to place such Site in all respects in a condition entirely suitable for the development thereof.

After delivery of possession of the Commission Parcels, Participant hereby agrees for itself, its assignees and all successors in interest to the Site that any use of Hazardous Substances on or in connection with the use and/or operation of a business conducted upon the Site shall be in full compliance with the applicable laws governing the use of such Hazardous Substances. Under no circumstances shall Participant commence or continue to use any Hazardous Substances in violation of any existing and/or subsequently enacted law(s). Moreover, Participant hereby consents to the grant of a right of entry to the Commission and/or any other governmental entity having jurisdiction over and/or regulating the use of the Hazardous Substances for the purpose of inspecting the Site and any improvements located thereon including but not limited to any equipment and materials used therein.

Participant further agrees for itself, assigns or successors in interest that it shall be solely responsible for any removal and disposal of all Hazardous Substances not authorized for use or storage on, in or under the Site, or any part thereof, after conveyance of the Commission Parcels to Participant. In addition, Participant shall indemnify and hold the Commission, Housing Authority of the County of Los Angeles (Housing Authority), the County of Los Angeles (County) and all of their respective officials, officers, representatives, employees, contractors and agents (collectively referred to as "**Agents**"), harmless from any and all liability, costs, fines, penalties, charges and/or claims of any kind whatsoever relative to its use of and the existence, removal and/or disposal of any Hazardous Substances on, in or under the Site or any part thereof, as well as any unlawful discharge of fumes, odors, etc. into the community as a result of the use of such Hazardous Substances. It is also understood and agreed that Participant shall be entirely responsible for securing any and all permits necessary in connection with the removal and disposal of any and all such Hazardous Substances and paying all fees, charges, costs and/or penalties whatsoever in connection therewith. Participant shall require and cause all contractors involved with such removal and disposal to provide evidence of public liability insurance, in the form and amounts approved by the Commission, which shall also name the Commission, the Housing Authority, the County, and their Agents as additional insureds.

For purposes of this Agreement, the term "**Hazardous Substances**" means, without limitations, gasoline, petroleum products, explosives, radioactive materials, hazardous materials, hazardous wastes, hazardous or toxic substances, polychlorinated biphenyls or related or similar materials, asbestos or any other substance or material as many

now or hereafter be defined as a hazardous or toxic substance by any federal, state or local environmental law, ordinance, rule or regulation, including without limitation, (i) the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act (42 U.S.C. Section 9601 et seq.), (ii) the Federal Water Pollution control Act (33 U.S.C. Section 1251 et seq.), (iii) the Clean Air Act (42 U.S.C. Section 7401 et. seq.), (iv) the Resource Conservation and Recovery Act, as amended by the Hazardous and Solid Waste Amendments of 1984 (42 U.S.C. Section 6902 et seq.), (v) the Toxic Substance Control Act (15 U.S.C. Section 2601 et seq.), (vi) the Hazardous Materials Transportation Act (49 U.S.C. Section 1801 et seq.), (vii) the Carpenter-Presley-Tanner Hazardous Substance Account Act (CA Health & Safety Code Section 25300 et seq.), (viii) the Hazardous Waste Control Law (CA Health & Safety Code Section 25100 et seq.), (ix) the Porter-Cologne Water Quality Control Act (CA Water Code Section 13000 et seq.), (x) the Safe Drinking Water and Toxic Enforcement Act of 1986, (xi) the Hazardous Materials Release Response Plans and Inventory (CA Health & Safety Code Section 25500 et seq.), (xii) the Air Resources Law (CA Health & Safety Code Section 39000 et seq.), or (xiii) in any of the regulations adopted and publications promulgated pursuant to the foregoing.

In the event that archeological resources are exposed during Project construction, all earth disturbing work within the subject property must be temporarily suspended or redirected until a professional archaeologist has evaluated the nature and significance of the find. After the find has been appropriately mitigated, work in the area may resume.

If human remains are unearthed, California Health and Safety Code Section 7050.5 requires that no further disturbances shall occur until the County Coroner has made the necessary findings as to the origin and disposition pursuant to Public Resources Code Section 5097.98. If the remains are determined to be of Native American descent, the coroner has twenty-four (24) hours to notify the Native American Heritage Commission.

L. [§212] Preliminary Work by the Participant.

From the date of this Agreement and prior to the conveyance of the Commission interests in the Commission Parcels, representatives of the Participant shall have the right of access to and entry upon said properties at all reasonable times for the purpose of obtaining data and making surveys and tests to determine the presence of Hazardous Substances, soil condition, seismic condition, geology, the presence of known and unknown faults, and the suitability for an economically feasible development thereon by the Participant in accordance with this Agreement. If, upon examination of the surveys and reports, preliminary title reports, and other conditions or information, Participant determines, in its sole discretion that corrective work for the Commission Parcels portion of the Site would result in work or costs in excess of Fifty Thousand Dollars (**$50,000**) which the Participant is not able to manage or pay for, the Participant may terminate this Agreement.

Any preliminary work undertaken on the Commission Parcels by the Participant prior to conveyance of title thereto shall be done only after written consent of the Commission and at the sole expense of the Participant. Copies of all data, surveys, and tests obtained or made by the Participant on said properties shall be filed with the Commission. Any preliminary work by the Participant shall be undertaken only after securing any necessary permits from the appropriate governmental agencies.

The Participant shall indemnify, defend and hold harmless the Commission, the Housing Authority, the County, and their Agents harmless from and against any and all claims, liabilities and damages resulting from any injury, death, damage to person or property, or other damages including without limitation damages incurred by the Commission respecting any work in relation to those portions of the Site so entered, arising out of any activity of the Participant or its contractors, subcontractors, agents, employees, invitees or licensees on, or relating to, such portions of the Site pursuant to this Section 212, except for liability arising solely from the gross negligence or willful misconduct of the Commission, the Housing Authority, the County, and their Agents.

Prior to entering onto any portion of the Site pursuant to this Section 212, the Participant shall obtain and deliver to the Commission a certificate(s) evidencing that the insurance coverage has been obtained which satisfies the requirements set forth in Section 313 below, protects against all such potential Losses and Liabilities and names the Commission, the Housing Authority and the County, and their Agents, as additional insured.

M. [§213] Submission of Evidence of Equity Capital and Construction Financing.

If the Participant finances the acquisition and development of the improvements on the Site and related activities, such financing shall be subject to the approval of the Commission as set forth below.

Within the time specified in the Schedule of Performance (Attachment No. 3), the Participant shall submit to the Commission evidence ("**Evidence of Financing**") of on-hand or contractually committed funds sufficient to pay for 100 percent of the projected development costs, including contingency amounts, ("**Total Project Costs**") identified on Participant's projected development costs. Evidence of Financing may include unencumbered cash or cash-equivalents held by Participant as documented by bank or depository statements, executed loan agreements for a construction loan or from other creditworthy institutional lenders subject to such standard and reasonable conditions as are customarily imposed on such agreements. The Participant shall also deliver to the Commission evidence that Participant will have its portion of required equity if required by the Construction Lender(s), in order to allow the construction and development of the Project.

The Participant agrees to take all actions, furnish all information, give all reasonable consents and pay all sums required to keep the Evidence of Financing in full force and effect.

The Commission shall approve or disapprove each such submission of Evidence of Financing within the time established in the Schedule of Performance. Such approval shall not be unreasonably withheld. If the Commission shall disapprove any such evidence of financing, the Commission shall do so by written notice to the Participant stating the reasons for such disapproval. The Participant shall cure any deficiencies in such Evidence of Financing and resubmit such Evidence of Financing as cured to the Commission within **sixty (60) days** after notice of disapproval, or the Commission's disapproval shall be final.

N. [§214] Construction Contract

By the deadline specified in the Schedule of Performance, Participant agrees to deliver to the Commission a fully-executed written agreement (the "**Construction Contract**") for construction of the Scope of Development on the Site. Such Construction Contract shall obligate a reputable and financially responsible general contractor ("**General Contractor**"), who is bonded as required herein, appropriately licensed in California, and experienced in completing the type of Scope of Development and Site work contemplated by this Agreement to commence and complete the development and construction of the Scope of Development and Site work to be constructed on the Site in accordance with this Agreement. Each such Construction Contract shall be a guaranteed maximum cost contract assuring completion of the Scope of Development for a fixed price, subject to such reasonable adjustments as are customarily allowed with respect to such contracts for authorized change orders or other like matters. The fixed price for the Construction Contract shall be in an amount that does not exceed the Total Project Cost. The Construction Contract shall require the General Contractor to obtain Performance and Material and Labor bonds in accordance with Section 313 below. Notwithstanding anything contained herein to the contrary, the Construction Contract may be of a "cost, plus" nature wherein the General Contractor agrees not to exceed the Total Project Cost, but may include incentives for saving costs. In addition, nothing herein shall prevent the Participant from electing to act as the General Contractor for the Project as owner/developer. All obligations of the General Contractor herein apply to the Participant if electing to act as the General Contractor for the Project.

The Participant shall submit all items required by this Section and shall obtain the Commission's written approval of the Construction Contract and the General Contractor by the deadline specified therefor in the Schedule of Performance. The Commission's approval or disapproval of any Construction Contract will not constitute a waiver by the Commission of any breach or violation of this Agreement that is a result of acts that are or purport to be in compliance with or in furtherance of said Construction Contract, unless such approval expressly so provides.

III. [§300] **DEVELOPMENT OF THE SITE.**

A. [§301] Development of the Site by the Participant.

1. [§302] Scope of Development.

The Site shall be developed as provided in the Scope of Development, (Attachment No. 4). The construction and completion of any or all of the Scope of Development to be constructed on the Site by the Participant will be in accordance and compliance with all Plans approved by the Commission pursuant to this Agreement. Participant shall obtain all entitlements, approvals and permits necessary to develop the Project in accordance with this Agreement, and as completed: (i) will comply with all applicable Governmental Restrictions, including, without limitation, compliance with all laws and ordinances necessary to permit development, completion, use, and sale, as permitted by this Agreement; (ii) will not encroach upon the land of others or abound any easement or right-of-way; (iii) will be wholly within any enforceable building restriction lines, however established, and will not violate any enforceable use, easement, license, covenant, condition or restriction.

2. [§303] Site Plan and Basic Concept Drawings.

The Participant has submitted a Site Plan, dated September 1, 2007 (Exhibit A-1) and Basic Concept Drawings, dated September 8, 2008 (Exhibit A-2) for the development of the Site to the Commission. Basic Concept Drawings and related documents include a site plan, building plans, sections and elevations each at 1/16" inch scale that adequately describes the improvements as they are to be developed and constructed on the Site and will conform with the guidelines as expressed in this Agreement.

The Site shall be developed as generally established in the Site Plan and Basic Concept Drawings and related documents except as changes may be mutually agreed upon between the Participant and the Commission. Any such changes shall be within the limitations of the Scope of Development (Attachment No. 4).

3. [§ 304] Finish Grading Plans.

The Participant shall prepare and submit to the Commission for its approval preliminary and final grading plans for the Site. Those plans shall be prepared and submitted within the times established in the Schedule of Performance.

The grading plans shall be prepared by a licensed civil engineer. Such civil engineer may be the same firm as the Participant's architect.

4. [§305] Construction Plans, Drawings, and Related Documents.

The Participant shall prepare and submit construction drawings and related documents (collectively called the "**Drawings**") for the development pertaining to the Site to the

Commission for review (including but not limited to architectural review), and written approval in the times established in the Schedule of Performance (Attachment No. 3). The Drawings shall be submitted in four stages: (1) Schematic, (2) Preliminary, (3) fifty percent (50%) Complete Final Construction Drawings, and (4) Final Construction Drawings. Schematic Drawings shall include a refined site plan, elevations and sections of the improvements. Preliminary Drawings are hereby defined as design development drawings. Final Construction Drawings are hereby defined as those in sufficient detail to obtain a building permit. In addition the Participant shall submit public improvement plans, landscape plans and samples of exterior building materials, colors and finishes,

If any revisions or corrections of plans approved by the Commission shall be required by any government official, agency, department, or bureau having jurisdiction over the development of the Site, the Participant and the Commission shall reasonably cooperate in efforts to develop a mutually acceptable alternative.

5. [§306] Commission Approval of Plans, Drawings, and Related Documents.

Subject to the terms of this Agreement, and to the time frames provided by the Schedule of Performance (Attachment No. 3), the Commission shall have the right of architectural review of all Construction Documents, including any proposed material changes therein. Such review will evaluate the Project on criteria including but not limited to the following:

(a) Exterior elevations shall be well crafted with variations in massing, scaling elements, changes in materials, texture, color treatment and landscaping.

(b) Site circulation shall be as per the attached Site Plan

(c) Parking design shall be as per the attached Site Plan

(d) The Project shall provide a safe and secure environment and implement crime prevention through environmental design (CPTED). See attached Design Guidelines Exhibit F.

(e) Landscaping shall offer functional benefits and beautify the Site.

(f) Environmental conservation measures shall have been incorporated into the design, such as placement of shading devices, low water consumption plumbing fixtures, and attractive drought tolerant landscaping.

(g) Participant shall incorporate measures to mitigate graffiti such as anti-graffiti film, anti-graffiti paint and landscaping.

Participant shall also obtain any architectural and site planning review required by any agency, department, board, or commission of the County within the times required for review of such Construction Documents and submissions and approval thereof. The Participant shall also submit any Construction Documents and submissions required for development permits or building permits to be issued by County departments or other public agencies.

The Commission shall approve or disapprove the Plans, referred to in Section 303, 304 and 305 of this Agreement within the times established in the Schedule of Performance (Attachment No. 3). Failure by the Commission to either approve or disapprove the Plans within the times established in the Schedule of Performance shall be deemed an approval by Commission hereunder only if such failure continues for an additional ten (10) days after Participant has given the Commission written notice that the time for review provided under the Schedule of Performance has expired and no approval or disapproval has been received by Participant. The notice shall be accompanied by an additional set of the Plans for which approval is sought, and shall include a cover letter stating prominently that the continued failure by the Commission to approve or disapprove the Plans will result in a deemed approval. Any disapproval shall state in writing (the "**Notice of Disapproval**") the reasons for disapproval and the changes which the Commission requests to be made. Such reasons and such changes must be consistent with the Scope of Development (Attachment No. 4) and any items previously approved or deemed approved hereunder by the Commission. The Participant, upon receipt of a Notice of Disapproval shall revise the Plans and resubmit them to the Commission within thirty (30) days after receipt of the Notice of Disapproval. In no case shall the Commission be entitled to require changes inconsistent with the Scope of Development (Attachment No. 4), and any previously approved items. Any resubmission(s) shall be approved or disapproved and revised within the times set forth herein with respect to the initial submission of such Construction Documents. Notwithstanding the above time periods, if the Commission is required by law to hold a public meeting of the Commission, or any agency thereof, before the action specified is to be taken, the period for such action by the Commission shall be extended by the amount of time needed to prepare for, and hold such public meeting.

The Participant shall have the right during the course of construction to make minor field changes without seeking the prior approval of the Commission. Minor field changes shall be defined as those changes from the approved Construction Documents which have no material effect on the Scope of Development and (i) which result from unanticipated or unexpected field conditions required by the means and methods of the construction process or the unavailability of specific materials called out in the Construction Documents and which do not materially alter the finishes or materials originally contemplated in the Construction Documents, or (ii) which will not materially diminish the overall quality, image and design of the Project as presented to the Commission and the County in the Construction Documents. In no event shall landscaping be downsized or reduced. If the Participant desires to make any change in the Plans after their approval by the Commission, other than minor field changes, the Participant shall submit the proposed change to the Commission for its approval which shall not be unreasonably withheld or delayed. The Commission shall not be deemed

to have unreasonably withheld its consent to any proposed change by the Participant of any construction or equipment specification expressly set forth in the Scope of Development, where substitute materials or equipment are proposed by the Participant which the Commission has reasonably determined to be of inferior quality. In the event that the Commission's approval is required hereunder, the Commission shall approve or disapprove the proposed change and notify the Participant in writing within **seven (7) business days** after submission to the Commission. Such change in the Plans shall be deemed approved by the Commission only if such failure to approve or disapprove continues for an additional **seven (7) days** after Participant has given the Commission written notice that the time for review provided under this Section 306 has expired and no approval or disapproval has been received by Participant. The notice shall be accompanied by an additional set of the Plans for which approval is sought, and shall include a cover letter stating prominently that the continued failure by the Commission to approve or disapprove the Plans will result in a deemed approval.

