

FINDINGS OF FACT

FOR THE

BELL BUSINESS CENTER PROJECT DRAFT ENVIRONMENTAL IMPACT REPORT

STATE CLEARINGHOUSE No. 2013041025

Prepared for:

CITY OF BELL
6330 PINE AVENUE
BELL, CA 90201

Prepared by:



6020 CORNERSTONE COURT WEST, SUITE 260
SAN DIEGO, CA 92121

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1.0 INTRODUCTION

1.1 ORGANIZATION OF CEQA FINDINGS OF FACT

The content and format of these Findings of Fact (Findings) are designed to meet the current requirements of the California Environmental Quality Act (CEQA) and the CEQA Guidelines. The Final Environmental Impact Report (EIR) for the Bell Business Center Project (project; proposed project) identified significant environmental impacts that will result from the implementation of the proposed project. However, the City of Bell (City) finds that the inclusion of certain mitigation measures as part of project approval will reduce all significant impacts to a less than significant level. As required by CEQA, the City, in adopting these Findings of Fact, also adopts a Mitigation Monitoring and Reporting Program (MMRP) for the proposed project. The City finds that the MMRP, which is incorporated by reference, meets the requirements of Public Resources Code Section 21081.6 by providing for the implementation and monitoring of measures intended to mitigate the significant effects of the proposed project. In accordance with CEQA and the CEQA Guidelines, the City adopts these Findings of Fact as part of the certification of the Final EIR for the proposed project. Pursuant to Public Resources Code Section 21082.1(c)(3), the City also finds that the Final EIR reflects the City's independent judgment as the lead agency for the proposed project.

The Findings of Fact are organized into the following sections:

- **Section 1, Introduction**, outlines the organization of this document and identifies the location and custodian of the record of proceedings.
- **Section 2, Environmental Setting and Project Description**, describes the location and characteristics of the site, project overview, project design standards, project objectives and benefits, and required permits and approvals for the project.
- **Section 3, CEQA Review and Public Participation**, describes the steps the City has undertaken to comply with the CEQA Guidelines as they relate to public input, review, and participation during the preparation of the EIR.
- **Section 4, No Environmental Impacts**, provides a summary of those environmental issue areas where no impacts will occur.
- **Section 5, Less Than Significant Environmental Impacts**, provides a summary of insignificant impacts and a finding adopting the EIR's conclusions of insignificance.
- **Section 6, Less Than Significant Environmental Impacts With Mitigation Incorporated**, provides a summary of potentially significant environmental effects for which implementation of identified feasible mitigation measures will avoid or substantially reduce the environmental effects to less than significant levels.
- **Section 7, Significant and Unavoidable Environmental Impacts**, provides a summary of potentially significant environmental effects for which implementation of feasible mitigation measures will not avoid or substantially reduce the environmental effects to less than significant levels.
- **Section 8, Feasibility of Project Alternatives**, provides a summary of the alternatives considered for the proposed project.

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- **Section 9, Long-Term Implications**, provides a summary of the analysis of any potential long-term implications of the proposed project.
- **Section 10, Findings on Changes to the EIR and Recirculation**, provides a brief overview of reasons for changes to the EIR and why it is not necessary to recirculate the EIR.
- **Section 11, Findings on Mitigation Monitoring and Reporting Program**, provides a brief discussion of the project's compliance with the CEQA Guidelines regarding the adoption of a plan for monitoring and reporting compliance with mitigation measures.
- **Section 12, Statement of Overriding Considerations**, provides a statement of the project benefits that outweigh the significant and unavoidable project impact.

1.2 STATUTORY REQUIREMENTS

The California Environmental Quality Act (Public Resources Code Section 21081 et seq.), and particularly the CEQA Guidelines (the Guidelines) (14 California Code of Regulations, Section 15091 et seq.), require:

- (a) *No public agency shall approve or carry out a project for which an EIR has been certified which identifies one or more significant environmental effects of the project unless the public agency makes one or more written findings for each of those significant effects, accompanied by a brief explanation of the rationale for each finding. The possible findings are:*
1. *Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the final EIR.*
 2. *Such changes or alterations are within the responsibility and jurisdiction of another public agency and not the agency making the finding. Such changes have been adopted by such other agency or can and should be adopted by such other agency.*
 3. *Specific economic, legal, social, technological, or other considerations, including provision of employment opportunities for highly trained workers, make infeasible the mitigation measures or project alternatives identified in the final EIR.*

In short, CEQA requires that the lead agency adopt mitigation measures or alternatives, where feasible, to avoid or mitigate significant environmental impacts that will otherwise occur with implementation of the proposed project. Project mitigation or alternatives are not required, however, where they are infeasible or where the responsibility for modifying the proposed project lies with another agency (CEQA Guidelines Section 15091(a), (b)).

For those significant effects that cannot be mitigated to a less than significant level, the public agency is required to find that specific overriding economic, legal, social, technological, or other benefits of the proposed project outweigh the significant effects on the environment (Public Resources Code Section 21081(b)). The CEQA Guidelines state in Section 15093: "If the specific economic, legal, social, technological, or other benefits...of a proposed project outweigh the unavoidable adverse environmental effects, the adverse environmental effects may be considered 'acceptable.'"

LOCATION AND CUSTODIAN OF RECORD OF PROCEEDINGS

For purposes of CEQA and these Findings of Fact, the record of proceedings for the proposed project consists of a number of documents and other evidence, including the Notice of Preparation and all other public notices issued by the City in conjunction with the proposed project; the Draft EIR, including all documents included and referenced in the appendices and in references in the Draft EIR; the Final EIR, including all documents included in the appendices and in references in the Final EIR; all written comments and public testimony presented during the public comment period on the Draft EIR; the MMRP; the findings and resolution adopted by the City relative to the certification of the Final EIR; the findings and resolutions adopted by the City in connection with the proposed project and all documents incorporated by reference therein; all final reports, studies, memoranda, maps, staff reports, City reports, and City information packets relating to the proposed project prepared by or at the direction of the City or responsible or trustee agencies with respect to the City's compliance with the requirements of CEQA or with respect to the City's actions on the proposed project; all documents submitted to the City by other public agencies or members of the public in connection with the proposed project; the minutes and/or verbatim transcripts of all information sessions, public meetings, and public hearings held by the City in connection with the proposed project; any documentary or other evidence submitted to or by the City at such information sessions, public meetings, and public hearings; and any documents cited in these Findings. The documents and other materials that constitute the record of proceedings are located at 6330 Pine Avenue, in Bell. The City Planning Department is the custodian of such documents and other materials that constitute the record of proceedings. The record of proceedings is provided in compliance with Public Resources Code Section 21081.6(a)(2) and California Code of Regulations Title 14, Section 15091(e).

1.3 CERTIFICATION OF FINAL EIR

Pursuant to CEQA Guidelines Section 15090, the City further finds and certifies that:

- a) The Final EIR has been completed in compliance with CEQA;
- b) The Final EIR has been presented to the Bell City Council, which constitutes the decision-making body of the lead agency, and the Council has reviewed and considered the information contained in the Final EIR prior to approving the project; and
- c) The Final EIR reflects the City's independent judgment and analysis.

2.0 ENVIRONMENTAL SETTING AND PROJECT DESCRIPTION**2.1 ENVIRONMENTAL SETTING****Location**

The project site is located in the City of Bell within Los Angeles County. Bounded by Kern County to the north, Orange County to the south, Ventura County to the west, and San Bernardino County to the east, Los Angeles County is located along the coast in Southern California. The City of Bell is located along Interstate 10 (I-710), approximately 10 miles southeast of downtown Los Angeles. The proposed 40.2-acre project site is located entirely within the City of Bell.

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2.2 PROJECT OVERVIEW

Project Entitlements

The following applications are the requested City entitlements:

Development Agreement

The City anticipates approval of a development agreement between the future purchaser of each project site and the City. The terms of the development agreement have not been fully developed; however, the agreement will specify the following:

1. Financing responsibility of both on-site and off-site public improvement(s).
2. Timing of the installation of off-site improvements.
3. Establishment of a development review process that creates an expedited review process for high quality developments that meet the City's goals for creating new jobs and/or businesses in the City of Bell.
4. Revision of applicable City development standards to provide future developers with a clear description of the high quality development envisioned by the City.

Parcel Map

The proposed project includes a parcel map to divide parcel H into two approximately 5.25-acre parcels.

Encroachment Permit

City of Commerce

Extension of utilities may extend into the City of Commerce along South Eastern Avenue. If work is necessary in the City of Commerce right-of-way, an encroachment permit will be required.

Caltrans

For any work performed within State-controlled intersections or roadways, an encroachment permit will be required from Caltrans.

PROJECT DESCRIPTION

The proposed project will include eight existing Los Angeles County Assessor's parcels totaling four building sites located on Rickenbacker Road west of 6th Street. As shown in the Draft EIR, each of the sites is expected to accommodate a new building, parking, landscaping, and associated improvements. No buildings are proposed as part of this project; however, site plans and a potential building footprint have been developed for each of the four sites. In total, the four building sites, parcels A, F, G, and H, could result in 840,390 square feet of new industrial and ancillary office space.

In addition to the on-site improvements described above, utilities, including water, wastewater, storm drainage, and power, will be extended to each site. Rickenbacker Road is the sole access to parcel A, F, and G and will need to be extended past the current terminus onto parcel A. In addition to the roadway extension, road edge improvements such as curb, gutter, parking lane, etc., will also be constructed along the south side of Rickenbacker Road near parcel G. The City's intent is to approve individual entitlements for each of the four building sites.

**TABLE 2.0-1
BELL BUSINESS CENTER PARCEL, BUILDING SIZES, AND FLOOR AREA RATIOS**

Parcel	Existing APN	Site Acres	Industrial/ Warehouse Space	Andllary Office Space	Total Building Size
A	6332-002-965	14.5	274,860	20,000	294,860
F	6332-002-948 6332-002-945	11.6	234,528	10,000	244,528
G	6332-002-949	3.6	68,002	4,000	72,002
H	6332-002-946 6332-002-950 6332-002-952 6332-002-954	10.5	219,000	10,000	229,000
TOTAL		40.2	796,390	44,000	840,390

DESIGN AND APPEARANCE

Only the building footprint and site plan showing conceptual landscaping, parking, and parcel access is available for the project area. The City intends to allow flexibility in design and construction on the parcels. For example, one option being considered is "condominium industrial" use on parcel H, which can be developed for multiple industrial businesses within the same building. Other building configurations are possible. Figures 2.0-7A through 2.0-9C in the Draft EIR illustrate design studies that have been completed with various building configurations and combinations. The building configurations selected for analysis in the Draft EIR represent the largest total building area of the design studies. While additional site designs could occur, the City believes they would result in less total building area and therefore less overall impact than the proposed project.

CIRCULATION AND INFRASTRUCTURE IMPROVEMENTS

Roadway

Rickenbacker Road will provide the primary access to all of the parcels and the only access to parcels A, F, and G. The existing roadway will be extended from its current terminus approximately 400 feet west in a cul-de-sac near parcel A. Rickenbacker Road will be designed to match the existing roadway width section with two travel lanes in each direction, parking lane, curb, gutter, and sidewalk on the north side of the street.

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Parcel A currently has driveway access to K Street. When parcel A is developed, the driveway will be closed, and all access will be taken from the extension of Rickenbacker Road.

6th Street forms the eastern edge of parcel H and links Rickenbacker Road with Mansfield Way. As shown in Figure 2.0-4 in the Draft EIR, two driveways are proposed onto 6th Street.

Water

Water service to the site is provided by the California Water Service (Cal Water). The project will connect to the existing Cal Water line in Rickenbacker Road. When Rickenbacker Road is extended, the water line will also be extended to parcels A, F, and G. In addition to the water line, the roadway improvements will require both on- and off-site fire hydrants at regular spacing and may require looping of the water line on one or more of the parcels.

Sewer and Wastewater

Wastewater generated from the project site is collected by the City's local wastewater collection system and is then conveyed to the Los Angeles County Sanitation District's trunk mainlines for conveyance and treatment. The proposed project will connect to the existing line in Rickenbacker Road and will extend the sewer line consistent with the roadway extension.

Storm Drainage

The proposed project's storm drainage system would consist of surface flows and subsurface piping to a variety of perimeter storm drain systems, which are owned and maintained by the City of Bell and the Los Angeles County Flood Control District (LACFCD). All sites will have landscape/infiltration basins and possible infiltration pipes placed subsurface. The stormwater will surface flow over the site and enter catch basins and conveyance devices. The stormwater will then flow into surface basins or subsurface piping sized per County of Los Angeles standards. Parcel H is anticipated to then connect via pipe and restriction to the existing storm drain line along the westerly property line. Parcels A, F, and G are anticipated to have storm flows bubble up or flow onto Rickenbacker Road after on-site treatment.

Primary treatment is anticipated to be infiltration. The on-site system will also use trash racks and filter insert(s) for pre-treatment. In the event infiltration is not applicable, Katchall bio media chambers will be used. However, this method is anticipated only for parcel H.

Energy

Southern California Edison would provide electrical service, and Southern California Gas Company would provide gas service to the proposed project site. All new electrical and natural gas lines to serve future buildings would be located underground. Existing overhead power and telecommunications lines along respective project frontages will be allowed to stay in place and will not require undergrounding.

Grading

The entire project area has been heavily disturbed and is generally flat with some degree of impervious surface (i.e., paving, former building foundations). Construction will involve removal of the vegetation and surfaces and excavation necessary to support buildings. No import or

export of soil is anticipated, although it is likely that the vegetation and existing hard surface materials will be removed.

OPERATIONAL CHARACTERISTICS

The City anticipates that the four parcels will be developed with warehouse distribution land uses. There is no precise building plan proposed for any of the sites, and as shown on Figures 2.0-7a through 2.0-9c, a variety of possible building configurations could occur. While the precise configuration of buildings is not known, the total square footage will not exceed 840,390 square feet. Because of the types of anticipated land use, it is likely that all of the future buildings will provide for 24-hour operations and involve the use of semi-trucks for loading and distribution associated with the warehouses.

Office space for each of the warehouses is estimated and may vary slightly with each of the parcels, depending on the future tenant(s). It is not expected that office use will become the primary use on any of the parcels.

2.3 REQUIRED PERMITS AND APPROVALS

As required by the CEQA Guidelines, this section provides, to the extent the information is known to the City, a list of the agencies that are expected to use the Final EIR in their decision-making and a list of permits and other approvals required to implement the proposed project.

Lead Agency Approval

The Final EIR must be certified by the City of Bell as to its adequacy in complying with the requirements of CEQA before the City takes any action on the proposed project. The City will consider the information contained in the EIR in making a decision to approve or deny the proposed project. The analysis in the EIR is intended to provide environmental review for the whole of the proposed project in accordance with CEQA requirements.

Other Required Permits and Approvals

A public agency other than the lead agency that has discretionary approval power over a project is known as a responsible agency, as defined by the CEQA Guidelines. The responsible agencies and their corresponding approvals for this proposed project include:

State of California

- *California Department of Transportation (Caltrans) District 7*: Issuance of encroachment permit for improvements on State-controlled intersections or roadways
- *California Department of Fish and Wildlife (CDFW)*: Issuance of a 1603 Streambed Alteration Agreement

Regional Agencies

- *State Water Resources Control Board*: Issuance of construction stormwater runoff permits prior to project construction

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- *Regional Water Quality Control Board (RWQCB)*: Issuance of Section 401 Water Quality Certification, and permitting associated with potential recycled water for irrigation use

Local Agencies

- *City of Commerce*: Issuance of an encroachment permit for work performed along South Eastern Avenue in the City of Commerce right-of-way

Please note that the change in agency name from the California Department of Fish and Game to the California Department of Fish and Wildlife took effect on January 1, 2013. For purposes of this document, the agency names and abbreviations are considered interchangeable.

3.0 CEQA REVIEW AND PUBLIC PARTICIPATION

The City complied with the CEQA Guidelines during the preparation of the Draft EIR for the proposed project. The Draft EIR, dated May 2013, was prepared following input from the public, responsible agencies, and affected agencies through the Draft EIR scoping process. The "scoping" of the EIR was conducted using several of the tools available under CEQA. In accordance with Section 15082 of the CEQA Guidelines, a Notice of Preparation (NOP) was prepared and distributed to the State Clearinghouse, responsible agencies, affected agencies, and other interested parties on April 8, 2013. The NOP was posted in the Los Angeles County Clerk's office for 30 days. Information requested and input provided during the 30-day NOP comment period regarding the scope of the environmental document are included in the EIR. The public review period for the NOP was from April 8, 2013, to May 8, 2013, and the public review period for the Notice of Availability/Draft EIR was from May 21, 2013, to July 5, 2013.

3.1 NOTICE OF PREPARATION

A Notice of Preparation was prepared per CEQA Guidelines Section 15082. Public outreach for the NOP included distribution using the methods described below.

Overnight and Certified Mail

The NOP was sent to 17 local agencies and the Office of Planning and Research, State Clearinghouse for distribution to two state agencies. During the public scoping/comment period, the NOP was made available for review at the following locations:

- **City Hall** located at 6330 Pine Avenue, Bell, California
- **Bell Community Center** located at 6250 Pine Avenue, Bell, California

3.2 NOTICE OF AVAILABILITY AND DRAFT ENVIRONMENTAL IMPACT REPORT

Upon completion of the Draft EIR, and in accordance with CEQA Guidelines Section 15087(a), the Notice of Availability (NOA) was prepared and published. Public outreach for the Draft EIR included distribution of the NOA using the following methods:

Newspaper Publications

The City published the NOA in the Bell/Maywood Industrial Post on May 16, 2013.

Overnight and Certified Mail

The NOA and Draft EIR were sent to 17 interested agencies/organizations and the Office of Planning and Research, State Clearinghouse for distribution to three state agencies. During the public review period, the EIR was made available for review at the following locations:

- **City Hall** located at 6330 Pine Avenue, Bell, California
- **Bell Community Center** located at 6250 Pine Avenue, Bell, California
- **Bell Public Library** located at 4414 Gage Avenue, Bell, California

Online

The NOA and Draft EIR were available online at <http://www.cityofbell.org/?navid=2370>.

4.0 NO ENVIRONMENTAL IMPACTS

Based on the Draft EIR, the Final EIR, and the record of proceedings, the City of Bell finds that the proposed project will have no environmental impacts for specific topic areas identified below. Page numbers in parentheses refer to the Draft EIR unless otherwise noted.

- Air Quality (create objectionable odors affecting a substantial number of people, p. 3.1-24)
- Biological Resources (impacts to special-status plant species, p. 3.2-11; impacts to potential jurisdictional waters of the United States, including wetlands, p. 3.2-14; impacts to migratory corridors, p. 3.2-14; impacts to sensitive biological communities, p. 3.2-14; conflicts with local policies or ordinances protecting biological resources, p. 3.2-15; conflicts with an adopted habitat conservation plan, natural community conservation plan, or any adopted biological resources recovery or conservation plan of any federal or state agency, p. 3.2-15)
- Cultural Resources (potential destruction or damage to historical resources, p. 3.3-7; potential destruction or damage to archaeological resources, pp. 3.3-7 through -8; potential destruction or damage to paleontological resources, p. 3.3-8)
- Geology and Soils (soils incapable of supporting septic tanks, p. 3.5-16)
- Hazards and Hazardous Materials (impacts to schools, p. 3.6-16; impacts associated with hazardous materials sites, p. 3.6-16; impacts associated with airport land use or airports, p. 3.6-16; impacts associated with wildland fires, p. 3.6-17)
- Hydrology and Water Quality (impacts associated with inundation by seiche, tsunami, or mudflow, p. 3.7-22)
- Land Use and Planning (all criteria, pp. 3.8-8 through -12)
- Noise (impacts associated with exposure to noise in airport areas, p. 3.9-10)

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- Transportation and Circulation (impacts associated with air traffic patterns that lead to substantial safety risks, p. 3.12-20; substantial increase in hazards due to a design feature or incompatible uses, p. 3.12-20; inadequate emergency access, p. 3.12-21; conflicts associated with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, p. 3.12-21)

4.1 AIR QUALITY

Create Objectionable Odors Affecting a Substantial Number of People (p. 3.1-24)

The proposed project will not include any land uses, such as agriculture (farming and livestock), wastewater treatment plants, food processing plants, chemical plants, composting facilities, refineries, landfills, dairies, and fiberglass molding, that have been identified by the South Coast Air Quality Management District (SCAQMD) as sources that could create objectionable odors.

Findings: The City finds, based on the Draft EIR, the Final EIR, and the whole of the record, that the proposed project will not result in impacts related to objectionable odors.

4.2 BIOLOGICAL RESOURCES

Impacts to Special-Status Plant Species (p. 3.2-11)

Direct impacts to special-status plants will be avoided since the project footprint and construction staging areas have been sited entirely within disturbed and urban/developed vegetative communities, which do not contain suitable habitat for any special-status plant species. The project will have no impact on special-status plant species.

Impacts to Potential Jurisdictional Waters of the United States, Including Wetlands (p. 3.2-14)

There are no potentially jurisdictional waters of the United States, including wetlands, within the project area.

Impacts to Migratory Corridors (p. 3.2-14)

Implementation of the proposed project would not result in the obstruction or movement of migratory birds or other wildlife. Structures developed on the project site would not impede flight paths or otherwise cause obstructions to normal migratory flyways.

Impacts to Sensitive Biological Communities (p. 3.2-14)

The proposed project site is in an urban setting, has been heavily disturbed, and is generally flat with some degree of impervious surface (i.e., paving, former building foundations). Due to its disturbed nature, no sensitive communities are located within the project area; therefore, no sensitive communities will be directly impacted by project implementation.

Conflicts with Local Policies or Ordinances Protecting Biological Resources (p. 3.2-15)

The proposed project would not conflict with any local policies or ordinances protecting biological resources. The City has not adopted any biological ordinances with which this project conflicts.

Conflicts with an Adopted Habitat Conservation Plan, Natural Community Conservation Plan, or Any Adopted Biological Resources Recovery or Conservation Plan of Any Federal or State Agency (p. 3.2-15)

The proposed project would not conflict with the provisions of an adopted habitat conservation plan, natural community conservation plan, or other approved local, regional, or state habitat conservation plan, as no such plans pertain to this developed and highly urbanized area.

Findings: The City finds, based on the Draft EIR, the Final EIR, and the whole of the record, that the proposed project will not result in impacts to special-status plant species; impacts to potential jurisdictional waters of the United States, including wetlands; impacts to migratory birds; impacts to sensitive biological communities; conflicts with local policies or ordinances protecting biological resources; and conflicts with an adopted habitat conservation plan, natural community conservation plan, or any adopted biological resources recovery or conservation plan of any federal or state agency.

4.3 CULTURAL RESOURCES**Potential Destruction or Damage to Historical Resources (p. 3.3-7)**

The proposed project area is in an urban setting consisting largely of asphalt, gravel, and sediment, and also some brush and trees, barbed wire fences, and a shipping container storage yard. Although no building designs are currently proposed, developed land could result in 840,390 square feet of new industrial buildings and ancillary office space. The cultural resource assessment prepared by LSA Associates, Inc. for the project site determined that no historic resources exist on the project site.

Potential Destruction or Damage to Archaeological Resources (pp. 3.3-7 through -8)

The cultural resource assessment completed for the project site indicates that no previously recorded archaeological resources are located within the project area boundaries. A pedestrian survey further confirmed the absence of cultural resources. As such, no impacts to archaeological resources would result.

Potential Destruction or Damage to Paleontological Resources (p. 3.3-8)

The pedestrian surface survey and the records search of the proposed project site and its vicinity conducted in April 2013 did not identify any evidence of paleontological resources within the project site. While the project site in its entirety has not been investigated by a professional paleontologist, within 0.5 mile of the project area, 13 studies have been conducted. The closest study was a finding of no adverse effects for the I-710 project that abuts the current project area.

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on the southwest side. Due to the absence of paleontological resources within the proposed project area, no impact would occur.

Findings: The City finds, based on the Draft EIR, the Final EIR, and the whole of the record, that the proposed project will not result in impacts to historical, archaeological, and paleontological resources.

4.4 GEOLOGY AND SOILS

Impacts Associated with Septic Tanks (p. 3.5-16)

Although soil associations found within the boundaries of the proposed project site have varying degrees of septic tank limitations, the proposed project does not propose the use of septic tanks and therefore would not result in associated impacts.

Findings: The City finds, based on the Draft EIR, the Final EIR, and the whole of the record, that the proposed project will not result in impacts associated with septic tanks.

4.5 HAZARDS AND HAZARDOUS MATERIALS

Proximity to Schools (p. 3.6-16)

The project site is not located within one-quarter mile of an existing or proposed school. Thus, there is no potential for the proposed project to impact schools.

Hazardous Materials Sites (p. 3.6-16)

A search of government hazardous materials databases determined that no reported hazardous materials sites, pursuant to Government Code Section 65962.5, are located on the project site.

Hazards Associated with Airport Land Use Plans or Airports (p. 3.6-16)

The project site is not located within an airport land use plan or within 2 miles of a public airport or private use airport.

Hazards Associated with Wildland Fires (p. 3.6-17)

The project site and surrounding area are completely urbanized with little natural vegetation and are not located in an area identified as having the potential for wildland fires.

Findings: The City finds, based on the Draft EIR, the Final EIR, and the whole of the record, that the proposed project will not result in impacts to schools; associated with hazardous materials sites pursuant to Government Code Section 65962.5; associated with Airport Land Use Plans or airports in proximity to the proposed project; and associated with wildland fires.

4.6 HYDROLOGY AND WATER QUALITY

Inundation – Natural Disaster (p. 3.7-22)

The project site is not located in proximity to any enclosed or semi-enclosed bodies of water. Additionally, the project site is not located in proximity to the ocean and therefore would not be subject to tsunami impacts. The project site and surrounding area are relative flat, and the project site is not positioned downslope from an area of potential mudflow.

Findings: The City finds, based on the Draft EIR, the Final EIR, and the whole of the record, that the proposed project will not result in impacts from inundation associated with natural disasters.

4.7 LAND USE AND PLANNING

Physically Divide an Established Community (p. 3.8-8)

The proposed project will extend the existing Rickenbacker Road approximately 400 feet west, terminating in a cul-de-sac providing access to parcels A, F, and G. The extension of the roadway will allow the existing driveway from parcel A onto K Street to be closed. However, this extension will be beneficial because industrial traffic will no longer be forced to drive through non-industrial uses south of Rickenbacker Road, the transitional housing project and other uses operated by the Salvation Army. The project is consistent with the existing General Plan designation and zone district. It will not add new roadways, but will extend and add roadway improvements along Rickenbacker Road. As an industrial project located in an industrial district, development of the proposed project will not divide an established community.

Conflict with City of Bell General Plan and Zoning Ordinance (pp. 3.8-9 through -10)

Development of the proposed buildings on parcels A, F, G, and H along Rickenbacker Road will be consistent with the other industrial uses that exist along the roadway as well as those along South Eastern Avenue and Bandini Boulevard in the vicinity of the project. Rickenbacker Road will be extended to serve parcels A, F, and G, and the extension of the roadway will eliminate the existing driveway access from parcel A onto J Street. Eliminating diesel truck trips along J Street will reduce noise, dust, and odor associated with diesel truck traffic adjacent to the Salvation Army Bell Shelter, transitional housing, and residential uses located along J and K streets.

The proposed project is consistent with the General Plan designation and zone district adopted by the City of Bell for the development of commercial manufacturing and heavy commercial uses. The project will result in the construction of buildings for warehousing and ancillary office space, which are permitted uses in the zone district.

Conflict with a Habitat Conservation Plan or Natural Community Conservation Plan (p. 3.8-11)

The project site is not located within an adopted habitat conservation plan, natural community conservation plan, or other approved habitat conservation plan.

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Conversion of Farmland to Nonagricultural Use (p. 3.8-11)

The proposed project is graded, devoid of any agricultural crops, and completely surrounded by urbanized uses. No farmland exists in the vicinity of the project site. In addition, based on the California Important Farmland Mapping prepared by the California Department of Conservation (2013), the proposed project is not located on land designated Prime Farmland, Unique Farmland, or Farmland of Statewide Importance.

Cumulative Impacts on Land Use (p. 3.8-11)

The proposed project is consistent with the adopted General Plan and zone district adopted for the project site by the City of Bell. Further, the surrounding properties are also designated industrial and heavy commercial by the cities of Commerce, Maywood, and Vernon. Development of the parcels as proposed would result in utilization of the last remaining vacant land along Rickenbacker Road. Further, no other lands could be accessed from the extension of Rickenbacker Road, and the extension of the roadway would result in the closure of the existing access for parcel A onto K Street. Closure of the K Street access would eliminate diesel truck traffic on K Street from parcel A and reduce the potential for impacts to the Salvation Army Bell Shelter. As the proposed project is similar to other existing industrial uses in the vicinity of the project, and the development of parcels A, F, G, and H will use all of the remaining vacant land on Rickenbacker Road, there is no potential for additional development of industrial uses along the roadway.

Findings: The City finds, based on the Draft EIR, the Final EIR, and the whole of the record, that the proposed project will not result in the physical division of an established community; conflict with the City of Bell General Plan and Zoning Ordinance; conflict with a habitat conservation plan or natural community conservation plan; convert farmland to nonagricultural use; or result in cumulative impacts on land use.

4.8 NOISE

Exposure to Noise in Airport Areas (p. 3.9-10)

There are no private airstrips, public airports, or public use airports in Bell. The City of Bell does not have an adopted airport land use plan.

Findings: The City finds, based on the Draft EIR, the Final EIR, and the whole of the record, that the proposed project will not result in exposure to noise in airport areas.

4.9 TRANSPORTATION AND CIRCULATION

Change in Air Traffic Patterns that Results in Substantial Safety Risks (p. 3.12-20)

The nearest major airport, Los Angeles International Airport, is located approximately 22 miles from the site. Due to this distance and the nature of the proposed project, implementation of the proposed project would not result in any change in air traffic patterns or traffic levels.