The Participant understands that any administrative approval by Commission staff of any Plans or other submissions by the Participant shall not be construed to constitute an approval by other County agencies such as the Department of Regional Planning or the Department of Public Works, and the County shall retain full and absolute discretion respecting the granting or withholding of County approvals required by applicable Governmental Restrictions in connection with the construction of the Scope of Development and the use of the Site.

6. [§307] Cost of Construction.

The cost of developing the Site and constructing all improvements, necessary for the completion of the Project, shall be borne by the Participant.

7. [§308] Davis-Bacon.

The Participant agrees and acknowledges that the Scope of Work may be subject to Davis-Bacon or other prevailing wage and/or public bid laws. Participant shall include all such requirements in the Construction Documents and conduct the bid phase and ongoing contract administration according to the requirements, including applicable wage decision.

Without limiting the foregoing, Participant acknowledges that the improvements being constructed by Participant are public improvements subject to applicable requirements under California Public Contract Code Sections 20688.1 through 20688.4 and Health & Safety Code Sections 33422 through 33423, inclusive. Participant specifically acknowledges that each and every part of the work for the Project is a "**public work**" as defined in Chapter 1 of Part 7 of Division 2 of the California Labor Code, that the requirements of California Labor Code Section 1720 et seq., (including, without limitation, the requirements of California Labor Code Section 1771) apply, and that the Participant is obligated to cause each and every part of the work for the Project to be performed as such a "**public work**". The requirements to which Participant will be subject include, among others, that prevailing wages be paid by contractors and

subcontractors, that prevailing wage schedules be posted at the jobsite, and that detailed wage records be maintained. The Commission has available on file prevailing wage schedules promulgated by the California State Department of Industrial Relations. Participant shall indemnify, defend and hold the Commission, the Housing Authority, the County, and their Agents harmless for any Losses and Liabilities (including without limitation any suit, administrative proceeding, wage award or fine) arising out of or relating to (i) the payment or non-payment of prevailing wages in connection with the Project, including, without limitation, any action by a contractor or subcontractor pursuant to California Labor Code Section 1781 to recover any "increased costs" (as that term is defined in California Labor Code Section 1781(c)(2)) incurred by the contractor or subcontractor, or (ii) compliance or noncompliance with any applicable contract requirements under California Public Contract Code Sections 20688.1 through 20688.4 and Health & Safety Code Sections 33422 through 33423, inclusive. This indemnity shall survive any termination of this Agreement without any limitation.

8. [§309] Off-Site Improvements.

As used in this Agreement, "**Off-Site Improvements**" shall mean those improvements required to be constructed on or within the public right-of-way, outside the property line(s) of the Site. The Participant shall be responsible for all public improvements required by the County Department of Public Works necessary for the development of the Site. The Participant shall be solely responsible for the initial One Hundred Fifty Thousand (**$150,000)** of such costs. The Commission shall fund up to a total of One Hundred Fifty Thousand (**$150,000**) for the cost of all public improvements required by the development of the Site in excess of the initial One Hundred Fifty (**$150,000**) paid by the Participant. The Participant shall be solely responsible for any additional cost of public improvements required by the development of the site in excess of the initial Three Hundred Thousand (**$300,000**) paid by Participant and the Commission. The Participant will be solely responsible for preparing necessary plans, approvals and construction of all Off-Site Improvements as required by the County Department of Public Works.

9. [§310] Construction Schedule of Performance.

After the conveyance of title to the Commission Parcels, the Participant shall promptly begin and thereafter diligently prosecute to completion the construction of the improvements and the development of the Site in accordance with the Schedule of Performance (Attachment No. 3). The Participant shall begin and complete all construction and development within the times specified in the Schedule of Performance (Attachment No. 3) or such reasonable extension of said dates as may be granted by the Commission or as provided in Section 603 of this Agreement. The Schedule of Performance is subject to revision from time-to-time as mutually agreed upon in writing between the Participant and the Commission.

During the period of construction, the Participant shall submit to the Commission a monthly written progress report of the status of the construction. The report shall be in such form and detail as may reasonably be required by the Commission.

10. [§311] Construction Monitoring Requirements: Effect of Commission Approvals.

To the extent the Commission elects to do so in its sole discretion, Commission may provide oversight monitoring of the Scope of Development at its own expense. The Participant shall provide adequate records and Site access to accommodate the monitoring activities.

The monitoring program may include: review of scheduling documents for conformance and performance; review of Quality Assurance/Quality Control program results; attendance at job site meetings; review of job correspondence; site inspections; review of job site safety conditions; review of construction documents for compliance with actual construction and monitor for compliance of approved plans as submitted to the Commission; review of labor compliance documents and compliance of same.

Notwithstanding any other provision, any monitoring, design approval, approval, consent, direction or other action or inaction by the County or the Commission shall not alter the fact that Participant is solely responsible for the safety, quality, efficiency, and appropriateness of the Site and all aspects of the Project development and operation.

11. [§312] Post-Closing Construction Schedule

Participant shall promptly begin and thereafter diligently prosecute to completion, the construction of the Project and the development of the Site in accordance with the Schedule of Performance. The Participant shall begin and complete all construction and development within the times specified in the Schedule of Performance or such reasonable extension of said dates as may be granted by the Commission. The Schedule of Performance is subject to revision from time-to-time as mutually agreed upon in writing between the Participant and the Commission's Executive Director. From the start and during the period of construction, the Participant shall prepare and submit a detailed Construction Schedule to the Commission for review within the time established in the Schedule of Performance.

12. [§313] Indemnification and Insurance.

Participant hereby agrees to defend, indemnify and hold harmless the Commission, the Housing Authority, the County and their Agents from and against any and all claims, causes of action, losses, liabilities, demands, damages, fees (including but not limited to reasonable attorneys' fees and expert witness fees), and expenses (collectively referred to as "Liabilities"), related directly or indirectly to, or arising out of or in connection with (i) any breach or default by the Participant hereunder, (ii) any of the Participant's construction activities on the Site (or the activities of Participant's agents, employees, lessees, representatives, licensees, guests, invitees, consultants,

contractors, subcontractors or independent contractors on the Site), including without limitation the construction of any improvements on the Site or the use or condition of any such improvements, or (iii) any other fact, circumstance or event related to the Participant's construction activities hereunder. This indemnity shall survive the recordation of the Quit Claim Deed, the recordation of the Certificate of Completion pursuant to Section 327 below, and the termination of this Agreement. Participant shall not be required to defend, indemnify, and hold harmless the Commission, the Housing Authority, the County and their Agents from any Liabilities that arise from the active negligence, sole negligence or willful misconduct of the Commission, the Housing Authority, the County, and their Agents.

Without limiting the Participant's indemnification of the Commission, Housing Authority, the County, and their Agents, as set forth above, upon the close of Escrow, the Participant shall provide and maintain at its sole cost and expense for the periods stated below, from insurers admitted in California or having a minimum rating of or equivalent to A:VIII in Best's Insurance Guide the following minimum insurance requirements:

(i) Workers' compensation - as required by the Labor Code of the State of California.

(ii) Comprehensive general and automobile liability insurance, including contractual liability, with a combined single limit of at least one million dollars ($1,000,000) for each occurrence and two million dollars ($2,000,000) general aggregate covering owned, non owned, and hired vehicles. The Commission, its officials, officers, employees, contractors and agents shall be carried as additional insureds with respect to liability arising from activities performed by or on behalf of Participant. Said insurance shall be primary insurance with respect to the Commission and shall contain cross liability protection. Said insurance shall be maintained until such time as all provisions of this Agreement have been met by Participant, and shall be endorsed to require thirty (30) days prior written notice from insurer to Commission before cancellation or change in coverage.

(iii) "All Risk" property insurance, including Builder's Risk Protection, during the course of construction, covering the full replacement value of the Participant's Improvements. Said insurance shall include debris removal and shall provide coverage for earthquake and flood if this protection is available from responsible carriers at reasonable cost.

If applicable to the performance of this Agreement, the following Professional Liability Insurance requirement shall apply:

PROFESSIONAL LIABILITY INSURANCE (errors and omissions) in an amount not less than One Million Dollars ($1,000,000) aggregate per claim.

The purpose of this insurance is to cover all claims for professional services being provided to the Commission, the Housing Authority, the County, and their Agents, which includes but is not limited to architectural, engineering, surveying, real estate. If this agreement is not subject to professional liability insurance it is the responsibility of the party contracting with the Commission, the Housing Authority, the County, or their Agents to obtain separate written approval to eliminate this requirement. Further, the Commission, the Housing Authority, the County, and their Agents shall be covered as additional insureds.

Upon the Commission's request, the Participant shall deliver to the Commission certificates of insurance with original endorsements evidencing the coverage required by this Agreement. The certificates and endorsements shall be signed by a person authorized by the insurers to bind coverage on its behalf. All policies shall also name the Commission, the Housing Authority, County and their Agents, as additional insureds and the Participant as their respective interests may appear. The Commission reserves the right to require complete certified copies of all policies at any time.

Said insurance may provide for such deductibles or self-insured retention as may be acceptable to the Commission. In the event such insurance does provide for deductibles or self insurance, Participant agrees that it will defend, indemnify, and hold harmless the Commission, the Housing Authority, the County and their Agents, and each of them, in the same manner as these interests would have defended, indemnified, and held harmless, had full commercial insurance been in effect. If required by the Commission from time to time, the Participant shall increase the limits of its liability insurance to reasonable amounts customary for owners of improvements similar to those on the Site. Participant shall give the Commission immediate notice of any insurance claim or loss which may be covered by insurance. The aforementioned insurance policies shall contain a waiver of subrogation for the benefit of the Commission, the Housing Authority and County. Participant represents and warrants that Participant will also require that the insurance coverage required herein will also be included and required in Participant's contracts with any contractors, subcontractors, consultants, and design professionals.

Failure on the part of the Participant to procure or maintain required insurance shall constitute a material breach of this Agreement under which the Commission may immediately terminate this Agreement or, at the discretion of the Commission, procure or renew such insurance and pay any and all premiums in connection therewith, and all monies so paid by the Commission shall be immediately repaid by the Participant to the Commission upon demand. In the event of a breach by Participant, the Commission shall have the right, at its sole election, to participate in and control any insurance claim adjustment or dispute with the insurance carrier. Participant's failure to assert or delay

in asserting any claim shall not diminish or impair the Commission's rights against Participant or the insurance carrier.

Participant shall procure and maintain, at its sole cost and expense, a completion bond or, as an alternative, shall require its general contractor to provide a Performance and Material and Labor Bonds for the construction of the improvements on the Site. Each bond shall be in an amount equal to one hundred percent (**100%**) of the full amount of the construction contract. Said bonds shall be executed by a responsible corporate surety authorized to issue such bonds in California and licensed by the California Insurance Commissioner. The corporate surety shall also be "T" rated with classification of A VIII or better. Participant shall provide evidence of such bond to the Commission prior to the start of construction. Participant shall provide **thirty (30) days** written notice to Commission prior to the cancellation or any change in the terms and conditions of the bond. Participant shall maintain the bond for the duration of this Agreement or completion of the improvements on the Site, whichever is longer. Any deviation from this section shall require specific written approval by the Commission.

13. [§314] County and Other Governmental Agency Permits.

Before commencement of construction or development of any buildings, structures, or other work of improvement upon the Site (unless such construction, development, or work is to be commenced before the conveyance of title), the Participant shall, at its own expense, secure or cause to be secured any and all permits which may be required by the County or any other governmental agency with jurisdiction over such construction, development, or work.

14. [§315] Rights of Access.

For the purposes of assuring compliance with this Agreement, representatives of the Commission and the County, upon twenty-four (24) hours prior notice shall have the reasonable right of access to the Site without charges or fees and at normal construction hours during the period of construction for the purposes of this Agreement, including, but not limited to, the inspection of the work being performed in constructing the improvements. Such representatives of the Commission or the County shall be those who are so identified in writing by the Director of the Economic/Redevelopment Division of the Commission. The Commission and County shall indemnify the Participant and hold it harmless from any damage or injury caused or liability arising out of this right to access.

15. [§316] Local, State, and Federal Laws.

The Participant shall carry out the construction of the improvements on the Site in conformity with all applicable laws, including all applicable federal and state labor standards.

16. [§317] Antidiscrimination During Construction.

The Participant, for itself and its successors and assigns, agrees that in the construction of the improvements provided for in this Agreement, the Participant will not discriminate against any employee or applicant for employment because of race, color, creed, religion, sex, marital status, disability, sexual orientation, ancestry, or national origin.

B. [§318] Taxes, Assessments, Encumbrances, and Liens.

Prior to the issuance of a Certificate of Completion, the Participant shall not place or allow to be placed on the Commission Parcels portion of the Site any mortgage, trust deed, encumbrance, or lien not authorized by this Agreement. Nothing herein contained shall be deemed to prohibit the Participant from contesting the validity or amounts of any tax, assessment, encumbrance, or lien, nor to limit the remedies available to the Participant in respect thereto.

The Participant understands that under certain conditions, its control of the Site or portion thereof under this Agreement may give rise to the imposition of a possessory interest tax on said property, and in such event, the Participant agrees to pay when due any such possessory interest tax.

C. [§319] Prohibition Against Transfer of Site, the Buildings or Structures Thereon, and Assignment of Agreement.

Prior to the issuance by the Commission of a Certificate of Completion pursuant to Section 327 of the Agreement, the Participant shall not, except as expressly permitted by this Agreement, sell, transfer, convey, assign, or lease the whole or any part of the Site or the buildings or improvements thereon without the prior written approval of the Commission. This prohibition shall not apply subsequent to the issuance of the Certificate of Completion with respect to the improvements upon the Site. This prohibition shall not be deemed to prevent the granting of easements or permits to facilitate the development of the Site, obtain construction financing through mortgage or deed of trust with assignment of rents per Section 321, or to prohibit or restrict the leasing of any part or parts of a building or structure, or the sale of a pad to a proposed occupant of the Project.

In the event that the Participant does assign this Agreement or any of the rights herein, or does sell, transfer, convey or assign any part of the Site or the buildings or structures thereon prior to the issuance of the Certificate of Completion except as otherwise provided in this Agreement, the Commission shall be entitled to increase the purchase price paid by the Participant for the Commission Parcels to the fair market value of the Commission Parcels plus any other costs or expenses incurred by the Commission pursuant to this Agreement.

D. [§320] Security Financing; Rights of Holders.

1. [§321] No Encumbrances Except Mortgages, Deeds of Trust, Sales and Leases-Back, or Other Financing for Development.

Notwithstanding Sections 314 and 315 of this Agreement, after conveyance of title of the Site to Participant, mortgages, deeds of trust (accompanied by assignment of rents), sales and leases-back, or any other form of conveyance required for any reasonable method of financing are permitted before issuance of a Certificate of Completion, but only for the purpose of securing loans or funds to be used for financing the acquisition of the Site, the construction of improvements on the Site, and any other expenditures necessary and appropriate to develop the Site under this Agreement. The Participant shall promptly notify the Commission of any mortgage, deed of trust, sale and lease-back, or other financing conveyance, encumbrance, or lien that has been created or attached thereto prior to completion of the construction of the improvements on the Site whether by voluntary act of the Participant or otherwise. The words "mortgage" and "deed of trust", as used herein, include all other appropriate modes of financing, real estate acquisition, construction, and land development.

2. [§322] Holder Not Obligated to Construct Improvements.

The holder of any mortgage, deed of trust, or other security interest authorized by this Agreement shall in no way be obligated by the provisions of this Agreement to construct or complete the improvements or to guarantee such construction or completion, nor shall any covenant or any other provision in the Quit Claim Deed for the Site be construed so to obligate such holder. Nothing in this Agreement shall be deemed to construe, permit, or authorize any such holder to devote the Site to any uses or to construct any improvements thereon other than those uses or improvements provided for or authorized by this Agreement.

3. [§323] Notice of Default to Mortgage, Deed of Trust, or Other Security Interest Holders; Right to Cure.

Whenever the Commission shall deliver any notice or demand to the Participant with respect to any breach or default by the Participant in completion of construction of the improvements, the Commission shall at the same time deliver a copy of such notice or demand to each holder of record of any mortgage, deed of trust, or other security interest authorized by this Agreement who has previously made a written request to the Commission. Each such holder shall (insofar as the rights of the Commission are concerned) have the right, at its option, within **ninety (90) days** after the receipt of the notice, to cure or remedy or commence to cure or remedy any such default and to add the cost thereof to the security interest debt and the lien on its security interest. In the event there is more than one such holder, the right to cure or remedy a breach or default of the Participant under this Section 319 shall be exercised by the holder first in priority or as the holders may otherwise agree among themselves, but there shall be only one exercise of such right to cure and remedy a breach or default of the Participant

under this Section 319. Nothing contained in this Agreement shall be deemed to permit or authorize such holder to undertake or continue the construction or completion of the improvements (beyond the extent necessary to conserve or protect the improvements or construction already made) without first having expressly assumed the Participant's obligations to the Commission by written agreement satisfactory to the Commission. The holder in that event must agree to complete, in the manner provided in this Agreement, the improvements to which the lien or title of such holder relates and submit evidence satisfactory to the Commission that it has the qualifications and/or financial responsibility necessary to perform such obligations. Any such holder properly completing such improvements shall be entitled, upon written request made to the Commission, to a Certificate of Completion from the Commission.

4. [§324] Failure of Holder to Complete Improvements.

In any case where, **six (6) months** after default by the Participant in completion of construction of improvements under this Agreement, the holder of any mortgage, deed of trust, or other security interest creating a lien or encumbrance upon the Site has not exercised the option to construct, or if it has exercised the option and has not proceeded diligently with construction, the Commission may purchase the mortgage, deed of trust, or other security interest. If the ownership of the Site has vested in the holder, the Commission, if it so desires, shall be entitled to a conveyance of the Site from the holder to the Commission upon payment to the holder of an amount equal to the sum of the following:

(a) The unpaid mortgage, deed of trust, or other security interest debt at the time title became vested in the holder (less all appropriate credits, including those resulting from collection and application of rentals and other income received during foreclosure proceedings);

(b) All expenses incurred by the holder with respect to foreclosure of its security interest in the Site;

(c) The net expenses, if any (exclusive of general overhead), incurred by the holder as a direct result of the subsequent ownership or management of the Site (or portion thereof), such as insurance premiums and real estate taxes;

(d) The costs of any authorized improvements made by such holder; and

(e) An amount equivalent to the interest that would have accrued on the aggregate of such amounts had all such amounts in (b), (c), and (d) above become part of the mortgage or deed of trust debt and such debt had continued in existence to the date of payment by the Commission.

5. [§325] Right of Commission to Cure Mortgage, Deed of Trust, or Other Security Interest Default.

In the event of a default or breach by the Participant of a mortgage, deed of trust, or other security interest with respect to the Site prior to the completion of development, and the holder has not exercised its option to complete the development, the Commission may cure the default prior to completion of any foreclosure. In such event, the Commission shall be entitled to reimbursement from the Participant of all costs and expenses incurred by the Commission in curing the default. The Commission shall also be entitled to a lien upon the Site to the extent of such costs and disbursements. Any such lien shall be subject to mortgages, deeds of trust, or other security interests executed for the sole purpose of obtaining funds to purchase and develop the Site as authorized herein.

E. [§326] Right of the Commission to Satisfy Other Liens on the Site After Title Passes.

After the conveyance of title and prior to the issuance of a Certificate of Completion for construction and development, and after the Participant has had a reasonable time to challenge, cure, or satisfy any liens or encumbrances on the Site, the Commission shall have the right to satisfy any such liens or encumbrances, and recover the costs associated therewith from the Participant.

F. [§327] Certificate of Completion.

Upon "**Substantial Completion**" of all construction and development to be completed by the Participant upon the Site to the satisfaction of the Commission, the Participant shall submit a written request to the Commission for a Certificate of Completion. Within **thirty (30) days** from the date of such written request, the Commission shall furnish the Participant with a Certificate of Completion. Such Certificate of Completion shall be in such form as to permit it to be recorded in the Office of the County Recorder of Los Angeles County.

"**Substantial Completion**" of the construction and development of the Site means that all required on-site and off-site improvements have been substantially completed and Participant has obtained a final Certificate of Occupancy, as approved by the Building and Safety Department of Los Angeles County, for all buildings.

A Certificate of Completion shall be, and shall so state, conclusive determination of satisfactory completion of the construction required by this Agreement.

If the Commission refuses or fails to furnish a Certificate of Completion for the Site, within such **thirty (30) day period**, the Commission shall, within **five (5) days** of the lapse of said **thirty (30) day period**, provide the Participant with a written statement of the reasons the Commission refused or failed to furnish a Certificate of Completion.

The statement shall also contain the Commission's opinion of the action the Participant must take to obtain a Certificate of Completion. If the reason for such refusal is confined to the immediate unavailability of specific items or materials for landscaping, the Commission will issue its Certificate of Completion upon the posting of a bond by the Participant with the Commission in an amount representing a fair value of the work not yet completed.

Such Certificate of Completion shall not constitute evidence of compliance with or satisfaction of any obligation of the Participant to any holder of a mortgage or any insurer of a mortgage securing money loaned to finance the improvements or any part thereof. Such Certificate of Completion is not notice of completion as referred to in California Civil Code Section 3093.

G. [§328] Project Identification Sign.

The Participant shall allow a sign to be posted on the Site, at the Commission's sole cost, identifying the Commission and the name of the Commissioner in whose supervisoral district the Project is located. The sign shall be not less than 4 feet by 6 feet in size, and the text of the sign shall conform to the template form prescribed by the Commission from time to time.

IV. [§400] USE OF THE SITE.

A. [§401] Uses.

The Participant covenants and agrees for itself, its successors, its assigns, and every successor in interest to the Site or any part thereof, during construction and thereafter, the Participant, its successors, and assignees shall only permit lawful uses of the Site pursuant to the Redevelopment Plan and all other applicable County, State and Federal laws, ordinances and regulations.

B. [§402] Maintenance of the Site.

From the date of conveyance or possession of the Site, the Participant shall maintain the Site and any materials, equipment and improvements thereon safe, secure, orderly and free from graffiti in accordance with applicable Governmental Restrictions and good construction industry and shopping center ownership standards for high quality retail centers comparably-sized sites in the County of Los Angeles.

The Participant, and its successors and assigns, shall also maintain the landscaping on the Site in a healthy condition.

C. [§403] Obligation to Refrain From Discrimination.

The Participant covenants by and for himself and any successors in interest that there shall be no discrimination against or segregation of any person or group of persons on

account of race, color, creed, religion, sex, marital status, disability, sexual orientation, ancestry, or national origin in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Site, nor shall the Participant himself or any person claiming under or through him establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the Site. The foregoing covenants shall run with the land.

D. [§404] Form of Nondiscrimination and Nonsegregation Clauses.

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

1. In deeds: "The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, disability, sexual orientation, national origin, or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises herein conveyed, nor shall the grantee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land."

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

> "That there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, disability, sexual orientation, national origin, or ancestry in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the premises herein leased, nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein leased."

3. In contracts: "There shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, disability, sexual orientation, national origin, or ancestry in the sale, lease,

sublease, transfer, use, occupancy, tenure, or enjoyment of the premises, nor shall the transferee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the land."

E. [§405] Effect and Duration of Covenants.

The covenants against discrimination shall remain in effect in perpetuity. The covenants established in this Agreement and the grant deed shall, without regard to technical classification and designation, be binding for the benefit and in favor of the Commission, its successors and assigns, the Housing Authority, the County, and any successor in interest to the Site or any part thereof.

The Commission is deemed the beneficiary of the terms and provisions of this Agreement and of the covenants running with the land for and in its own rights and for the purposes of protecting the interests of the community and other parties, public or private, in whose favor and for whose benefit this Agreement and the covenants running with the land have been provided. This Agreement and the covenants shall run in favor of the Commission without regard to whether the Commission has been, remains, or is an owner of any land or interest therein in the Site, any parcel or subparcel, or in the Project Area. The Commission or its successors, shall have the right, if this Agreement or the covenants are breached, to exercise all rights and remedies and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which it or any other beneficiaries of this Agreement and the covenants may be entitled.

F. [§406] Rights of Access -- Public Improvements and Facilities.

The Commission, for itself and for the County and other public agencies, reserves the right to enter the Site or any part thereof at all reasonable times for the purposes of construction, reconstruction, maintenance, repair, or service of any public improvements or public facilities located on the Site.

V. [§500] DEFAULTS, REMEDIES, AND TERMINATION.

To the best of the Participant's knowledge, there are no facts now in existence which would, with the giving of notice or the lapse of time, or both, constitute a default hereunder by the Participant.

A. [§501] Defaults - General.

Subject to the extensions of time set forth in Section 603, occurrence of any or all of the following shall constitute a default under and breach of this Agreement:

1. Failure by the Participant to promptly pay in full any sums or amounts due to the Commission or the County under any term of this Agreement;

2. Failure of the Participant to timely make any of the submissions or secure any of the approvals required under this Agreement including without limitation the Schedule of Performance;

3. Failure or delay by the Participant in the due, prompt and complete observance and performance of each and every condition, covenant or obligation imposed on the Participant by this Agreement and the Quit Claim Deed, including without limitation the failure to commence or complete construction of the Participant Improvements in accordance with as set forth in the Scope of Development (Attachment No. 4).

4. Discovery that any representation or warranty of the Participant made hereunder was false or misleading when made;

5. The Participant's neglect, failure or refusal to keep in force and effect any permit or approval with respect to construction of any improvements or any policy or policies of insurance or any undertakings or bonds required hereunder;

6. Filing of a petition in bankruptcy by or against the Participant, or appointment of a receiver or trustee of any property of the Participant, or an assignment by the Participant for the benefit of creditors, or adjudication that the Participant is insolvent by a court, or levy of an attachment or execution against any substantial portion of the Site or any improvements thereon, or any materially adverse change in the financial condition of the Participant;

7. The Participant is in default under any acquisition and/or construction loan encumbering the Site or any improvements thereon; or

8. Failure or delay by the Commission in the performance of material conditions, covenants or obligations imposed on the Commission by this Agreement.

The party whose acts or omissions to act constitute a default hereunder shall be entitled to cure, correct, or remedy such default, if (a) such defaulting party commences and thereafter diligently pursues the curing of said default within **thirty (30) days** of receipt of a Notice of Default (as defined below) and (b) such defaulting party fully completes such cure, correction or remedy within **thirty (30) days** after receipt of said Notice of Default, or, in the event that the default is not curable within said **thirty (30) day period**, within such additional period as is reasonably necessary to cure said default provided that such additional period shall in no event exceed **ninety (90) days**. Notwithstanding anything to the contrary in this Section 501, if the default consists of a party's failure to timely discharge its monetary obligations to any other party, then the party in default shall cure any such default within **ten (10) business days** of receipt of a Notice of Default.

If the default is of the type described in Section 501(2), said default shall be cured, corrected or remedied within **fifteen (15) days** of Default.

The non-defaulting party shall give written notice of Default ("**Notice of Default**") to the party in default, specifying the default complained of by the injured party. Except as required to protect against further damages, the non-defaulting party may not institute proceedings against the party in default until expiration of any applicable cure period after delivering the Notice of Default. Failure or delay in giving such notice shall not constitute a waiver of any default, nor shall it change the time of default.

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

If Participant fails to cure any default within the times prescribed herein, the Commission shall have the right to demand payment of the then-current unencumbered fair market value of the unimproved land less the purchase price. Said amount shall be immediately due and payable.

B. [§502] Specific Performance.

If the Participant or the Commission defaults under any of the provisions of this Agreement which has not been cured as provided in Section 501, the nondefaulting party, at its option, may institute an action for specific performance of the terms of this Agreement. Such right shall be in addition to Commission's other rights and remedies hereunder, at law, and in equity.

C. [§503] Remedies and Rights of Termination Prior to Conveyance of the Site to the Participant.

1. [§504] Termination by the Participant.

In the event that prior to the conveyance of title of the Commission Parcels to the Participant:

(a) The Commission fails to tender conveyance of title and possession to said properties to the Participant in the manner and condition, and by the date provided in this Agreement, and any such failure shall not be cured within **thirty (30) days** after the date of written demand by Participant; or

(b) The Participant is unable, despite diligent and good faith efforts, to obtain the necessary equity capital and mortgage financing for acquisition of land and construction and development of all improvements on the Site in accordance with this Agreement and the Scope of Development (Attachment No. 4), and deliver to the Commission either submission of evidence of financing referred to in Section 213 within the time respectively established in the Schedule of Performance (Attachment No. 3); or

(c) The Participant is unable, despite diligent and good faith efforts, to obtain prior to the date established in this Agreement for conveyance of the Site, any of the following permits or entitlements for the development of the Site in accordance with this Agreement (including the Scope of Development) and the Drawings approved by the Commission:

i. building permits; or

ii. sewer and water permits.

(d) The Participant shall determine, in its sole discretion, that the condition on the Site is not suitable for proposed development thereon pursuant to Section 211 and 212 of this Agreement prior to the time established therefore, then this Agreement may be terminated without liability by the Participant.

The Participant shall exercise its right to terminate this Agreement with respect to the Site by giving written notice to the Commission. Upon the giving of such notice and the termination of this Agreement, neither the Commission nor the Participant shall have any further rights against or liability to the other under this Agreement with respect to the terminated Site.

2. [§505] Termination by the Commission.

In the event that prior to conveyance of title to the Site to the Participant:

(a) The Participant does not submit evidence that it has the necessary equity capital and mortgage financing for acquisition and development of the Site in accordance with Section 213 of this Agreement with respect to the Site within the time established therefore in the Schedule of Performance (Attachment No. 3); or

(b) The Participant does not take title to the Commission Parcels under tender of conveyance by the Commission pursuant to this Agreement; or

(c) The Participant (or any successor in interest), in violation of the provisions of this Agreement, assigns or attempts to assign this Agreement or any right herein, or in the Site (or portion thereof); or

(d) There is a substantial change in the ownership of the Participant, or with respect to the identity of the parties in control of Participant, or the degree thereof contrary to the provisions of Section 107 hereof; or

(e) The Participant does not deliver any submission of plans, drawings, and related documents as required by this Agreement by the date respectively provided in this Agreement without the express written consent of the Commission; or

(f) The Participant is in breach or default beyond the applicable cure period with respect to any other obligation of the Participant under this Agreement.

If any default or failure referred to in subdivision (a), (b), (c), (d), (e), or (f) of this Section shall not be cured within **thirty (30) days** after the date of written demand by the Commission, then this Agreement, and any rights of the Participant or any assignee or transferee in this Agreement pertaining thereto or arising there from with respect to the Commission, may, at the option of the Commission, be terminated by the Commission by written notice thereof to the Participant. Upon such termination and except for any liability of the Participant to the Commission respecting any default by the Participant under this Agreement, neither the Commission nor the Participant shall have any further rights against or liability to the other under this Agreement and the Participant shall have no further rights with respect to the Site.

D. [§506] Legal Actions.

1. [§507] Institution of Legal Actions.

In addition to any other rights or remedies, either party may institute legal action to cure, correct, or remedy any default, or recover damages for any default, or to 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, in an appropriate municipal court in that County or in the appropriate Federal District Court in the State of California.

2. [§508] Applicable Law.

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

3. [§509] Acceptance of Service of Process.

In the event that any legal action is commenced by the Participant against the Commission, service of process on the Commission shall be made by personal service upon the Commission's Executive Director or in such other manner as may be provided by law.