Substantially Increase Hazards Due to a Design Feature or Incompatible Uses (p. 3.12-20)

The City of Bell implements development standards designed to ensure standard engineering practices are used for all improvements. New development allowed under the proposed project would include new access points, loading docks, and other circulation improvements that would be checked for compliance with these standards as part of the review process conducted by the City. Improvements to the transportation and circulation system surrounding the project site would also be implemented and all such improvements would be designed and constructed to local, regional, and federal standards, and as such, would not introduce any hazardous design features. The proposed project includes an extension of Rickenbacker Road from its current terminus to provide access to parcels A, F, and G. As part of the proposal, the existing parcel A access onto J Street will be eliminated. This would reduce the amount of truck traffic near the transitional housing. The improvements to Rickenbacker Road are essentially in a straight line, similar to the existing roadway and consistent with City standards allowing for full emergency vehicle access. The proposed project would not include any dangerous design features, curves, or intersections.

Emergency Access (p. 3.12-21)

The area currently benefits from a network of roadways that provide complete access around the area as approved by the City. Full access for the project site is currently provided by Rickenbacker Road, which bisects Eastern Avenue. The site could also be accessed from Eastern Avenue via Mansfield Way to 6th Street to Rickenbacker Road as well as via Mansfield Way to K Street to 3rd Street. Emergency access would not be impacted by the project.

Conflict with Adopted Policies, Plans, or Programs Regarding Public Transit, Bicycle, or Pedestrian Facilities (p. 3.12-21)

The area is already served by alternate transportation modes, including bus routes and passenger rail. Public transportation within Bell is provided by Metro. Metro operates both bus and rail lines, which start around 4 AM and keep running past midnight every day. There are eight Metro bus stops within a quarter mile of the project site. In addition, the Commerce Metrolink Station is less than 1.5 miles from the project site. These transit options would remain intact and not otherwise be affected by the project. Therefore, impacts related to existing alternative transportation would not result from the project, and the proposed project would not conflict with adopted policies, plans, or programs supporting alternative transportation.

Findings: The City finds, based on the Draft EIR, the Final EIR, and the whole of the record, that the proposed project will not result in a change in air traffic patterns that results in substantial safety risks result in impacts to emergency access; increase hazards due to a design feature or incompatible uses; impacts to emergency access; or conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities.

5.0 LESS THAN SIGNIFICANT ENVIRONMENTAL IMPACTS

Based on the Draft EIR, the Final EIR, and the record of proceedings, the City of Bell finds that the proposed project will result in less than significant environmental impacts without any mitigation measures for all of the specific topic areas identified below. Page numbers in parentheses refer to the Draft EIR unless otherwise noted.

FINDINGS OF FACT

- Air Quality (short-term construction-generated pollutant emissions resulting in violation of air quality standard or contributing to existing violations, pp. 3.1-13 through -14; exposure of sensitive receptors to near-term local mobile-source carbon monoxide (CO) pollutant concentrations, pp. 3.1-16 through -17; exposure of sensitive receptors to toxic air contaminant pollutant concentrations during construction activities, pp. 3.1-18 through -20; exposure of sensitive receptors to toxic air contaminant pollutant concentrations during operations, pp. 3.1-20 through -23)
- Biological Resources (cumulative impacts on biological resources, p. 3.2-16)
- Cultural Resources (cumulative impacts on cultural resources, pp. 3.3-8 through -9)
- Climate Change and Greenhouse Gases (conflict with applicable plan adopted to reduce GHG emissions, pp. 3.4-20 through -22)
- Geology and Soils (impacts associated with fault rupture, p. 3.5-12; impacts associated with landslides, p. 3.5-14; soil erosion or loss of topsoil, pp. 3.5-14 through -15; expansive soils, p. 3.5-15; cumulative soils stability and seismic impacts, p. 3.5-16)
- Hazards and Hazardous Materials (use, storage, and transport of hazardous materials, p. 3.6-12 through -13; release of hazardous materials, pp. 3.6-13 through -15; hazards associated with emergency response, pp. 3.6-16 through -17; cumulative risk of exposure to hazardous materials, p. 3.6-17 through -18)
- Hydrology and Water Quality (impacts associated with groundwater, p. 3.7-19; drainage and flooding on- or off-site, pp. 3.7-20 through -21; impacts associated with flooding, p. 3.7-21; inundation as the result of failure of dams, p. 3.7-21; cumulative impacts to hydrology and water quality, pp. 3.7-22 through -23)
- Noise (traffic noise impacts, pp. 3.9-6 through -7; stationary noise source impacts, pp. 3.9-7 through -8; groundborne vibration and noise impacts, pp. 3.9-8 through -9; cumulative traffic noise impacts, p. 3.9-11)
- Population, Housing, and Employment (population, housing, and employment growth, pp. 3.10-3 through -4; cumulative employment growth, p. 3.10-5)
- Public Services and Utilities (increased demand for fire protection and emergency medical services, pp. 3.11-3 through -4; adequate fire flow, p. 3.11-4; cumulative demand for fire protection and emergency medical services, p. 3.11-5; increased demand for police protection and law enforcement services, p. 3.11-7; cumulative demand for law enforcement services, pp. 3.11-7 through -8; increased demand for wastewater conveyance and treatment, pp. 3.11-11 through -12; cumulative wastewater service impacts, p. 3.11-12; increased demand for water supply, pp. 3.11-17 through -18; demand for water supply infrastructure, pp. 3.11-18 through -19; impacts on cumulative water supply, pp. 3.11-19 through -20; increased demand for stormwater conveyance and treatment, pp. 3.11-25 through -26; cumulative impacts on storm drainage infrastructure, pp. 3.11-26 through -27; increased solid waste disposal, p. 3.11-28; conflicts with solid waste regulations, p. 3.11-29; cumulative solid waste impacts, p. 3.11-29 through -30)

5.1 AIR QUALITY

Short-Term Construction-Generated Pollutant Emissions Resulting in Violation of Air Quality Standards or Contributing to Existing Violations (pp. 3.1-13 through -14)

Construction associated with the proposed project would generate short-term emissions of criteria air pollutants resulting from site grading and excavation, road paving, motor vehicle exhaust associated with construction equipment and worker trips, and the movement of construction equipment, especially on unpaved surfaces. Based on the CARB-approved CalEEMod computer program, all criteria pollutant emissions would remain below their respective thresholds.

Exposure of Sensitive Receptors to Near-Term Local Mobile-Source CO Pollutant Concentrations (pp. 3.1-16 through -17)

Implementation of the project would not contribute to localized concentrations of mobile-source carbon monoxide that would exceed applicable ambient air quality standards. The primary mobile-source criteria pollutant of local concern is carbon monoxide (CO). For the purpose of the CO hotspots analysis, the traffic impact analysis prepared for the project was reviewed in order to identify any project-affected intersection declines in level of service (LOS) to an unacceptable level. Based on the traffic analysis prepared for this project, the proposed project would increase the number of vehicles at Garfield Avenue/Bandini Boulevard and Eastern Avenue/Mansfield Way over existing conditions, causing these facilities to degrade to an unacceptable level of service. All other traffic facilities in the vicinity of the project are projected to continue to operate acceptably with project implementation. However, based on the analysis contained on pages 3.1-16 through -17, under future conditions, predicted maximum 1-hour and 8-hour CO concentrations at the intersections projected to operate at unacceptable levels of service during peak commute hours would not exceed even the most stringent corresponding California ambient air quality standards.

Exposure of Sensitive Receptors to Toxic Air Contaminant Pollutant Concentrations During Construction Activities (pp. 3.1-18 through -20)

Implementation of the proposed project would not result in increased exposure of existing sensitive land uses to construction-source pollutant concentrations that would exceed applicable standards. Based on localized significance threshold (LST) methodology, developed by SCAQMD staff, emissions of these pollutants on the peak day of construction would not result in concentrations of pollutants at nearby residences or other sensitive receptors.

Exposure of Sensitive Receptors to Toxic Air Contaminant Pollutant Concentrations During Operations (pp. 3.1-20 through -23)

Implementation of the proposed project would result in increased exposure of existing or planned sensitive land uses to stationary or mobile-source toxic air contaminants (TACs) that would exceed applicable standards. However, based on mathematical calculations for cancer risk and non-cancer risk (analyzed on pages 3.1-20 through -23) at sensitive receptors in the project vicinity, none of the identified sensitive receptor areas would be exposed to thresholds above acceptable levels.

FINDINGS OF FACT

Findings: The City finds, based on the Draft EIR, the Final EIR, and the whole of the record, that the proposed project will result in less than significant impacts associated with short-term construction-generated pollutant emissions resulting in violation of air quality standards or contributing to existing violations; exposure of sensitive receptors to near-term local mobile-source CO pollutant concentrations; exposure of sensitive receptors to toxic air contaminant pollutant concentrations during construction activities; and exposure of sensitive receptors to toxic air contaminant pollutant concentrations during operations.

5.2 BIOLOGICAL RESOURCES

Cumulative Impacts on Biological Resources (p. 3.2-16)

Implementation of the proposed project, in combination with existing, approved, proposed, and reasonably foreseeable development in the immediate area of the proposed project, will result in the conversion of habitat and impact biological resources. Though the development of the proposed project will intensify uses in an urbanized area, mitigation measures associated with the proposed project will reduce the project's contribution to cumulative impacts.

Findings: The City finds, based on the Draft EIR, the Final EIR, and the whole of the record, that the proposed project will result in less than significant cumulative impacts associated with biological resources.

5.3 CULTURAL RESOURCES

Cumulative Impacts on Cultural Resources (pp. 3.3-8 through -9)

Implementation of the proposed project would not affect any significant impacts to historic, archaeological, or paleontological resources. Therefore, when considered with other cumulative development in Bell and surrounding areas, this project would not result in a cumulative loss and/or disturbance of cultural resources (i.e., prehistoric sites, historic sites, and isolated artifacts and features), or human remains. Additionally, the proposed project, in combination with cumulative development in the surrounding region, would not increase the potential to disturb known and undiscovered paleontological resources in the region.

Findings: The City finds, based on the Draft EIR, the Final EIR, and the whole of the record, that the proposed project will result in less than cumulatively considerable impacts associated with cultural resources.

5.4 CLIMATE CHANGE AND GREENHOUSE GASES

Conflict with Applicable Plan Adopted to Reduce GHG Emissions (pp. 3.4-20 through -22)

Although the City of Bell does not have local policies or ordinances aimed at reducing greenhouse gas (GHG) emissions, the City is subject to compliance with the Global Warming Solutions Act (AB 32), which is discussed in the DEIR (p. 3.4-8). Therefore, in terms of project conformance with an applicable plan to reduce GHG emissions, the project is compared to the GHG-reducing strategies of SB 375 and specifically to the Southern California Association of Governments' (SCAG) 2012–2035 Regional Transportation Plan/Sustainable Communities

Strategy (TRP/SCS), adopted in April 2012. Based on the goals and policies of the RTP/SCS that reduce vehicle miles traveled, which focus on transportation and land use planning, the project is consistent with the growth projections allotted to Bell in SCAG's RTP/SCS.

Findings: The City finds, based on the Draft EIR, the Final EIR, and the whole of the record, that the proposed project will result in less than significant impacts associated with a conflict with an applicable plan adopted to reduce GHG emissions.

5.5 GEOLOGY AND SOILS

Impacts Associated with Fault Rupture (p. 3.5-12)

According to the City of Bell General Plan Safety Element (1996), the project site is not located in an Alquist-Priolo Special Studies Zone, and the potential for damage due to direct fault rupture is considered unlikely.

Impacts Associated with Landslides (p. 3.5-14)

The project site and surrounding area are relatively flat, making the possibility of landslides extremely remote. There is no potential for landslides to occur on or near the project site as a result of the proposed development.

Soil Erosion or Loss of Topsoil (pp. 3.5-14 through -15)

Grading and excavation activities associated with construction of the proposed project would expose soils to potential short-term erosion by wind and water. All demolition and construction activities in the city would be subject to compliance with the California Building Code (CBC). Further, the project would be subject to compliance with the requirements set forth in the National Pollutant Discharge Elimination System (NPDES) Storm Water General Construction Permit for construction activities. Compliance with the CBC and the NPDES would minimize effects from erosion and ensure consistency with the Water Quality Control Plan – Los Angeles Region.

Expansive Soils (p. 3.5-15)

The soils at the project site are fine sandy loam and silt loam, which are considered to have low expansion potential. However, any potential future development would comply with design standards provided in the CBC.

Cumulative Soil Stability and Seismic Impacts (p. 3.5-16)

Impacts associated with fault rupture and strong seismic ground shaking, seismic-related ground failure, including liquefaction and unstable soils, landslides, and shallow groundwater are based on site-specific conditions. These inherent conditions are an end result of natural historical events that occur through vast periods of geologic time and are not based on cumulative development. However, proper evaluation of site-specific conditions and compliance with existing codes and standards, the proposed project's contribution to significant impacts related to the area's geology would be less than significant.

Findings: The City finds, based on the Draft EIR, the Final EIR, and the whole of the record, that the proposed project will result in less than significant impacts

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associated with fault rupture; landslides; soil erosion or loss of topsoil; and expansive soils; and less than cumulatively considerable impacts on soil stability and seismic impacts.

5.6 HAZARDS AND HAZARDOUS MATERIALS

Use, Storage, and Transport of Hazardous Materials (pp. 3.6-12 through -13)

Implementation of the proposed project would require the use and transportation of limited amounts of commonly used hazardous materials, including solvents, paints, gasoline, fertilizers, and pesticides, during project construction and operation. However, the proposed project would be subject to compliance with existing regulations, standards, and guidelines established by the US Environmental Protection Agency (EPA), State of California, County of Los Angeles, and the City of Bell related to the storage, use, and disposal of hazardous materials. Compliance with the City's Emergency Operations Plan (EOP) would also be required. Adherence to existing regulations would ensure compliance with safety standards related to the use and storage of hazardous materials, and with the safety procedures mandated by applicable federal, state, and local laws and regulations. Compliance with these regulations would ensure that risks resulting from the routine transportation, use, storage, or disposal of hazardous materials or hazardous wastes associated with implementation of the proposed project would not result in significant impacts.

Release of Hazardous Materials (pp. 3.6-13 through -15)

Implementation of the proposed project would not result in the accidental release of hazardous materials into the environment, because compliance with the established regulatory framework would reduce the risk of hazardous materials use, transportation, and handling through the implementation of established safety practices, procedures, and reporting requirements.

Hazards Associated with Emergency Response (pp. 3.6-16 through -17)

The proposed project site would not physically interfere with an adopted emergency response plan or emergency evacuation plan. Implementation of the proposed project and the potential development associated with it would not impair the City's ability to implement its emergency response plan or utilize its emergency evacuation routes. Circulation through the project site would be maintained, as much as feasible, and applicable emergency services would be notified of road closures.

Cumulative Risk of Exposure to Hazardous Materials (pp. 3.6-17 through -18)

Implementation of the proposed project would result in potential short-term impacts during construction activities associated with exposure to hazards such as potential contaminated soils. However, hazards and hazardous materials impacts associated with the project would be site-specific and would not contribute to cumulative hazardous impacts. Cumulative development in the region is not anticipated to result in significant hazards or hazardous materials impacts to the project site.

As described in the Draft EIR, with proper implementation of mitigation measures identified in the Draft EIR, the proposed project would not contribute to an increase in the potential for exposure to hazards associated with soil contamination or the potential risk of upset as a result of current or past land uses. The proposed project will not combine with any planned growth in the area to

form a hazards impact greater or more significant than the project impact alone. Therefore, the cumulative hazards impacts are considered less than cumulatively considerable.

Findings: The City finds, based on the Draft EIR, the Final EIR, and the whole of the record, that the proposed project will result in less than significant impacts with regard to the use, storage, and transport of hazardous materials; release of hazardous materials; and hazards associated with emergency response; and less than cumulatively considerable impacts related to risk of exposure to hazardous materials.

5.7 HYDROLOGY AND WATER QUALITY

Groundwater (p. 3.7-19)

Based on the water supply assessment (WSA) conducted by C&V Consulting, Inc., in May 2013, it is estimated that the proposed project would need 40.2 acre-feet of water per year. This represents approximately 0.40 percent of the 2010 water demand and 0.27 percent of the total adjudicated water supply. Cal Water has provided a water supply assessment indicating that during non-drought conditions there is sufficient water to meet the projected needs of the project. As such, Cal Water concludes that for the next 20 years, the East Los Angeles District will have more than adequate water supplies to meet projected demands associated with the proposed project and those of all existing customers and other anticipated future users for normal single dry year and multiple dry year conditions.

Drainage – Flooding On- and Off-Site (pp. 3.7-20 through -21)

The site conditions are heavily disturbed and generally flat with some degree of impervious surface. The proposed project's storm drainage system would consist of surface flows and subsurface piping to a variety of perimeter storm drain systems, which are owned and maintained by the City of Bell and the LACFCD. As such, the drainage for the project site would be altered when compared to existing conditions. However, as required by the Los Angeles County Department of Public Works, the project would not be allowed to discharge more than one cubic foot per second (cfs) per acre. To mitigate these flows, the on-site piping would be oversized to allow stormwater to be stored. Prior to out-letting into the County facility, each outfall would be restricted to meet the 1 cfs per acre requirement. The majority of the storage would occur below grade with minimal surface storage. As such, the proposed project would not substantially increase runoff that would result in flooding on- or off-site.

Flooding (p. 3.7-21)

Per the Federal Emergency Management Agency (FEMA), the proposed project site is located within Zone X, which is outside the 100-year flood area. Additionally, the proposed project would not involve the construction of housing units or place structures within a 100-year flood hazard area.

Inundation – Dams (p. 3.7-21)

According to the Draft EIR, the project site is located within dam inundation areas of both the Sepulveda Dam and the Hansen Dam, which are located over 25 miles northwest of the project site. However, due to the distance of the dams from the project site, it is anticipated that it would take several hours for floodwaters to reach the project site. In the event of dam failure,

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the City would implement its emergency response plan, including coordinating the evacuation of people within dam inundation areas. As such, less than significant impacts have been identified for this issue area.

Cumulative Impacts to Hydrology and Water Quality (pp. 3.7-22 through -23)

In terms of construction, implementation of all development within the project site would require grading and construction. While potential to degrade water quality exists, the project would be required to comply with the NPDES stormwater permitting program, which regulates water quality originating from construction sites. The NPDES program requires the preparation and implementation of a stormwater pollution prevention plan for construction activities that disturb more than 1 acre and the implementation of best management practices that ensure the reduction of pollutants during stormwater discharges as well as compliance with all applicable water quality requirements. Additionally, the implementation of mitigation measures MM 3.7.1a through MM 3.7.1d identified in the Draft EIR would further reduce impacts.

From an operational standpoint, the proposed project, in combination with other planned and approved projects, would not violate water quality standards or waste discharge requirements because the proposed project is subject to the Los Angeles County Department of Public Works requirement for the Standard Urban Stormwater Mitigation Plan under the "Redevelopment" category. As detailed in the SUSMP, the proposed project would include a range of best management practices to control off-site discharge of pollutants in accordance with NPDES requirements. As such, the proposed project in conjunction with other planned and approved projects would not result in cumulatively considerable impacts to hydrology and water quality.

Findings: The City finds, based on the Draft EIR, the Final EIR, and the whole of the record, that the proposed project will result in less than significant impacts with regard to groundwater; drainage (flooding on- and off-site); flooding; dam inundation; and cumulative impacts to hydrology and water quality.

5.8 NOISE

Traffic Noise Impacts (pp. 3.9-6 through -7)

As discussed in the Draft EIR, the proposed project would not expose existing off-site sensitive receptors to noise levels exceeding the City of Bell's exterior noise standard for industrial uses or the exterior noise standard for residential uses. Project-related traffic noise level increases along roadway segments would be minimal, except along Rickenbacker Road west of Eastern Avenue, where the project-related traffic would be most concentrated. However, at the nearest sensitive receptors (residences to the south), no increase in CNEL would occur, as the incremental traffic noise increase would dissipate over distance to the homes, resulting in levels well below ambient levels. Since the project would not result in a substantial permanent increase in ambient noise levels and resulting levels would be below both the threshold for industrial uses and the threshold for residential uses, traffic noise impacts would be considered less than significant.

Stationary Noise Source Impacts (pp. 3.9-7 through -8)

The primary sources of stationary noise at industrial and warehouse facilities include truck idling and vehicle engine noise. As analyzed in the Draft EIR, the maximum number of diesel trucks operating at the same time on a peak day would be 16 trucks. Even assuming all 16 trucks were idling simultaneously on parcel H (based on the concept plans for the project, 16 dock doors

could be located on the south side of parcel H), the noise generated would not result in a substantial increase in noise levels or exceed the California Department of Health's recommended thresholds. As a result, impacts to adjacent residential uses would be less than significant. Additionally, noise associated with parking facilities would generate less noise than the truck idling and loading/unloading activities. The nearest residences are approximately 600 feet from the edge of the parking lot on the south side of parcel H. With the noise attenuation from the distance divergence and shielding provided by the off-site buildings between the project site and the nearest residences to the south, residences to the south would experience a less than significant impact with respect to parking lot activity.

Groundborne Vibration and Noise Impacts (pp. 3.9-8 through -9)

The range of groundborne vibration levels from construction activity would result in potential annoyance at the nearest receptors adjacent to the project site, but they would not cause any damage to buildings. Construction vibration, similar to vibration from other sources, would not have any significant effects on outdoor activities, such as those associated with the vocational school adjacent to the project. Groundborne vibration associated with vehicular traffic resulting from the proposed project would take place on paved roads with smooth pavement, minimizing the risk of vibration noise from traffic. Considering that construction would not expose persons to or generate excessive groundborne vibration or groundborne noise levels and recognizing that vehicular traffic associated with the project would take place on smooth, paved surfaces, this impact is considered less than significant.

Cumulative Traffic Noise Impacts (p. 3.9-11)

As analyzed in the Draft EIR, the increase in traffic volumes resulting from implementation of the proposed project would contribute to increases in cumulative traffic noise levels. To assess cumulative traffic-related noise level impacts associated with the proposed project and other projects, noise contours were developed based on the Federal Highway Administration (FHWA) highway traffic noise prediction model, adding the project traffic to background traffic that includes growth from other projects in the region. Noise levels were modeled on 26 roadway segments surrounding the project site. The greatest cumulative contribution to noise levels attributable to the proposed project is 1.5 dBA on Rickenbacker Road at the project site. As the overall noise level on this segment would be 65 dBA CNEL, it would not exceed the 75 dBA threshold for industrial areas and therefore would not constitute a significant cumulative impact. The project's 1.5 dBA contribution would not be cumulatively considerable. Noise increases attributed to the project on the other 25 roadway segments modeled would range from 0.0 dBA to 0.4 dBA and similarly would not be considered cumulatively considerable.

Findings: The City finds, based on the Draft EIR, the Final EIR, and the whole of the record, that the proposed project will result in less than significant impacts with regard to traffic noise; stationary noise; groundborne vibration and noise; and cumulative traffic noise.

5.9 POPULATION, HOUSING, AND EMPLOYMENT

Induce Population, Housing and Employment Growth (pp. 3.10-3 through -4)

The project proposes infill development in a fully urbanized area served by existing roads and infrastructure. Project implementation would not require the extension of public infrastructure (i.e., any transportation facility or public utility) or provision of new public services. With the

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exception of the 400-foot extension of Rickenbacker Road, the roads providing direct access to the project site are improved. Public utilities would be extended to the site from existing facilities located adjacent to the site without the need for expansion of capacity. Additionally, public services are provided throughout the city, and the establishment of new sources of service would not be required. Therefore, project implementation would not induce indirect population growth in the city through extension of roads or other infrastructure, or provision of new services.

Cumulative Employment Growth (p. 3-10-5)

As described in the Draft EIR, the proposed project would result in an estimated 453 to 542 employees. The estimated increase in employees is within the SCAG employee growth projections for the area. As the unemployment rate for both Bell and Commerce are above the state and national averages, there is a pool of existing potential employees who could work on the project site. The US Census reports that the majority of employees in Bell commute less than 30 minutes to work, which suggests local employment. The proposed project would continue the pattern of industrial and employment uses along Rickenbacker Road, South Eastern Avenue, and Bandini Boulevard. Since the proposed project is consistent with the employment growth projected by SCAG for the area, this impact is less than cumulatively considerable.

Findings: The City finds, based on the Draft EIR, the Final EIR, and the whole of the record, that the proposed project will result in less than significant impacts associated with population, housing, and employment growth, as well as cumulative growth employment.

5.10 PUBLIC SERVICES AND UTILITIES

Increased Demand for Fire Protection and Emergency Medical Services (pp. 3.11-3 through -4)

The proposed project would allow for the future development of four industrial warehouse/office buildings in an existing industrial area. Los Angeles County Fire Department (LACFD) Fire Stations #27 and #50 will provide fire protection and emergency medical services to the project site. Based on the size of the proposed conceptual industrial buildings, they would be required to include fire sprinkler system, fire hydrants, and extinguishers on-site. In addition, the proposed industrial sites would be required to have adequate fire access, which would include roadways that are 26 to 42 feet in width, a 150-foot-wide access point, and a 32-foot-wide turnaround area.

Additionally, future development on the project site would be subject to review and approval by the LACFD Fire Prevention Engineering Section to ensure life safety consistent with the Fire Code and Fire Standards (Title 32 of the Los Angeles County Code). According to the LACFD, no expansion or construction of new facilities would be necessary to serve the proposed project.

Adequate Fire Flow (p. 3.11-4)

Although no buildings are proposed at this time, future buildings would be required to meet specific fire flow standards pursuant to Title 32 of the Los Angeles County Code. Title 32 requires a minimum fire flow of 1,000 to 5,000 gallons per minute (gpm) (1.4 to 7.2 million gallons per day (mgd)) at 20 pounds per square inch of residual pressure for 2 to 5 hours at residential and commercial uses, with hydrants every 300 feet. Final construction drawings would be subject to review and approval by the LACFD Fire Prevention Engineering Section prior to issuance of building permits. Water required to meet the fire flow and hydrant standards would be

conveyed to the project site via an existing water main located within the right-of-way of Rickenbacker Road. Due to the level of design known at the time the Draft EIR was prepared, the adequacy of capacity within the existing water main would be speculative. However, the water main was likely sized to adequately accommodate full buildout of the industrial area, including the currently vacant project site. In addition, any improvements to the water main occurring within the existing right-of-way, which is in an existing developed industrial setting, would have minimal physical environmental effects.

Cumulative Demand for Fire Protection and Emergency Medical Services (p. 3.11-5)

The proposed project, combined with other development within the jurisdiction of the LACFD's East Region Bureau, would result in increased demand for fire protection and emergency medical services. Although the proposed project would result in future development of warehouses that will increase the number of industrial structures in the service area, the future development of those structures would be conditioned to be in compliance with the Fire Code. No expansion or construction of new facilities has been identified as necessary to meet the needs of the Eastern Region Bureau. Therefore, the proposed project's increased demand for fire protection and emergency medical services would not be cumulatively considerable.

Increased Demand for Police Protection and Law Enforcement Services (p. 3.11-7)

As discussed in the Draft EIR, the City of Bell Police Department is currently staffed with 29 officers, budgeted to have 31 officers for the 2013–2014 fiscal year, and has a response time of 5 minutes to the project site. According to Chief of Police Anthony Miranda, the department is able to serve proposed project without the expansion of existing facilities or the construction of new facilities. Therefore, the proposed project would not result in construction activities associated with new police facilities.

Cumulative Demand for Law Enforcement Services (pp. 3.11-7 through -8)

The proposed project, combined with other development within the city limits, would result in increased demand for police protection and law enforcement. Although the proposed project would result in future development of industrial warehouses that will increase the worker population and structures within the city, it will also reduce existing blight associated with the existing vacant parcels. No expansion of existing facilities or construction of new facilities has been determined necessary, beyond those identified under existing conditions, to meet the needs of the city.

Wastewater Conveyance and Treatment (pp. 3.11-11 through -12)

The proposed project would extend the sewer line in Rickenbacker Road from its current terminus to parcel A, providing service to parcels A, F and G. The existing line in Rickenbacker Road will serve parcel H. Potential wastewater generation associated with the proposed project was estimated based on the Los Angeles County Sanitation Districts' (LACSD) sewerage loadings for District No. 2 and conceptual building designs. The proposed project would allow for the development of four buildings of new industrial/warehouse space and ancillary office space. According to the LACSD's loadings, sewage units, and unit rates, an office building would have a flow rate of 200 gallons per day (gpd) per 1,000 square feet and a warehouse building would have a flow rate of 25 gpd per 1,000 square feet. Based on these flow rates and the square footage of conceptual future development, the proposed project would result in the generation of approximately 21,010 gallons of wastewater per day (or 0.021 mgd). This increased demand

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would represent a 0.0075 percent increase over the existing demand or 0.0175 percent of the remaining 120 mgd remaining treatment plant capacity. Since there is adequate capacity remaining at the treatment plant to serve the proposed project, the project would not result in the need for new or expanded treatment facilities.

Cumulative Wastewater Service Impacts (p. 3.11-12)

The proposed project, combined with other development in the LACSD service area, would increase the demand on wastewater conveyance infrastructure and treatment facilities. The LACSD requires payment of annexation, connection, and service fees to fund improvements necessary to meet the needs of future growth. Future development on the project site would be required to pay connection and service fees prior to issuance of a building permit. The proposed project's payment of connection fees would contribute toward improvements to meet future increased demands. In addition, the proposed project's potential wastewater generation would represent a 0.0075 percent increase over the existing demand or 0.0175 percent of the remaining 120 mgd remaining treatment plant capacity, which would not be cumulatively considerable.

Water Supply Demand and Environmental Effects (pp. 3.11-17 through -18)

Implementation of the proposed project would result in an increased demand for water supply within Cal Water's East Los Angeles District. However, this increase would only be a small percentage of total water demand and supply. Additionally, Cal Water concludes that for the next 20 years, the East Los Angeles District will have more than adequate water supplies to meet projected demands associated with the proposed project and those of all existing customers and other anticipated future users for normal single dry year and multiple dry year conditions. This finding is based on the adequacy of existing and planned supplies from the West Basin Municipal Water District (WBMWD) and the Metropolitan Water District of Southern California (MWDSC). The finding is also supported by future Cal Water plans to construct additional transmission, storage, and distribution system improvements in the East Los Angeles District and historical experience demonstrating the adequacy of supply during single and multiple dry years in the East Los Angeles District. Cal Water has programs in place to meet demands, such as its water rationing program and ongoing conservation programs and best management practices for reducing demand during single and multiple dry years.

Water Supply Infrastructure (pp. 3.11-18 through -19)

Rickenbacker Road will be improved with public utilities, including water, wastewater, storm drainage, and power. The existing water mains located in the Rickenbacker Road right-of-way will be extended and/or replaced in order to accommodate the water demand for each of the four building sites. Water main extension agreements and water permits would be required prior to issuance of any building permits. In addition to the water line, the roadway improvements will require both on- and off-site fire hydrants at regular spacing (300 feet) and may require looping of the water line on one or more of the project sites, which will require encroachment permits. All off-site infrastructure improvements would occur on the project site or within the existing right-of-way in an industrial area. The construction of water infrastructure on the project site or within the public right-of-way would result in limited, temporary effects on the environment.

Cumulative Water Supply (pp. 3.11-19 through -20)

Per Cal Water, the East Los Angeles District has sufficient imported water and groundwater allocations to meet the projected 2040 annual demand during normal and single drought year conditions. However, there is a high likelihood that there will be a permanent reduction of imported water supplies available to the East Los Angeles District. Therefore, during multiple year drought conditions, Cal Water may have to implement voluntary or mandatory rationing depending on the severity of the drought and the availability of imported supplies, which may limit the amount of water available to the service area.

The 2013 California Water Plan update is currently being prepared. The Water Plan provides a framework and resource management strategies promoting two major initiatives: integrated regional water management that enables regions to implement strategies appropriate for their own needs and helps them become more self-sufficient; and improved statewide water management systems that provide for upgrades to large physical facilities, such as the State Water Project and statewide management programs essential to the California economy. This plan will likely address alternatives to pumping from the Delta during multiple drought years. However, the ability to serve the cumulative water demand in the future under multiple drought year conditions is currently unknown. However, as analyzed in the Draft EIR, the incremental increase in water demand by the proposed project represents only a small percentage of water demand and therefore would result in less than cumulatively considerable impacts.

Stormwater Conveyance and Treatment (pp. 3.11-25 through -26)

Future development on the project site would be required to implement stormwater pollution control measures (Municipal Code Section 13.08.070), comply with urban runoff mitigation requirements (Municipal Code Section 13.08.080), and provide proof of coverage under the state General Construction Permit and certification that a stormwater pollution prevention plan has been prepared (Municipal Code Section 13.08.090). Stormwater pollution control measures would include preparation of a stormwater mitigation plan that includes best management practices necessary to control stormwater pollution from construction activities and operations. If the future development would result in the discharge of anything other than stormwater, the applicant would be required to obtain a NPDES industrial permit (Municipal Code Section 13.08.100).

Cumulative Storm Drainage Infrastructure Impacts (pp. 3.11-26 through -27)

Future development associated with the proposed project, combined with other existing, planned, proposed, approved, and reasonably foreseeable development in the Los Angeles River watershed, would contribute to the amount of runoff discharged to the Los Angeles River and the San Pedro Bay downstream. All development that discharges to a municipal storm drainage system is required to comply with the NPDES permit requirements and the Standard Urban Stormwater Mitigation Plan (SUSMP), which reduce the potential for urban contaminants to pollute waters downstream and minimize the amount of stormwater generated by construction activities and development.

Increased Solid Waste Disposal (p. 3.11-28)

Implementation of the proposed project would result in the generation of construction debris during site preparation for future development and would generate solid waste during operations of the future buildings. Based on the analysis in the Draft EIR, the proposed project is estimated to generate approximately 1 to 2 tons of solid waste per month, which is equivalent to

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an increase of 0.0008 percent over the amount of solid waste currently sent to the existing landfill. This increase would not exceed the capacity of the existing landfill.

Compliance with Solid Waste Regulations (p. 3.11-29)

Consolidated Disposal Service (CDS) (Republic Services) provides waste management and recycling services for construction, demolition, and renovation projects as well as for commercial and industrial uses. CDS has several recycling centers located throughout the region to capture recyclable materials prior to reaching the landfill and to divert recyclables and beneficial use materials. CDS also provides multiple programs for customers to help sort and manage recyclable materials. Implementation of the proposed project would not be expected to conflict with Public Resources Code Sections 42900–42927 and current compliance with waste diversion.

Cumulative Solid Waste Impacts (p. 3.11-29 through -30)

Implementation of the proposed project, in combination with other existing, approved, proposed, or reasonably foreseeable development, would result in increased generation of solid waste that would need to be processed at the Sunshine Canyon Landfill. The landfill has capacity to accept waste from its service area until 2037. Even with the anticipated closure of one of the landfills available to the proposed project in 2013, adequate landfill capacity would be available under cumulative conditions to meet the needs of the proposed project and surrounding region through 2037.

Findings: The City finds, based on the Draft EIR, the Final EIR, and the whole of the record, that the proposed project will result in less than significant impacts associated with increased demand for fire protection and emergency medical services; adequate fire flow; cumulative demand for fire protection and emergency medical services; increased demand for police protection and law enforcement services; cumulative demand for law enforcement services; increased demand for wastewater conveyance and treatment; cumulative wastewater service impacts; increased demand for water supply; demand for water supply infrastructure; impacts on cumulative water supply; increased demand for stormwater conveyance and treatment; cumulative impacts on storm drainage infrastructure; increased solid waste disposal; conflicts with solid waste regulations; and cumulative solid waste impacts.

6.0 LESS THAN SIGNIFICANT ENVIRONMENTAL IMPACTS WITH MITIGATION INCORPORATED

Based on the Draft EIR, the Final EIR, and the record of proceedings, the City of Bell makes the following findings associated with significant, potentially significant, and cumulatively significant impacts that can be mitigated to a less than significant level through implementation of proposed mitigation measures, for all of the specific topic areas identified below. Page numbers in parentheses refer to the Draft EIR unless otherwise noted.

- Biological Resources (impacts to special-status wildlife species, pp. 3.2-11 through -12)
- Geology and Soils (impacts associated with strong ground shaking, p. 3.5-13; exposure to seismic-related ground failure, including liquefaction, pp. 3.5-13 through -14; unstable soils, p. 3.5-15)

- Hydrology and Water Quality (impacts associated with water quality, pp. 3.7-15 through -19; drainage, p. 3.7-20)
- Noise (exposure to short-term construction, pp. 3.9-9 through -10)

6.1 BIOLOGICAL RESOURCES

Impacts to Special-Status Wildlife Species (pp. 3.2-11 through -12)

Implementation of the proposed project would result in impacts to nesting habitat of burrowing owls. Additionally, excessive noise, disturbance, and vibrations, if construction were to happen during nesting season, would result in impacts to active nests of migratory birds. Further, roosting habitat may be present for the western mastiff bat in the buildings on parcel A.

Findings: The City finds, based on the Draft EIR, the Final EIR, and the whole of the record, that the proposed project will result in potentially significant impacts to biological resources (impacts to special-status wildlife species). The following mitigation measures shall be implemented to reduce the severity of the impact:

Mitigation Measures

MM 3.2.2a Burrowing Owl. If clearing and construction activities occur during the nesting period for burrowing owls (February 1–August 31), a qualified biologist shall conduct focused surveys for burrowing owls on and adjacent to the project site. Surveys shall be conducted in accordance with the California Department of Fish and Game's (CDFG) *Staff Report on Burrowing Owl Mitigation*, published March 7, 2012. Surveys shall be repeated if project activities are suspended or delayed for more than 15 days during nesting season.

If no burrowing owls are detected, no further mitigation is required. If active burrowing owl nest sites are detected, the project applicant shall implement the avoidance, minimization, and mitigation methodologies outlined in the CDFG's *Staff Report on Burrowing Owl Mitigation* prior to initiating project-related activities that may impact burrowing owls.

MM 3.2.2b Migratory Birds and Raptors. If vegetation removal or ground surface disturbance (any form of grading) is to occur during migratory bird and raptor nesting season (January 15–August 15), the project applicant shall retain a qualified biologist to conduct a focused survey for active nests within 14 days prior to the disturbance of the construction area. Nesting surveys for small birds are only fully effective if carried out between dawn and 11 A.M., as many species become inactive during the middle of the day. If active nests are found, trees/shrubs with nesting birds shall not be disturbed until abandoned by the birds or a qualified biologist deems disturbance potential to be minimal (in consultation with the USFWS and/or the CDFW, where appropriate). If applicable, tree removal and grading shall be restricted to a period following fledging of chicks, which typically occurs between late July and early August. If an active nest is located within 50 feet (250 feet for raptors) of construction activities, other restrictions may include establishment

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of exclusion zones (no ingress of personnel or equipment at a minimum radius of 50 feet or 250 feet, as appropriate, around the nest as confirmed by the appropriate resource agency) or alteration of the construction schedule. If construction activities or tree removal are proposed to occur during the non-breeding season, a survey is not required, no further studies are necessary, and no mitigation is required.

MM 3.2.2c **Surveys of Potential Bat Roosts.** Demolition of abandoned structures will be preceded by a survey for bat presence. Structures being used by bats will not be removed until it has been determined that bats are no longer using the site or until demolition can be carried out without harming any bats.

Residual Impact

After the implementation of mitigation measures MM 3.2.2a, MM 3.2.2b, and MM 3.2.2c, the proposed project's biological impacts to special-status wildlife species would be less than significant.

6.2 GEOLOGY AND SOILS

Impacts Associated with Strong Seismic Ground Shaking (p. 3.5-13)

Due to its proximity to several active faults, the proposed project site is located in a seismically active area. Thus, there is a potential that the buildings associated with the proposed project could be subject to strong ground shaking during an earthquake.

Exposure to Seismic-Related Ground Failure, Including Liquefaction (pp. 3.5-13 through -14)

The proposed project is located in a seismically active area and is located in an area mapped as potentially liquefiable. Therefore, the project site has a potentially high susceptibility for liquefaction.

Unstable Soils (p.3.5-15)

The soils underlying the proposed project site could become unstable during seismic activity, potentially resulting in settlement or ground failure.

Findings: The City finds, based on the Draft EIR, the Final EIR, and the whole of the record, that the proposed project will result in potentially significant impacts to geology and soils (impacts associated with strong ground shaking; exposure to seismic-related ground failure, including liquefaction; and unstable soils). The following mitigation measures shall be implemented to reduce the severity of the impact:

Mitigation Measures

MM 3.5.2 Prior to the issuance of building permits for each building on the project site, the project applicant shall submit a design-level geotechnical study and building plans to the City of Bell for review and approval. The design-level

geotechnical study shall be prepared by a qualified engineer and identify grading and building practices necessary to ensure stable building conditions. The project applicant shall incorporate the recommendations of the approved project-level geotechnical study into project plans. The project's building plans shall demonstrate that they incorporate all applicable recommendations of the design-level geotechnical study and comply with all applicable requirements of the latest adopted version of the California Building Standards Code. A licensed professional engineer shall prepare the plans, including those that pertain to soil engineering, structural foundations, pipeline excavation, and installation. All on-site soil engineering activities shall be conducted under the supervision of a licensed geotechnical engineer or certified engineering geologist.

Residual Impact

After the implementation of mitigation measure MM 3.5.2, the proposed project's geology and soils impacts would be less than significant.

6.3 HYDROLOGY AND WATER QUALITY

Water Quality (pp. 3.7-15 through -19)

The proposed project could result in erosion and water quality degradation of downstream surface water and groundwater resources during both project construction and operation.

Drainage – Erosion or Siltation (p. 3.7-20)

Implementation of the proposed project could alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which could result in substantial erosion or siltation on- or off-site.

Findings: The City finds, based on the Draft EIR, the Final EIR, and the whole of the record, that the proposed project will result in potentially significant impacts to hydrology and water quality (impacts associated with water quality and drainage). The following mitigation measures shall be implemented to reduce the severity of the impacts:

Mitigation Measures

- MM 3.7.1a** Prior to grading permit issuance and as part of the project's compliance with the NPDES requirements, a Notice of Intent (NOI) shall be prepared and submitted to the State Water Resources Quality Control Board (SWRCB), providing notification and intent to comply with the State of California General Permit.
- MM 3.7.1b** The proposed project shall conform to the requirements of an approved stormwater pollution prevention plan (SWPPP) (to be applied for during the grading plan process) and the NPDES Permit for General Construction Activities No. CAS000002, Order No. 2009-0009-DWQ, including implementation of all recommended best management practices (BMPs), as approved by the State Water Resources Quality Control Board.

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MM 3.7.1c As part of the plan review process, the City of Bell shall ensure that project plans identify a suite of stormwater quality BMPs that are designed to address the most likely sources of stormwater pollutants resulting from operation of the proposed project, consistent with the Low Impact Development program. Pollutant sources to be addressed by these BMPs include, but are not necessarily limited to, parking lots, landscaped areas, trash storage locations, and storm drain inlets. The design and location of these BMPs will be subject to review and comment by the City but shall generally adhere to the standards associated with the Phase II NPDES stormwater permit program. Prior to the issuance of a certificate of occupancy, the developer shall demonstrate that all structural BMPs described in the project's LID have been constructed and installed. In addition, the developer/successor in charge is prepared to implement all non-structural BMPs described in the LID.

MM 3.7.1d Upon completion of project construction, the project applicant shall submit a Notice of Termination (NOT) to the State Water Resources Quality Control Board to indicate that construction is complete.

Residual Impact

After the implementation of mitigation measures MM 3.7.1a through MM 3.7.1d, the proposed project's hydrology and water quality impacts would be less than significant.

6.4 NOISE

Exposure to Short-Term Construction Noise (pp. 3.9-9 through -10)

The proposed project would result in short-term noise associated with excavation, grading, and construction. Construction of the proposed project is expected to require the use of scrapers, bulldozers, motor graders, and water and pickup trucks. This equipment associated with project construction is expected to generate noise levels that would expose nearby residences to a temporary and intermittent increase in noise levels.

Findings: The City finds, based on the Draft EIR, the Final EIR, and the whole of the record, that the proposed project will result in potentially significant impacts to noise (exposure to short-term construction noise). The following mitigation measure shall be implemented to reduce the severity of the impacts:

Mitigation Measure

MM 3.9.4 The project contractor shall implement the following mitigation to reduce construction-related noise impacts associated with the project:

- 1) Equip all construction equipment, fixed or mobile, with properly operating and maintained mufflers consistent with manufacturers' standards.
- 2) Place all stationary construction equipment on the west side of the project so that emitted noise is directed away from sensitive receptors.

- 3) Locate equipment staging in areas that will create the greatest distance between construction-related noise sources and noise-sensitive receptors to the south of the site during all project construction.
- 4) Limit all construction, maintenance, or demolition activities within the City of Bell's boundary to the hours between 7:00 a.m. and 6:00 p.m.

Residual Impact

After the implementation of mitigation measure MM 3.9.4, the proposed project's noise impacts would be less than significant.

7.0 SIGNIFICANT AND UNAVOIDABLE ENVIRONMENTAL IMPACTS

Based on the criteria set forth in the Draft EIR and the Final EIR, the City finds that the following environmental effects of the project are significant and unavoidable and cannot be reduced through mitigation measures to a less than significant level. However, as explained in the Statement of Overriding Considerations contained in Section 12 below, these effects are considered to be acceptable when balanced against the economic, legal, social, technological, and other benefits of the project. Page numbers in parentheses refer to the Draft EIR unless otherwise noted.

- Air Quality (conflict with the 2012 Air Quality Management Plan, pp. 3.1-12 through -13; long-term operational emissions of air pollutants resulting in violation of air quality standards or contributing to existing violations, pp. 3.1-14 through -16; result in a cumulatively considerable net increase in nonattainment criteria pollutant, p. 3.1-24 through -25)
- Climate Change and Greenhouse Gases (generate greenhouse gas emissions that may have a significant impact on the environment, pp. 3.4-17 through -20)
- Transportation and Circulation (substantial increase in traffic volume, pp. 3.12-16 through -20; cumulative year 2025 plus project impacts to traffic volumes, pp. 3.12-23 through -25)

7.1 AIR QUALITY

Conflict with the 2012 Air Quality Management Plan (pp. 3.1-12 through -13)

The proposed project violates Consistency Criterion No. 1 of the SCAQMD's 2012 Air Quality Management Plan (AQMP) by exceeding the long-term operational standards, thus violating air quality standards.

Findings: The City finds, based on the Draft EIR, the Final EIR, and the whole of the record, that the proposed project would result in significant and unavoidable impacts to air quality (conflicts with the 2012 AQMP).

Mitigation Measures

None available.

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Residual Impact

The SCAQMD is required, pursuant to the federal Clean Air Act, to reduce emissions of criteria pollutants for which the South Coast Air Basin (SoCAB) is in nonattainment. In order to reduce such emissions, the SCAQMD drafted the 2012 Air Quality Management Plan. The 2012 AQMP establishes a program of rules and regulations directed at reducing air pollutant emissions and achieving state (California) and national air quality standards. The proposed project is in the SoCAB, under the jurisdiction of the SCAQMD. Because the proposed project exceeds the long-term operational standards, conflicting with Consistency Criterion No. 1 of the 2012 AQMP, associated impacts are considered significant and unavoidable. No mitigation is available to reduce impacts to less than significant levels.

Long-Term Operational Emissions of Air Pollutants Resulting in Violation of Air Quality Standards or Contributing to Existing Violations (pp. 3.1-14 through -16)

The proposed project would exceed the SCAQMD's nitrogen oxides (NOx) emission thresholds for both winter and summer emissions. These emissions are primarily associated with mobile sources, such as the heavy-duty truck traffic associated with this proposed warehouse land use.

Findings: The City finds, based on the Draft EIR, the Final EIR, and the whole of the record, that the proposed project would result in significant and unavoidable impacts to air quality (impacts on long-term operation emissions of air pollutants resulting in violation of air quality standards or contributing to existing violations).

Mitigation Measures

MM 3.1.3a Mobile and Other Area Source Emissions Reduction. The developer/successor-in-charge shall ensure the following design measures are implemented to reduce impacts associated with operational emissions from other area sources:

1. In order to promote alternative fuels and help support "clean" truck fleets, the developer/successor-in-interest shall provide building occupants with information related to the SCAQMD's Carl Moyer Program or other such programs that promote truck retrofits or clean vehicles and information including, but not limited to, the health effects of diesel particulate matter, the benefits of reduced idling time, CARB regulations, and the importance of not parking in residential areas. If trucks older than the 2007 model year will be used at the project facilities, the developer/successor-in-interest shall require, within one year of signing a lease or purchasing the property, future tenants to apply in good faith for funding for diesel truck replacement/retrofit through grant programs such as the Carl Moyer Program or others, as identified by the SCAQMD. Tenants shall be required to use those funds, if awarded.
2. All building rooftops on-site shall be designed to accommodate solar power and the use of solar energy (i.e., solar panels).
3. All roofing shall be constructed of light-colored roofing materials.

4. All lighting fixtures, including signage, shall be state of the art and energy efficient, and light fixtures energy-efficient compact fluorescent and/or LED light bulbs. Where feasible, the use of solar-powered lighting shall be implemented.
5. Parking lots shall be constructed with cool pavement technologies (i.e., 100 percent concrete) as opposed to conventional paving materials.
6. Trees shall be planted to shade parking areas.
7. Where feasible, Energy Star heating, cooling, and lighting devices and appliances shall be used.
8. All outdoor lighting shall be limited to only those needed for safety and security purposes.

MM 3.1.3b **Signs.** Signage shall be posted stating the State-mandated prohibition of all on-site trucks idling in excess of 5 minutes under the Heavy-Duty Vehicle Idling Emission Reduction Program. Additionally, to prevent trucks from entering into residential areas, truck routes shall be marked with trailblazer signs.

MM 3.1.3c **Electrical Hookups/Electrically Powered Equipment.**

1. To ensure the technology can be employed when it becomes commercially available, the developer(s)/successor(s)-in-charge shall install electrical infrastructure to accommodate various electrical equipment needed during the operational phase of the proposed project.
2. Where transport refrigeration units (TRUs) are in use, electrical hookups shall be installed at all loading docks in order to allow TRUs with electric standby capabilities to use them. Trucks incapable of utilizing the electrical hookups shall be prohibited from accessing the site as set forth. Idling in excess of 5 minutes shall be prohibited, subject to on-site verification. Quarterly inspection reports shall be available on-site at all times.
3. Service equipment (i.e., forklifts and yard hostlers) shall be electrically powered, where feasible.

The developer/successor-in-charge shall ensure the installation of a minimum of one electric vehicle charging station per site.

Residual Impact

Emissions associated with heavy-duty trucks are regulated by the California Air Resources Board (CARB) and thus are outside the jurisdiction and control of the City to regulate. Therefore, there is not much feasible mitigation that can be directed at this source of emissions beyond the loading dock design requirement described under mitigation measure MM 3.4.1a in Section 3.4, Climate Change and Greenhouse Gases (pp. 3.4-19 through -20), and the mitigation measures included above. The mitigation measures discussed above would reduce impacts, however not

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to levels less than significant. Due to the lack of feasible mitigation, this remains a significant and unavoidable impact.

Result in a Cumulatively Considerable Net Increase in Nonattainment Criteria Pollutant (pp. 3.1-24 through -25)

Implementation of the proposed project, in combination with cumulative development in the South Coast Air Basin, would result in a cumulatively considerable net increase of criteria air pollutants for which the SoCAB is designated nonattainment.

Findings: The City finds, based on the Draft EIR, the Final EIR, and the whole of the record, that the proposed project would result in significant and unavoidable impacts to air quality (a cumulatively considerable net increase in nonattainment criteria pollutant).

Mitigation Measures

None available.

Residual Impact

The proposed project is inconsistent with the 2012 Air Quality Management Plan, which is intended to bring the South Coast Air Basin into attainment for all criteria pollutants, since the operational emissions calculated for the proposed project exceed the applicable SCAQMD daily significance thresholds that are designed to assist the region in attaining the applicable state and national ambient air quality standards.

7.2 CLIMATE CHANGE AND GREENHOUSE GASES

Generate Greenhouse Gas Emissions That May Have a Significant Impact on the Environment (pp. 3.4-17 through -20)

Project construction would result in the generation of approximately 2,142 metric tons of carbon dioxide equivalents (CO₂e) over the course of construction. Once construction is complete, the generation of these GHG emissions would cease. In accordance with the SCAQMD guidance, projected GHGs from construction have been quantified and amortized over the life of the project (30 years). The amortized construction emissions are added to the annual average operational emissions. Prior to mitigation, the proposed project would produce 10,778 metric tons of CO₂e annually, surpassing the project threshold of 10,000 metric tons of CO₂e annually.

Findings: The City finds, based on the Draft EIR, the Final EIR, and the whole of the record, that the proposed project would result in significant and unavoidable impacts to climate change and greenhouse gas emissions (generate greenhouse gas emissions that may have a significant impact on the environment).

Mitigation Measures

MM 3.4.1a Applicants of development projects located within the Bell Business Center shall implement the following measures to reduce long-term emissions of greenhouse gases associated with the proposed project:

1. Indoor water conservation measures shall be incorporated, such as use of low-flow toilets and faucets (bathrooms).
2. The proposed project shall be designed to exceed state energy efficiency standards by 15 percent (to Tier 1 Title 24 Standards) as directed by Appendix A5 of the 2010 California Green Building Standards (CBSC 2011). This measure helps to reduce emissions associated with energy consumption.
3. The project will be required to install Energy Star appliances in all buildings. The types of Energy Star appliances that will be installed include fans and refrigerators.
4. All loading docks shall be designed to accommodate SmartWay trucks.¹
5. The project shall be required, prior to building permit issuance, to install rooftop solar panels or solar-panel-ready rooftops to allow for easy, cost-effective installation of solar energy systems in the future, using such solar-ready features as:
 - Designing the building to include optimal roof orientation (between 20 to 55 degrees from the horizontal), with sufficient south-sloped roof surface.
 - Providing clear access without obstructions (chimneys, heating and plumbing vents, etc.) on the south-sloped roof.
 - Designing the roof framing to support the addition of solar panels.
 - Installing electrical conduit to accept solar electric system wiring.

MM 3.4.1b The project is required to reduce waste by 3 percent through a waste diversion program that requires recycling from all uses on the project site. Prior to issuance of occupancy permits, the applicant will complete the following measures:

1. All businesses will subscribe to waste collection and recycling services provided by the City's franchised waste collection company.

¹ For example, the aerodynamic equipment for trailers may include use of "boat tails" that attach to the end of the trailer and may potentially be incompatible with loading bays designed with certain dock shelters. (<http://www.epa.gov/smartway/technology/designated-tractors-trailers.htm>).

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2. All businesses will participate in the recycling program offered through the City's franchised waste collection company. Businesses will recycle all items available through the company's program, or an equivalent method, which ensures that the waste is diverted away from landfill disposal.
3. Adequate space for waste and recycling containers will be constructed at the complex to ensure ease of collection by the City's franchised waste collection company. The units housing the containers shall be constructed to allow sufficient space for the quantity of containers needed to ensure that the waste and recyclables can be collected in an efficient manner. The franchised waste collection company will be consulted to ensure that sufficient space is available for recycling and trash containers.

Residual Impact

Based on the Draft EIR, even with the implementation of mitigation measures identified above, long-term operations of the proposed project would produce 10,557 metric tons of CO₂e annually, which is more than the significance threshold. The majority of these emissions are a result of mobile sources, such as the heavy-duty truck traffic associated with this proposed warehouse land use.

The truck trips are of two types: drayage trucks bringing goods from the ports to the project and long-haul trucks taking transloaded goods from the project eastward to the rest of the country. Mitigation measure MM 3.4.1a requires measures applicable to the project's buildings (e.g., loading dock design) to ensure that the state regulatory actions applicable to these trucks are accommodated by the project.

Heavy-duty trucks emissions are intensely evaluated in the AB 32 Scoping Plan and are regulated by CARB. Since heavy-duty truck emissions are outside the jurisdiction and control of the City of Bell to regulate, there is not much feasible mitigation beyond the loading dock design requirement imposed by mitigation measure MM 3.4.1a. It is further noted that the AB 32 Scoping Plan identifies a heavy-duty vehicles GHG emissions reduction category, which provides for a reduction of 0.9 million metric tons of CO₂e. CARB's heavy-duty vehicle GHG emissions reduction measure regulation was expressly adopted to address heavy-duty truck emissions. The status report on the AB 32 Scoping Plan indicates that the planned 0.9 MMTCO₂e [million metric tons of CO₂e] reduction has been achieved through this regulation. However, with the implementation of mitigation measures above and emission reduction through the AB 32 Scoping Plan, project operation would still exceed regulatory thresholds.

7.3 TRANSPORTATION AND CIRCULATION

Substantial Increase in Traffic Volume – Existing Plus Project (pp. 3.12-16 through -20)

The proposed project would result in significant impacts at five intersections identified in the Draft EIR. All but one intersection can be mitigated to levels less than significant with the mitigation measures identified below.

Findings: The City finds, based on the Draft EIR, the Final EIR, and the whole of the record, that the proposed project would result in significant and

unavoidable impacts to transportation and circulation (substantial increase in traffic volume – existing plus project).

Mitigation Measures

- MM 3.12.1a Atlantic Boulevard/Bandini Boulevard.** (Intersection #3) The developer/successor-in-interest shall participate in an interim regional solution for improvements to the Atlantic Boulevard/Bandini Boulevard intersection in consultation with Caltrans and/or Los Angeles County Metropolitan Transportation Authority, such as the planned Bandini Boulevard corridor signal coordination project in the vicinity of the intersection. The project shall also make a fair share payment to contribute to potential upgrades and improvements to the signal timing and the signal control equipment at this location, if necessary. The project shall also renew the existing striping in the vicinity of the intersection. This intersection is in the Caltrans right-of-way, and all improvements must be approved by Caltrans.
- MM 3.12.1b Eastern Avenue/Bandini Boulevard.** (Intersection #7) The developer/successor-in-interest shall make a fair-share contribution to change the northbound Eastern Avenue approach from two left turn lanes, one through lane, and one shared through/right-turn lane to consist of three left-turn lanes, one through lane, and one shared through/right turn lane. As this intersection is shared with the City of Commerce, the extent of improvements must be coordinated with the City of Commerce.
- MM 3.12.1c Eastern Avenue/Rickenbacker Road.** (Intersection #8) The developer/successor-in-interest shall restripe the eastbound Rickenbacker Road approach from one shared left-turn/through lane and one shared through/right-turn lane to consist of one left-turn lane and one shared left-turn/through/right-turn lane. Restripe the westbound Rickenbacker Road approach from one shared left-turn/through lane and one shared through/right-turn lane to consist of one shared left-turn/through lane and one right-turn lane with right-turn overlap phasing (adding a westbound right-turn overlap phase). Modify the Eastern Avenue/Rickenbacker Road traffic signal by changing the eastbound and westbound Rickenbacker Road approach signal phasing from permitted-phase to split-phase. As this intersection is shared with the City of Commerce, the extent of improvements must be coordinated with the City of Commerce.
- MM 3.12.1d Atlantic Boulevard/I-710 Northbound Off-Ramp.** (Intersection #11) The developer/successor-in-interest shall prepare a I-710 corridor interim improvement traffic study for the I-710 Freeway between and including the Florence Avenue and Washington Boulevard interchanges to assist Caltrans in evaluating potential interim solutions to improve the operations at the Atlantic Boulevard/I-710 Northbound Off-Ramp State-controlled study intersection. The study will evaluate solutions such as transportation system management (TSM) measures through consideration of potential installation and placement of a changeable message sign (CMS) along the freeway. The project shall also improve and renew the existing signing and striping along the northbound off-ramp. This intersection is in the Caltrans right-of-way, and all improvements must be approved by Caltrans.