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

E. [§510] Rights and Remedies are Cumulative.

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

F. [§511] Damages.

If the Participant or the Commission defaults with regard to any of the provisions of this Agreement, the nondefaulting party shall serve written notice of such default upon the defaulting party. If the default is not cured by the defaulting party as provided in Section 501 above, the defaulting party shall be liable to the other party for any damages caused by such default.

Notwithstanding the foregoing, Commission and Participant shall in no event be entitled to, and hereby waive, any right to seek consequential damages of any kind or nature from the other party arising out of or in connection with this Agreement, and in connection with such waiver each party is familiar with and hereby waives the provisions of Section 1542 of the California Civil Code which provides as follows: A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.

Participant Initials:_____ Commission Initials:_____

VI. [§600] **GENERAL PROVISIONS**.

A. [§601] Notices, Demands, and Communications Between the Parties.

Any notice, approval, demand or other communication required or desired to be given pursuant to this Agreement shall be in writing and shall be either (a) personally served at the appropriate address indicted below in this Section 601 (including by means of professional messenger service or recognized overnight delivery service, provided that any such delivery is confirmed by written receipts signed on behalf of the receiving party), in which case it shall be effective upon delivery, (b) deposited in the United States mail, postage prepaid, certified or registered mail, return receipt requested, addressed to the appropriate addressee indicted below in this Section 601, in which case it shall be deemed received and effective **seventy-two (72) hours** after deposit into the United States mail, unless sooner received, (c) sent by facsimile transmission addressed to the addressee at the facsimile number set forth in this Section 601 (with an original copy concurrently mailed to the appropriate addressee indicted below in this Section 601 via the United States mail), in which case it shall be deemed received on the **day sent**, if received before 5:00 p.m. on a regular business day, or on the following business day if sent at any other time, provided that a written confirmation of the transmission has been received by the transmitting party; or (d) sent electronically to the electronic mail addresses indicated below in this section 601 (with an original copy concurrently mailed to the appropriate addressee indicted below via the United States mail). The addresses and facsimile numbers for the Participant and the Commission for receipt of any notice, approval, demand or other communication required or desired to be given pursuant to this Agreement is as follows:

If to Participant:

Dokhy, LLC
225 E. 9th Street
Los Angeles, CA 90015
Attn: David Adhoot, President
Phone: (213) 627-7400
Fax: (213) 746-4888
menacedav@aol.com

With a copy to:

Gregory A. York, Esq.
2311 W. 232nd Street
Torrance, CA 90501
Phone: (310) 539-3947
Fax: (310) 539-9634
gyorklaw@sbcglobal.net

If to the Commission:

The Community Development Commission of
the County of Los Angeles
2 Coral Circle
Monterey Park, CA 91755
Attn: Carlos Jackson, Executive Director
Phone: (323) 890-7400
Fax: (323) 890-8584
Carlos.Jackson@lacdc.org

With a copy to:

Director of Economic/Redevelopment Division
The Community Development Commission of
the County of Los Angeles
2 Coral Circle
Monterey Park, CA 91755
Attn: Corde Carrillo, Director
Phone: (323) 890-7205
Fax: (323) 838-1079
corde@lacdc.org

Addresses for notices may be changed from time to time by written notice to all other parties. Notwithstanding that notices shall be deemed given when delivered, if the receiving party has changed its address and as a result a notice to such party is not received because the sending party was not notified of the change of address, the receiving party shall be deemed to have received the notice.

B. [§602] Nonliability of Commission Officials and Employees

No member, official, or employee of Commission shall be personally liable to the Participant in the event of any default or breach by the Commission or for any amount which may become due to the Participant or on any obligations under the terms of this Agreement.

C. [§603] Enforced Delay: Extension of Times of Performance.

In addition to the specific provisions of this Agreement, performance by any party hereunder shall not be deemed to be in default where delays or defaults are due to war; insurrection; strikes; lock-outs; riots; floods; earthquakes; fires; casualties; acts of God; acts of the public enemy; epidemics; quarantine restrictions; freight embargoes; lack of transportation; governmental restrictions or priority; litigation; unusually severe weather; inability to secure necessary labor, materials, or tools; delays of any contractor, subcontractor, or supplier; acts of another party; acts or the failure to act of any public or governmental agency or entity (except that acts or the failure to act of the Commission or County shall not excuse performance by the Commission or County) or any other

causes beyond the control or without the fault of the party claiming an extension of time to perform.

An extension of time for any such cause ("**Force Majeure Delay**") shall only be for the period of the enforced delay, which period shall commence to run from the time of the commencement of the cause. Times of performance under this Agreement may also be extended by written mutual agreement by the Commission and the Participant.

D. [§604] Inspection of Books and Records.

The Commission has the right, upon **forty-eight (48) hours** prior written notice, at all reasonable times, to inspect the books and records of the Participant pertaining to the Site to the extent as provided in Section 313 above.

The Participant also has the right, upon **forty-eight (48) hours** notice, at all reasonable times, to inspect the books and records of the Commission pertaining to the Site as pertinent to the purposes of this Agreement.

E. [§605] Plans and Data.

Where the Participant does not proceed with the development of the Site, its obligations under this Agreement, or if this Agreement is terminated pursuant to Section 505 hereof for any reason, the Participant shall deliver to the Commission any and all plans and data concerning the Site, and the Commission or any other person or entity designated by the Commission shall be free to use such plans and data to the extent allowed by law, including plans and data previously delivered to the Commission, for any reason whatsoever without cost or liability to the Participant or any other person.

F. [§606] Approvals.

Approvals required of the Commission or the Participant shall not be unreasonably withheld.

G. [§607] Confidentiality of Reports.

The Participant shall keep confidential all reports, information and data received, prepared or assembled pursuant to performance hereunder (collectively, the "**Reports**"). Such information shall not be made available to any person, firm, corporation or entity without the prior written consent of the Commission. Notwithstanding the foregoing, nothing in this Section 607 shall prohibit Participant from sharing the Reports with the Participant Representatives in the ordinary course of business.

VII. [§700] **SPECIAL PROVISIONS**.

A. [§701] Amendments to this Agreement.

The Participant and the Commission agree to mutually consider reasonable requests for amendments to this Agreement which may be made by any of the parties hereto, lending institutions, or legal counsel or financial consultants to the Commission, provided such requests are consistent with this Agreement and would not substantially alter the basic business terms included herein.

B. [§702] Severability

In the event that any provision herein is held to be invalid, void, or illegal by any court of competent jurisdiction, the same shall be deemed severable from the remainder of this Agreement and shall in no way affect, impair or invalidate any other provision contained herein. If any such provision shall be deemed invalid due to its scope or breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law.

C. [§703] Federal Lobbyist Requirements.

The Participant is prohibited by the Department of Interior and Related Agencies Appropriations Act, known as the Byrd Amendments, and HUD's 24 CFR Part 87, from using federally appropriated funds for the purpose of influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, loan or cooperative Contract, and any extension, continuation, renewal, amendment or modification of said documents.

The Participant must certify in writing on the Federal Lobbyist Requirements Certification form that they are familiar with the Federal Lobbyist Requirements and that all persons and/or subcontractors acting on behalf of the Participant will comply with the Lobbyist Requirements as set forth in the Federal Lobbyist Certification (Exhibit C).

Failure on the part of the Participant or persons/subcontractors acting on behalf of the Participant to fully comply with the Federal Lobbyist Requirements may be subject to civil penalties.

D. [§704] Commission's Quality Assurance Plan

The Commission will evaluate Participant's performance under this Agreement on not less than a semi- annual basis. Such evaluation will include assessing Participant's compliance with all contract terms and performance standards. Participant deficiencies, which Commission determines are severe or continuing and that may place performance of the Agreement in jeopardy, if not corrected, will be reported to the Board of Commissioners. The report will include improvement/corrective action measures taken by the Commission and Participant. If improvement does not occur consistent with the corrective measure,

the Commission may terminate this Agreement, pursuant to Section 501 and 505, or impose other penalties as specified in this Agreement.

E. [§705] Contractor's Warranty of Adherence to Commission's Child Support Compliance Program

The Participant acknowledges that the Commission has established a goal of ensuring that all individuals who benefit financially from the Commission through a contract, are in compliance with their court-ordered child, family, and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the taxpayers of the County of Los Angeles.

As required by Commission Child Support Compliance Program and without limiting Participant's duty under this Agreement to comply with all applicable provisions of law, Participant warrants that it is now in compliance and shall, during the term of this Agreement, maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or CSSD Notices of Wage and Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

F. [§706] Termination for Breach of Warranty to Comply with Commission's Child Support Compliance Program

Failure of the Participant to maintain compliance with the requirements set forth in Section 705, "*CONTRACTOR'S WARRANTY OF ADHERENCE TO COMMISSION'S CHILD SUPPORT COMPLIANCE PROGRAM*" shall constitute default under this contract. Without limiting the rights and remedies available to Commission under any other provision of this contract, failure of Participant to cure such default within 90 calendar days of written notice shall be grounds upon which Commission may terminate this contract and pursue debarment of Participant, pursuant to Commission policy.

G. [§707] Post Most Wanted Delinquent Parents List

The Participant acknowledges that the County places a high priority on the enforcement of child support laws and the apprehension of child support evaders. The Participant understands that it is County's and Commission's policy to strongly encourage all Contractors to voluntarily post an entitled "L.A.'s Most Wanted: Delinquent Parents" poster in a prominent position at Participant's place of business. The Child Support Services Department (CSSD) will supply Participant with the poster to be used.

H. [§708] Independent Contractor

This Agreement does not, is not intended to, nor shall it be construed to create the relationship of agent, employee or joint venture between the Commission and the Participant.

I. [§709] Employees of Contractor

Workers' Compensation: The Participant understands and agrees that all persons furnishing services to the Commission pursuant to this Agreement are, for the purposes of Workers' Compensation liability, employees solely of the Participant. The Participant shall bear sole responsibility and liability for providing Workers' Compensation benefits to any person for injuries arising from an accident connected with services provided to the Commission under this Agreement.

Professional Conduct: The Commission does not and will not condone any acts, gestures, comments or conduct from the Participant's employees, agents or subcontractors which may be construed as sexual harassment or any other type of activities or behavior that might be construed as harassment. The Commission will properly investigate all charges of harassment by residents, employees or agents of the Commission against any and all Participant's employees, agents or subcontractors providing services for the Commission. The Participant assumes all liability for the actions of the Participant's employees, agents or subcontractors and is responsible for taking appropriate action after reports of harassment that are received by the Participant.

J. [§710] Drug-Free Workplace Act of the State of California

The Participant certifies under penalty of perjury under the laws of the State of California that the Participant will comply with the requirements of the Drug-Free Workplace Act of 1990.

K. [§711] Safety Standards and Accident Prevention

The Participant shall comply with all applicable federal, state and local laws governing safety, health and sanitation. The Participant shall provide all safeguards, safety devices and protective equipment and take any other needed actions, as its own responsibility, reasonably necessary to protect the life and health of employees on the job and the safety of the public and to protect property in connection with the performance of this Agreement.

L. [§712] Compliance with Laws

The Participant agrees to be bound by all applicable federal, state and local laws, regulations, and directives as they pertain to the performance of this Agreement, including but not limited to, the Housing and Community Development Act of 1974, as amended by the Cranston-Gonzalez National Affordable Housing Act, 1990, and the 24 CFR Part 85, and the Americans with Disabilities Act of 1990. Participant shall comply with applicable

standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 18579h), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency Regulations (40 CFR part 15).

The Participant must obtain and present all relevant state and local insurance, training and licensing pursuant to services required within this Agreement.

The Participant shall comply with the following laws in Sections 713-724, inclusive, and 729-731, inclusive.

M. [§713] Civil Rights Act of 1964, Title VI (Non-Discrimination in Federally-Assisted Programs)

The Participant shall comply with the Civil Rights Act of 1964 Title VI which provides that no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

N. [§714] Section 109 of the Housing and Community Development Act of 1974

The Participant shall comply with Section 109 of the Housing and Community Development Act of 1974 which states that no person in the United States shall, on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.

O. [§715] Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973

The Participant shall comply with the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, which require that no person in the United States shall be excluded from participating in, denied the benefits of, or subject to discrimination under this Agreement on the basis of age or with respect to an otherwise qualified disabled individual.

P. [§716] Executive Order 11246 and 11375, Equal Opportunity in Employment (Non-Discrimination in Employment by Government Contractors and Subcontractors

The Participant shall comply with Executive Order 11246 and 11375, Equal Opportunity in Employment, which requires that during the performance of this Agreement, the Participant will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The Participant will take affirmative action to ensure that applicants are employed, and that employees are treated fairly during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or

other forms of compensation; and selection for training, including apprenticeship. The Participant agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of the non-discrimination clause.

The Participant will, in all solicitations or advertisements for employees placed by or on behalf of the Participant, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

The Participant will send to each labor union or representative of workers with which he has a collective bargaining Contract or other contract or understanding, a notice to be provided by the agency of the Participant's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment. The Participant will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.

The Participant will furnish all information and reports required by the Executive Order and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the Commission and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

In the event of Participant's noncompliance with the non-discrimination clauses of this Agreement or with any of such rules, regulations or orders, this Agreement may be canceled, terminated or suspended in whole or in part and the Participant may be declared ineligible for further Government contracts in accordance with procedures authorized in the Executive Orders and such other sanctions may be imposed and remedies invoked as provided in the Executive Order or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by law.

The Participant will include the provisions of these paragraphs in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of the Executive Order No. 11246 of September 24, 1965, that such provisions will be binding upon each subcontractor or vendor. The Participant will take such actions with respect to any subcontract or purchase order as the Commission may direct as a means of enforcing such provisions including sanctions for noncompliance, provided however, that in the event the Participant becomes involved in, or is threatened with litigation by a subcontractor or vendor as a result of such direction by the Commission, the Participant may request the United States to enter into such litigation to protect the interests of the United States.

Q. [§717] Notice to Employees Regarding the Federal Earned Income Credit

The Participant shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the

federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015 (Exhibit D).

R. [§718] Use of Recycled-Content Paper Products

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Participant agrees to use recycled-content paper to the maximum extent possible on the Project.

S. [§719] Contractor Responsibility and Debarment

1. A responsible contractor is a contractor, consultant, vendor, or operating agency who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the policy of the Commission, Housing Authority, and County to conduct business only with responsible contractors.

2. The Contractor is hereby notified that if the Commission acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the Commission may, in addition to other remedies provided in the contract, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on Commission contracts for a specified period of time, which generally will not to exceed **five (5) years** but may exceed five years or be permanent if warranted by circumstances, and terminate any or all existing contracts the Contractor may have with the Commission.

3. The Commission may debar a contractor, consultant, vendor or operating agency if the Board of Commissioners finds, in its discretion, that the contractor, consultant, vendor, or operating agency has done any of the following: (1) violated any term of a contract with the Commission, Housing Authority, or County, or a nonprofit corporation created by the Commission, Housing Authority, or County (2) committed any act or omission which negatively reflects on the its quality, fitness or capacity to perform a contract with the Commission, Housing Authority, or County or any other public entity, or a nonprofit corporation created by the Commission, Housing Authority, or County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the Commission, Housing Authority, County, or any other public entity.

4. If there is evidence that the Contractor may be subject to debarment, the Commission will notify the Participant in writing of the evidence, which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.

5. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the

Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the Participant should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the Commission shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Commissioners.

6. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision and any other recommendation of the Contract Hearing Board shall be presented to the Board of Commissioners. The Board of Commissioners shall have the right to modify, deny or adopt the proposed decision and recommendation of the Hearing Board.

7. If a Contractor has been debarred for a period longer than five years, that Contractor may, after the debarment has been in effect for at least five years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The Commission may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Participant has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the Commission.

8. The Contractor Hearing Board will consider a request for review of the debarment determination only where (1) the Contractor has been debarred for a period longer than five years; (2) the debarment has been in effect for at least five years; and (3) the request is in writing, states one or more of the ground for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment Hearing.

The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Commissioners. The Board of Commissioners shall have the right to modify, deny or adopt the proposed decision and recommendation of the Contractor Hearing Board.

9. These terms shall also apply to subcontractors and subconsultants of County, Commission, or Housing Authority contractors, consultants, vendors and operating agencies.