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Residual Impact

The implementation of mitigation measures identified above would reduce impacts to four out of five intersections. Only intersection 9, Eastern Avenue/Mansfield Way, cannot be mitigated to a less than significant level. This two-way stop-controlled intersection fails during both existing and with project conditions. The intersection is too close to the Rickenbacker Road intersection to allow installation of a traffic signal to allow left turning movements. During AM and PM peak hours, the left turn movements will continue to be level of service (LOS) F. Traffic on Mansfield Way has the option to travel north on 6th Street to Rickenbacker Road and then right on Rickenbacker Road to the existing signalized intersection with Eastern Avenue that allows left turns. While parcel A currently uses Mansfield Way for vehicle access, once parcel A is developed as part of the proposed project, the vehicle access will be changed to Rickenbacker Road. As parcel A is currently used for heavy trucks, this change in access will reduce traffic on Mansfield Way from the project site.

Cumulative Year 2025 Plus Project Impacts to Traffic Volumes (pp. 3.12-23 through -25)

Implementation of the proposed project, along with other traffic generated by existing and future development in the project area in Year 2025, would increase traffic in the project area.

Findings: The City finds, based on the Draft EIR, the Final EIR, and the whole of the record, that the proposed project would result in significant and unavoidable impacts to transportation and circulation (cumulative year 2025 plus project impacts to traffic volumes).

Mitigation Measures

MM 3.12.6a I-710 Southbound Off-Ramp/Atlantic Boulevard. (Intersection #1) The developer/successor-in-interest shall participate in an interim regional solution for improvements to the I-710 Southbound Off-Ramp/Atlantic Boulevard intersection, in consultation with Caltrans and/or the Los Angeles County Metropolitan Transportation Authority. Additionally, the project shall prepare a I-710 corridor interim improvement traffic study for the I-710 Freeway between and including the Florence Avenue and Washington Boulevard interchanges to assist Caltrans in evaluating potential interim solutions to improve the operations at the I-710 South Off-Ramp/Atlantic Boulevard State-controlled study intersection. The study will evaluate solutions such as transportation system management (TSM) measures through consideration of potential installation and placement of a changeable message sign (CMS) along the freeway. The project shall also make a fair share payment to contribute to potential upgrades and improvements to the signal timing and progression at this location, if necessary.

MM 3.12.6b Eastern Avenue/Bandini Boulevard. (Intersection #7) The developer/successor-in-interest shall make a fair-share contribution to change the northbound Eastern Avenue approach from two left turn lanes, one through lane, and one shared through/right-turn lane to consist of three left-turn lanes, one through lane, and one shared through/right turn lane. Widen the eastbound Bandini Boulevard approach from one left turn lane, three through lanes, and one right turn lane with right turn overlap phasing to consist of one left turn lane, three through lanes, and two right turn lanes with

right turn overlap phasing. As this intersection is shared with the City of Commerce, the extent of improvements must be coordinated with the City of Commerce.

MM 3.12.6c Eastern Avenue/Rickenbacker Road. (Intersection #8) The developer/successor-in-interest shall make a fair share contribution to restripe the eastbound Rickenbacker Road approach from one shared left-turn/through lane and one shared through/right-turn lane to consist of one left turn lane and one shared left turn/through/right-turn lane. The project shall make a fair share contribution to restripe the westbound Rickenbacker Road approach from one shared left turn/through lane and one shared through/right turn lane to consist of one shared left turn/through lane and one right turn lane with right-turn overlap phasing (adding a westbound right-turn overlap phase). The project shall make a fair share contribution to modify the Eastern Avenue/Rickenbacker Road traffic signal by changing the eastbound and westbound Rickenbacker Road approach signal phasing from permitted phase to split phase. The project shall make a fair share contribution to widen the southbound Eastern Avenue approach from one left-turn lane, one through lane, and one shared through/right-turn lane to consist of one left-turn lane, two through lanes, and one right-turn lane. As this intersection is shared with the City of Commerce, the extent of improvements must be coordinated with the City of Commerce.

Residual Impact

In addition to the above mitigation measures, implementation of mitigation measures MM 3.12.1a through MM 3.12.1c will be needed to reduce cumulative project impacts at the study area intersections. However, as analyzed in the Draft EIR, implementation of the mitigation measures cannot reduce all impacts to a less than significant level. For example, the impacts at Intersection 9, Eastern Avenue/Mansfield Way, remain significant and unavoidable, as it is infeasible to add a traffic signal at this location. Note that all of the mitigation measures require coordination with other agencies. Even though the City of Bell intends to ensure the mitigation will occur, the City cannot compel the other agencies to implement the mitigation.

8.0 FEASIBILITY OF PROJECT ALTERNATIVES

An EIR must briefly describe the rationale for selection and rejection of alternatives. The lead agency may make an initial determination as to which alternatives are feasible, and therefore merit in-depth consideration, and which are infeasible. The alternatives analyzed in the Draft EIR were ultimately chosen based on each alternative's ability to feasibly attain the basic project objectives while avoiding or reducing one or more the project's significant effects. The EIR discussed several alternatives to the proposed project in order to present a reasonable range of alternatives. The alternatives evaluated included:

- Alternative 1 – No Project Alternative, p. 4.0-2 through -3
- Alternative 2 – Reduced Building Footprint, p. 4.0-3
- Alternative 3 – Warehouse/Office/Commercial Uses, pp. 4.0-3 through -4

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8.1 ALTERNATIVE 1 – NO PROJECT ALTERNATIVE

CEQA Guidelines Section 15126.6(e) requires that a "No Project" alternative be evaluated in an EIR. In the case where the project is a development project on identifiable property, such as the proposed project, the No Project analysis must discuss the circumstance under which the project does not proceed. The comparison is that of the environmental effects of the property remaining in its existing state against environmental effects which would occur if the project is approved. The analysis allows decision-makers to compare the impacts of approving the project with the impacts of not approving the project (CEQA Guidelines Section 15126.6(e)(3)(B)).

It is important to note that the No Project alternative does not necessarily mean the properties will remain in their undeveloped state. If no action is taken on the proposed project, it is reasonable to assume that another project would be proposed at some point in the future consistent with the General Plan and zoning designations. The City of Bell General Plan designates the project site Industrial. This land use designation is characterized by manufacturing and processing, warehousing and distribution, wholesaling and retailing, and office uses. The City of Bell Zoning Ordinance zones the sites Commercial Manufacturing (CM), which is intended to provide for the development of heavy commercial-manufacturing areas.

The subject properties are located in the greater central Los Angeles region, which is one of the oldest and most stable industrial markets in the country. The industrial base in central Los Angeles and surrounding areas, including Bell, consists of approximately 290 million square feet of industrial space. Of that, only 15 million square feet (5.2 percent) is Class A, meaning anything built after 1990 with a minimum 24 feet clear interior height. Current building practices, including those planned for the project sites, typically construct to 30-foot clearance or more. The market vacancy rate for this type of space is currently 1.9 percent, which is the lowest submarket vacancy in the Los Angeles/Inland Empire market, and always among the lowest vacancy rates in the country.

The main drivers for the subject properties and the submarket are the project site's close proximity to the Ports of Los Angeles and Long Beach, Union Pacific Railroad (UPRR) and Burlington Northern Santa Fe (BNSF) Railroad intermodal facilities in Vernon, close proximity to Downtown Los Angeles, and its central location in the heart of a very large demographic base with strong employment. This, along with the lack of supply, drives robust demand for industrial space. There is virtually no raw land in the area for development and most new development projects occur on older, obsolete industrial sites such as the project sites that are the subject of the EIR.

For the reasons detailed above, it is highly unlikely that the project sites would sit vacant for very long if the proposed project is not approved. The No Project alternative therefore contemplates the effects of a reasonably foreseeable alternative to the proposed project. This alternative contemplates a reduced total industrial area that amounts to approximately 600,000 square feet and the inclusion of a 250-bed transitional housing facility to be located on parcel H adjacent to the existing Salvation Army and John Wesley Community Health (JWCH) Medical Clinic facilities. The goal of this alternative is to meet the basic objectives of providing opportunity for financially viable warehouse businesses, while also providing transitional housing options and services for individuals in need. This facility is envisioned to supplement the existing facilities operated by the Salvation Army and JWCH Institute and therefore benefits from use of the adjacent parcel H. It should be noted that no owner/operator has been identified for such a facility, as this alternative is being evaluated for comparative impact purposes only at this time.

The following analysis compares the No Project Alternative to the significant environmental impacts of the proposed project.

1. Air Quality (p. 4.0-4)

The air quality analysis for the proposed project identified that NO_x emissions attributed to diesel truck traffic operation would exceed the SCAQMD pounds per day threshold, thus resulting in a significant impact. Alternative 1 would likely have less diesel truck activity due to a reduced overall square footage of warehouse uses and would thus result in decreased NO_x emissions. Alternative 1 would result in a lesser air quality impact than that of the proposed project, but because the impact may not be reduced below the significance threshold, the mitigation measures listed under Impact 3.1.3 would still apply.

2. Biological Resources (p. 4.0-4)

The biological assessment for the site identified the potential for disturbance to burrowing owls, nesting raptors, migratory birds, and bats associated with construction and operation. Alternative 1 would result in site disturbance similar to that of the proposed project. The mitigation measures outlined in Impact 3.2.2 would also apply to development under this alternative. Overall, the impacts of this alternative would be the same as with the proposed project.

3. Cultural Resources (p. 4.0-4)

No cultural or paleontological resources were identified on any of parcels evaluated for the proposed project or any of the project alternatives. The likelihood of disturbing previously unrecorded resources or accidental finds is considered very low. No impacts would result from implementation of either the proposed project or Alternative 1.

4. Climate Change and Greenhouse Gases (p. 4.0-4)

As discussed in Section 3.4 of the Draft EIR, the proposed project will generate significant greenhouse gas emissions, as detailed in Impact 3.4.1. Mitigation measures designed to reduce operational emissions through energy efficiency, water conservation, and recycling are required of the proposed project and each of the project alternatives in order to reduce the identified impact to a less than significant level (see mitigation measures MM 3.4.1a and MM 3.4.1b). Overall, Alternative 1 would be expected to result in slightly lower GHG emissions due to the reduction in commercial warehouse uses associated with the proposed project.

5. Geology and Soils (p. 4.0-5)

The soil types on the project site are identified in the Draft EIR as having a potential for liquefaction during seismic events. The presence of loose granular soil and groundwater increases the likelihood for liquefaction or ground failure. Because this alternative would allow for construction, the mitigation measures that reduce the impacts of the proposed project to a less than significant level would also apply (see mitigation measure MM 3.5.2). Alternative 1 would have a potential for liquefaction similar to that of the proposed project.

6. Hazards and Hazardous Materials (p. 4.0-5)

As identified in the Draft EIR, a Phase I Environmental Site Assessment (ESA) concluded that previous uses of the project sites indicate the potential presence of asbestos, lead-based paint,

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and contaminated soils. However, the City determined that the buildings identified as potential sources of asbestos and lead-based paint were constructed after the mid-1970s. As a result, they are not old enough for asbestos-related concerns. Additionally, a lease agreement between the City of Bell and the BNSF for parcel A requires that the BNSF remediate and clean, to the extent required by environmental laws, any spills or releases found on site caused by or related to the BNSF. The Phase I ESA did not discover contamination but has recommendations on how to proceed if the provisions of the lease must be implemented. Subsequent site visits did not discover debris piles on the property. Further, as remediation is a function of the existing and not the future use of the site, any remediation will occur as a provision of the lease or sale agreement. As such, this impact is considered less than significant for the proposed project, and each of the project alternatives would be similar.

7. Hydrology and Water Quality (p. 4.0-5)

Similar to the proposed project, Alternative 1 would result in additional impervious surface, including parking areas, loading and maneuvering driveways, and buildings. Similar to the proposed project, the alternative would be required to provide a stormwater pollution prevention plan (SWPPP) as well as complying with the NPDES provisions (see mitigation measures MM 3.7.1a, MM 3.7.1b, MM 3.7.1c, and MM 3.7.1d). As both Alternative 1 and the proposed project would result in similar degrees of construction of impervious surfaces, impacts to hydrology and water quality would be similar to those of the proposed project.

8. Land Use (p. 4.0-5)

The uses contemplated in Alternative 1, including the transitional housing use, are listed as allowable uses for the existing zoning and General Plan designations. As such, Alternative 1 would not result in impacts related to land use. Impacts would be similar to those of the proposed project.

9. Noise (p. 4.0-5)

The proposed project would result in construction phase noise nuisance at the residential receptors on the south side of K Street. Mitigation measure MM 3.9.5 would reduce these temporary and intermittent noise impacts to less than significant levels. Because each of the project alternatives entails construction at nearby parcels, noise impacts would be similar to those of the proposed project and MM 3.9.5 would be required of each. Operational noise levels associated with Alternative 1 would be slightly less than those of the proposed project, since Alternative 1 would generate less traffic than the proposed project.

10. Population, Housing, and Employment (p. 4.0-6)

Alternative 1 would result in a roughly one-quarter reduction in overall warehouse and office use development, thereby proportionally reducing the supply of jobs and demand on housing. Additionally, with the development of a 250-bed transitional housing facility, Alternative 1 would provide needed support services to the homeless and at-risk population in the region. Overall, Alternative 1 would result in a greater beneficial effect when compared to the proposed project.

11. Public Services and Utilities (p. 4.0-6)

More people living in this area would result in a proportionate increase in calls for emergency services, placing added demand on the police and fire departments serving the site, but would

not be expected to result in the need for new or improved facilities in order to serve the proposed project or Alternative 1, and impacts would be similar. With a 250-bed transitional housing component contemplated as part of Alternative 1, demand for water and sewer services would increase proportionate to the new population of residents and workers introduced to the site. This demand for utilities would be offset to some degree by the reduction in overall warehousing and office uses by approximately 240,000 square feet compared to the proposed project. Impacts to landfills would also be similar as residential waste would be offset by the reduction in other development. Overall, the impacts of Alternative 1 would be similar to those of the proposed project.

12. Transportation and Circulation (p. 4.0-6)

Alternative 1 would result in lesser traffic impacts, due mainly to the approximately 240,000-square-foot reduction in warehouse operations when compared to the proposed project. Passenger vehicle traffic would increase incrementally due to the creation of a transitional housing facility, but these passenger vehicles would be primarily associated with facility employees and volunteers and would not constitute a substantial change to existing traffic volumes or circulation patterns. Overall, Alternative 1 would have lesser impacts than the proposed project.

Findings: Alternative 1, the No Project alternative, would result in slightly less, but still significant, environmental impacts. Additionally, this alternative would meet all the project objectives because development under this alternative would still likely occur consistent with the General Plan and zoning designations. However, the City finds, based on the Draft EIR, the Final EIR, and the whole of the record, that this alternative is less desirable than the proposed project. As such, it is rejected because this alternative would result in comparable levels of significance to all environmental issue areas.

8.2 ALTERNATIVE 2 – REDUCED BUILDING FOOTPRINT

This alternative was developed to determine whether there were specific features of the proposed project that could be changed to help reduce adjacency impacts to the neighboring Salvation Army transitional housing and services facilities. These impacts mainly include short-term construction noise nuisance and exposure to air pollutants, and to a lesser degree operational noise and air quality impacts. These impacts, while determined to be less than significant, could nevertheless be reduced to a greater degree if the adjacent parcel G were to be utilized for surface parking rather than as an active industrial warehouse facility and ancillary office space as envisioned for the proposed project. The building space planned for parcel G under the proposed project would be transferred to parcel F, necessitating a taller structure on that parcel. The surface parking lot on parcel G would then serve the facilities on parcel F, while creating greater separation between warehouse operations and the transitional housing to the southeast.

The following analysis compares the Reduced Building Footprint alternative to the significant environmental impacts of the proposed project.

1. Air Quality (p. 4.0-6)

The air quality analysis for the proposed project identified that NO_x emissions attributed to diesel truck traffic operation would exceed the SCAQMD pounds per day threshold, thus resulting in a

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significant impact. Alternative 2 would have the same amount of diesel truck activity and would thus result in the same NOx emissions that require the implementation of mitigation measures MM 3.1.3a, MM 3.1.3b, and MM 3.1.3c.

2. Biological Resources (p. 4.0-6)

The biological assessment for the site identified the potential for disturbance to burrowing owls, nesting raptors, migratory birds, and bats associated with construction and operation. Alternative 2 would result in site disturbance similar to that of the proposed project. The mitigation measures outlined in Impact 3.2.2 in the Draft EIR would also apply to development under this alternative. Overall, the impacts of this alternative would be the same as with the proposed project.

3. Cultural Resources (p. 4.0-7)

No cultural or paleontological resources were identified on any of parcels evaluated for the proposed project or any of the project alternatives. The likelihood of disturbing previously unrecorded resources or accidental finds is considered very low. No impacts would result from implementation of either the proposed project or Alternative 2.

4. Climate Change and Greenhouse Gases (p. 4.0-7)

The proposed project will generate significant greenhouse gas emissions, as detailed in Impact 3.4.1 of the Draft EIR. Mitigation measures designed to reduce operational emissions through energy efficiency, water conservation, and recycling are required of the proposed project and each of the project alternatives in order to reduce the identified impact to a less than significant level (see mitigation measures MM 3.4.1a and MM 3.4.1b). Overall, Alternative 2 would be expected to result in a similar amount of GHG emissions as the proposed project since the overall building types, sizes, and activities would be the same.

5. Geology and Soils (p. 4.0-7)

The soil types on the project site are identified in Impact 3.5.2 as having a potential for liquefaction during seismic events. The presence of loose granular soil and groundwater increases the likelihood for liquefaction or ground failure. Because this alternative would allow for construction, the mitigation measures that reduce the impacts of the proposed project to a less than significant level would also apply (see mitigation measure MM 3.5.2). Alternative 2 would have a potential for liquefaction similar to that of the proposed project.

6. Hazards and Hazardous Materials (p. 4.0-7)

As identified in the Draft EIR, a Phase I Environmental Site Assessment concluded that previous uses of the project sites indicate the potential presence of asbestos, lead-based paint, and contaminated soils. However, the City has determined that the buildings identified as potential sources of asbestos and lead-based paint were constructed after the mid-1970s. As a result, they are not old enough for asbestos-related concerns. Additionally, a lease agreement between the City of Bell and the BNSF for parcel A requires that the BNSF remediate and clean, to the extent required by environmental laws, any spills or releases found on site caused by or related to the BNSF. The Phase I ESA did not discover contamination but has recommendations on how to proceed if the provisions of the lease must be implemented. Subsequent site visits did not discover debris piles on the property. Further, as remediation is a function of the existing and not

the future use of the site, any remediation will occur as a provision of the lease or sale agreement. As such, this impact is considered less than significant for the proposed project, and each of the project alternatives would be similar.

7. Hydrology and Water Quality (p. 4.0-7)

Similar to the proposed project, Alternative 2 would result in additional impervious surface, including parking areas, loading and maneuvering driveways, and buildings. Similar to the proposed project, the alternative would be required to provide a SWPPP as well as complying with the NPDES provisions (see mitigation measures MM 3.7.1a, MM 3.7.1b, MM 3.7.1c and MM 3.7.1d). As both Alternative 2 and the proposed project would result in similar degrees of construction of impervious surfaces, impacts to hydrology and water quality would be similar to those of the proposed project.

8. Land Use (p. 4.0-8)

The uses contemplated in Alternative 2 are the same as those included in the proposed project. These uses are allowed under the existing zoning and General Plan designations. As such, Alternative 2 would not result in impacts related to land use, and impacts would be similar to those of the proposed project.

9. Noise (p. 4.0-8)

The proposed project would result in construction phase noise nuisance at the residential receptors on the south side of K Street. Mitigation measure MM 3.9.5 would reduce these temporary and intermittent noise impacts to less than significant levels. Because each of the project alternatives entails construction at nearby parcels, noise impacts would be similar to those of the proposed project and MM 3.9.5 would be required of each. Operational noise levels associated with Alternative 2 would be slightly less than that of the proposed project since Alternative 2 would develop parcel G as surface parking, transferring development to parcel F and thereby reducing adjacency noise effects on the residential receptors that would otherwise occur under the proposed project.

10. Population, Housing, and Employment (p. 4.0-8)

The proposed project would not result in any impacts to population, housing, or employment. Compared to the proposed project, Alternative 2 would result in the same amount and type of development, albeit in a different configuration, and thus impacts would be similar to those of the proposed project.

11. Public Services and Utilities (p. 4.0-8)

As with the proposed project, Alternative 2 would place added demand on the police and fire departments serving the site, but would not be expected to result in the need for new or improved facilities in order to serve the proposed project or Alternative 2, and impacts would be similar. Demand on utilities would also be similar, as the overall building square footage and uses are the same. Overall, the impacts of Alternative 2 would be similar to those of the proposed project.

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12. Transportation and Circulation (p. 4.0-8)

Alternative 2 would result in similar impacts to that of the proposed project because the total square footage and types of uses contemplated under the proposed project would be the same as under this alternative. Circulation patterns may be different due to the creation of a more centralized parking lot on parcel G, but would not be expected to result in substantially different traffic and circulation impacts when compared to the proposed project.

Findings: Alternative 2, the Reduced Building Footprint, would result in similar significant environmental impacts, with the exception of a reduction in operational noise impacts on parcel F, when compared with the proposed project. This alternative would also meet all the project objectives. The City finds, based on the Draft EIR, the Final EIR, and the whole of the record, that this alternative is less desirable than the proposed project. It is rejected because while it would reduce the scale of operational noise impacts when compared with the proposed project, the reduction to this issue area would still result in the same level of significance to other environmental issue areas.

8.3 ALTERNATIVE 3 – WAREHOUSE/OFFICE/COMMERCIAL USES

This alternative consists of a similar total building square footage (840,000 square feet), but with approximately half the square footage consisting of commercial warehousing uses similar to that of the proposed project and the other half consisting of office and commercial uses. The City of Bell General Plan designates the project site Industrial. This land use designation is characterized by manufacturing and processing, warehousing and distribution, wholesaling and retailing, and office uses. The City of Bell Zoning Ordinance zones the site Commercial Manufacturing (CM), which is intended to provide for the development of heavy commercial-manufacturing areas. The buildings proposed with the project could contain any of the permitted uses listed in Section 17.36.020 of the Bell Municipal Code. The zone district also allows any of the permitted uses in the C-3, Heavy Commercial District. Uses in the C-3 district are commercial or service in nature (e.g., banks, barbershops, dental laboratories, photographic shops, machinery and tool sales, retail sales, variety stores). This alternative is therefore analyzed for comparative purposes to see how the impacts from the proposed project might be changed were there to be a different mix of allowed uses on the subject parcels.

The following analysis compares Alternative 3 to the significant environmental impacts of the proposed project.

1. Air Quality (pp. 4.0-8 through -9)

The air quality analysis for the proposed project identified that NOx emissions attributed to diesel truck traffic operation would exceed the SCAQMD pounds per day threshold, thus resulting in a significant impact. Alternative 3 would likely have less diesel truck activity due to a reduced square footage of warehouse uses and would thus result in decreased NOx emissions. Alternative 3 would result in a lesser air quality impact than that of the proposed project, but because the impact may not be reduced below the significance threshold, the mitigation measures listed under Impact 3.1.3 in the Draft EIR would still apply.

2. Biological Resources (p. 4.0-9)

The biological assessment for the site identified the potential for disturbance to burrowing owls, nesting raptors, migratory birds, and bats associated with construction and operation. Alternative 3 would result in site disturbance similar to that of the proposed project. The mitigation measures outlined in Impact 3.2.2 would also apply to development under this alternative. Overall, the impacts of this alternative would be the same as with the proposed project.

3. Cultural Resources (p. 4.0-9)

No cultural or paleontological resources were identified on any of parcels evaluated for the proposed project or any of the project alternatives. The likelihood of disturbing previously unrecorded resources or accidental finds is considered very low. No impacts would result from implementation of either the proposed project or any of the three project alternatives.

4. Climate Change and Greenhouse Gases (p. 4.0-9)

The proposed project will generate significant greenhouse gas emissions, as detailed in the Draft EIR. Mitigation measures designed to reduce operational emissions through energy efficiency, water conservation, and recycling are required of the proposed project and each of the project alternatives in order to reduce the identified impact to a less than significant level (see mitigation measures MM 3.4.1a and MM 3.4.1b). Overall, Alternative 3 would be expected to result in slightly less GHG emissions since less warehouse use would be developed, resulting in lower diesel emissions from associated heavy truck use.

5. Geology and Soils (p. 4.0-9)

The soil types on the project site are identified in the Draft EIR as having a potential for liquefaction during seismic events. The presence of loose granular soil and groundwater increases the likelihood for liquefaction or ground failure. Because this alternative would allow for construction, the mitigation measures that reduce the impacts of the proposed project to a less than significant level would also apply (see mitigation measure MM 3.5.2). Alternative 3 would have a potential for liquefaction similar to that of the proposed project.

6. Hazards and Hazardous Materials (pp. 4.0-9 through -10)

As identified in the Draft EIR, a Phase I Environmental Site Assessment concluded that previous uses of the project sites indicate the potential presence of asbestos, lead-based paint, and contaminated soils. However, the City has determined that the buildings identified as potential sources of asbestos and lead-based paint were constructed after the mid-1970s. As a result, they are not old enough for asbestos-related concerns. Additionally, a lease agreement between the City of Bell and the BNSF for parcel A requires that the BNSF remediate and clean, to the extent required by environmental laws, any spills or releases found on site caused by or related to the BNSF. The Phase I ESA did not discover contamination but has recommendations on how to proceed if the provisions of the lease must be implemented. Subsequent site visits did not discover debris piles on the property. Further, as remediation is a function of the existing and not the future use of the site, any remediation will occur as a provision of the lease or sale agreement. As such, this impact is considered less than significant for the proposed project, and each of the project alternatives would be similar.

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7. Hydrology and Water Quality (p. 4.0-10)

Similar to the proposed project, Alternative 3 would result in additional impervious surface, including parking areas, loading and maneuvering driveways, and buildings. Similar to the proposed project, the alternative would be required to provide a stormwater pollution prevention plan (SWPPP) as well as complying with the NPDES provisions (see mitigation measures MM 3.7.1a, MM 3.7.1b, MM 3.7.1c, and MM 3.7.1d). As both Alternative 3 and the proposed project would result in similar degrees of construction of impervious surfaces, impacts to hydrology and water quality would be similar to those of the proposed project.

8. Land Use (p. 4.0-10)

The uses contemplated in Alternative 3 are listed as allowable uses for the existing zoning and General Plan designations on the subject sites. As such, Alternative 3 would not result in impacts related to land use. Impacts would be similar to those of the proposed project.

9. Noise (p. 4.0-10)

The proposed project would result in construction phase noise nuisance at the residential receptors on the south side of K Street. Mitigation measure MM 3.9.5 would reduce these temporary and intermittent noise impacts to less than significant levels. Because each of the project alternatives entails construction at nearby parcels, noise impacts would be similar to those of the proposed project and MM 3.9.5 would be required of each. Operational noise levels associated with Alternative 3 would be somewhat lower than those of the proposed project since Alternative 3 contemplates less warehouse square footage than the proposed project and thus less heavy truck noise.

10. Population, Housing, and Employment (p. 4.0-10)

The proposed project would not result in any impacts to population, housing, or employment. Compared to the proposed project, Alternative 3 would result in less warehouse development and greater office and commercial development. Although this type of development mix will result in additional jobs, it would not be expected to substantially alter the jobs/housing mix or otherwise induce the need for additional housing in the area. Impacts would be similar to those of the proposed project.

11. Public Services and Utilities (p. 4.0-10)

More people working in this area would result in a proportionate increase in calls for emergency services, placing some added demand on the police and fire departments serving the site, but would not be expected to result in the need for new or improved facilities in order to serve the proposed project or Alternative 3. Overall, the impacts of Alternative 3 would be similar to those of the proposed project.

12. Transportation and Circulation (pp. 4.0-10 through -11)

While the mix of uses contemplated under Alternative 3 would be different than the predominantly warehouse with ancillary office space mix of the proposed project, the total square footage would be the same under this alternative and would not result in a substantial increase in traffic generation. However, the trip timing could be expected to differ, with more

trips being generated during peak hours than the proposed project. Overall, Alternative 3 would have similar impacts to those of the proposed project.

Findings: Alternative 3, the Warehouse/Office/Commercial Uses alternative, would reduce significant environmental impacts to air quality, climate change and greenhouse gases, and transportation and circulation. However, all other impacts remain similar when compared with the proposed project. Additionally, this alternative would meet all the project objectives. The City finds, based on the Draft EIR, the Final EIR, and the whole of the record, that this alternative is less desirable than the proposed project. It is rejected because while it would reduce the scale of some of the proposed project's impacts, it would not reduce any of these impacts to a degree that would change the significance of the impacts.

9.0 LONG-TERM IMPLICATIONS

CEQA Guidelines Section 15126.2(d) requires that an EIR evaluate the growth-inducing impacts of a proposed action. A growth-inducing impact is defined in CEQA Guidelines Section 15126.2(d) as follows:

...the way in which a proposed project could foster economic or population growth, or the construction of additional housing, either directly or indirectly, in the surrounding environment. Included in this are projects which would remove obstacles to population growth...Increases in the population may tax existing community service facilities, requiring construction of new facilities that could cause significant environmental effects. Also...the characteristic of some projects which may encourage and facilitate other activities that could significantly affect the environment, either individually or cumulatively.

The Draft EIR evaluated whether the proposed project will induce project-specific growth.

9.1 GROWTH INDUCEMENT POTENTIAL

The proposed project would allow future industrial development of four parcels that could result in 840,390 square feet of new industrial and ancillary office space. In addition to the proposed development, utilities, including water, wastewater, storm drainage, and power, will be extended to each site. Rickenbacker Road is the sole access to parcels A, F, and G and will need to be extended past the current terminus onto parcel G. In addition to the roadway extension, road edge improvements such as curb, gutter, parking lane, etc., will also be constructed along the south side of Rickenbacker Road near parcel G.

The project site and surrounding parcels are designated for industrial land uses and zoned C-M, Commercial Manufacturing. Parcel A is currently being leased to the Burlington Northern Santa Fe (BNSF) Railroad as a truck and trailer distribution yard. None of the other parcels are in current use. The area around the project site has been previously developed with large warehouse and office buildings consistent with the land use designations. While the proposed project would allow the development of four industrial warehouse/office buildings on seven primarily vacant parcels, these parcels have been previously graded, paved, or developed at one time or another and have remnants of previous industrial use (e.g., parking lots, travel lanes, utilities, building pads). Allowing the development of four industrial warehouse/office buildings on land designated for industrial land uses and within a C-M zoning district is not anticipated to result in additional growth. Much of the area is already developed with similar industrial uses, and

FINDINGS OF FACT

development of the project site was anticipated by the City of Bell General Plan. The growth impacts of industrial development on the project site were anticipated and disclosed in the General Plan EIR. The development of the site is consistent with and guided by the City's General Plan; thus, the project would have no direct or indirect growth-inducing impacts.

Findings: The City finds, based on the Draft EIR, the Final EIR, and the whole of the record, that the proposed project will result in less than significant impacts related to growth inducement.

9.2 SIGNIFICANT IRREVERSIBLE ENVIRONMENTAL CHANGES

Development of the project site would irretrievably commit building materials and energy to the construction and maintenance of the buildings and infrastructure proposed. Nonrenewable and limited resources that would likely be consumed as part of project site development would include, but are not limited to, oil, natural gas, gasoline, lumber, sand and gravel, asphalt, water, steel, and similar materials.

The use of materials for construction and operation of the proposed project would be similar to other industrial development envisioned by the City's General Plan and does not represent an unusual use of resources.

Findings: The City finds, based on the Draft EIR, the Final EIR, and the whole of the record, that the proposed project will result in less than significant impacts related to irreversible environmental changes.

10.0 FINDINGS ON CHANGES TO THE EIR AND RECIRCULATION

CEQA Guidelines Section 15088.5 requires a lead agency to recirculate an EIR for further review and comment when significant new information is added to the EIR after public notice is given of the availability of a Draft EIR, but before certification. Such new information includes (i) significant changes to the project; (ii) significant changes in the environmental setting; or (iii) significant additional data or other information. Section 15088.5 further provides that "new information added to an EIR is not 'significant' unless the EIR is changed in a way that deprives the public of a meaningful opportunity to comment upon a substantial adverse environmental effect of the project or a feasible way to mitigate or avoid such an effect (including a feasible project alternative) that the project's proponents have declined to implement."

No new or substantial changes to the Draft EIR were proposed as a result of the public comment process. The Final EIR responds to comments and makes changes, clarifications, or additions to the Draft EIR in order to help clarify the project and its impacts in response to public or agency comments. The minor changes, clarifications, or additions to the Draft EIR do not identify any new significant impacts or substantial increase in the severity of any environmental impacts, and do not include any new mitigation measures that would have a potentially significant impact. Therefore, recirculation of the EIR is not required.

11.0 FINDINGS ON MITIGATION MONITORING AND REPORTING PROGRAM

INTRODUCTION

Pursuant to CEQA and CEQA Guidelines Sections 15091(d) and 15097, the lead agency (in the case of the proposed project, the City of Bell) for a proposed project must adopt a program for

monitoring or reporting mitigation measures identified in the EIR, if the lead agency makes findings of significant impacts during the process of certifying the EIR. The primary purpose of the Mitigation Monitoring and Reporting Program (MMRP) is to ensure that the mitigation measures identified in the EIR are implemented, thereby reducing or avoiding identified environmental impacts. Due to the specialized nature of some of the mitigation measures identified in the EIR, the City may delegate responsibilities to environmental monitors or other professionals, as warranted.

MITIGATION MONITORING AND REPORTING PROGRAM

The purpose of the MMRP is to ensure the effective implementation of the mitigation measures imposed by the City for the proposed project. In addition, the MMRP provides a means of identifying corrective actions, if necessary, before irreversible environmental damage occurs. The MMRP includes:

- A brief description of each impact expected to occur from the proposed project;
- Mitigation measure(s) associated with each impact;
- Responsible monitoring party;
- Responsible implementing party;
- Implementation phase (i.e., pre-construction, construction, prior to occupancy, post-occupancy); and
- Completion date and initials of reviewing party.

As the lead agency for the proposed project, the City will be required to comply with all applicable plans, permits, and conditions of approval for the proposed project, in addition to implementation of the MMRP. The mitigation measures presented in the MMRP will be implemented as indicated to avoid or minimize environmental impacts as a result of the proposed project.

The Draft EIR was released for public and agency review on May 21, 2013, with the 45-day review period ending on Friday, July 5, 2013. The Draft EIR contains a description of the project, description of the environmental setting, identification of project impacts, and mitigation measures for impacts found to be significant, as well as an analysis of project alternatives. The Draft EIR was provided to interested public agencies and the public and was made available for review on the City's website, at the City of Bell City Hall, 6330 Pine Avenue, and at the Bell Community Center, 6250 Pine Avenue, in Bell, California.

12.0 STATEMENT OF OVERRIDING CONSIDERATIONS

The Draft EIR includes thresholds of significance that are used to establish normally acceptable standards for project impacts in the City of Bell. In many instances, the project meets the standards without the need for modification. In some cases, mitigation measures have been required that modify the project to reduce impacts to below the normally accepted thresholds. In six instances, impacts cannot be reduced to a level below the normally accepted thresholds. While there are many reasons why it might not be possible to reduce an impact to less than the threshold, the reasons are usually in two categories: the issue is much larger than the City of Bell's

FINDINGS OF FACT

jurisdiction or capability to resolve; or there are no feasible mitigation measures or the measures that are identified cannot be guaranteed to reduce the impact to less than significant. When an impact is above the normally accepted threshold and cannot be mitigated, the impact is identified as significant and unavoidable in the Draft EIR. The CEQA Guidelines allow the City to approve a project with significant and unavoidable impacts provided specific findings are made.

As such, pursuant to CEQA Section 21081(b) and CEQA Guidelines Section 15093, the City of Bell has balanced the benefits of the proposed project against the following unavoidable adverse impacts relating to air quality, climate change and greenhouse gases, and transportation and circulation associated with the proposed project, despite the adoption of all feasible mitigation measures. The City of Bell has also examined alternatives to the proposed project, none of which meets both the project objectives and is preferable to the proposed project.

SIGNIFICANT AND UNAVOIDABLE IMPACTS

The EIR identified the following significant impact that cannot be mitigated to a less than significant level even though the City of Bell finds that all feasible mitigation measures have been identified and incorporated into the proposed project.

Air Quality (Conflicts with AQMP)

Based on the information and analysis set forth in the Draft EIR, the Final EIR, and the record of proceedings, implementation of the proposed project would result in a significant impact by violating Consistency Criterion No.1 of the 2012 AQMP, thus exceeding long-term operational standards. No mitigation measures are available to reduce impacts to less than significant levels. As such, this impact remains significant and unavoidable.

Air Quality (Long-Term Operational Emissions of Air Pollutants)

Based on the information and analysis set forth in the Draft EIR, the Final EIR, and the record of proceedings, implementation of the proposed project would result in a significant impact by exceeding SCAQMD's NO_x (primarily associated with heavy-duty trucks) emission thresholds for both winter and summer emissions. Emissions associated with heavy-duty trucks are regulated by CARB, and thus are outside the jurisdiction and control of the City to regulate. Therefore, there is not much feasible mitigation that can be directed at this source of emissions beyond the loading dock design requirement described under mitigation measure MM 3.4.1a in Section 3.4, Climate Change and Greenhouse Gases (pp. 3.4-19 through -20), and the mitigation measures included above in Subsection 7.1. Therefore, impacts remain significant and unavoidable.

Air Quality (Result in a Cumulatively Considerable Net Increase in Nonattainment Criteria Pollutant)

Based on the information and analysis set forth in the Draft EIR, the Final EIR, and the record of proceedings, implementation of the proposed project would result in a significant impact by resulting in a cumulatively considerable net increase of criteria air pollutants for which the SoCAB is designated nonattainment. Because the project is inconsistent with the 2012 AQMD and no mitigation measures are available to reduce impacts to levels less than significant, this remains a significant and unavoidable impact.

Climate Change and Greenhouse Gases (Generate Greenhouse Gas Emissions)

Based on the information and analysis set forth in the Draft EIR, the Final EIR, and the record of proceedings, implementation of the proposed project would result in a significant impact by exceeding allowable annual CO₂e thresholds. Based on the Draft EIR, even with the implementation of mitigation measures identified above, long-term operations of the proposed project would still exceed annual CO₂e thresholds. The majority of these emissions are a result of mobile sources, such as the heavy-duty truck traffic associated with this proposed warehouse land use. Heavy-duty trucks emissions are intensely evaluated in the AB 32 Scoping Plan and are regulated by CARB. Since heavy-duty truck emissions are outside the jurisdiction and control of the City of Bell to regulate, there is not much feasible mitigation beyond the loading dock design requirement imposed by mitigation measure MM 3.4.1a. Because proposed project still exceeds regulatory thresholds, this is considered a significant and unavoidable impact.

Transportation and Circulation (Substantial Increase in Traffic Volume)

Based on the information and analysis set forth in the Draft EIR, the Final EIR, and the record of proceedings, implementation of the proposed project would result in a significant impact due to intersection 9 (Eastern Avenue/Mansfield Way), which cannot be mitigated to a less than significant level. This two-way stop-controlled intersection fails during both existing and with project conditions due to its proximity to Rickenbacker Road intersection, which prevents the installation of a traffic signal to allow left turning movements. As such, during AM and PM peak hours, the left turn movements will continue to be LOS F. Impacts are considered significant and unavoidable.

Transportation and Circulation (Cumulative Year 2025 Plus Project Impacts to Traffic Volumes)

Based on the information and analysis set forth in the Draft EIR, the Final EIR, and the record of proceedings, implementation of the proposed project would result in a significant impact due to an increase in traffic generated by the implementation of the proposed project. Even with the implementation of the mitigation measures identified in the Draft EIR and Section 7.0 above, all cumulative impacts cannot be reduced to levels less than significant. For example, the impacts at intersection 9, Eastern Avenue/Mansfield Way, remain significant and unavoidable as it is infeasible to add a traffic signal at this location. Therefore, these impacts remain significant and unavoidable.

Findings

The City of Bell finds, based on the Draft EIR, the Final EIR, and the whole of the record, that the proposed project would result in a significant and unavoidable impact to air quality, climate change and greenhouse gases, and transportation and circulation despite implementation of all feasible mitigation. The City further finds that these unavoidable impacts are overridden by the project benefits as set forth in this Statement of Overriding Considerations.

Project Benefits

The City of Bell has balanced the proposed project's benefits against the proposed project's significant and unavoidable impacts. The City of Bell finds that the proposed project's benefits outweigh the proposed project's significant and unavoidable impacts; those impacts therefore are considered acceptable in light of the proposed project's benefits. The City of Bell finds that

FINDINGS OF FACT

each of the following benefits is an overriding consideration that warrants approval of the proposed project, notwithstanding the proposed project's significant and unavoidable impacts. The benefits of the proposed project include the following:

- Result in economic growth and strengthening of the city's industrial area, through capital investment that attracts new light industrial, warehousing, or distribution uses and results in the creation of new jobs, the establishment of new businesses, and the expansion of the city's tax base.
- Create a series of signature projects that illustrate the high quality design and construction expected of new warehousing, distribution, or light industrial developments in the City of Bell.
- Attract motivated developers to invest in the City of Bell by creating an expedited review process for warehousing, distribution, or light industrial projects that create new jobs and promote quality development.
- Allow flexibility of building size and location for warehousing, distribution, or light industrial projects that create new jobs and promote quality development.

Conclusion

CEQA requires the City to balance, as applicable, the economic, legal, social, technological, or other benefits, including region-wide or statewide environmental benefits, of a proposed project against its significant and unavoidable environmental risks when determining whether to approve the project. If the specific economic, legal, social, technological, or other benefits, including region-wide or statewide environmental benefits, of a proposed project outweigh the unavoidable adverse environmental effects, the adverse environmental effects may be considered "acceptable" and the proposed project approved. In this instance, the City of Bell needs for this property to be developed with industrial uses in order to further the goals of the General Plan. With the dissolution of redevelopment, the City is unable fiscally or physically to develop the property. Sale and development of the property is important to the City, as it will generate a potential 453 to 542 employees and result in the development of 840,390 square feet of warehouse and industrial space. The sale of the property will allow for development, which will increase the property value and therefore property taxes of not only the City of Bell but also Los Angeles County. Ultimately, the implementation of the proposed project would result in the creation of new jobs, bringing economic growth to the City of Bell.

After balancing the specific economic, legal, social, technological, and other benefits of the proposed project, the City of Bell has determined that the identified significant and unavoidable impacts may be considered "acceptable" due to the specific considerations listed above that outweigh the significant and unavoidable impacts that would result from implementation of the proposed project. Accordingly, the City of Bell adopts the Statement of Overriding Considerations, recognizing that the significant and unavoidable noise impacts would result from implementation of the proposed project. Having (1) adopted all feasible mitigation measures, (2) rejected alternatives to the proposed project, and (3) recognized all unavoidable significant impacts, the City of Bell hereby finds that each of the separate benefits of the proposed project, as stated herein, is determined to be unto itself an overriding consideration, independent of other benefits, that warrants approval of the proposed project and outweighs and overrides its significant and unavoidable impacts, and thereby justifies the approval of the Bell Business Center Project.

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City Council Agenda

Special Meeting

Bell City Council

Wednesday, May 29, 2013

4:30 P.M. Open Session

5:30 P.M. Closed Session

**Bell Community Center
6250 Pine Avenue**

**Violeta Alvarez
Mayor**

**Ana Maria Quintana
Mayor Pro-Tem**

**Alicia Romero
Council Member**

**Ali Saleh
Council Member**

**Nestor Enrique Valencia
Council Member**

Welcome to the City Council Meeting

The Bell City Council and staff welcome you. This is your City Government. Individual participation is a basic part of American Democracy and all Bell residents are encouraged to attend meetings of the City Council. Regular City Council meetings are held the first and third Wednesday of the month at 7:00 p.m., Bell Community Center, 6250 Pine Avenue. For more information, you may call City Hall during regular business hours 8:00 a.m. to 4:00 p.m., Monday through Friday at (323) 588-6211 Extension 230.

City Council Organization

There are five City Council members, one of whom serves as Mayor and is the presiding officer of the City Council. These are your elected representatives who act as a Board of Directors for the City of Bell. City Council members are like you, concerned residents of the community who provide guidance in the operation of your City.

Addressing the City Council

If you wish to speak to the City Council on any item which is listed or not listed on the City Council Agenda, please complete a *Request to Speak Card* available in the back of the City Council Chambers. Please submit the completed card to the City Clerk prior to the meeting. The Mayor will call you to the microphone at the appropriate time if you have filled out a *Request to Speak Card*. At that time, please approach the podium, clearly state your name and address, and proceed to make your comments.

Compliance with Americans with Disabilities Act

The City of Bell, in complying with the Americans with Disabilities Act (ADA), request individuals who require special accommodation(s) to access, attend, and or participate in a City meeting due to disability. Please contact the City Clerk's Office, (323) 588-6211, Ext. 230, at least one business day prior to the scheduled meeting to insure that we may assist you.

Statement Regarding Compensation for Members of the Bell City Council

Compensation for the members of the Bell City Council is \$673 a month. In accordance with Government Code Section 54952.3, Councilmembers will not receive any additional compensation or stipend for the convening of the following regular meetings: Successor Agency to the Bell Community Redevelopment Agency, the Bell Community Housing Authority, the Bell Public Finance Authority, the Bell Surplus Property Authority, the Bell Solid Waste Authority, and the Planning Commission.

CITY OF BELL, CALIFORNIA

SPECIAL MEETING OF THE

**Bell City Council/Bell Community Housing Authority/Successor Agency to the Bell
Community Redevelopment Agency/ Bell Public Finance Authority/ Bell Solid Waste
Authority/ Bell Surplus Property Authority**

Wednesday, May 29, 2013

**4:30 PM Open Session
5:30 PM Closed Session**

**Bell Community Center
6250 Pine Avenue**

Call to Order

**Roll Call of the City Council in their capacities as Councilmembers/Members of all
Related Agencies:** Quintana, Romero, Valencia, Alvarez, and Saleh

Pledge of Allegiance

Communications from the Public

This is the time members of the public may address the City Council, Bell Community Housing Authority the Successor Agency to the Bell Community Redevelopment Agency and the Planning Commission. The public may speak on items that are on the agenda and on non-agenda items that are under the subject matter jurisdiction of City Council and/or its related authorities and agencies.

Consent Calendar

The following Consent Calendar items are expected to be routine and non-controversial. They are acted upon by the City Council and related authorities at one time without discussion.

Recommendation: Approve item No. 1

1. Approval of General Warrant dated May 28, 2013. *(Council)*

Business Calendar

2. Consideration of a report on the Environmental Impact Report (EIR) Process for the Bell Business Center Project *(Council)*

Recommendation: Receive and file the report

3. Consideration of a report on Site Plans and Building Elevations for the Bell Business Center Project (*Council*)

Recommendation: Receive and file the report

4. Consideration of Execution of Exclusive Right to Negotiate With Pacific Industrial (*Council, Public Finance Authority and other related agencies*)

Recommendation: Staff recommends that the City Council/Boards authorize:

- 1.) ***The City Manager execute an Exclusive Right to Negotiate with Pacific Industrial;***
- 2.) ***Authorize the City Attorney to execute all final "clean-up" revisions to attached agreement.***

5. Consideration of Stipulation for Settlement with Dexia Credit Local and related attachments including limited settlement terms with BB&K (*Council, Public Finance Authority and other related agencies*)

Recommendation: Staff recommends that the Council/Boards authorize:

- 1.) ***The City Manager to execute the attached Stipulation for Settlement with Dexia Credit Local and limited settlement terms with BB&K;***
- 2.) ***Authorize the City Attorney to complete all necessary final "clean up" revisions to said stipulation that are consistent with the direction given by the City Council; and***
- 3.) ***Direct the City Attorney to cause the Stipulation, once fully executed, to be filed with the Los Angeles Superior Court for approval by the court.***

6. Consideration of Resolution No. 2013-20 supporting SB 811: Environmental Health and Justice for Communities (*Council*)

Recommendation: Approve Resolution No. 2013-20 supporting SB 811, Environmental Health and Justice for Communities

RESOLUTION NO. 2013-20: RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELL SUPPORTING SB 811

Closed Session

7. The City Council and the related Authorities and Agencies will recess to a closed session to confer with legal counsel regarding the following matters:
 - a) CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Subdivision (a) of Section 54956.9); Name of case: Luis Ramirez v. Bell (Supplemental Retirement Plan) BC 474118.

- b) CONFERENCE WITH LEGAL COUNSEL-- EXISTING LITIGATION (Subdivision (a) of Government Code Section 54956.9); Name of case: City of Bell v. Avila Case NO. BC491531.
- c) CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Subdivision (a) of Government Code Section 54956.9); Name of case: Supplemental Retirement Plan BC 138724.
- d) CONFERENCE WITH LEGAL COUNSEL- EXISTING LITIGATION (Subdivision (a) of Government Code Section 54956.9) Name of Case: Dexia Credit Local v. City of Bell, Bell Public Financing Authority BC471478
- e) CONFERENCE WITH LEGAL COUNSEL-- EXISTING LITIGATION (Subdivision (a) and (d)(1) of Government Code Section 54956.9); Name of case: Bell v. Best Best & Krieger; LASC BC466436
- f) CONFERENCE WITH LEGAL COUNSEL- EXISTING LITIGATION (Government Code Section 54956.9 (a) and (d)(1)) Name of Case: City of Bell, Bell Public Financing Authority v. Nixon Peabody, LLP BC493759.
- g) CONFERENCE WITH LEGAL COUNSEL – POTENTIAL INITIATION OF LITIGATION (Government Code Section 54956.9 (d)(4)). (One (1) potential case)

Reconvene Regular Meeting

City Attorney Report

The City Attorney will report out on any action(s) to be taken by the City Council/Agencies on Closed Session matters.

Adjournment

Next Regular Meeting, June 5, 2013

I, Janet Martinez, Interim City Clerk of the City of Bell, certify that a true, accurate copy of the foregoing agenda was posted on May 28, 2013, at least twenty-four (24) hours prior to the meeting as required by law.



Janet Martinez
Interim City Clerk

City of Bell Agenda Report

DATE: May 29, 2013

TO: Mayor and Members of the City Council

FROM: Joe Perez, Community Development Director

APPROVED
BY:



Doug Willmore, City Manager

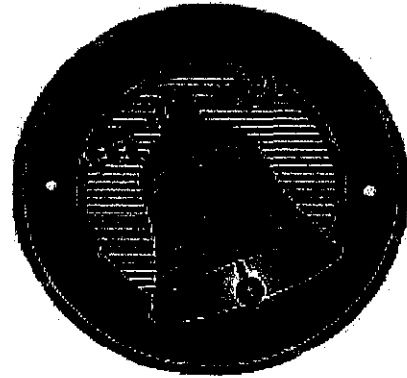
SUBJECT: Informational Report on the EIR Process for the Bell Business Center Project

RECOMMENDED ACTION

It is recommended that the City Council receive and file this report.

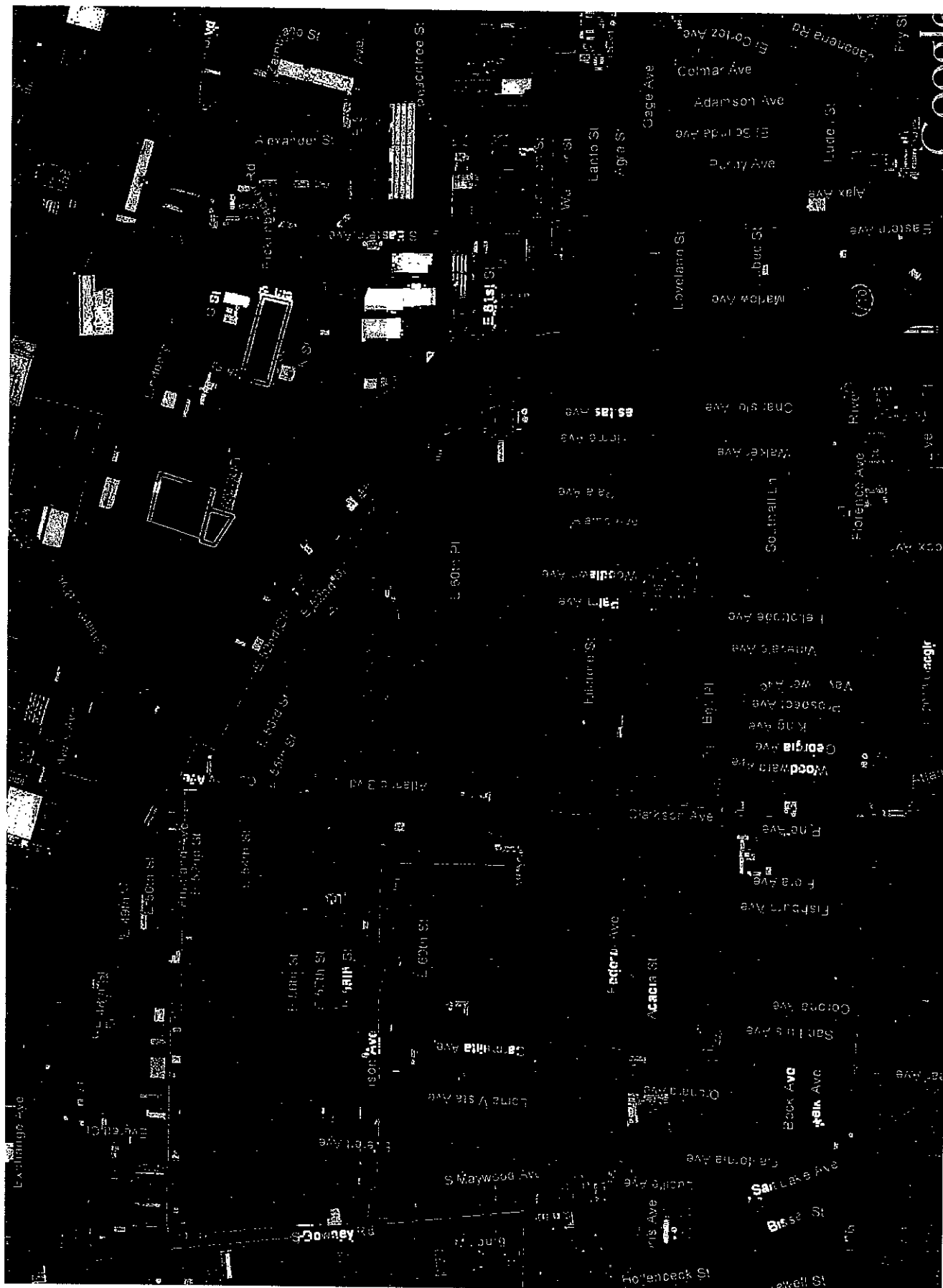
DISCUSSION

Attached is a copy of the slide presentation that will be provided to the City Council at its May 29, 2013 City Council meeting.