T. [§720] Compliance with Jury Service Program

1. Unless the Participant has demonstrated to the Commission satisfaction either that Participant is not a "Contractor" as defined under the Jury Service Program or that Participant qualifies for an exception to the Jury Service Program, Participant shall have and adhere to a written policy that provides that its Employees shall receive from the Participant, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Participant or that the Participant deduct from the Employee's regular pay the fees received for jury service.

2. For purposes of this Section, "Contractor" means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County contractor and has received or will receive an aggregate sum of $50,000 or more in any 12-month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full time employee of the Participant. "Full time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) Participant has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If the Participant uses any subcontractor to perform services for the County under this Agreement, the subcontractor shall also be subject to the provisions of this Section. The provisions of this Section shall be inserted into any such subcontract Contract and a copy of the Jury Service Program shall be attached to this Agreement.

3. If the Participant is not required to comply with the Jury Service Program when this Agreement commences, the Participant shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and the Participant shall immediately notify County if the Participant at any time either comes within the Jury Service Program's definition of "Contractor" or if the Participant no longer qualifies for an exception to the Program. In either event, the Participant shall immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during this Agreement and at its sole discretion that the Participant demonstrates to the County's satisfaction that the Participant either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that the Participant continues to qualify for an exception to the Program.

4. The Participant's violation of this Section of this Agreement may constitute a material breach of this Agreement. In the event of such material breach, County may, in its sole discretion, terminate this Agreement and/or bar the Participant from the award of future County contracts for a period of time consistent with the seriousness of the breach.

U. [§721] Access and Retention of Records

The Participant shall provide access to the Commission, the Federal Grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers and records of the Participant which are prescribed in Section 313 above for the purpose of making audits, examinations, excerpts and transcriptions.

The Participant is required to retain the aforementioned records for a period of **five (5) years** after the Commission pays final payment and other pending matters are closed under this Agreement.

V. [§722] Conflict of Interest

The Participant represents, warrants and agrees that to the best of its knowledge, it does not presently have, nor will it acquire during the term of this Agreement, any interest direct or indirect, by contract, employment or otherwise, or as a partner, joint venture or shareholder (other than as a shareholder holding a one (1%) percent or less interest in publicly traded companies) or affiliate with any business or business entity that has entered into any contract, subcontract or arrangement with the Commission. Upon execution of this Agreement and during its term, as appropriate, the Participant shall, disclose in writing to the Commission any other contract or employment during the term of this Agreement by any other persons, business or corporation in which employment will or may likely develop a conflict of interest between the Commission's interest and the interests of the third parties.

W. [§723] Interpretation

No provision of this Agreement is to be interpreted for or against either party because that party or that party's legal representative drafted such provision, but this Agreement is to be construed as if drafted by both parties hereto.

X. [§724] Waiver

No breach of any provision hereof can be waived unless in writing. Waiver of any one breach of any provision shall not be deemed to be a waiver of any breach of the same or any other provision hereof.

Y. [§725] Patent Rights

The Commission will hold all the patent rights with respect to any discovery or invention, which arises or is developed in the course of, or under this Agreement.

Z. [§726] Copyright

No report, maps, or other documents produced in whole or in part under this Agreement shall be the subject of an application for copyright by or on behalf of the Participant. All such documents become the property of the Commission and the Commission holds all the rights to said data.

AA. [§727] Notice of Injury or Damage

The Commission shall provide the Participant with notice of any injury or damage arising from or connected with services rendered pursuant to this Agreement to the extent that Commission has actual knowledge of such injury or damage. Commission shall provide such notice within ten (10) days of receiving actual knowledge of such injury or damage.

Notices pursuant to this Section shall be in writing and shall be in accordance with Section 601, above.

AB. [§728] Notice to Employees Regarding the Safely Surrendered Baby Law

The Participant shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet (Exhibit E) regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is available on the Internet at www.babysafela.org for printing purposes.

AC. [§729] Contractor's Acknowledgement of Commission's Commitment to the Safely Surrendered Baby Law

The Participant acknowledges that the Commission places a high priority on the implementation of the Safely Surrendered Baby Law. The Participant understands that it is the Commission's policy to encourage all Commission Contractors to voluntarily post the Commission's "Safely Surrendered Baby Law" poster in a prominent position at the Contractor's place of business. The Participant will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. The Department of Children and Family Services of the County of Los Angeles will supply the Participant with the poster to be used.

AD. [§730] Greater Avenues For Independence (GAIN) Program and General Relief Opportunity for Work (GROW) Program

Should the Participant require additional or replacement personnel after the effective date of this Agreement, the Participant shall give consideration for any such employment openings to participants in the County's Department of Public Social Services' Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet the Participant's minimum qualifications for the open position. The Participant shall contact the County's

GAIN/GROW Division at (562) 908-5730 for a list of GAIN/GROW participants by job category.

AE. [§731] Employment and Subcontracting Outreach

To the extent there are new hires required to develop the Site, the Participant agrees to use its diligent efforts to ensure that the General Contractor during construction seeks to provide employment and training opportunities to low to moderate-income local residents. For the purposes of this Agreement, "Local Residents" means low to moderate-income persons residing within the boundaries of the Project Area, and secondly low to moderate-income residents of unincorporated East Los Angeles.

The Participant shall establish an out-reach program to encourage local minority owned businesses and woman owned businesses to bid for subcontracts offered in connection with the development of the Site. The Participant shall make information available to potential subcontractors regarding subcontracting opportunities. The Participant shall use the following in its out-reach program: a local Worksource Center, newspaper advertising, announcements at public meetings, and the location of a trailer at or near the Site. The Participant's out-reach program shall be reasonably approved by the Commission.

The Participant shall use its commercially reasonable efforts to cause its contractors and subcontractors to take affirmative steps to solicit, encourage and cause the hiring of persons residing within the boundaries of the Project Area.

VIII. [§800] **ENTIRE AGREEMENT, WAIVERS, AND AMENDMENTS.**

This Agreement is executed in **four (4) duplicate originals**, each of which is deemed to be an original. This Agreement consist of **Pages 1 through 58**, **Attachment Nos. 1 through 5** and **Exhibits A through F**, attached hereto and incorporated herein by reference, all of which constitute the entire understanding and agreement of the parties.

This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the parties with respect to all or any part of the subject matter hereof.

All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of the Commission and the Participant, and all amendments hereto must be in writing and signed by the appropriate authorities of the Commission and the Participant.

IX. [§900] **TIME FOR ACCEPTANCE OF AGREEMENT BY COMMISSION.**

This Agreement, when executed by the Participant and delivered to the Commission, must be authorized, executed, and delivered by the Commission and County within **forty-five (45) days** after the date of signature by the Participant or this Agreement shall be void, except to the extent that the Participant shall consent in writing to further

extensions of time for the authorization, execution, and delivery of this Agreement. **The effective date of this Agreement shall be the date when this Agreement has been signed by the Commission.**

SIGNATURES

IN WITNESS WHEREOF, the Commission and the Contractor, through their duly authorized officers, have executed this Contract as of the date first above written

COMMUNITY DEVELOPMENT
COMMISSION OF THE COUNTY OF
LOS ANGELES
("**Commission**")

By:_____ Dated:_____
Carlos Jackson, Executive Director

DOKHY, LLC.
("**Participant**")

By:_____ Dated:_____
David Ahdoot, Manager

APPROVED AS TO PROGRAM:

COMMUNITY DEVELOPMENT COMMISSION
OF THE COUNTY OF LOS ANGELES

By_____
Corde Carrillo, Director
Economic/Redevelopment Division

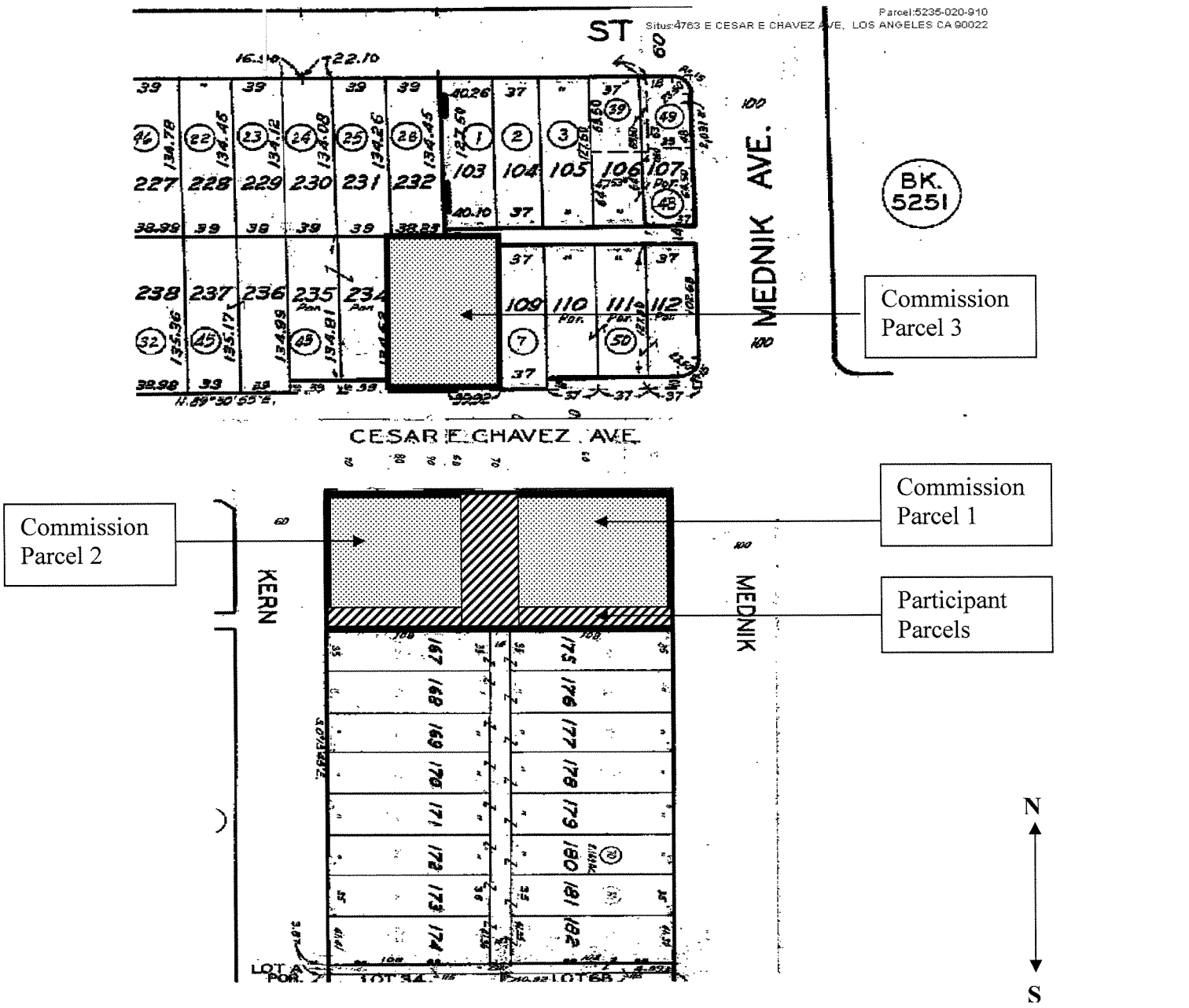
APPROVED AS TO FORM

RAYMOND G. FORTNER, JR.
County Counsel

By_____
Behnaz Tashakorian
Deputy

ATTACHMENT NO. 1

MAP OF THE SITE



NOT TO SCALE

ATTACHMENT NO. 2

LEGAL DESCRIPTION OF THE SITE

COMMISSION PROPERTIES:

Commission Parcel 1
LOT 164 OF TRACT NO. 4824 AS PER RECORDED IN BOOK 52 PAGE 74 OF MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

LOT 165 AND 166 OF TRACT NO. 4824 AS PER RECORDED IN BOOK 52, PAGE 74 OF MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

Commission Parcel 2
LOTS 160, 161 AND 162 OF TRACT NO. 4824, AS PER RECORDED IN BOOK 52, PAGE 74 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

ALLEY
TOGETHER WITH THAT CERTAIN ALLEY AS VACATED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES BY RESOLUTION #M9476103 A COPY OF WHICH WAS RECORDED ON APRIL 18, 1996, AS INSTRUMENT NO. 96-614289, OF OFFICIAL RECORDS, WHICH WOULD PASS BY OPERATION OF LAW.

Commission Parcel 3
LOT 108 OF TRACT NO. 4824 AS PER RECORDED IN BOOK 52, PAGE 74 OF MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

LOT 233 OF TRACT NO. 4949 AS PER RECORDED IN BOOK 64, PAGE 51 AND 52 OF MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARTICIPANT PARCELS:

4770-72 E. CESAR E. CHAVEZ AVENUE
LOT 163, OF TRACT NO. 4824, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 52 PAGE 74 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

ALLEY
TOGETHER WITH THAT CERTAIN ALLEY AS VACATED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES BY RESOLUTION #M9476103 A COPY OF WHICH WAS RECORDED ON APRIL 18, 1996, AS INSTRUMENT NO. 96-614289, OF OFFICIAL RECORDS, WHICH WOULD PASS BY OPERATION OF LAW.

ATTACHMENT NO. 3
SCHEDULE OF PERFORMANCE

I. **EXECUTION OF AGREEMENT**

1.	Site Plan and Basic Concept Drawings. The Participant submitted a Site Plan and Basic Concept Drawings to the Commission for review and approval.	Submitted **October 10, 2006** .
2.	Approval of Conceptual Site Plan and Basic Concept Drawings. Commission approved conceptual site plan and concept drawings per Owner Participation Procedures for the Maravilla Community Redevelopment Project area.	Approved **October 31, 2006**.
3.	Submission of Revised Site Plan and Concept Drawings. Participant submitted to the Commission Revised Site Plan dated September 1, 2007 and Concept drawing – elevation, dated September 8, 2007.	Received **December 19, 2006**.
4.	Environmental Report. The Commission will complete a Phase I environmental report and provide to Participant.	Prior to the execution of this Agreement, the Commission will provide to the Participant copies of a Phase I environmental report for Commission Parcels.
5.	Execution of Agreement by Commission. The Commission and Board of Supervisors shall hold a public hearing to authorize execution of this Agreement by the Commission and, if so authorized, the Commission shall execute and deliver this Agreement to the Participant.	Within two weeks of approval by Commission and Board of Supervisors.

II. ESCROW PERIOD

6.	Opening of Escrow. The Commission shall open an escrow for conveyance of the Commission Parcels.	Within **three (3) days** of execution of this Agreement by Commission.
7.	Access for Soils Investigation. The Commission shall provide the Participant with access to the Commission Parcels for soils investigations pursuant to Section 212 of this Agreement.	Upon execution of this Agreement by the Commission.
8.	Determination of Soil Conditions. Participant shall determine whether the soil conditions on the Site are suitable for the development thereon pursuant to Section 212 of this Agreement.	Prior to close of escrow.
9.	Zoning of the Site. The Participant is responsible for obtaining all zoning and land use approvals, and any other County approvals required to permit the construction of the improvements and the use, operations and maintenance of such improvements in accordance with Section 210 of the Agreement.	Prior to close of escrow, which may be extended by Participant in order to obtain such zoning and land use approvals.
10.	Relocation of Tenants. The Commission is responsible for the relocation of tenants identified as Victory Outreach Thrift Store and Chicana Service Action Center.	Prior to close of Escrow.
11.	Submission - Preliminary Construction Plans, Drawings, and Grading Plans. The Participant shall prepare and submit to the Commission for review and approval Preliminary Construction Plans, Drawings, and Grading Plans for the Site approved by the County of Los Angeles Departments of Regional Planning and Public Works.	Prior to close of escrow.