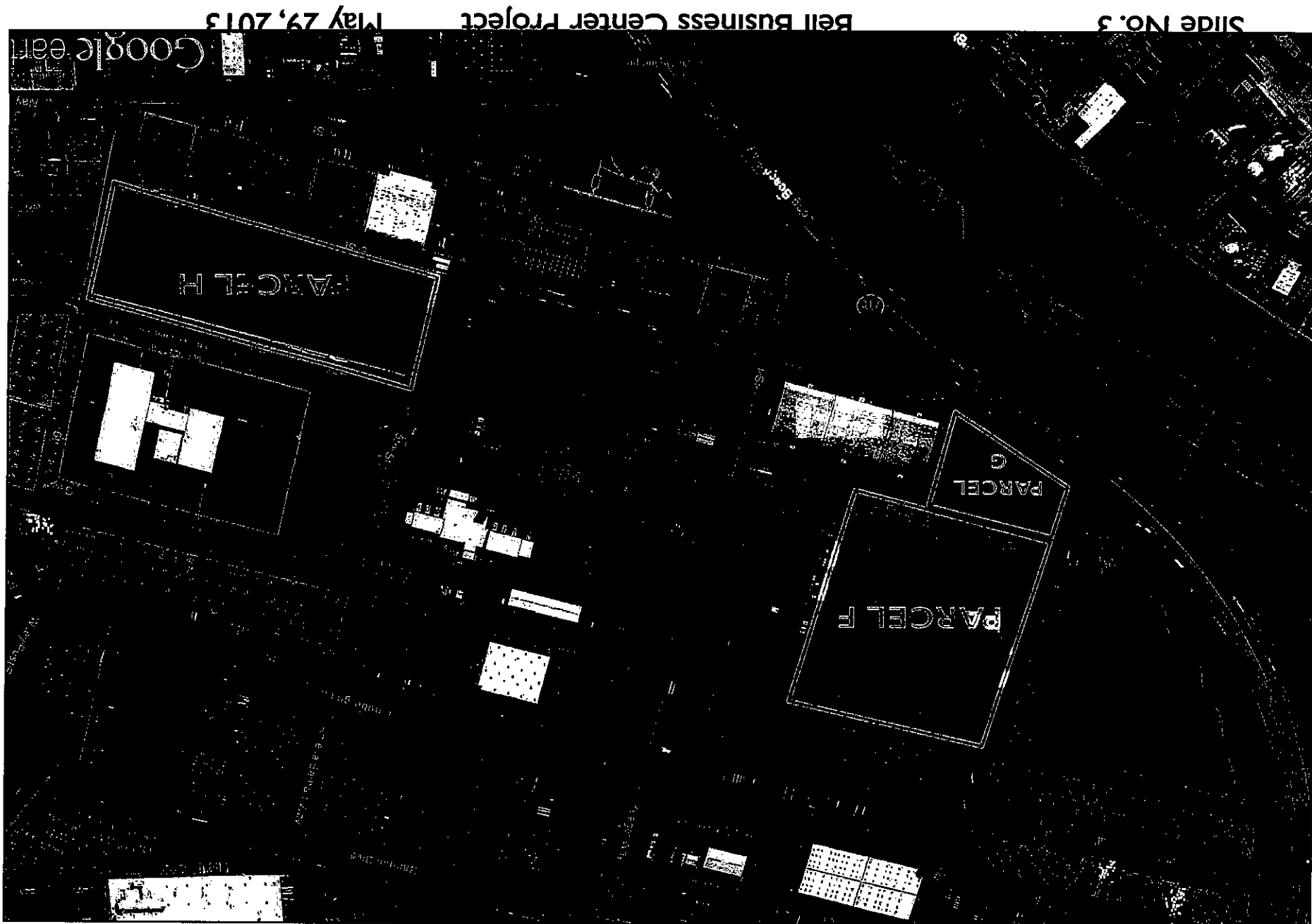


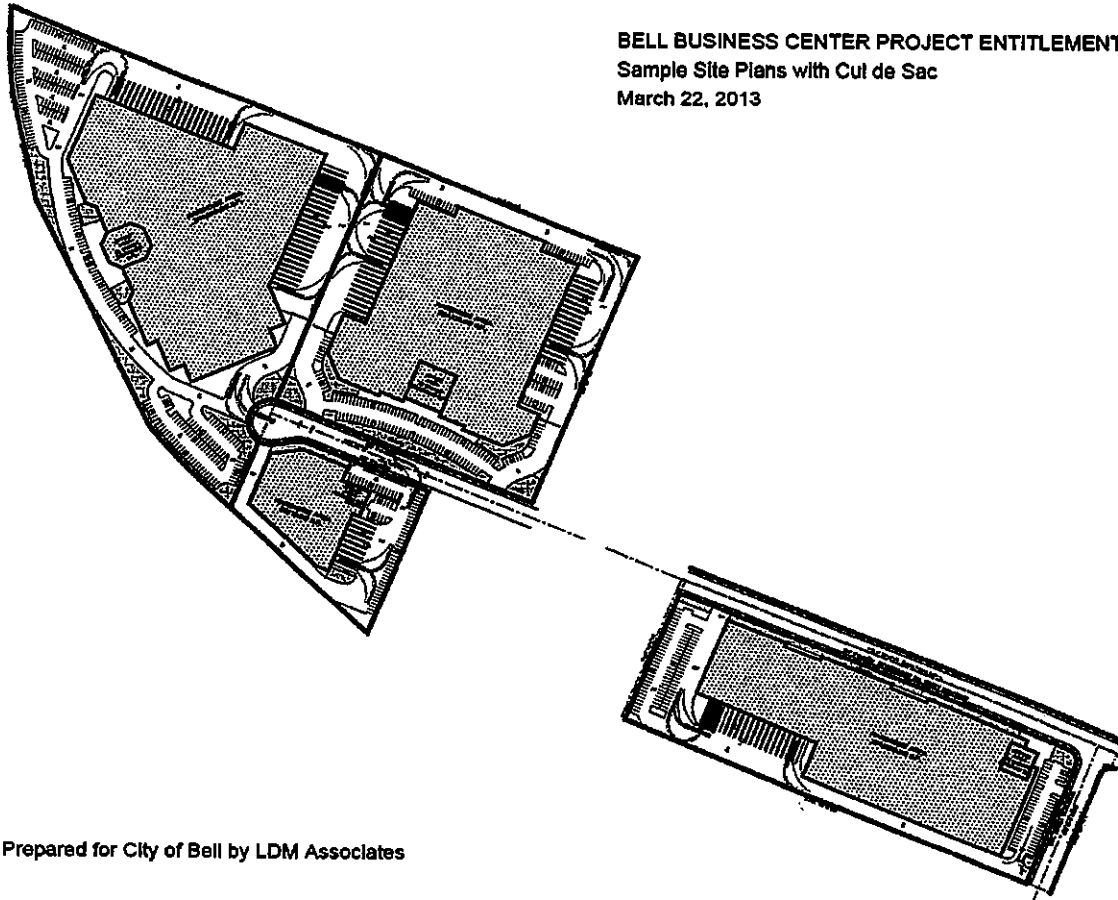
CITY OF BELL

Bell Business Center Project Overview



BELL-2784





Prepared for City of Bell by LDM Associates

Project Overview

Total Project

- 4 Building Sites
- 40.2 Acres
- 840,390 sf building area
- Warehouse or light manufacturing use

Project Entitlements

City-Initiated

- ▶ Environmental Review
 - ▶ Draft EIR
 - ▶ Final EIR
- ▶ Development Agreement
- ▶ Site Plan Approval

Developer-Initiated

- ▶ Tentative Parcel Map for Parcel H
- ▶ Building Permits

Next Steps

- ▶ **Draft EIR Review Period:**
 - ▶ Began May 21, 2013
 - ▶ Ends July 5, 2013

- ▶ **City Council Meeting: July 25, 2013**
 - ▶ Public Hearing
 - ▶ Certify EIR
 - ▶ Approve Tentative Parcel Map
 - ▶ Development Agreement (DA) Ordinance First Reading

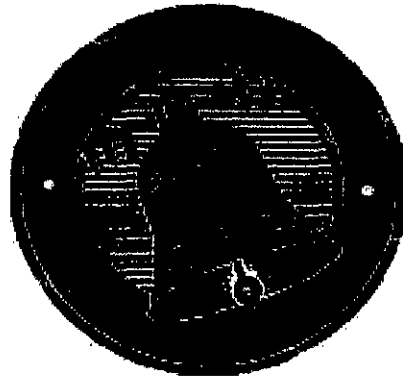
- ▶ **File NOD EIR:**
 - ▶ July 26, 2013

Next Steps

- ▶ **City Council Meeting:**
 - ▶ August 7, 2013
 - ▶ Development Agreement Ordinance Second Reading

- ▶ **EIR Legal Challenge Period**
 - ▶ 30 Days
 - ▶ Ends August 25, 2013

- ▶ **DA Legal Challenge Period**
 - ▶ 90 Days
 - ▶ Ends November 5, 2013



CITY OF BELL

Bell Business Center Project EIR Process

Today's Meeting

- ▶ Overview of the CEQA process and requirements for an Environmental Impact Report
- ▶ Summary of Content and Findings of the EIR
- ▶ Next Steps

Environmental Impact Report

- ▶ The City prepared an Environmental Impact Report (EIR) for the project to comply with the California Environmental Quality Act (CEQA)
- ▶ CEQA's mandate is disclosure. EIR is an informational document to foster informed decision making.
- ▶ EIR process began with a Notice of Preparation and Scoping Meeting
- ▶ Coordination with affected agencies and organizations: Caltrans, City of Commerce, LAUSD, Cal Water, Community Groups

EIR Approach

- ▶ Evaluate short- and long-term effects of the changes on the environment
- ▶ Direct and indirect growth-inducing impacts
- ▶ Cumulative impacts
- ▶ Project Alternatives
- ▶ Mitigation measures as necessary

Environmental Study Areas

- ▶ Air Quality
- ▶ Biological Resources
- ▶ Cultural Resources
- ▶ Hazards and Hazardous Materials
- ▶ Hydrology and Water Quality
- ▶ Climate Change and Greenhouse Gases
- Geology and Soils
- Land Use
- Noise
- Population, Housing, and Employment
- Public Services and Utilities
- Transportation and Circulation

Range of Impact Findings

- ▶ No Impact
- ▶ Less than Significant Impact – impacts are less than a threshold
- ▶ Less than Significant with Mitigation – impacts can be reduced below a threshold by doing certain things (mitigation measures)
- ▶ Significant and Unavoidable – impacts cannot be reduced below a threshold even with mitigation measures

Significant Unavoidable Impacts

- ▶ Transportation and Circulation – Five intersections/interchanges impacted. Mitigation measures required, but impacts still significant.
- ▶ Air Quality & Greenhouse Gas Emissions – Diesel emissions would exceed air district thresholds. Mitigation measures required, but impacts still significant.
- ▶ Also mitigations measures for: Biology, Geology, Hydrology, and Construction Noise. All these impacts mitigated below level of significance.

Mitigation Measures

- ▶ Measures to reduce significant impacts are legally binding and must be implemented
- ▶ Example:
 - ▶ MM 3.12.1.b . The developer/successor-in-interest shall make a fair-share contribution to change the northbound Eastern Avenue approach from two left turn lanes, one through lane, and one shared through/right-turn lane to consist of three left-turn lanes, one through land, and one shared through/right turn lane. As this intersection is shared with the City of Commerce, the extent of improvements must be coordinated with the City of Commerce.

Project Alternatives

Alternatives to the project that would lessen impacts while achieving most of the project objectives:

- ▶ Reduced Building Footprint
- ▶ Warehouse/Office/Commercial Uses
- ▶ Reduced Project with Transitional Housing (“No Project”)

Next Steps...

- ▶ Comments period ends July 5
- ▶ All comments will be responded to in Final EIR
- ▶ City Council “certifies” that the findings of the EIR reflect independent judgment of the City
- ▶ Findings and Statement of Overriding Considerations adopted for the unavoidable impacts

City of Bell Agenda Report

DATE: May 29, 2013

TO: Mayor and Members of the City Council

FROM: Joe Perez, Community Development Director

APPROVED
BY:



Doug Willmore, City Manager

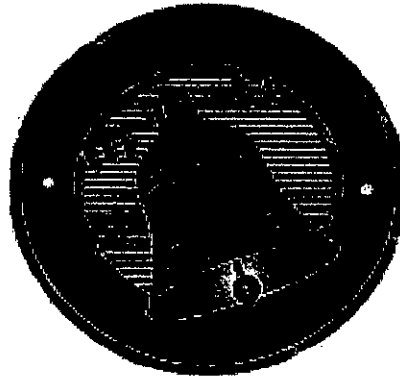
SUBJECT: Informational Report on Site Plans and Building Elevations for the Bell Business Center Project

RECOMMENDED ACTION

It is recommended that the City Council receive and file this report.

DISCUSSION

Attached is a copy of the slide presentation that will be provided to the City Council at its May 29, 2013 City Council meeting.

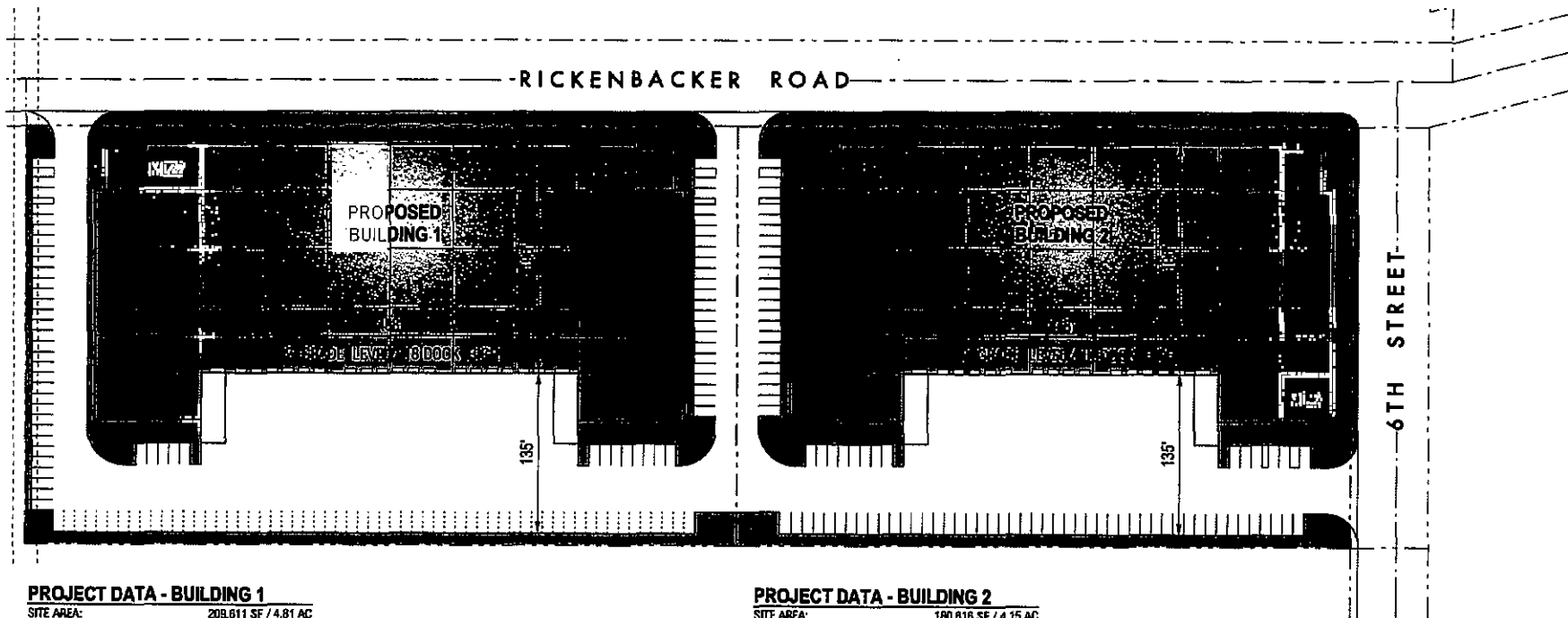


CITY OF BELL

Bell Business Center Project Site Plans & Elevations



Parcel H



PROJECT DATA - BUILDING 1

SITE AREA:	209,611 SF / 4.81 AC
BUILDING AREA:	
FOOTPRINT	101,000 SF
MEZZANINE	5,000 SF
TOTAL	106,000 SF

COVERAGE 50.56 %

PARKING ANALYSIS

10,000 SF OFFICE (1/250 SF)	40 STALLS
20,000 SF WAREHOUSE (1/1000 SF)	20 STALLS
20,000 SF WAREHOUSE (1/2000 SF)	10 STALLS
56,000 SF WAREHOUSE (1/4000 SF)	14 STALLS
TOTAL REQUIRED	84 STALLS

PARKING PROVIDED:

STRIPPED	68 STALLS
FUTURE	59 STALLS
TOTAL	127 STALLS

PROJECT DATA - BUILDING 2

SITE AREA:	180,810 SF / 4.15 AC
BUILDING AREA:	
FOOTPRINT	94,000 SF
MEZZANINE	5,000 SF
TOTAL	99,000 SF

COVERAGE 54.81 %

PARKING ANALYSIS

10,000 SF OFFICE (1/250 SF)	40 STALLS
20,000 SF WAREHOUSE (1/1000 SF)	20 STALLS
20,000 SF WAREHOUSE (1/2000 SF)	10 STALLS
49,000 SF WAREHOUSE (1/4000 SF)	13 STALLS
TOTAL REQUIRED	83 STALLS

PARKING PROVIDED:

STRIPPED	85 STALLS
FUTURE	0 STALLS
TOTAL	85 STALLS

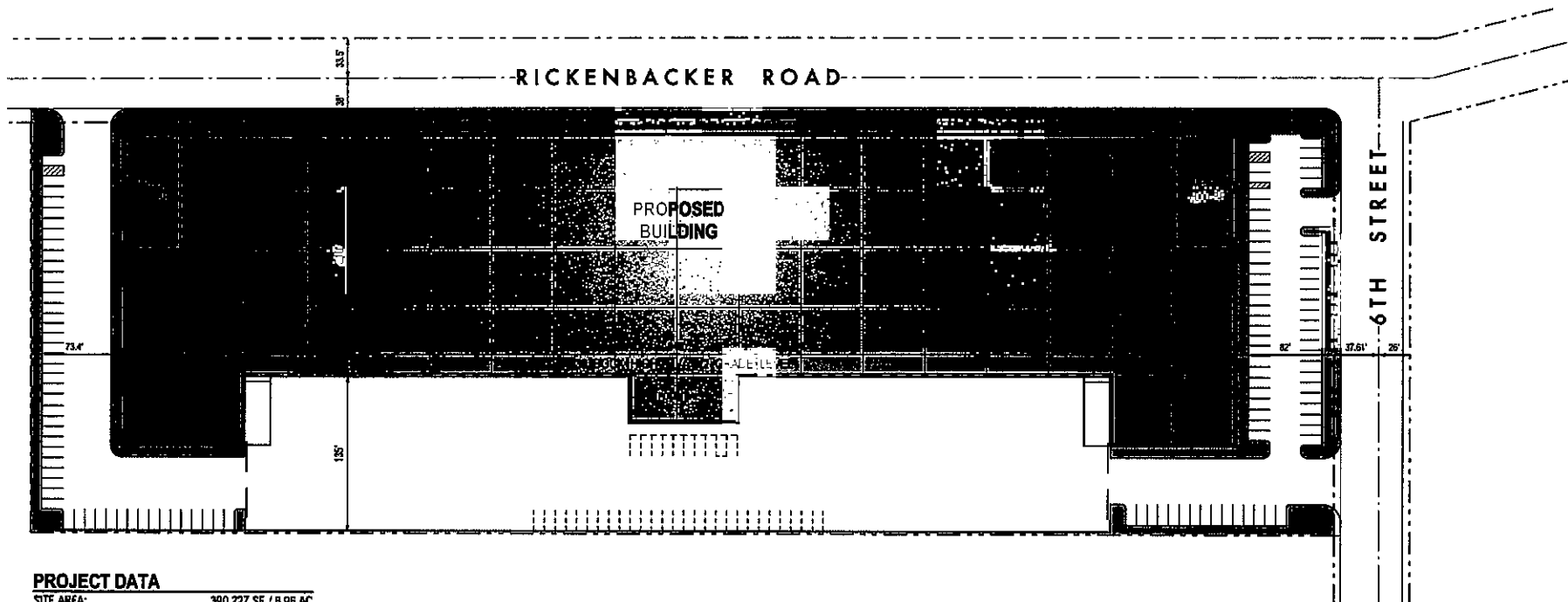


0' 10' 20' 50' 100'

PARCEL H
OPTION 1

RGA

BELL-2803



PROJECT DATA

SITE AREA:	390,227 SF / 8.96 AC
BUILDING AREA:	
FOOTPRINT	213,000 SF
MEZZANINE	10,000 SF
TOTAL	223,000 SF

COVERAGE	57.15 %
----------	---------

PARKING ANALYSIS	
20,000 SF OFFICE (1/250 SF)	80 STALLS
20,000 SF WAREHOUSE (1/1000 SF)	20 STALLS
20,000 SF WAREHOUSE (1/2000 SF)	10 STALLS
163,000 SF WAREHOUSE (1/4000 SF)	41 STALLS
TOTAL REQUIRED	151 STALLS

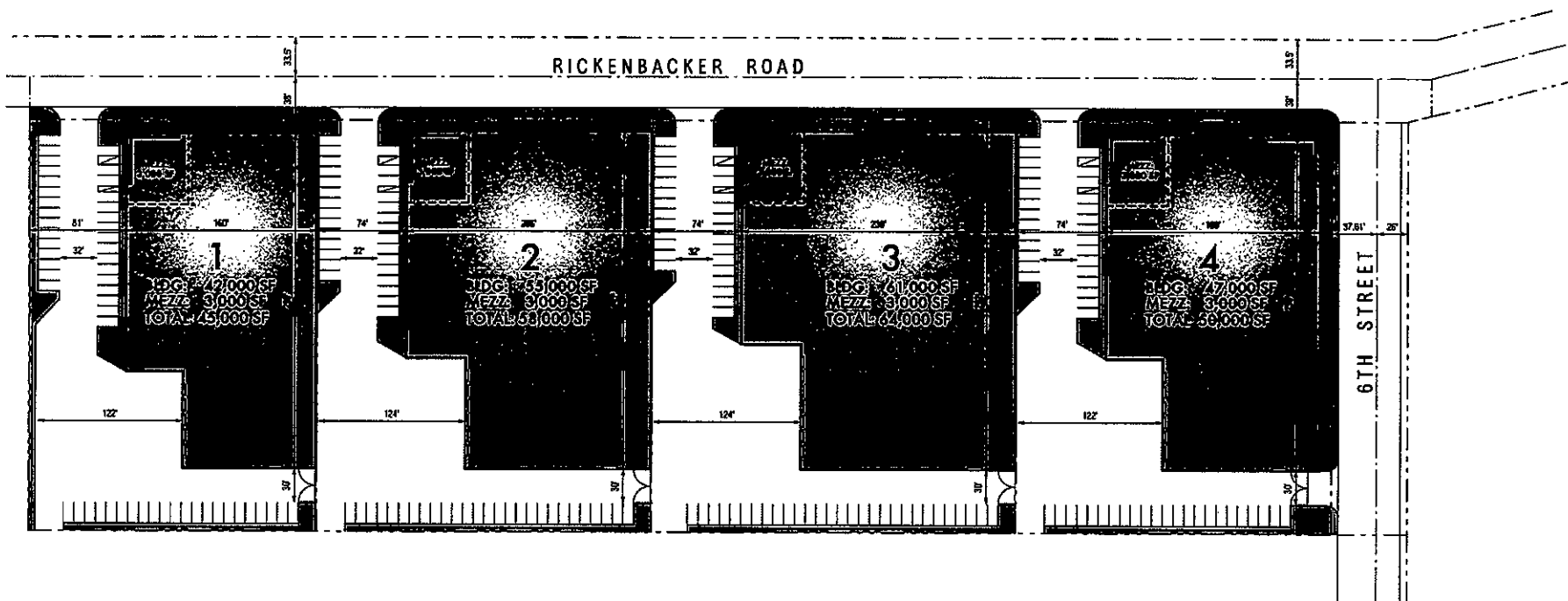
PARKING PROVIDED:	
STRIPPED	115 STALLS
FUTURE	36 STALLS
TOTAL	151 STALLS



PARCEL H
OPTION 2

RG

BELL-2804

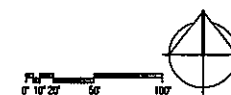


PROJECT DATA TOTALS

SITE AREA: 390,227 SF / 8.96 AC

BUILDING AREA:	
FOOTPRINT	205,000 SF
MEZZANINE	12,000 SF
TOTAL	217,000 SF

COVERAGE 55.61 %



PARCEL H
OPTION 3

RG

BELL-2805



Parcels F & G

PROJECT DATA - PARCEL F

GROSS SITE AREA: 503,011 SF / 11.55 AC
INCL. RICKENBACKER
NET SITE AREA: 478,604 SF / 11.01 AC
EXCL. RICKENBACKER

BUILDING AREA:
FOOTPRINT 258,000 SF
MEZZANINE 5,000 SF
TOTAL 263,000 SF

NET COVERAGE 50.91 %

PARKING ANALYSIS
10,000 SF OFFICE (1/250 SF) 40 STALLS
20,000 SF WAREHOUSE (1/1000 SF) 20 STALLS
70,000 SF WAREHOUSE (1/2500 SF) 10 STALLS
223,000 SF WAREHOUSE (1/4000 SF) 56 STALLS
TOTAL REQUIRED 126 STALLS

PARKING PROVIDED:
STRIPPED 64 STALLS
FUTURE 42 STALLS
TOTAL 126 STALLS

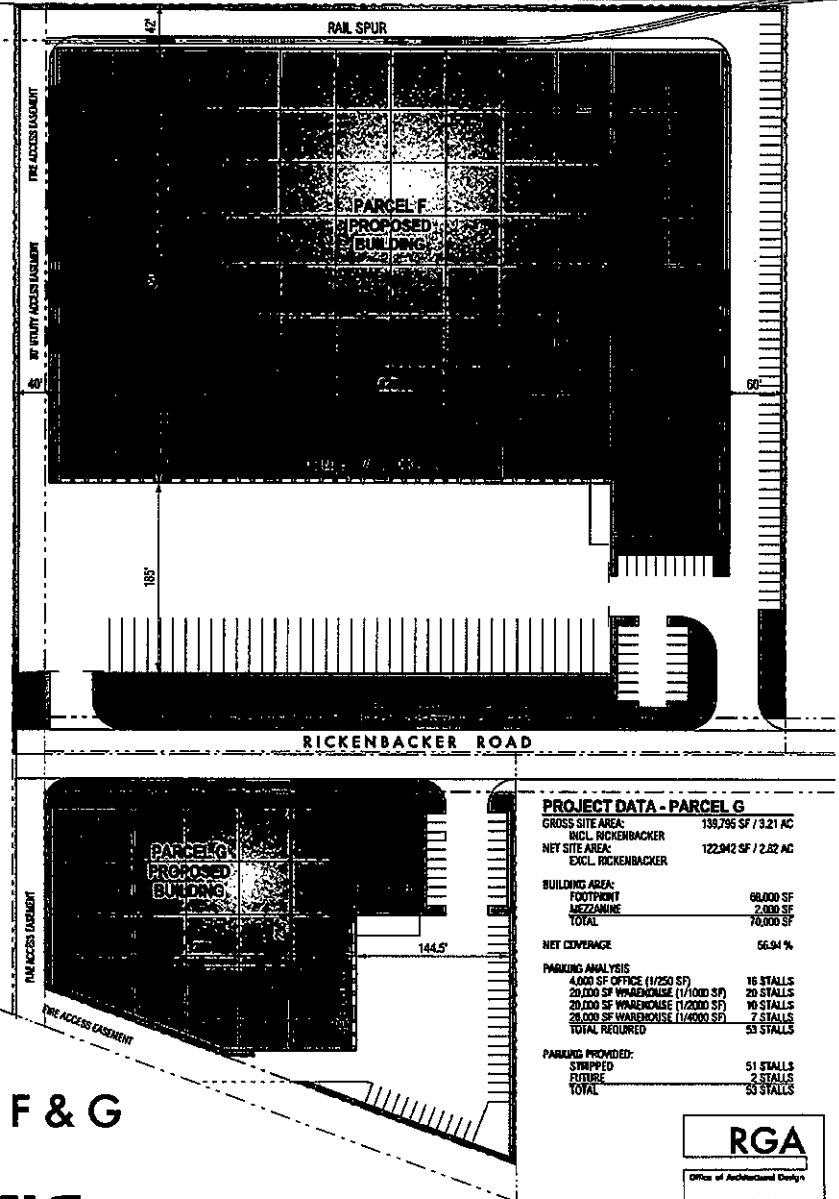
PARCEL A
SITE 597,995 SF

710 FREEWAY



PARCELS F & G
OPTION 1

PACIFIC
INDUSTRIAL



PROJECT DATA - PARCEL G

GROSS SITE AREA: 138,795 SF / 3.21 AC
INCL. RICKENBACKER
NET SITE AREA: 122,942 SF / 2.82 AC
EXCL. RICKENBACKER

BUILDING AREA:
FOOTPRINT 68,000 SF
MEZZANINE 70,000 SF
TOTAL 138,000 SF

NET COVERAGE 56.94 %

PARKING ANALYSIS
4,000 SF OFFICE (1/250 SF) 16 STALLS
20,000 SF WAREHOUSE (1/1000 SF) 20 STALLS
20,000 SF WAREHOUSE (1/2000 SF) 10 STALLS
28,000 SF WAREHOUSE (1/4000 SF) 7 STALLS
TOTAL REQUIRED 53 STALLS

PARKING PROVIDED:
STRIPPED 51 STALLS
FUTURE 2 STALLS
TOTAL 53 STALLS

RG

Office of Architectural Design

15211 Arden Parkway Suite 100
Irvine, CA 92618

DATE 05/09/13
RGA, JEN 10/17/20
100 (7-00) (1-1-4) (400)

7819-341-0000
7819-341-0022

BELL-2807

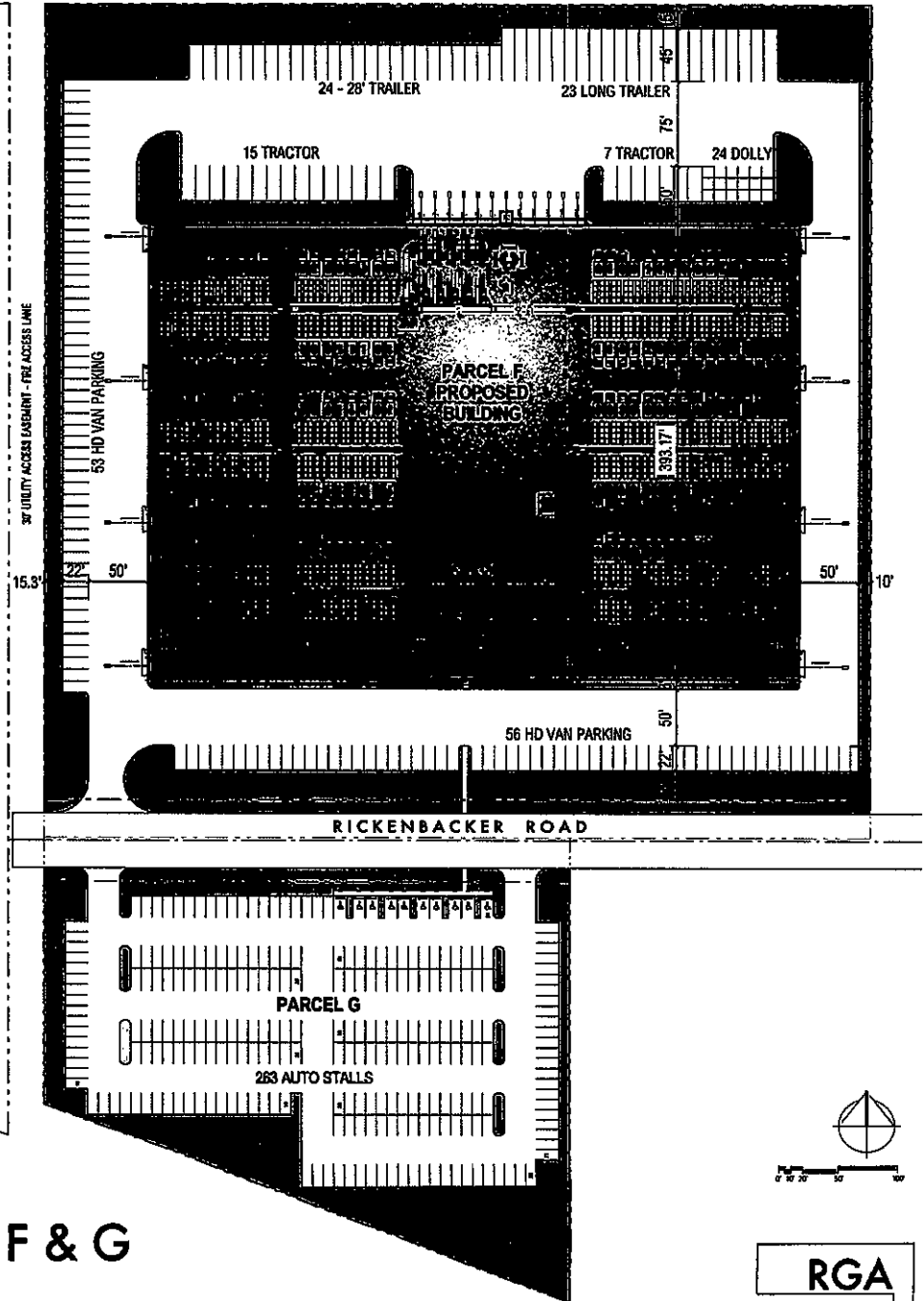
PROJECT DATA - PARCELS F&G

SITE AREA: 602,655 SF / 13.84 AC
 BUILDING AREA:
 FOOTPRINT 215,588 SF
 MEZZANINE 0 SF
 TOTAL 215,588 SF

COVERAGE 35.77 %

PARKING ANALYSIS:
 10,000 SF OFFICE (1/250 SF) 40 STALLS
 20,000 SF WAREHOUSE (1/1000 SF) 20 STALLS
 20,000 SF WAREHOUSE (1/2000 SF) 10 STALLS
 165,588 SF WAREHOUSE (1/4000 SF) 42 STALLS
 TOTAL REQUIRED 112 STALLS

PARKING PROVIDED:
 STRIPPED 263 STALLS
 FUTURE 0 STALLS
 TOTAL 263 STALLS



PARCELS F & G
 OPTION 2

RG A

BELL-2808

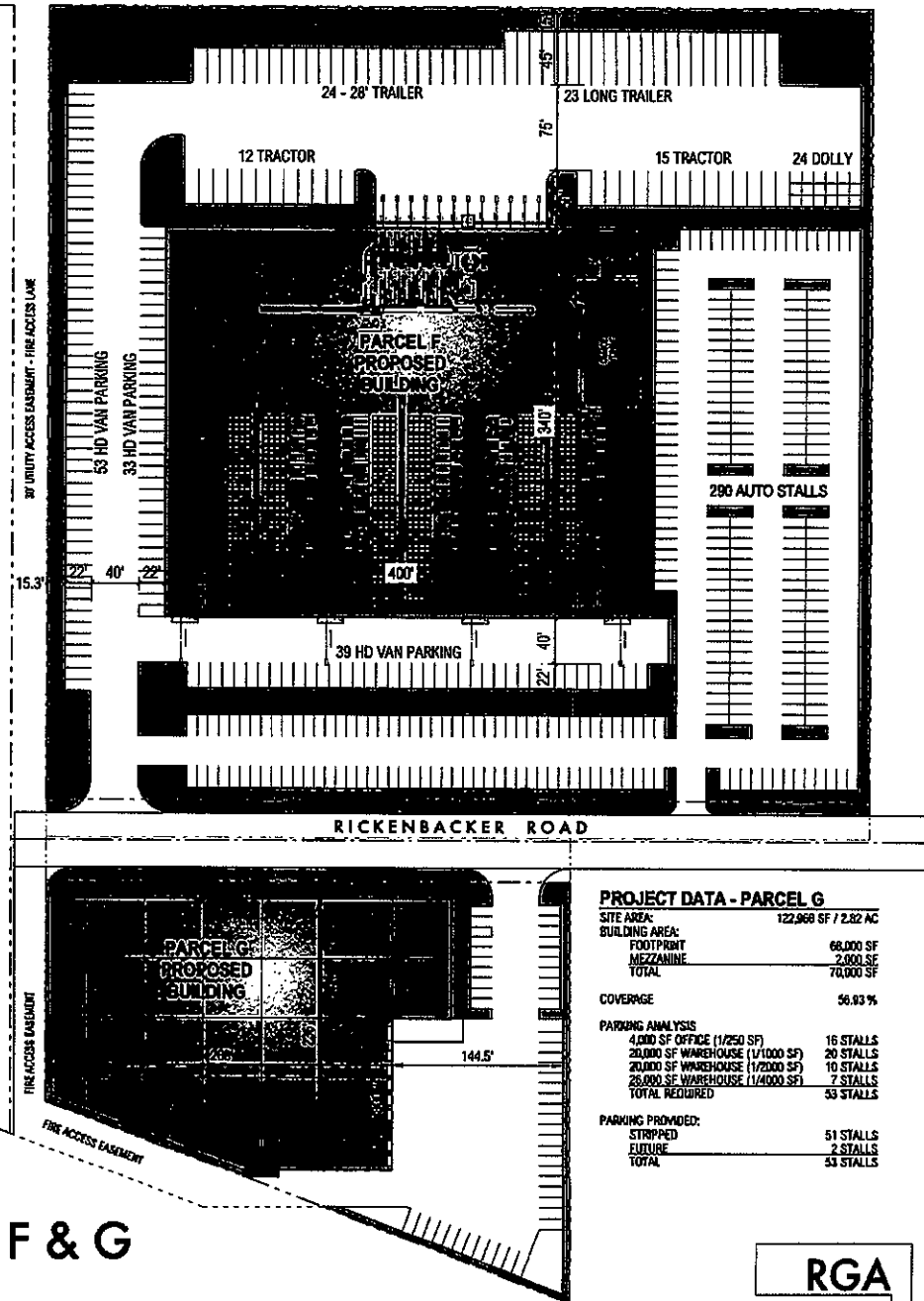
PROJECT DATA - PARCEL F

SITE AREA:	479,087 SF / 11.01 AC
BUILDING AREA:	
FOOTPRINT	136,000 SF
MEZZANINE	0 SF
TOTAL	136,000 SF

COVERAGE 28.35 %

PARKING ANALYSIS	
10,000 SF OFFICE (1/250 SF)	40 STALLS
20,000 SF WAREHOUSE (1/1000 SF)	20 STALLS
20,000 SF WAREHOUSE (1/2000 SF)	10 STALLS
88,000 SF WAREHOUSE (1/4000 SF)	22 STALLS
TOTAL REQUIRED	92 STALLS

PARKING PROVIDED:	
STRIPPED	290 STALLS
FUTURE	0 STALLS
TOTAL	290 STALLS



PARCELS F&G
OPTION 3

RG

BELL-2809

PROJECT DATA - PARCEL F

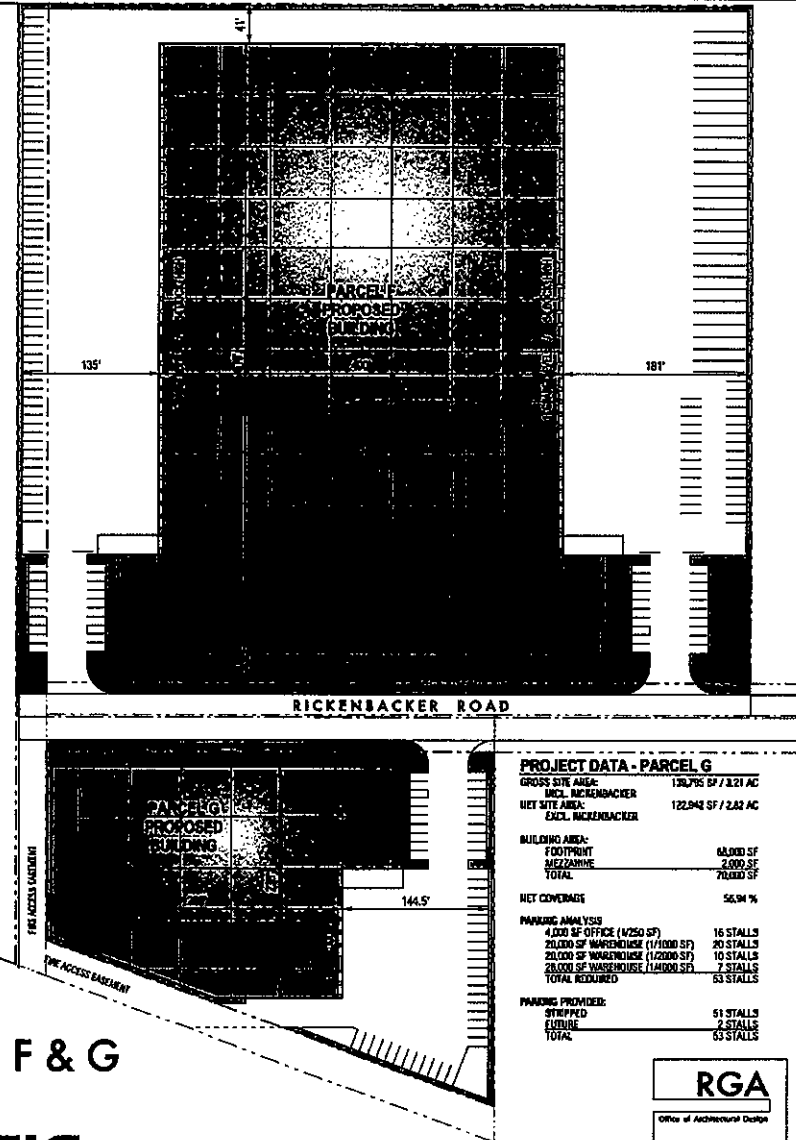
GROSS SITE AREA: 533,011 SF / 11.55 AC
INCL. RICKENBACHER 479,684 SF / 11.01 AC
EXCL. RICKENBACHER

BUILDING AREA:
FOOTPRINT 295,000 SF
MEZZANINE 5,000 SF
TOTAL 300,000 SF

NET COVERAGE 51.81 %

PARKING ANALYSIS
10,000 SF OFFICE (1/250 SF) 40 STALLS
20,000 SF WAREHOUSE (1/1000 SF) 20 STALLS
20,000 SF WAREHOUSE (1/1000 SF) 10 STALLS
210,000 SF WAREHOUSE (1/1000 SF) 63 STALLS
TOTAL REQUIRED 123 STALLS

PARKING PROVIDED:
STRIPPED 120 STALLS
FUTURE 0 STALLS
TOTAL 120 STALLS



PROJECT DATA - PARCEL G

GROSS SITE AREA: 170,705 SF / 3.91 AC
INCL. RICKENBACHER 122,942 SF / 2.82 AC
EXCL. RICKENBACHER

BUILDING AREA:
FOOTPRINT 62,000 SF
MEZZANINE 2,000 SF
TOTAL 64,000 SF

NET COVERAGE 50.94 %

PARKING ANALYSIS
4,000 SF OFFICE (1/250 SF) 16 STALLS
20,000 SF WAREHOUSE (1/1000 SF) 20 STALLS
20,000 SF WAREHOUSE (1/2000 SF) 10 STALLS
28,000 SF WAREHOUSE (1/1000 SF) 7 STALLS
TOTAL REQUIRED 53 STALLS

PARKING PROVIDED:
STRIPPED 51 STALLS
FUTURE 2 STALLS
TOTAL 53 STALLS

RG

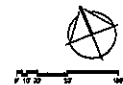
Office of Architectural Design

17231 Allen Parkway, Suite 100
Irvine, CA 92614
Phone: 949-451-1111
Fax: 949-451-0912

DWG: 05/07/13
RGA-JOB 10017.20
10017-08-41-1-F-G-M01

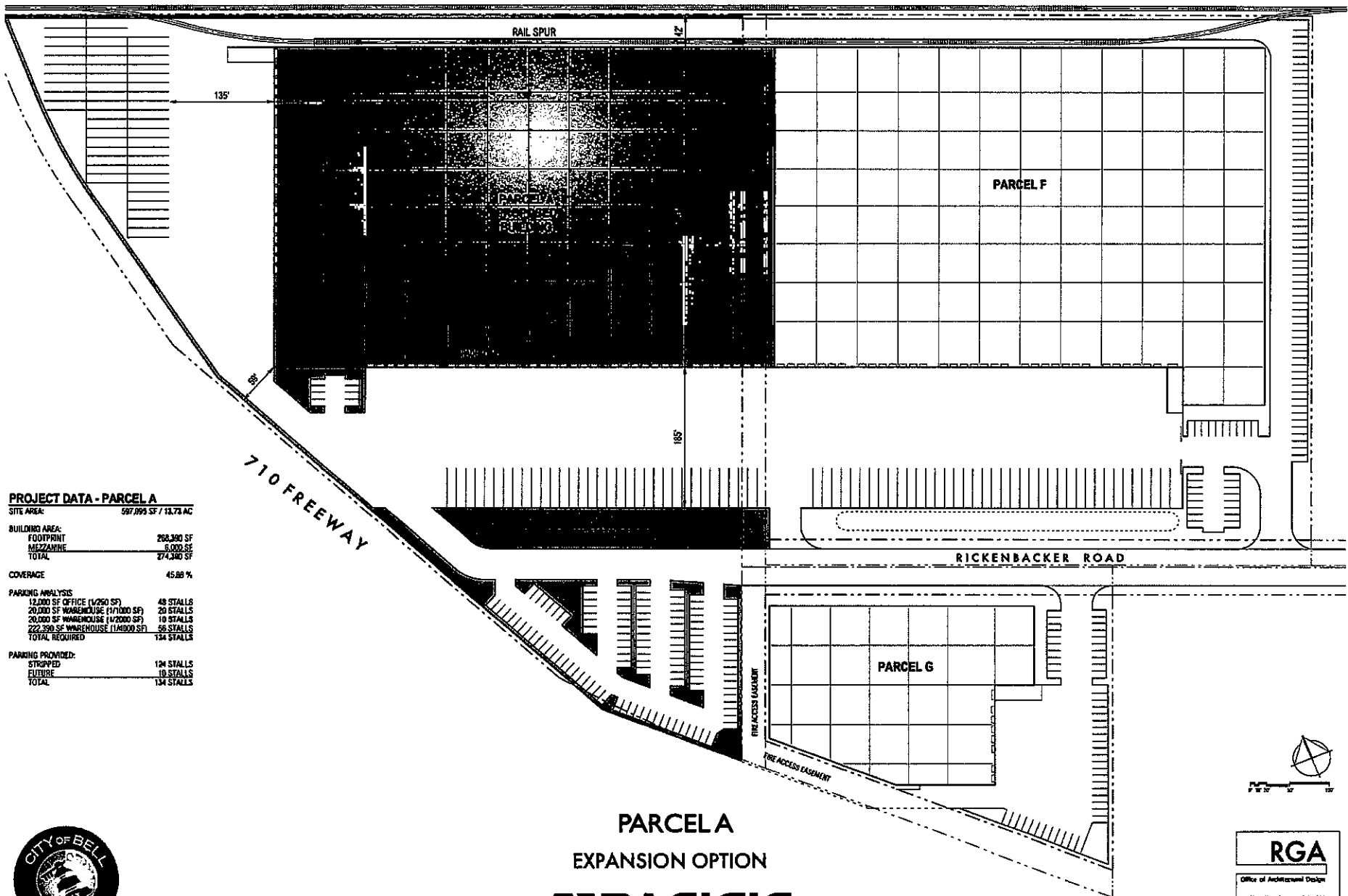
PARCELS F & G
OPTION 4

PACIFIC
INDUSTRIAL



BELL-2810

Parcel A



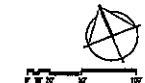
PROJECT DATA - PARCEL A

SITE AREA:	587,895 SF / 13.73 AC
BUILDING AREA:	
FOOTPRINT	268,300 SF
MEZZANINE	6,000 SF
TOTAL	274,300 SF
COVERAGE	45.88 %
PARKING ANALYSIS	
12,000 SF OFFICE (1/250 SF)	48 STALLS
20,000 SF WAREHOUSE (1/7000 SF)	20 STALLS
20,000 SF WAREHOUSE (1/7000 SF)	10 STALLS
222,300 SF WAREHOUSE (1/1000 SF)	55 STALLS
TOTAL REQUIRED	134 STALLS
PARKING PROVIDED:	
STRIPPED	124 STALLS
FUTURE	10 STALLS
TOTAL	134 STALLS



PARCELA
EXPANSION OPTION

PACIFIC
INDUSTRIAL



RG&A

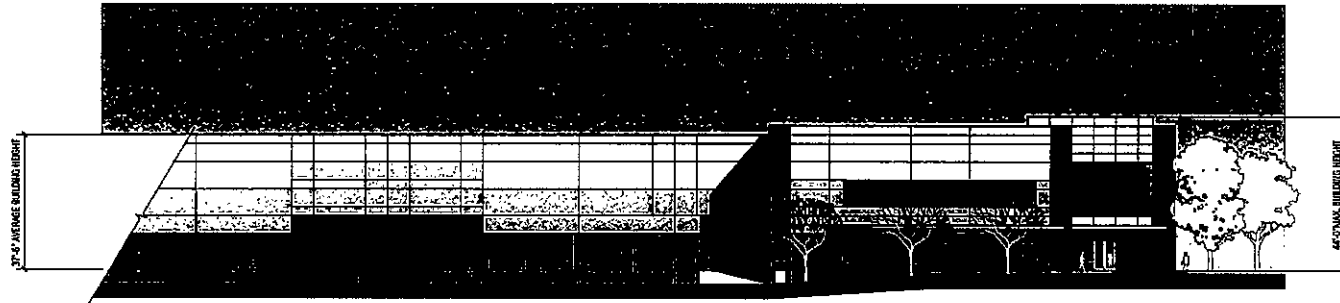
Office of Architectural Design

15221 Alton Parkway, Suite 100
Irvine, CA 92618

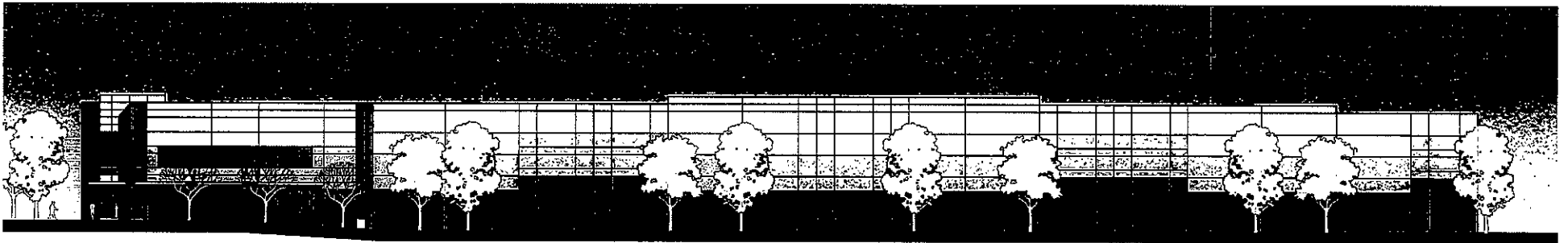
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714-946-2970
714-946-2922

BELL-2812



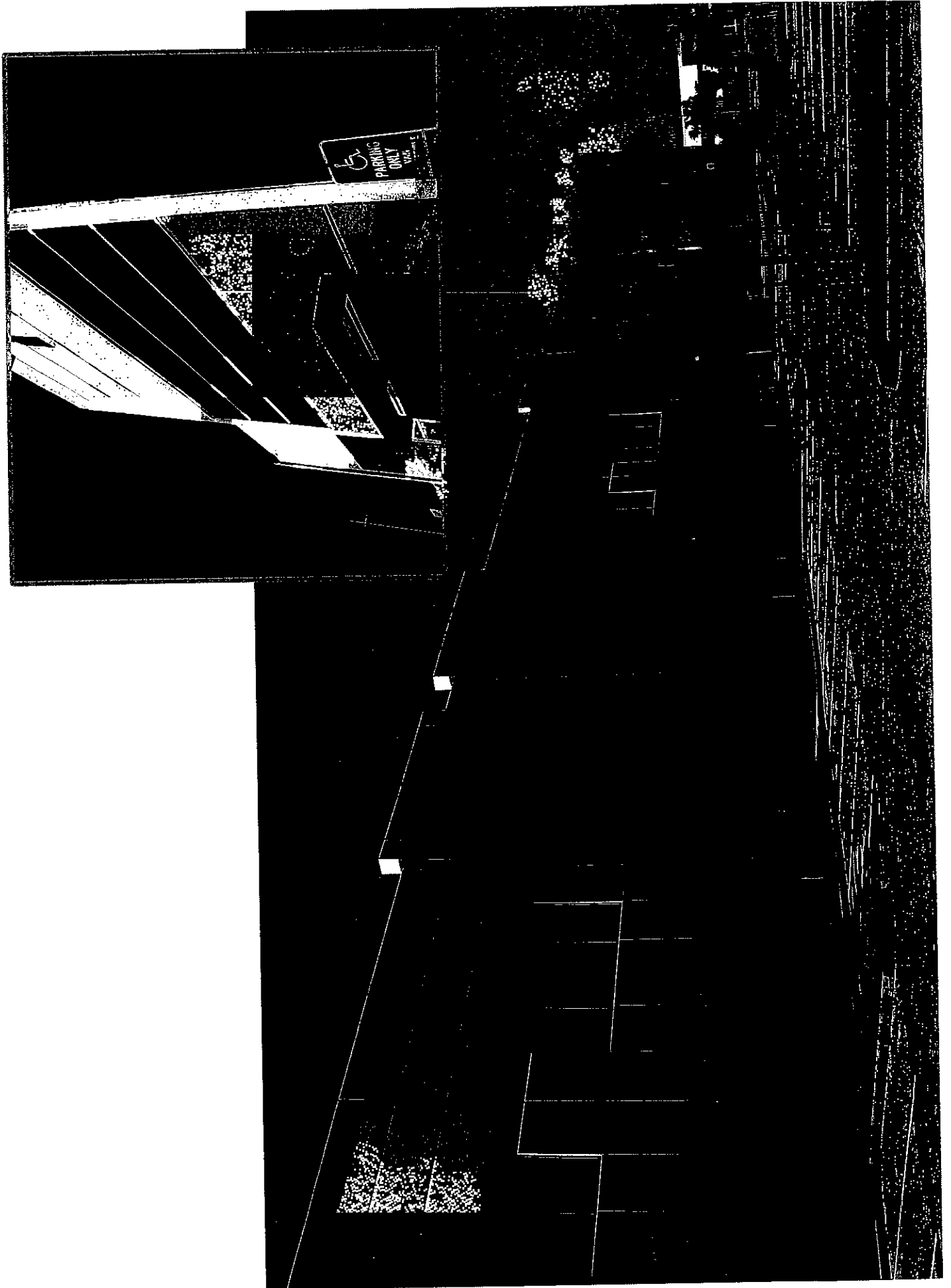
PARTIAL SOUTH ELEVATION
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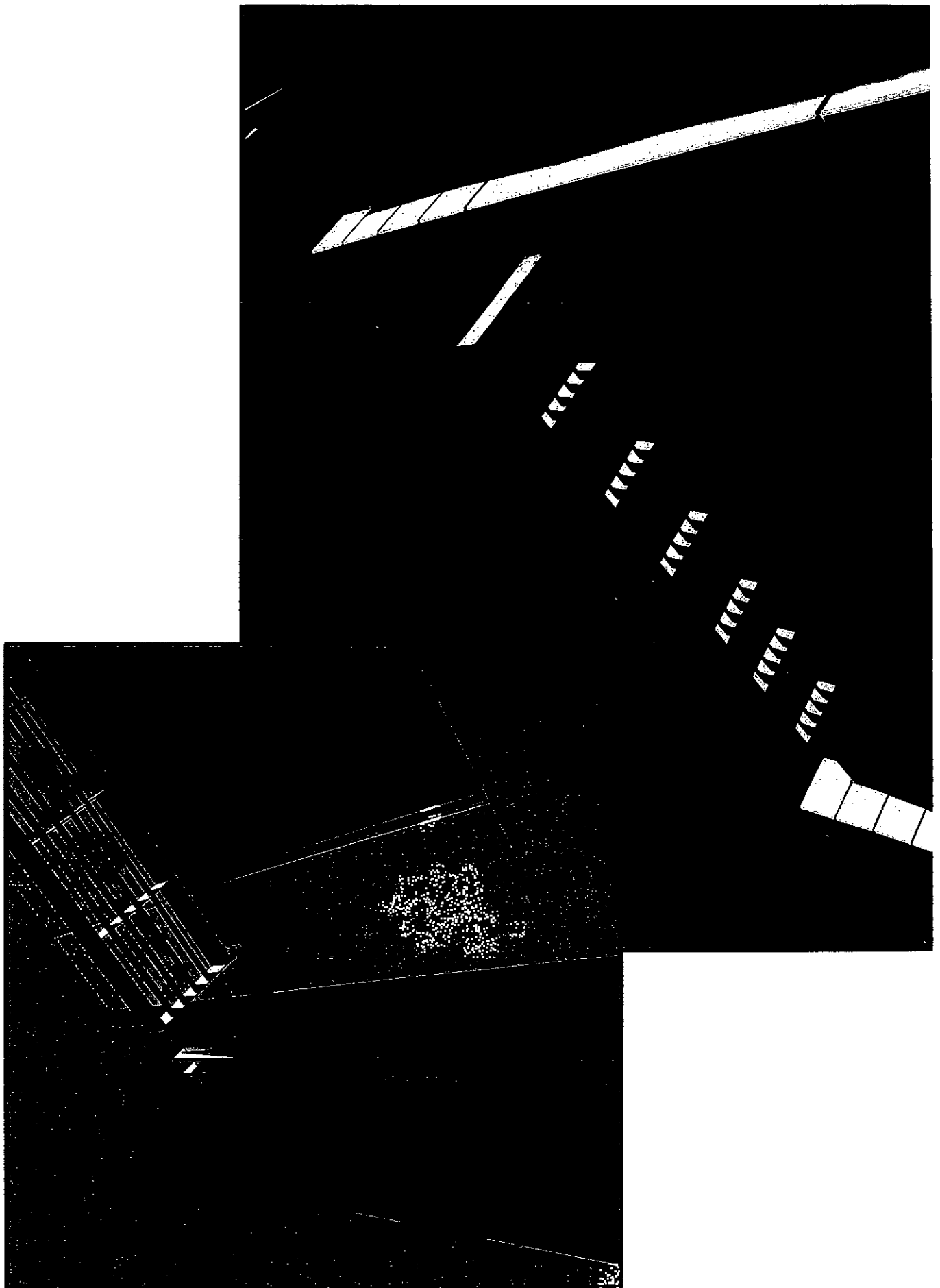
WEST ELEVATION
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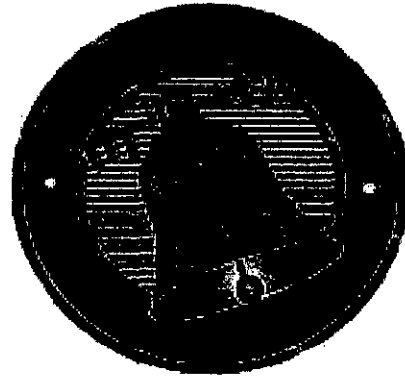
BELL-2815



BELL-2816



BELL-2817



CITY OF BELL

Bell Business Center Project



City Council Agenda

Regular Meeting

Bell City Council

Wednesday, August 7, 2013

5:00 P.M. Closed Session

7:00 P.M. Open Session

Bell Community Center
6250 Pine Avenue

Violeta Alvarez
Mayor

Ana Maria Quintana
Mayor Pro-Tem

Alicia Romero
Council Member

Ali Saleh
Council Member

Nestor Enrique Valencia
Council Member

Welcome to the City Council Meeting

The Bell City Council and staff welcome you. This is your City Government. Individual participation is a basic part of American Democracy and all Bell residents are encouraged to attend meetings of the City Council. Regular City Council meetings are held the first and third Wednesday of the month at 7:00 p.m., Bell Community Center, 6250 Pine Avenue. For more information, you may call City Hall during regular business hours 8:00 a.m. to 4:00 p.m., Monday through Friday at (323) 588-6211 Extension 230.

City Council Organization

There are five City Council members, one of whom serves as Mayor and is the presiding officer of the City Council. These are your elected representatives who act as a Board of Directors for the City of Bell. City Council members are like you, concerned residents of the community who provide guidance in the operation of your City.

Addressing the City Council

If you wish to speak to the City Council on any item which is listed or not listed on the City Council Agenda, please complete a *Request to Speak Card* available in the back of the City Council Chambers. Please submit the completed card to the City Clerk prior to the meeting. The Mayor will call you to the microphone at the appropriate time if you have filled out a *Request to Speak Card*. At that time, please approach the podium, clearly state your name and address, and proceed to make your comments.

Compliance with Americans with Disabilities Act

The City of Bell, in complying with the Americans with Disabilities Act (ADA), request individuals who require special accommodation(s) to access, attend, and or participate in a City meeting due to disability. Please contact the City Clerk's Office, (323) 588-6211, Ext. 230, at least one business day prior to the scheduled meeting to insure that we may assist you.

Statement Regarding Compensation for Members of the Bell City Council

Compensation for the members of the Bell City Council is \$673 a month. In accordance with Government Code Section 54952.3, Councilmembers will not receive any additional compensation or stipend for the convening of the following regular meetings: Successor Agency to the Bell Community Redevelopment Agency, the Bell Community Housing Authority, the Bell Public Finance Authority, the Bell Surplus Property Authority, the Bell Solid Waste Authority, and the Planning Commission.

CITY OF BELL, CALIFORNIA

REGULAR MEETING OF THE

Bell City Council/Bell Public Finance Authority/ Bell Planning Commission

August 7, 2013

**5:00 P.M. Closed Session
7:00 P.M. Regular Meeting**

**Bell Community Center
6250 Pine Avenue**

The following information comprises the agenda for a regular meeting of the City Council and a Joint Meeting of the City Council, the Bell Public Financing Authority and the City Council Sitting in Its Planning Commission.

Call to Order

Roll Call of the City Council Romero, Saleh, Valencia, Quintana and Alvarez.

Communications from the Public on Closed Session Items

This is the time for members of the public to address the City Council and related Authorities and Agencies only on items that are listed under Closed Session. Keep the public comment to items listed only on the Closed Session.