12.	Approval - Preliminary Construction Plans, Drawings, and Grading Plans. The Commission shall approve or disapprove that Preliminary Construction Plans, Drawings, and Grading Plans for the Site.	Within **fifteen (15) days** of submission.
13.	Tenant Leases. Participant will submit copies of tenant leases to the Commission in accordance with Section 203 of this Agreement.	Prior to close of escrow.
14.	Evidence of Financing. Participant will submit Evidence of Financing to the Commission in accordance with Section 203 and 214 of this Agreement.	Prior to close of escrow.
15.	Approval of Financing. The Commission shall approve or disapprove submission of Participant's evidence of financing with respect to the Site, and shall so notify the Participant.	Within **ten (10) days** of submission.

III. CONVEYANCE

16.	Close of Escrow/Conveyance of Title. The Commission shall convey free and clear title and possession to Participant, and Participant shall accept such conveyance, with respect to the Site.	Within five (5) business days after delivery of a fully executed OPA to escrow and all conditions to close escrow completed, unless extended by Participant in order to obtain the necessary zoning, variances and/or permits.
17.	Evidence of Insurance and Bonds. The Participant will submit evidence of insurance in accordance with Section 309 of this Agreement.	Within **fifteen (15) days** after close of escrow.
18.	Submission of Executed Construction Contract. The Participant will submit copies of the executed construction contract to the Commission.	Within **fifteen (15) days** after acceptance of bid.

19.	Executed Loan Documents. The Participant will submit copies of executed loan documents to the Commission.	Within **sixty (60) days** after close of escrow.
IV.	**CONSTRUCTION**	
20.	Submission - Final Construction Plans, Drawings, Grading Plans. The Participant shall prepare and submit to the Commission for review and approval Final Construction Plans, Drawings, and Grading Plans for the Site approved by the County of Los Angeles Departments of Regional Planning and Public Works.	Within **sixty (60) days** after approval by the Commission of the Preliminary Construction Plans, Drawings, and Grading Plans.
21.	Approval - Final Construction Plans, Drawings, and Grading Plans. The Commission shall approve or disapprove that Final Construction Plans, Drawings and Grading Plans.	Within **thirty (30) days** after receipt thereof by the Commission.
22.	BUILDING PERMITS APPROVAL. The Participant shall obtain construction permits from the Los Angeles County Department of Building & Safety com commence construction of the Project.	Prior to the commencement of construction
23.	Commencement of Construction. The Participant shall commence construction of the improvements on Site.	Within **sixty (60) days** after conveyance of title and possession to Participant of the Site (including the parking lot parcels) and removal of all improvements.
24.	Completion of Construction. The Participant shall complete construction of the improvements on Site.	Within **eighteen (18) months** after conveyance of the Commission Parcels to Participant by the Commission, demolition by **Commission** of all improvements on the Site and grading is complete.

ATTACHMENT NO. 4

SCOPE OF DEVELOPMENT

I. GENERAL DESCRIPTION

The Participant agrees that the development of the Site shall be designed and developed such that the improvements will have architectural excellence. The Participant, its supervising architect, engineer, and contractor, shall work with Commission staff and the Commission's architect to coordinate the overall design, architecture, and color of the improvements on the Site.

The improvements to be constructed on the Site shall be of high architectural quality, shall be well landscaped, and shall be effectively and aesthetically designed. The shape, scale of volume, exterior design and exterior finish of each building, structure and other improvement must be consonant with, visually related to, physically related, and an enhancement to each other and to adjacent improvements within the Redevelopment Project area. In this regard, all exterior walls of any buildings developed on the Site shall be kept and maintained in a manner free of graffiti.

The Participant's plans, drawings and proposals submitted to the Commission for approval shall describe in reasonable detail the architectural character intended for the improvements. The total development of the Site shall be in conformity with the Redevelopment Plan. The provisions, design criteria and property development standards set forth in this Scope of Development apply to the Site.

II. ON-SITE IMPROVEMENTS

A. General

Commission has received Site Plan, Sheet No. SP, dated September 1, 2007 and Elevation, Sheet No. ELEV, dated September 8, 2007. Participant shall develop an approximate total of 8,722 square feet of gross building area and 35 parking spaces in the Center and improve an existing 24 space parking lot across the street. The proposed use in the development shall be comprised of approximately: 4,341 square feet as a restaurant; 3,906 square feet of food service/office/retail and 475 square feet service area.

B. Urban Design Standards, Controls and Restrictions

Standards, controls and restrictions regarding construction and development, including, but not limited to, maximum land coverage, setbacks and building construction shall be as required by the Uniform Building Code (with County modifications) and the County

Building Code, and as approved by the Department of Regional Planning, the Department of Public Works, and the Commission.

All on-site and off-site elements shall be subject to design review by the Commission in accordance with the procedures set forth in the Agreement. The Participant shall conform to the following standards of design in establishing the urban design concept, architectural and landscaping features of the Site.

The Commission, the Department of Regional Planning, and the Department of Public Works's approval of the Final Construction Drawings and Landscaping and Finish Grading Plans shall be deemed to be an acknowledgment of compliance with the design standards and limitations contained in this Section B.

1. Architectural Standards

The architecture of all structures shall maintain a high quality of architectural design.

(a) Form and Scale

Any structures on the Site shall consist of a form and scale acceptable to the Commission.

(b) Street Level Design

The facades as seen from the street shall be such that the shape, exterior design and exterior finish of the structures are consonant with and visually related to each other.

(c) Building Materials

Building materials shall be of a high quality as approved by the Commission.

(d) Energy Considerations

Energy efficient features shall be incorporated into the design of the development.

(e) Refuse Containers

Provision for refuse containers shall be contained within the structures.

(f) Signs

All public signs on the exteriors of buildings and structures are of special concern to the Commission. No sign which is inconsistent with the overall project theme will be permitted. All signs must be approved by the Commission and must comply with applicable County Codes.

2. Land Use Standards

(a) Building Heights

The height of all improvements developed on the Site shall be in accordance with the County Zoning Ordinance.

3. Streetscape Design Standards

(a) Landscaping

The Participant, or its successors and assigns, shall maintain the landscaping on the Site and all exterior walls of all buildings free from graffiti, debris and accumulation of rubble and shall maintain all plant materials in a healthy and manicured condition.

(b) Vehicle Access

Driveways for parking shall be coordinated with the design of pedestrian access.

(c) Utilities

The Participant shall be responsible for all on-site utility installations and connections from the distribution lines in adjacent public rights-of-way to the improvements on the Site, including sewers, storm drains, and water and gas distribution lines. All utility services on-site shall be underground or concealed within buildings to the extent permitted by appropriate utility companies and utility districts. No mechanical equipment or meters shall be left exposed in yard areas or on roofs.

(d) Building Coverage

Minimum building setbacks shall be in conformance with the County Zoning Ordinance and Basic Concept Drawings approved by the Commission.

(e) Rooftops

On all buildings whose roof area is visible from ground level of surrounding structures or proposed structures, pedestrian ways, streets, etc., exposed duct work for heating and cooling, mechanical equipment and other roof structures shall be screened from the direct view of the ground level of adjacent property or buildings in a manner approved by the Commission. Nothing contained in this paragraph or the Agreement shall be construed to require the Participant to install any air conditioning units, evaporative coolers or other cooling equipment.

(f) Parking Location

All parking for the development on the Site and the Participant Site shall be located within the boundaries of the Site except as otherwise approved by the Commission and the Department of Regional Planning.

(g) Handicap Access

The Participant shall make the ground floor of all buildings and ingress and egress access ways on the Site usable by handicapped persons, to the extent required by applicable law.

(k) Construction

During construction of the improvements by the Participant, the Participant shall take all reasonable precautions to minimize dust and disturbance to adjacent properties caused by construction. The Participant shall only perform exterior work on the improvements on the Site between the hours of 7:00 a.m. and 7:00 p.m. Monday through Saturday.

III. OFF-SITE IMPROVEMENTS

A. The Participant shall be responsible for all public improvements required by the County Department of Public Works necessary for the development of the Site. The Participant shall be solely responsible for the initial One Hundred Fifty Thousand Dollars (**$150,000**) of such costs. The Commission shall fund up to a total of One Hundred Fifty Thousand Dollars (**$150,000**) for the cost of all public improvements required by the development of the Site in excess of the initial **$150,000** paid by the Participant. The Participant shall be solely responsible for any additional cost of public improvements required by the development of the site in excess of the initial **$300,000** paid by Participant and the Commission. The Participant will be solely responsible for preparing

necessary plans, approvals and construction of all off-site improvements as required by the County Department of Public Works.

ATTACHMENT NO. 5

FORM OF QUIT CLAIM DEED

Recording Requested by:

Community Development Commission
of the County of Los Angeles

After Recordation, Mail to:

Dokhy LLC
225 E. 9th St., Suite 270
Los Angeles, CA 90015

QUIT CLAIM DEED

For valuable consideration, the receipt of which is hereby acknowledged,

THE COMMUNITY DEVELOPMENT COMMISSION OF THE COUNTY OF LOS ANGELES, a public body, corporate, and politic, of the State of California (herein called "**Grantor**"), acting to carry out the Redevelopment Plan (herein called "**Redevelopment Plan**") for the Maravilla Community Redevelopment Project which was approved and adopted by the Board of Supervisors of the County of Los Angeles on February 20, 1993, by Ordinance No. 10,661, under the Community Redevelopment Law of the State of California, hereby relinquishes and transfers to DOKHY, LLC, a California Limited Liability Corporation (herein called "**Grantee**"), all of the Grantors rights and interest in the real property Commission Parcel 1, Commission Parcel 2 and Commission Parcel 3 ("**Commission Parcels**") legally described in the document attached hereto, labeled Exhibit A, and incorporated herein by this reference.

1. The Commission Parcels are conveyed subject to the Redevelopment Plan and pursuant to an Owner Participation Agreement (the "**OPA**") entered into by and between Grantor and Grantee and dated _____, 2008. The OPA by this reference is fully incorporated into this Quit Claim Deed.

2. The Grantee covenants and agrees for itself, its successors, its assigns, and every successor in interest to the Commission Parcels or any part thereof, that the Grantee, its successors and assigns, shall maintain the Commission Parcels and the improvements thereon, shall keep the Commission Parcels free from any accumulation of debris or waste materials and shall maintain the landscaping required to be planted under the OPA in a healthy condition. The foregoing covenant shall run with the land.

3. Prior to the issuance of a Certificate of Completion by the Grantor as provided in the OPA, the Grantee shall not, except as permitted by the OPA, sell, transfer, convey, assign, or lease the whole or any part of the Commission Parcels without the prior approval of the Grantor. This prohibition shall not apply subsequent to the issuance of the Certificate of Completion with respect to the improvements upon the Commission Parcels.. This prohibition shall not be deemed to prevent the granting of easements or permits to facilitate the development of the Commission Parcels or to prohibit or restrict the leasing of any part or parts of a building or structure when said improvements are completed.

4. Subject to the provisions of Section 512 of the OPA, the Grantor shall have the right, at its option, to reenter and take possession of the Commission Parcels hereby conveyed, or such portion thereof, with all improvements thereon, and revest in the Grantor the estate conveyed to the Grantee, if after conveyance of title and prior to issuance of a Certificate of Completion of construction upon the Commission Parcels, the Grantee or successor in interest shall:

a. Fail to proceed with the construction of the improvements as required by the OPA for a period of three (3) months after written notice thereof from the Grantor; or

b. Abandon or substantially suspend construction of the improvements for a period of three (3) months after written notice of such abandonment or suspension from the Grantor; or

c. Transfer, or suffer any involuntary transfer of the Commission Parcels, or any part thereof, in violation of the OPA.

Such right to reenter, repossess, and revest, to the extent provided in this paragraph 5, shall be subordinate and subject to and be limited by and shall not defeat, render invalid, or limit:

a. Any mortgage, deed of trust, or other security instrument permitted by the OPA; or

b. Any rights or interests provided in the OPA for the protection of the holder of such mortgages, deeds of trust, or other security instruments.

5. The Grantee covenants by and for itself and any successors in interest that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, disability, sexual orientation, national origin, or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Commission Parcels, nor shall the Grantee itself or any person claiming under or through it establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or

occupancy of tenants, lessees, subtenants, sublessees, or vendees in the Commission Parcels.

All deeds, leases, or contracts made relative to the Commission Parcels, the improvements thereon or any party thereof, shall contain or be subject to substantially the following nondiscrimination clauses:

a. In deeds: "The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, disability, sexual orientation, national origin, or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the land herein conveyed, nor shall the grantee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the land herein conveyed. The foregoing covenants shall run with the land."

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

"That there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, disability, sexual orientation, national origin, or ancestry in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the land herein leased, nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, sublessees, subtenants, or vendees in the land herein leased."

c. In contracts: "There shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, disability, sexual orientation, national origin, or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the land, nor shall the transferee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, sublessees, subtenants, or vendees in the land."

6. No violation or breach of the covenants, conditions, restrictions, provisions, or limitations contained in this Quit Claim Deed shall defeat or render invalid or in any way impair the lien or charge of any mortgage, deed of trust, or other financing or security instrument permitted by the OPA; provided, however, that any successor of Grantee to the Commission Parcels shall be bound by such remaining covenants, conditions, restrictions, limitations, and provisions, whether such successor's title was acquired by foreclosure, deed in lieu of foreclosure, trustee's sale, or otherwise.

7. The Grantor shall have the right, at its option, to reenter and take possession of Commission Parcel 3 of the Commission Parcels hereby conveyed, with all improvements thereon, and revest in the Grantor the estate conveyed to the Grantee, for the purposes of redevelopment of Commission Parcel 3. The Grantor shall provide the Grantee with substitute off-site parking to meet the minimum parking requirements as specified by the County of Los Angeles and the Redevelopment Plan for the Maravilla Community Redevelopment Project area for the improvements set forth in the OPA and said substitute off-site parking location which is, 1) within 200 feet of the Site or, 2) at such other location(s) mutually acceptable to the Grantor and Grantee.

8. Except as otherwise provided, the covenants contained in paragraphs 2 and 7 of this Quit Claim Deed shall remain in effect until the termination date of the Redevelopment Plan, as it may be amended from time to time. The covenants in paragraph 4 and against discrimination contained in paragraph 5 of this Quit Claim Deed shall run with the land and remain in perpetuity. The covenants contained in paragraphs 3 and 4 shall remain in effect until issuance of a Certificate of Completion pursuant to Section 324 of the OPA.

9. The covenants contained in paragraphs 2, 3, 4, 5, 6 and 7 of this Quit Claim Deed shall be binding for the benefit of the Grantor, its successors and assigns, the County of Los Angeles, and any successor in interest to the Commission Parcels or any part thereof, and such covenants shall run in favor of the Grantor and such aforementioned parties for the entire period during which such covenants shall be in force and effect, without regard to whether the Grantor is or remains an owner of any land or interest therein to which such covenants relate. The Grantor and such aforementioned parties, in the event of any breach of any such covenants, shall have the right to exercise all of the rights and remedies, and to maintain any actions at law or suits in equity or other proper proceedings to enforce the curing of such breach. The covenants contained in this Quit Claim Deed shall be for the benefit of and shall be enforceable only by the Grantor, its successors, and such aforementioned parties in the first sentence of this paragraph 8.

10. In the event of any express conflict between this Quit Claim Deed and the OPA, the provisions of this Quit Claim Deed shall control.

11. Any amendments to the Redevelopment Plan which change the uses or development permitted on the Commission Parcels or change the restrictions or controls that apply to the Commission Parcels or otherwise affect the Commission

Parcels shall require the written consent of the Grantee. Amendments to the Redevelopment Plan applying to other property in the Project Area shall not require the consent of the Grantee.

IN WITNESS WHEREOF, the Grantor and Grantee have caused this instrument to be executed on their behalf by their respective officers thereunto duly authorized, this _____ day of _____, 2008.

"**GRANTOR**"

COMMUNITY DEVELOPMENT
COMMISSION OF THE COUNTY
OF LOS ANGELES

By _____
Carlos Jackson, Executive Director

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
County Counsel

By_____
Behnaz Tashakorian
Deputy

The provisions of this Quit Claim Deed are hereby approved and accepted.

"**GRANTEE**"

DOKHY, LLC

By_____
David Ahdoot, Manager

EXHIBIT A

LEGAL DESCRIPTION OF THE COMMISSION PARCELS

COMMISSION PARCEL 1:

LOTS 164, 165 AND 166 OF TRACT NO. 4824 AS PER RECORDED IN BOOK 52, PAGE 74 IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

TOGETHER WITH THAT CERTAIN ALLEY AS VACATED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES BY RESOLUTION #M9476103 A COPY OF WHICH WAS RECORDED ON APRIL 18, 1996, AS INSTRUMENT NO. 96-614289, OF OFFICIAL RECORDS, WHICH WOULD PASS BY OPERATION OF LAW.

COMMISSION PARCEL 2:

LOTS 160, 161 AND 162 OF TRACT NO. 4824, AS PER MAP RECORDED IN BOOK 52, PAGE 74 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

TOGETHER WITH THAT CERTAIN ALLEY AS VACATED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES BY RESOLUTION #M9476103 A COPY OF WHICH WAS RECORDED ON APRIL 18, 1996, AS INSTRUMENT NO. 96-614289, OF OFFICIAL RECORDS, WHICH WOULD PASS BY OPERATION OF LAW.

COMMISSION PARCEL 3:

LOT 108 OF TRACT NO. 4824 AS PER RECORDED IN BOOK 52, PAGE 74 OF MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

LOT 233 OF TRACT NO. 4949 AS PER RECORDED IN BOOK 64, PAGE 51 AND 52 OF MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

State of California

County of

On _____, before me, _____, personally appeared
, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her 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.

_____ (SEAL)
Notary's Signature

Exhibit A – Site Plan

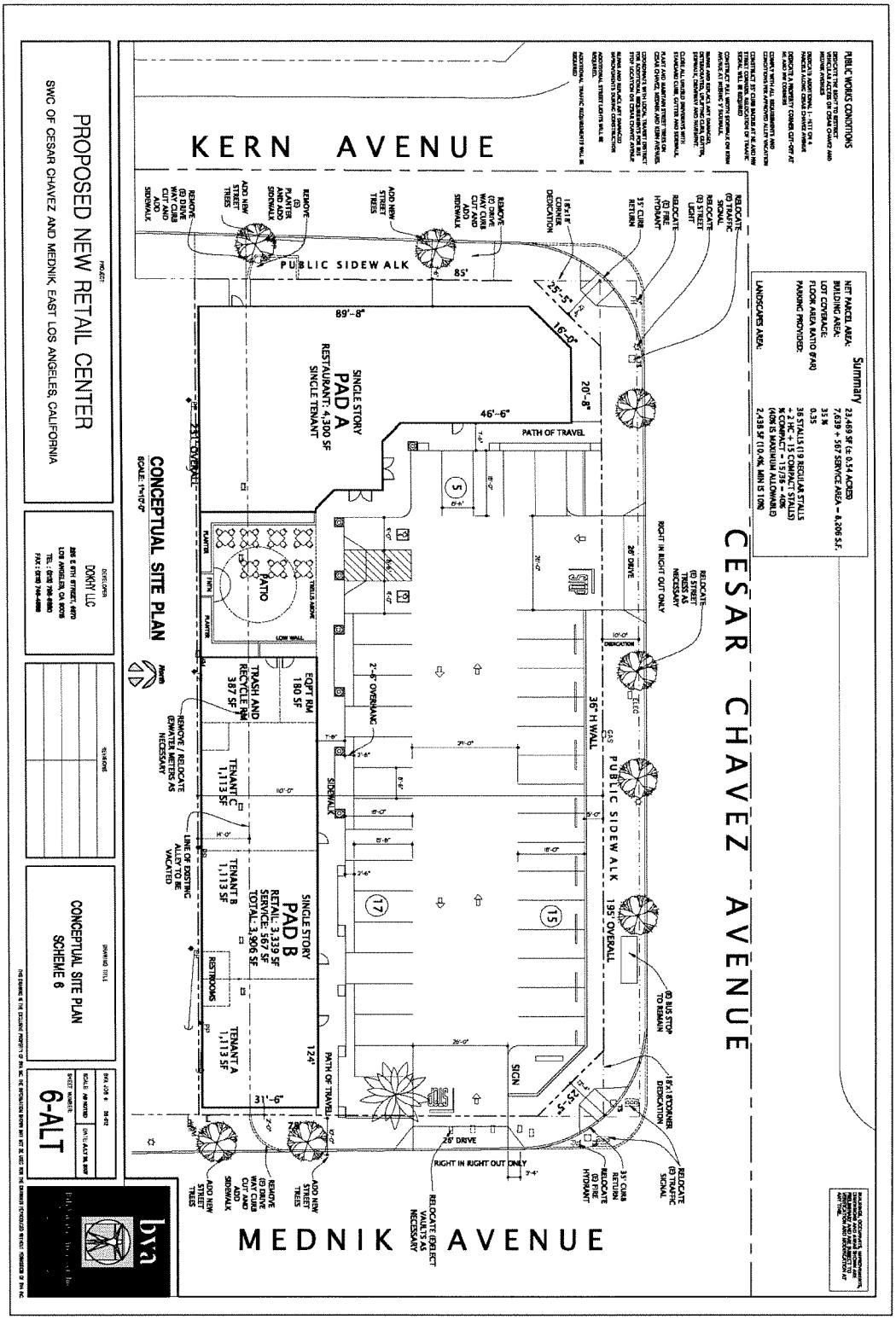


Exhibit B

MAP OF LOCAL AREA

Attachment A

Local Area - Unincorporated East Los Angeles

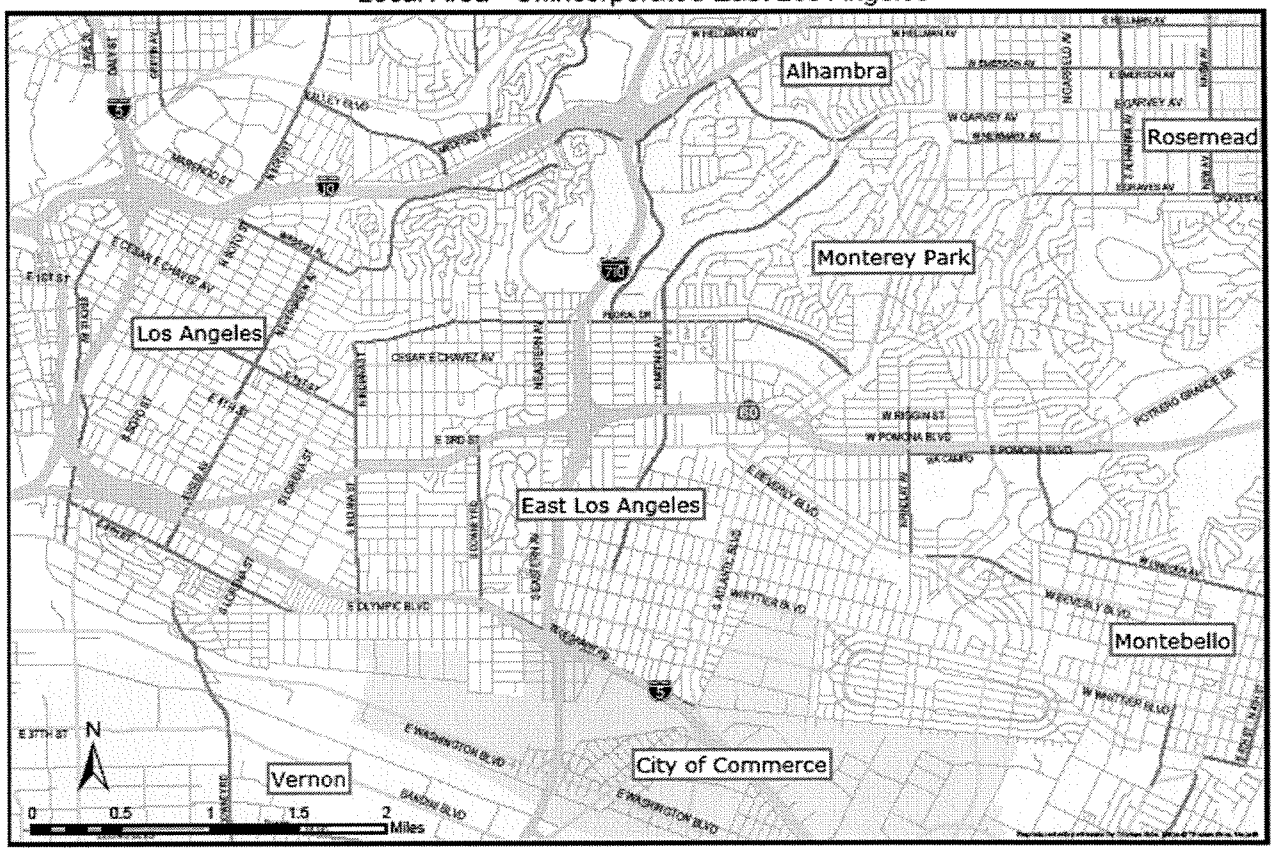


Exhibit C

FEDERAL LOBBYIST REQUIREMENTS

CERTIFICATION

Name of Firm:_____Date: _____

Address: _____

State: _____Zip Code: _____Phone No. :_____

Acting on behalf of the above named firm, as its Authorized Official, I make the following Certification to the Department of Housing and Urban Development (HUD) and the Community Development Commission, County of Los Angeles:

1) No Federal appropriated funds have been paid, by or on behalf of the above named firm to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of and Federal grant, loan or cooperative agreement, and any extension, continuation, renewal, amendment, or modification thereof, and;

2) If any funds other than Federal appropriated funds have paid or will be paid to any person for influencing or attempting to influence an officer or employee or any agency, a Member of Congress an officer or employee of Congress or an employee of a Member of Congress in connection with this Federal contract, grant loan, or cooperative agreement, the above named firm shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions, and:

3) The above name firm shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreement) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into the transaction imposed by Section 1352 Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Authorized Official:
Name:_____Title:_____

Signature:_____ Date: _____

Department of the Treasury
Internal Revenue Service

Notice 1015

(Rev. December 2004)

Have You Told Your Employees About the Earned Income Credit (EIC)?

What Is the EIC?

The EIC is a refundable tax credit for certain workers.

What's New. Workers cannot claim the EIC if their 2004 investment income (such as interest and dividends) is over $2,650.

Which Employees Must I Notify About the EIC?

You must notify each employee who worked for you at any time during the year and from whom you did not withhold income tax. However, you do not have to notify any employee who claimed exemption from withholding on Form W-4, Employee's Withholding Allowance Certificate.

Note. You are encouraged to notify each employee whose wages for 2004 are less than $35,458 that he or she may be eligible for the EIC.

How and When Must I Notify My Employees?

You must give the employee one of the following:

- The IRS Form W-2, Wage and Tax Statement, which has the required information about the EIC on the back of Copy B.
- A substitute Form W-2 with the same EIC information on the back of the employee's copy that is on Copy B of the IRS Form W-2.
- Notice 797, Possible Federal Tax Refund Due to the Earned Income Credit (EIC).
- Your written statement with the same wording as Notice 797.

If you are required to give Form W-2 and do so on time, no further notice is necessary if the Form W-2 has the required information about the EIC on the back of the employee's copy. If a substitute Form W-2 is given on time but does not have the required information, you must notify the employee within 1 week of the date the substitute Form W-2 is given. If Form W-2 is required but is not given on time, you must give the employee Notice 797 or your written statement by the date Form W-2 is required to be given. If Form W-2 is not required, you must notify the employee by February 7, 2005.

You must hand the notice directly to the employee or sen it by First-Class Mail to the employee's last known address. You will not meet the notification requirements by posting Notice 797 on an employee bulletin board or sending it through office mail. However, you may want to post the notice to help inform all employees of the EIC. You can get copies of the notice by calling 1-800-829-3676, or from the IRS website at *www.irs.gov*.

How Will My Employees Know If They Can Claim the EIC?

The basic requirements are covered in Notice 797. For more detailed information, the employee needs to see the 2004 instructions for Form 1040, 1040A, 1040EZ, or Pub. 596, Earned Income Credit (EIC).

How Do My Employees Claim the EIC?

Eligible employees claim the EIC on their 2004 tax return. Even employees who have no tax withheld from their pay or owe no tax can claim the EIC and get a refund, but they must file a tax return to do so. For example, if an employee has no tax withheld in 2004 and owes no tax but is eligible for a credit of $791, he or she must file a 2004 tax return to get the $791 refund.

How Do My Employees Get Advance EIC Payments?

Eligible employees who expect to have a qualifying child for 2005 can get part of the credit with their pay during the yea by giving you a completed Form W-5, Earned Income Credit Advance Payment Certificate. You must include advance EI payments with wages paid to these employees, but the payments are not wages and are not subject to payroll taxe Generally, the payments are made from withheld income, social security, and Medicare taxes. For details, see Pub. 15 (Circular E), Employer's Tax Guide.

Notice 101

(Rev. 12-200

Exhibit E

No shame.

No blame.

No names.

Newborns can be safely given up at any Los Angeles County hospital emergency room or fire station.

In Los Angeles County:

1-877-BABY SAFE

1-877-222-9723

www.babysafela.org

State of California
Gray Davis, Governor

Health and Human Services Agency
Grantland Johnson, Secretary

Department of Social Services
Rita Saenz, Director

Los Angeles County Board of Supervisors
Gloria Molina, Supervisor, First District
Yvonne Brathwaite Burke, Supervisor, Second District
Zev Yaroslavsky, Supervisor, Third District
Don Knabe, Supervisor, Fourth District
Michael D. Antonovich, Supervisor, Fifth District

This initiative is also supported by First 5 LA and INFO LINE of Los Angeles.

What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents to give up their baby confidentially. As long as the baby has not been abused or neglected, parents may give up their newborn without fear of arrest or prosecution.

How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially and safely give up a baby within three days of birth. The baby must be handed to an employee at a Los Angeles County emergency room or fire station. As long as the child shows no signs of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, workers will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent.

What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their newborns within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4000.

Can only a parent bring in the baby?

In most cases, a parent will bring in the baby. The law allows other people to bring in the baby if they have legal custody.

Does the parent have to call before bringing in the baby?

No. A parent can bring in a baby anytime, 24 hours a day, 7 days a week so long as the parent gives the baby to someone who works at the hospital or fire station.

Does a parent have to tell anything to the people taking the baby?

No. However, hospital personnel will ask the parent to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the child. Although encouraged, filling out the questionnaire is not required.

What happens to the baby?

The baby will be examined and given medical treatment, if needed. Then the baby will be placed in a pre-adoptive home.

What happens to the parent?

Once the parent(s) has safely turned over the baby, they are free to go.

Why is California doing this?

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned by their parents and potentially being hurt or killed. You may have heard tragic stories of babies left in dumpsters or public bathrooms. The parents who committed these acts may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had nowhere to turn for help, they abandoned their infants. Abandoning a baby puts the child in extreme danger. It is also illegal. Too often, it results in the baby's death. Because of the Safely Surrendered Baby Law, this tragedy doesn't ever have to happen in California again.

A baby's story

At 8:30 a.m. on Thursday, July 25, 2002, a healthy newborn baby was brought to St. Bernardine Medical Center in San Bernardino under the provisions of the California Safely Surrendered Baby Law. As the law states, the baby's mother did not have to identify herself. When the baby was brought to the emergency room, he was examined by a pediatrician, who determined that the baby was healthy and doing fine. He was placed with a loving family while the adoption process was started.

Every baby deserves a chance for a healthy life. If someone you know is considering abandoning a newborn, let her know there are other options.

It is best that women seek help to receive proper medical care and counseling while they are pregnant. But at the same time, we want to assure parents who choose not to keep their baby that they will not go to jail if they deliver their babies to safe hands in any Los Angeles County hospital ER or fire station.

Sin pena.
Sin culpa.
Sin peligro.

Los recién nacidos pueden ser entregados en forma segura en la sala de emergencia de cualquier hospital o en un cuartel de bomberos del Condado de Los Angeles.

En el Condado de Los Angeles:
1-877-BABY SAFE
1-877-222-9723
www.babysafela.org

Estado de California
Gray Davis, Gobernador

Agencia de Salud y Servicios Humanos
(Health and Human Services Agency)
Grantland Johnson, Secretario

Departamento de Servicios Sociales
(Department of Social Services)
Rita Saenz, Directora

Consejo de Supervisores del Condado de Los Angeles
Gloria Molina, Supervisora, Primer Distrito
Yvonne Brathwaite Burke, Supervisora, Segundo Distrito
Zev Yaroslavsky, Supervisor, Tercer Distrito
Don Knabe, Supervisor, Cuarto Distrito
Michael D. Antonovich, Supervisor, Quinto Distrito

Esta Iniciativa tambien esta apollada por First 5 LA y INFO LINE de Los Angeles.

¿Qué es la Ley de Entrega de Bebés Sin Peligro?

La Ley de Entrega de Bebés Sin Peligro de California permite a los padres entregar a su recién nacido confidencialmente. Siempre que el bebé no haya sufrido abuso ni negligencia, padres pueden entregar a su recién nacido sin temor a ser arrestados o procesados.

¿Cómo funciona?

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura, dentro de los tres días del nacimiento. El bebé debe ser entregado a un empleado de una sala de emergencias o de un cuartel de bomberos del Condado de Los Angeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazalete y el padre/madre recibirá un brazalete igual.

¿Qué pasa si el padre/madre desea recuperar a su bebé?

Los padres que cambien de opinión pueden empezar el proceso de reclamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Angeles, al 1-800-540-4000.

¿Sólo los padres podrán llevar al recién nacido?

En la mayoría de los casos, los padres son los que llevan al bebé. La ley permite que otras personas lleven al bebé si tienen la custodia legal del menor.

¿Los padres deben llamar antes de llevar al bebé?

No. El padre/madre puede llevar a su bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, mientras que entregue a su bebé a un empleado del hospital o de un cuartel de bomberos.

¿Es necesario que el padre/madre diga algo a las personas que reciben al bebé?

No. Sin embargo, el personal del hospital le pedirá que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para los cuidados que recibirá el bebé. Es recomendado llenar este cuestionario, pero no es obligatorio hacerlo.

¿Qué ocurrirá con el bebé?

El bebé será examinado y, de ser necesario, recibirá tratamiento médico. Luego el bebé se entregará a un hogar preadoptivo.

¿Qué pasará con el padre/madre?

Una vez que los padres hayan entregado a su bebé en forma segura, serán libres de irse.

¿Por qué California hace esto?

La finalidad de la Ley de Entrega de Bebés Sin Peligro es proteger a los bebés del abandono por parte de sus padres y de la posibilidad de que mueran o sufran daños. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Es posible que los padres que cometieron estos actos hayan estado atravesando dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus recién nacidos porque tenían miedo y no tenían adonde recurrir para obtener ayuda. El abandono de un recién nacido lo pone en una situación de peligro extremo. Además es ilegal. Muy a menudo el abandono provoca la muerte del bebé. Ahora, gracias a la Ley de Entrega de Bebés Sin Peligro, esta tragedia ya no debe suceder nunca más en California.

Historia de un bebé

A las 8:30 a.m. del jueves 25 de julio de 2002, se entregó un bebé recién nacido saludable en el St. Bernardine Medical Center en San Bernardino, en virtud de las disposiciones de la Ley de Entrega de Bebés Sin Peligro. Como lo establece la ley, la madre del bebé no se tuvo que identificar. Cuando el bebé llegó a la sala de emergencias, un pediatra lo revisó y determinó que el bebé estaba saludable y no tenía problemas. El bebé fue ubicado con una buena familia, mientras se iniciaban los trámites de adopción.

Cada recién nacido merece una oportunidad de tener una vida saludable. Si alguien que usted conoce está pensando en abandonar a un recién nacido, infórmele qué otras opciones tiene.

Es mejor que las mujeres busquen ayuda para recibir atención médica y asesoramiento adecuado durante el embarazo. Pero al mismo tiempo, queremos asegurarles a los padres que optan por no quedarse con su bebé que no irán a la cárcel si dejan a sus bebés en buenas manos en cualquier sala de emergencia de un hospital o en un cuartel de bomberos del Condado de Los Angeles.

Exhibit F

Commission Design Guidelines & Accessibility Requirements

Crime Prevention Through Environmental Design (CPTED) ***(Required)***
The Commission supports creating safe neighborhoods through the implementation of Crime Prevention Through Environmental Design (CPTED). The basic premise of CPTED is that the nature of buildings and layout of a community can attract offenders and make it easier for them to commit crimes and escape arrest. CPTED focuses on eliminating these features at the design stage to reduce crime and the fear of crime.

The five overlapping concepts or strategies which are incorporated in CPTED are:

- Access Control
- Surveillance
- Territorial Reinforcement
- Activity Support
- Image and Maintenance

Architectural designers should make sure you are:

- Providing clear border definitions of controlled space.
- Providing clearly marked transitional zones that indicate movement from public to semi-public to private space.
- Relocating gathering areas to locations with natural surveillance.
- Placing unsafe activities in safe spots to overcome the vulnerability of these activities with natural surveillance and access control of the safe area.
- Redesigning space to increase the perception or reality of natural surveillance.
- Carefully planning a reduced number of entry points.
- Placing signage to advise visitors what the access restrictions are and where they must go if they are authorized to enter your territory.
- Eliminating blind spots around the project site where individuals approaching the site cannot be observed.
- Including fencing and landscaping to direct the circulation flow of persons to a select observable pathway.
- Making sure that landscape plant material that is selected will not block windows and eliminate opportunities for natural surveillance.
- Considering the use of reflective glass so that you can see out but outsiders cannot see in.
- Plant low vegetation with thorns or other repelling qualities adjacent to first floor windows to prevent outsiders from approaching windows.
- Providing good outdoor lighting standards that illuminate pathways evenly and without shadow pockets.
- Prewiring for future security cameras is recommended.

Attachment F

**SUMMARY REPORT PURSUANT TO
SECTION 33433
OF THE
CALIFORNIA HEALTH AND SAFETY CODE
ON A
DISPOSITION AND DEVELOPMENT AGREEMENT
BY AND BETWEEN
COMMUNITY DEVELOPMENT COMMISION
OF THE COUNTY OF LOS ANGELES
AND
DOKHY, LLC**

The following Summary Report has been prepared pursuant to Section 33433 of the California Health and Safety Code. The report sets forth certain details of the proposed Owner Participation Agreement (Agreement) between the Community Development Commission of the County of Los Angeles (Commission) and DOKHY, LLC (Developer). The purpose of the Agreement is to effectuate the Redevelopment Plan for the Maravilla Community Redevelopment Project (Redevelopment Plan).

The proposed project is an approximately 8,722 square foot retail center (Project) to be developed at the intersection of Cesar Chavez and Mednik. The Developer currently owns a 5,008 parcel that will be incorporated into the Project. The Commission currently owns 21,711 square feet of land (Parcels 1 and 2) adjacent to the Developer's parcel that will be utilized by the Project. In addition, the Commission owns 9,906 square feet of land (Parcel 3) on the other side of Cesar Chavez that will be utilized by the Developer for a 24 space parking lot.

The following Summary Report is based upon information contained within the Agreement, and is organized into the following seven sections:

I. **Salient Points of the Agreement:** This section summarizes the major responsibilities imposed on the Developer and the Commission by the Agreement.

II. **Cost of the Agreement to the Commission:** This section details the total cost to the Commission associated with implementing the Agreement.

III. **Estimated Value of the Interests to be Conveyed Determined at the Highest Use Permitted under the Redevelopment Plan:** This section estimates the value of the interests to be conveyed determined at the highest use permitted under the Site's existing zoning and the requirements imposed by the Redevelopment Plan.

IV. **Estimated Reuse Value of the Interests to be Conveyed:** This section summarizes the valuation estimate for the Site based on the required scope of development, and the other conditions and covenants required by the Agreement.

V. **Consideration Received and Comparison with the Established Value:** This section describes the compensation to be received by the Commission, and explains any

difference between the compensation to be received and the established highest and best use value of the Site.

VI. **Blight Elimination:** This section describes the existing blighting conditions on the Site, and explains how the Agreement will assist in alleviating the blighting influence.

VII. **Conformance with the AB1290 Implementation Plan:** This section describes how the Agreement achieves goals identified in the Commission's adopted AB1290 Implementation Plan.

This report and the Agreement are to be made available for public inspection prior to the approval of the Agreement.

I. SALIENT POINTS OF THE AGREEMENT

A. Developer Responsibilities

The Agreement requires the Developer to accept the following responsibilities:

1. The Developer will improve the Site with 8,722 square feet of restaurant and retail use, 35 parking spaces and 2,615 square feet of landscaped areas.

2. The Developer shall construct a 24 space parking lot on Parcel 3.

3. The Project will include a Denny's or equivalent sit-down restaurant as approved by the Commission.

4. The Developer agrees that the Project shall be designed and developed such that the improvements will have architectural excellence. The Developer and its consultants shall work with Commission staff to coordinate the overall design, architecture and color of the improvements.

5. The Developer will provide evidence of acceptable construction financing.

6. The Developer will provide copy of the Developer's proposed contract with the general contractor for the construction of the improvements for the Project, with the estimated costs of said improvements.

7. The Commission will have the right, at its option and pursuant to the condition set forth in the Agreement, to reenter and take possession of Parcel 3 of the Commission parcels herby conveyed, with all improvements thereon. The Commission shall provide the Developer with substitute off-site parking to meet the minimum parking requirements as specified by the County of Los Angeles and the Redevelopment Plan for the improvements set forth in the Agreement.

8. The Developer shall be responsible for all public improvements required by the County Department of Public Works necessary for the development of the Site. The Developer shall be solely responsible for the initial One Hundred Fifty Thousand ($150,000) of such costs. The Commission shall fund up to a total of One Hundred Fifty Thousand ($150,000) for the cost of all public improvements required by the development of the Site in excess of the initial One Hundred Fifty ($150,000) paid by the Participant. The Participant shall be solely responsible for any additional cost of public improvements required by the development of the Site in excess of the initial Three Hundred Thousand ($300,000) paid by Participant and the Commission. The Developer will be solely responsible for preparing necessary plans, approvals and construction of all off-site improvements as required by the County Department of Public Works.

9. The Developer will provide copies of any proposed construction loan documents, including, but not limited to a loan agreement, note and trust deed for the Site.

10. The Developer will provide documentary evidence, reasonable satisfactory to the Commission, evidencing sources of equity capital legally committed and sufficient to develop the Project.

    a. Submit proof of all required insurance contracts;

    b. Obtain all entitlements and approvals necessary to obtain a building permit at its own cost and expense;

    c. Approve the condition of the Site by written notice; and

11. The Developer shall open Escrow jointly with the Commission and pay the following costs:

    a. One-half of the escrow fee; and

    b. The Developer's share of the premium for the title insurance policy or special endorsements.

12. The Developer is responsible for obtaining all zoning and land use approvals and any other County approvals required to permit the development of the Project.

13. The Developer shall contribute its parcel for development as part of the Project.

14. The Developer is responsible for the Scope of Development based on terms in the Agreement and within the time provided in the Schedule of Performance.

15. The Developer is responsible for all costs and expenses incurred in connection with the construction and maintenance of the Project.

16. The Developer is responsible for all real property taxes and assessments associated with the Project.

17. The Developer covenants and agrees for itself, its successors, and assigns that the Site will be devoted to uses in accordance with the Agreement.

18. From the date of conveyance, the Developer shall maintain the Project and any materials, equipment and improvements thereon safe, secure, orderly and free from graffiti in accordance with applicable governmental restrictions.

19. The Developer will be responsible for demolition of structure located on Developer Parcels.

B. Commission Responsibilities

Under the Agreement, the Commission must complete the following responsibilities:

1. The Commission shall quit claim the Commission parcels free and clear of any tenancies or encumbrances to the Developer.

2. The Commission shall be responsible for and shall comply with applicable provisions of federal law for relocation of all tenants on the Site displaced as a result of development of the Project.

3. The Commission shall open Escrow jointly with the Developer and pay the following costs:

    a. One-half of the escrow fee;

    b. Cost of drawing the Quit Claim deed with respect to the Commission only;

    c. Recording fee for the Commission parcels;

    d. Notary fees for the Commission parcels;

    e. A portion of the premium for a C.L.T.A. standard tile insurance;

    f. Ad valorem taxes, if any, upon the Commission parcels; and

    g. Any State, County or City documentary transfer tax.

4. Commission will provide the Developer with access to the parcels for the purpose of investigating and determining the presence of Hazardous Substances, soil condition, seismic condition, geology, the presence of unknown faults, and the suitability for economically feasible development thereon by the Developer in accordance with the agreement.

5. The Commission will be responsible for the removal of the modular trailer that houses the operations of Chicana Service Action Center located on Commission Parcel 2. The Commission will remove foundation and cap utilities at the property line.

II. COST OF THE AGREEMENT TO THE COMMISSION

The Commission cost to implement the Agreement includes site acquisition, relocation and off-site costs of nearly $1.4 million. The Commission cost is offset by tax increment revenues the Commission expects to receive. Over the remaining term of the Project Area, the Commission expects to receive $138,200 in tax increment revenues including housing set-asides, which has a present value of $116,100, discounted at 6.0%. The Project's net cost to the Commission is $1.28 million.

Gross Commission Costs	
Purchase Price	$(931,300)
Initial Demolition	(65,700)
Initial Relocation	(178,000)
Additional Relocation Costs	(70,000)
Off-Site Costs	(150,000)
Total Costs	$(1,395,000)
Commission Revenues	
Purchase Price	$ 0
NPV of TI	116,100
Total Revenues	$ 116,100
Net Commission Costs	$ (1,278,900)

III. ESTIMATED VALUE OF THE INTERESTS TO BE CONVEYED DETERMINED AT THE HIGHEST USE PERMITTED UNDER THE REDEVELOPMENT PLAN

Section 33433 of the California Health and Safety Code requires the Commission to identify the value of the interests being conveyed at the highest use allowed by the zoning and the requirements imposed by the Redevelopment Plan. The valuation must be based on the assumption that near-term development is required, but the valuation does not take into consideration any extraordinary use, quality and/or income restrictions being imposed on the development by the Commission.

In an appraisal prepared by Lea Associates dated March 28, 2007, Parcels 1 and 2 were determined to have a fair market value of $920,000. In addition, Commission staff indicates Parcel 3 has a value of $400,000. Therefore, the fair market value of the Commission's parcels is $1.32 million.

IV. ESTIMATED REUSE VALUE OF THE INTERESTS TO BE CONVEYED

Keyser Marston Associates, Inc. (KMA), the Commission's real estate advisor, prepared a reuse valuation analysis of the Project dated March 11, 2008, based on the financial terms and conditions imposed by the Agreement. Based on the conditions contained in the Agreement, it was determined that the fair reuse value of the Site is a negative $59,000.

V. CONSIDERATION RECEIVED AND COMPARISON WITH THE ESTABLISHED VALUE

The Agreement requires the Commission to Quit Claim the parcels to the Developer at zero cost. As previously mentioned, the reuse analysis concluded that the Site has a reuse value of a negative $59,000. Thus, the consideration to be received is equal to or greater than the established fair reuse value.

VI. BLIGHT ELIMINATION

Acquisition of the Site for development of the Project will assist in the elimination of blight, provide additional jobs and a new restaurant choice for area residents, as well as substantially improve economic and physical conditions. Thus, the Project fulfills the blight elimination requirement.

VII. CONFORMANCE WITH THE AB1290 IMPLEMENTATION PLAN

The Project conforms to several of the objectives defined in the Five-Year Implementation Plan adopted by the Commission in December 2004. The pertinent goals and objectives that are satisfied by the Project are:

1. Achieve an optimal balance and harmonious land-use configuration in accordance with the revealed needs and preferences of the residents of La Communidad de Maravilla.

2. Eliminate, prevent and discourage the promulgation of blighting conditions and encourage preservation, rehabilitation, and development of the Project Area to the extent permitted by law, and as specified in the plan.

3. Eradicate negative environmental influences and deficiencies.

4. Eliminate encumbrances to land disposition, conservation and/or development in clearance through assembly of land into standard sized and shaped parcels.