Closed Session

1. The City Council and the related Authorities and Agencies will recess to a closed session to confer with legal counsel regarding the following matters:
 - a) CONFERENCE WITH LEGAL COUNSEL- EXISTING LITIGATION (Subdivision (a) of Section 54956.9) Name of Case: *City of Bell, Bell Public Financing Authority v. Nixon Peabody, LLP BC493759.*
 - b) CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION (Government Code Section 54956.9(d)(1)); Name of case: *Bell v. Best Best & Krieger; LASC BC466436*
 - c) CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Government Code Section 54956.9(a),(d)(1)); Name of case: *Randy Adams v. City of Bell and Pedro Carrillo – LASC Case No. BC 489331*
 - d) CONFERENCE WITH LEGAL COUNSEL- EXISTING LITIGATION (Under Paragraph “(d)(1)” of Section 54956.9); Name of case: *People v. Rizzo; LASC BC445497*

- e) CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION (Government Code Section 54956.9(a),(d)(1)) Name of Case: *Eric Eggena v. City of Bell*, BC487522
- f) CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Subdivision (a) of Government Code Section 54956.9); Name of case: *Luis Ramirez v. City of Bell (Supplemental Retirement Plan)* BC 474118.
- g) CONFERENCE WITH LEGAL COUNSEL- EXISTING LITIGATION (Government Code Section 54956.9(a),(d)(1)) Name of Case: *Dexia Credit Local v. City of Bell, Bell Public Financing Authority* BC471478
- h) CONFERENCE WITH LEGAL COUNSEL – POTENTIAL INITIATION OF LITIGATION (Government Code Section 54956.9 (d)(4)). (Two (2) potential cases)
- i) CONFERENCE WITH LABOR NEGOTIATORS (Government Code Section 54957.6)

Reconvene Regular City Council Meeting

Pledge of Allegiance

City Attorney Report

The City Attorney will report out on any action(s) to be taken by the City Council/Agencies on Closed Session matters.

Communications from the Public

This is the time members of the public may address the City Council, Bell Public Financing Authority and the Planning Commission. The public may speak on items that are on the agenda and on non-agenda items that are under the subject matter jurisdiction of City Council and/or its related authorities and agencies.

Consent Calendar

The following Consent Calendar items are expected to be routine and non-controversial. They are acted upon by the City Council and related authorities at one time without discussion.

Recommendation: Approve item No. 2 through 5

- 2. Approval of Minutes of the Regular and Special Meetings of April 3, 2013, April 11, 2013 and April 17, 2013. (*Council and Related Agencies*)
- 3. Approval of General Warrants and Community Housing Authority Warrants dated July 17, 2013. (*Council/Successor Agency to the Bell Community Redevelopment Agency /Bell Community Housing Authority*)

4. Approval of Resolutions Delegating Investment Authority with the State of California's Local Agency Investment Fund (LAIF)
5. Approval of Resolution No. 2013-35 Accepting the Veterans Park Field Project as Complete

CALL TO RECESS THE CITY COUNCIL MEETING AND CALL TO ORDER THE JOINT PUBLIC MEETING OF THE CITY COUNCIL, THE BELL PUBLIC FINANCING AUTHORITY AND BELL PLANNING COMMISSION.

Public Hearings

The following items have been posted as a Public Hearing as required by law. The Mayor will open the meeting to receive public testimony only on the Public Hearing item.

6. **Bell Business Center Environmental Impact Report** analyzing the environmental impacts related to the sale and development of eight parcels as four building sites for industrial, warehouse distribution, logistics and commercial uses located on Rickenbacker Road west of 6th Street, development of the four building sites could result in 840,390 square feet of building, public improvements in Rickenbacker Road, and the extension of public utilities to serve each of the four building sites. *(Council, Public Financing Authority and Planning Commission)*
Recommendation: Close the Public Hearing
7. **Development Agreement 2013-01 (Ordinance No. 1195)** and related Conditions of Approval to allow the sale and development of eight parcels as four building sites for industrial, warehouse distribution, logistics and commercial uses located on Rickenbacker Road west of 6th Street, development of the four building sites could result in 840,390 square feet of building, public improvements in Rickenbacker Road, and the extension of public utilities to serve each of the four building sites. *(Council, Public Financing Authority and Planning Commission)*
Recommendation: Close the Public Hearing

RECESS JOINT MEETING OF THE BELL CITY COUNCIL, THE BELL PUBLIC FINANCING AUTHORITY AND BELL PLANNING COMMISSION AND CALL TO ORDER A MEETING OF THE BELL CITY PLANNING COMMISSION.

8. **Bell Business Center Project EIR, Development Agreement 2013-01 (Ordinance No. 1195)** and related Entitlements to allow the sale and development of eight parcels as four building sites for industrial, warehouse distribution, logistics and commercial uses. Located on Rickenbacker Road west of 6th Street, development of the four building sites could result in 840,390 square feet of building, public improvements in Rickenbacker Road, and the extension of public utilities to serve each of the four building sites.

Recommendation(s):

- **Read by title and waive further reading and adopt Planning Commission Resolution No. 2013-31 "A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF BELL RECOMMENDING ADOPTION OF ORDINANCE NO. 1195 AND APPROVAL OF DEVELOPMENT AGREEMENT 2013-01 BETWEEN THE**

CITY OF BELL, THE BELL PUBLIC FINANCING AUTHORITY AND PI BELL, LLC FOR THE BELL BUSINESS CENTER PROJECT, A 840,000-SQUARE FOOT WAREHOUSE/DISTRIBUTION/LOGISTICS/LIGHT INDUSTRIAL DEVELOPMENT ON APPROXIMATELY 40.2 ACRES AND COMPRISED OF FOUR, NON-CONTIGUOUS BUILDING SITES LOCATED WEST OF EASTERN AVENUE ON RICKENBACKER ROAD, CITY OF BELL, CA 90201. (APN: Parcel A: 6332-002-965; Parcel F: 6332-002-948 and 6332-002-945; Parcel G: 6332-002-949 and Parcel H: 6332-002-946, 6332-002-950, 6332-002-952 and 6332-002-954)"

RECESS MEETING OF THE BELL CITY PLANNING COMMISSION AND CALL TO ORDER A MEETING OF THE BELL CITY COUNCIL.

9. **Bell Business Center Project EIR, Development Agreement 2013-01 (Ordinance No. 1195) and the Agreement for Purchase and Sale to allow the sale and development of eight parcels as four building sites for industrial, warehouse distribution, logistics and commercial uses. Located on Rickenbacker Road west of 6th Street, development of the four building sites could result in 840,390 square feet of building, public improvements in Rickenbacker Road, and the extension of public utilities to serve each of the four building sites.**

Recommendation(s):

- **Read by title and waive further reading and adopt Resolution No. 2013-32-CC "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELL CERTIFYING THE BELL BUSINESS CENTER PROJECT ENVIRONMENTAL IMPACT REPORT (SCH# 2013041025) AND ADOPTING THE ASSOCIATED MITIGATION MONITORING AND REPORTING PROGRAM, FINDINGS OF FACT AND STATEMENT OF OVERRIDING CONSIDERATIONS FOR THE BELL BUSINESS CENTER PROJECT ENVIRONMENTAL IMPACT REPORT (APN: Parcel A: 6332-002-965; Parcel F: 6332-002-948 and 6332-002-945; Parcel G: 6332-002-949 and Parcel H: 6332-002-946, 6332-002-950, 6332-002-952 and 6332-002-954)"**
- **Waive reading and introduce Ordinance No. 1195, approving a Development Agreement DA 2013-01 between the City of Bell, the Bell Financing Authority and PI Bell LLC.**
- **Read the title and waive further reading and adopt Resolution No. 2013-33-CC "A RESOLUTION OF THE PUBLIC FINANCE AUTHORITY OF THE CITY OF BELL APPROVING A PURCHASE AND SALE AGREEMENT BETWEEN THE CITY OF BELL, THE BELL PUBLIC FINANCING AUTHORITY AND PI BELL LLC FOR SALE OF PROPERTIES GENERALLY REFERRED TO AS THE BELL BUSINESS CENTER PROJECT, APPROXIMATELY 40.2 ACRES AND COMPRISED OF FOUR, NON-CONTIGUOUS BUILDING SITES LOCATED WEST OF EASTERN AVENUE ON RICKENBACKER ROAD, CITY OF BELL, CA 90201. (APN: Parcel A: 6332-002-965; Parcel F: 6332-002-948 and 6332-002-945; Parcel G: 6332-002-949 and Parcel H: 6332-002-946, 6332-002-950, 6332-002-952 and 6332-002-954)"**

RECESS MEETING OF THE BELL CITY COUNCIL AND CALL TO ORDER A MEETING OF THE BELL PUBLIC FINANCING.

10. **Bell Business Center Project EIR, Development Agreement 2013-01 (Ordinance No. 1195) and the Agreement for Purchase and Sale** to allow the sale and development of eight parcels as four building sites for industrial, warehouse distribution, logistics and commercial uses. Located on Rickenbacker Road west of 6th Street, development of the four building sites could result in 840,390 square feet of building, public improvements in Rickenbacker Road, and the extension of public utilities to serve each of the four building sites.

Recommendation(s):

- **Read by title and waive further reading and adopt Resolution No. 2013-34-PFA “A RESOLUTION OF THE PUBLIC FINANCING AUTHORITY OF THE CITY OF BELL CERTIFYING AS A RESPONSIBLE AGENCY THE BELL BUSINESS CENTER PROJECT ENVIRONMENTAL IMPACT REPORT (SCH# 2013041025), AND ADOPTING THE ASSOCIATED MITIGATION MONITORING AND REPORTING PROGRAM, FINDINGS OF FACT AND STATEMENT OF OVERRIDING CONSIDERATIONS FOR THE BELL BUSINESS CENTER PROJECT ENVIRONMENTAL IMPACT REPORT (APN: Parcel A: 6332-002-965; Parcel F: 6332-002-948 and 6332-002-945; Parcel G: 6332-002-949 and Parcel H: 6332-002-946, 6332-002-950, 6332-002-952 and 6332-002-954)”**
- Authorize the Executive Director to act on behalf of the Bell Public Financing Authority in the execution of Development Agreement DA 2013-01 between the City of Bell, the Bell Public Financing Authority and PI Bell LLC
- **Read by title and waive reading and adopt Resolution No. 2013-35-PFA “A RESOLUTION OF THE PUBLIC FINANCE AUTHORITY OF THE CITY OF BELL APPROVING A PURCHASE AND SALE AGREEMENT BETWEEN THE CITY OF BELL, THE BELL PUBLIC FINANCING AUTHORITY AND PI BELL LLC FOR SALE OF PROPERTIES GENERALLY REFERRED TO AS THE BELL BUSINESS CENTER PROJECT, APPROXIMATELY 40.2 ACRES AND COMPRISED OF FOUR, NON-CONTINGUOUS BUILDING SITES LOCATED WEST OF EASTERN AVENUE ON RICKENBACKER ROAD, CITY OF BELL, CA 90201. (APN: Parcel A: 6332-002-965; Parcel F: 6332-002-948 and 6332-002-945; Parcel G: 6332-002-949 and Parcel H: 6332-002-946, 6332-002-950, 6332-002-952 and 6332-002-954)”**
- Authorize the Executive Director to execute the Purchase and Sale Agreement for the Bell Business Center property

RECESS MEETING OF THE BELL PUBLIC FINANCING AUTHORITY AND RECONVENE THE MEETING OF THE CITY COUNCIL.

Business Calendar

11. Discussion on the approved minutes of February 25, 2013 (*Council*)

12. Contract Award for Landscape Maintenance Services (*Council*)

Recommendation: It is recommended that the City Council approve the contract with ValleyCrest Landscape Maintenance in an amount not to exceed \$112,800 per year or \$338,400 for three years for landscape maintenance services for City parks, medians, planters, and parkways for Fiscal Years 2013/14, 2014/15 and 2015/16.

13. Award of a Construction Contract to Sully-Miller Contracting Company in the amount of \$111,990.00 for the Vinevale Avenue Resurfacing Project (*Council*)

Recommendation:

- Award a construction contract to Sully-Miller Contracting Company in the amount of \$111,990.00 for the Vinevale Avenue Resurfacing Project; and
- Authorize the City Engineer to approve the expenditure of a construction contingency, if necessary, not to exceed 10% of the contract amount or \$11,199.00 for change orders and other unforeseen construction work that may be required to complete the project.

14. Award of a Contract for Consulting Services to Environmental Engineering & Contracting, Inc. for Environmental Consulting Services for the City of Bell Police Department Underground Storage Tank Site (*Council*)

Recommendation:

- Award a contract to Environmental Engineering & Contracting, Inc. in an amount not to exceed \$58,135.00 to provide Environmental Consulting Services for the City of Bell Police Department Underground Storage Tank Site; and
- Authorize the City Engineer to approve the expenditure of a contingency, if necessary, not to exceed 10% of the contract amount or \$5,814.00 for change orders and other unforeseen work that may be required to complete the project.

15. Contract Award for Sanitary Sewer Management Plan (*Council*)

Recommendation:

- Approve the contract award to Cannon in an amount no to exceed \$44,370 to provide a Sanitary Sewer Management Plan; and
- Authorize the City Engineer to approve the expenditure of a contingency, if necessary, not to exceed 10% of the contract amount of \$4,437 for change orders and other unforeseen work that may be required to complete the project.

16. Award of Construction Contract to VSS International Inc. in the amount of \$99,935.00 for the 2013/14 Street Slurry Seal Project (*Council*)

Recommendation:

- Award a construction contract to VSS International Inc. in the amount of \$99,935.00 for the 2013/14 Street Slurry Seal Project; and
- Authorize the City Engineer to approve the expenditure of a construction contingency, if necessary, not to exceed 10% of the contract amount or \$9,993.50 for change orders and other unforeseen construction work that may be required to complete the project.

17. Status Report: Broadcasting of City Council Meetings

Recommendation: It is recommended that the City Council Receive and File the report.

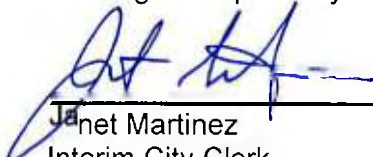
Mayor and City Council Communications

Pursuant to Assembly Bill 1234, this is the time and place to provide a brief report on Meetings, Seminars and Conferences attended by the Mayor and City Councilmembers

Adjournment

Next Regular Meeting, August 21, 2013

I, Janet Martinez, Interim City Clerk of the City of Bell, certify that a true, accurate copy of the foregoing agenda was posted on August 2, 2013, at least seventy-two (72) hours prior to the meeting as required by law.



Janet Martinez
Interim City Clerk

**City of Bell Joint Agenda Report
City Council, Public Financing Authority
and Planning Commission**

DATE: August 7, 2013

TO: Mayor and Members of the City Council
Members of the Bell Public Financing Authority
Members of the Bell Planning Commission

FROM: Joe Perez, Community Development Director

APPROVED BY: 
Doug Willmore, City Manager

SUBJECT: Bell Business Center Project Development Agreement, Environmental Impact Report (EIR) and Agreement for Purchase and Sale

RECOMMENDATION

Planning Commission Action:

Adopt Planning Commission Resolution No. 2013-31-PC on the Bell Business Center Project Entitlements and the Bell Business Center Project EIR (Attachment A)

- Adopting a Finding stating that pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15025(c) the Planning Commission has considered in its deliberations the Bell Business Center EIR and recommends the approval thereof
- Adopting a Finding of General Plan Consistency for Sale of Property pursuant to Government Code Section 65402
- Recommending approval of the Bell Business Center Development Agreement DA 2013-01 and Ordinance No. 1195

City Council Action:

Adopt Resolution No. 2013-32-CC on the Bell Business Center EIR (Attachment B).

- Certifying, pursuant to CEQA Guidelines Section 15090(a), the Bell Business Center Project EIR
- Adopting the Bell Business Center Project Mitigation Monitoring and Reporting Program
- Adopting a Findings of Fact and a Statement of Overriding Considerations for the Bell Business Center Project

Approve by Minute Order first reading of Ordinance No. 1195, approving a Development Agreement DA 2013-01 between the City of Bell, the Bell Financing Authority and PI Bell LLC.

Adopt Resolution No. 2013-33-CC on the Agreement for Purchase and Sale (Attachment C).

- Approving the Agreement for Purchase and Sale for the Bell Business Center property
- Authorizing the City of Bell Chief Administrative Officer to act on behalf of the City in the execution of same

Bell Public Financing Authority Action:

Adopt Resolution No. 2013-34-PFA on the Bell Business Center Project EIR (Attachment D). Certifying, as a Responsible Agency pursuant to CEQA Guidelines Section 15050(b), that the Bell Public Financing Authority has reviewed and considered the Bell Business Center Project EIR prior to taking any action

Minute Order: Approving Participation in Development Agreement DA 2013-01

- Approve participation of the Bell Public Financing Authority, an entity with a legal or equitable interest in the property, in Development Agreement DA 2013-01 between the City of Bell, the Bell Public Financing Authority and PI Bell LLC
- Authorize the Executive Director to act on behalf of the Bell Public Financing Authority in the execution of Development Agreement DA 2013-01 between the City of Bell, the Bell Public Financing Authority and PI Bell LLC

Adopt Resolution No. 2013-35-PFA on the Agreement for Purchase and Sale (Attachment E).

- Approving the Agreement for Purchase and Sale for the Bell Business Center property
- Authorizing the Executive Director to act on behalf of the City in the execution of same

BACKGROUND

Dexia Settlement

This Development project concerns property which has been a part of extensive litigation by Dexia Credit Local ("Dexia") filed by Dexia against the City and Finance Authority ("Authority") on October 14, 2011 (Dexia Credit Local v. City of Bell, et al, LASC Case NO.: BC471478. This action sought to foreclose on three vacant parcels consisting of approximately 26 acres of land ("Property" - Parcels F, G and H) at 5600 Rickenbacker Road. The suit not only sought to foreclose on the Property but sought to recover up to \$35M from the City for any deficiency in value. The Litigation came about due to the Authority's failure to make payments on the \$35M Bond issue when the Authority's lease of the property to BNSF was blocked by a successful CEQA lawsuit filed by East Yard Communities and resulted in a malpractice lawsuit against the City Attorney, Best Best & Kreieger, and potential claims against the bond finance team.

The parties over 18 months engaged in an extensive mediation process which resulted in a negotiated settlement by Stipulation. At its April 3, 2013 meeting, the City Council approved the Stipulation for Settlement with Dexia Under the terms of the Stipulation for Settlement, the City has until December 1, 2013 to sell the Property for a minimum price of \$28.7 million and deliver this amount to Dexia, which is seeking to foreclose upon the Property. If the City pays Dexia \$28.7 million by December 1, 2013, the City owes nothing further to Dexia. Furthermore, any sales proceeds in excess of \$28.7 million will be paid to Dexia, less up to \$1.2 million for the City's public improvement, closing and entitlement costs. If the entitlement process is delayed past December 1, 2013, Dexia retains the right to commence foreclosure of the Property and collect on the deficiency for up to \$2 million against Bell (though there is a provision permitting a 90-day extension of the deadline under specified circumstances).

The City also owns approximately 15 acres of land (Parcel A) on an adjacent site, which is leased to BNSF Railway Company and subleased to JB Hunt Transport for storage of intermodal containers and tractor trailers. The Dexia related properties (Parcels F, G and H) and Parcel A are located in the Bell Industrial Area and, together, comprise the "Bell Business Center."

The City is selling these properties (including Parcel A) as entitled because buyers are willing to pay more since development risks are minimized. The City listed the Property with CB Richard Ellis (CBRE), which marketed the Property to over 300 potential buyers, including Parcel A, for sale (with entitlements). Twelve offers were received and the offer submitted by industrial developer, Pacific Industrial was selected as the best potential buyer based on several factors, including: ability to meet the basic terms of the Dexia settlement; strength of their financial backing; knowledge of the properties; expected uses and users; commitment to the community; and ability to go through the extensive entitlement process. On May 29, 2013, the City entered into an Exclusive Negotiating Agreement with Pacific Industrial (PI Bell LLC).

Entitlement Process

Concurrent with the sale of the property, the City began the preparation of the Bell Business Center Project EIR which analyzes the impacts of developing up to 840,390 sf of building area to accommodate warehouse, distribution, logistics and light industrial uses with ancillary offices on the approximately 40.2 acre project site. Since that time, the Development Agreement and Conditions of Approval were prepared to reflect the project proposed by Pacific Industrial.

Pacific Industrial filed an application for a Tentative Parcel Map subdividing Parcel H into four legal lots in July 2013. The application will be considered at the August 21st City Council meeting.

DISCUSSION

The City Council, Planning Commission and Bell Public Financing Authority are being asked to consider entitlements for the Bell Business Center Project. The following discussion is divided into the following topics: Project Description, Bell Business Center Project EIR, and Development Agreement DA 2013-01. The report also discusses the following components of the Development Agreement: Agreement for Purchase and Sale, Development Standards and Eligible Uses, Basic Design Concepts, and Project Specific Conditions of Approval.

PROJECT DESCRIPTION

At buildout, Bell Business Center Project could provide up to 840,390 sf of warehousing, distribution, logistics and light industrial uses with ancillary offices on four separate building sites within an existing industrial area. The project also includes any adjacent roadway easements in Rickenbacker Road and 6th Street. Consistent with the proposed land uses, the sites are designated Industrial (I) on the City of Bell General Plan Land Use Map and zoned Commercial Manufacturing (CM) on the Zoning Map. Three of the sites are vacant. The fourth site, located at the terminus of Rickenbacker Road, is leased to Burlington Northern Santa Fe Railway Company (BNSF) and currently used for outdoor storage. Surrounding land uses also reflect the industrial nature of the area and include: US Armed Forces Reserve Center, Richard N. Slawson Southeast Occupational Center (Vocation School), Shelter Partnership Warehouse for

Household Goods, Salvation Army Warehousing, Homeless Shelter/Clinic and Transitional Housing, Industrial/Warehouse Uses, 710 freeway and vacant industrial land.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) requires the preparation of an Environmental Impact Report (EIR) prior to approving any project that may have a significant effect on the environment. Recognizing that the significant environmental impacts might occur as a result of the project, the *Bell Business Center Project Environmental Draft Environmental Impact Report (State Clearinghouse Number 2013041025)* was prepared. The Final EIR, and all technical appendices are included as a separate document submitted with this staff report.

Summary of EIR Process

The following table summarizes the timeline for preparation of key milestones in the preparation of the Draft EIR.

Milestone	Date(s)
Notice of Preparation (NOP)	April 8, 2013
NOP Comment Period	April 8 through May 8, 2013
Scoping Meeting	April 25, 2013
Notice of Availability (NOA) for the Draft EIR	May 21, 2013
Public Comment Period for Draft EIR	May 21 through July 5, 2013
Response to Comments Sent to Agencies	July 26, 2013
Final EIR for Public Review	August 2, 2013

Environmental Impact Report

The purpose of an EIR is to provide decision-makers with the information they need to make informed decisions on projects that could potentially impact the environment. Potential impacts are evaluated and mitigation measures identified that could reduce or eliminate the impact. However, in some cases, impacts still remain significant even after mitigation measures are adopted. These impacts are considered **significant and unavoidable**. The EIR found that the following impacts were significant and unavoidable after mitigation:

- Impact 3.1.1** Subsequent land use activities associated with implementation of the proposed project would conflict with or obstruct implementation of the 2012 Air Quality Management Plan.
- Impact 3.1.3** Project-generated operational emissions would exceed applicable significance thresholds and could contribute to regional nonattainment conditions.
- Impact 3.1.8** Implementation of the proposed project, in combination with cumulative development in the South Coast Air Basin (SoCAB), would result in a cumulatively considerable net increase of criteria air pollutants for which the SoCAB is designated nonattainment.

- Impact 3.4.1** Implementation of the proposed project will result in greenhouse gas emissions that would further contribute to significant impacts on the environment.
- Impact 3.12.1** The proposed project could result in an increase in traffic under the Existing Plus Project scenario that is substantial in relation to the existing traffic load and capacity of the street system or exceeds an established level of service standard (i.e., result in a substantial increase in either the volume-to-capacity ratio and/or the level of service at intersections).
- Impact 3.12.6** Implementation of the proposed project, along with other traffic generated by existing and future development in the project area in Year 2025, would increase traffic in the project area.

During the public review process the City received comments from the following:

Letter	Agency/Organization	Date
1	California Department of Transportation (Caltrans) – District 7	June 28, 2013
2	City of Commerce	July 3, 2013
3	Citizens Advocating Rational Development (CARD)	July 5, 2013
4	East Yard Communities for Environmental Justice	July 5, 2013
5	Southern California Association of Governments (SCAG)	July 5, 2013
6	South Coast Air Quality Management District (SCAQMD)	July 11, 2013
7	Los Angeles County Department of Public Works (DPW)	July 8, 2013
8	Los Angeles County Fire Department (LACFD)	June 25, 2013

These comment letters as well as the City's responses were included in the EIR. As required by CEQA, the public agency responses were sent to the agencies on July 26, 2013. Some of the comments resulted in modifications to mitigation measures or other changes to the documents. None of the commenters raised new environmental issues or proposed changes to the Draft EIR that would require recirculation of the document.

Statement of Overriding Considerations

In reviewing a project, CEQA requires decision makers to balance a project's economic, social and technological benefits against its significant and unavoidable environmental impacts. If a project's benefits, including its region-wide or statewide environmental benefits, outweigh its significant and unavoidable impacts, decision makers may find the significant and unavoidable impacts "acceptable" and approve the proposed project.

Sale and development of the property is important to the City, both economically and socially. Development will generate 453 to 542 employees and result in the development of 840,390 square feet of warehouse and industrial space. With the sale and development of the property, land that was previously publicly owned will be generating tax revenues.

Perhaps most importantly, the successful sale of the properties is critical for the City to meet the terms of the Stipulation for Settlement with Dexia; eliminate a potential deficiency of \$12 million - \$15 million to Dexia; and ensure that a high quality project is developed on the properties. If the project is not approved, the City of Bell faces the potential of being forced into bankruptcy which would jeopardize the ability of the City to provide basic services to its residents and negatively impact neighboring communities.

EIR Certification Process

The Planning Commission, City Council and Bell Public Financing Authority each have a separate role in the environmental review process.

- The Planning Commission must consider the conclusions of the EIR in their review of the project. To document their deliberations, the Planning Commission will include a finding in their resolution.
- As the Lead Agency, the City Council is responsible for certifying the EIR. The City Council action must include adoption of the mitigation monitoring and reporting program, as well as adoption of a statement of overriding considerations and findings of fact supporting their decision. The findings of fact summarize the impacts found in the EIR and contain statements of overriding considerations for all impacts found to be significant and unavoidable. The City Council certification of the EIR is adopted by resolution.
- The Bell Public Finance Authority is a Responsible Agency and must adopt a specific findings on the EIR. Their findings will also be documented in a resolution.

DEVELOPMENT AGREEMENT

Recognizing that uncertainties associated with development can increase costs and discourage investment, a Development Agreement was prepared pursuant to California Government Code Section 65864-65869.5 for the Bell Business Center Project. The draft Development Agreement DA 2013-01 establishes a framework for site development: creating timeframes for specific tasks, assigning responsibility for construction of required public improvements, and outlining a project review process.

Timeframes for Project Development

- The 15-year term of the Development Agreement will start once the agreement is fully executed, escrow concluded and the project is free from judicial review and concludes once a Certificate of Occupancy has been issued for the last building on the Property.
- Construction on Parcels F, G and H shall begin within a year from the start of Development Agreement term.
- Construction on Parcel A shall begin within one year from the expiration of the BNSF lease. The term of the Development Agreement may be reduced if the construction deadlines are not met.

Off-site Improvements

- Off-site Improvements on Rickenbacker Road and 6th Street include construction roadway, lighting, curb gutter and sidewalk as well as extension or replacement of sewer lines, water lines, storm drain facilities or other utilities.
- Pacific Industrial shall contribute \$1,340,000 for construction of these improvements.
- The City shall be responsible for
- intersection and traffic improvements and other off-site improvements not associated with Rickenbacker Road or 6th Street.

Project Review Process

- Prior to issuance of grading or building permits, a project must be reviewed and approved by the Bell Business Center Design Review Board (DRB).
- Consisting of one City Councilmember, one Planning Commissioner, the Community Development Director and the City Engineer, the DRB shall review site plans, landscape plans, building elevation and illustrative drawings, building colors and materials for conformance with the Scope of Development, Basic Design Concepts, and Conditions of Approval.

Other Provisions

- The DA supersedes zoning and other provisions and freezes taxes and development fees except for processing fees and regulations with a City-side impact.
- The DA provides for CC&Rs governing project operations and maintenance
- The DA provides for local employment, energy efficient construction and operations
- The DA includes other community benefits including the potential for tax credits

Development Agreement Adoption Process

The Government Code establishes the review and adoption procedure for Development Agreements and outlines the responsibility of the planning and legislative agencies.

- As the planning agency, the Planning Commission must, pursuant to Government Code Section 65867, conduct a public hearing on the proposed Development Agreement. Pursuant to Government Code Section 65867.5(a), a Development Agreement is a legislative act adopted by ordinance.
- The City Council, as the legislative body, must therefore conduct a public hearing and is required to approve the first reading of the ordinance and then hold a second reading of the ordinance to adopt the Development Agreement.
- As an owner of the property the Bell Public Financing Authority must also participate in the Development Agreement by approving adoption and authorizing the Executive Director to act on their behalf in the execution of the Development Agreement.

AGREEMENT FOR PURCHASE AND SALE (PSA)

The PSA defines the rights and responsibilities of all parties in the purchase and sale of real property.

General Provisions of the Agreement for Purchase and Sale

Included as Exhibit E of the Development Agreement, the Agreement for Purchase and Sale establishes a cash price of \$44.5 million dollars (\$29M for Parcels F, G and H; and \$15.5M for Parcel A) with payment due at Close of Escrow. Price will be adjusted to reflect only those sites purchased should the Developer decide to purchase some, but not all of the parcels. Closing is intended to occur between August 25, 2013 and December 1, 2013

Pacific Industrial will be responsible for constructing up to \$1,340,000 for necessary off-site improvements for the project. The City will be responsible for remaining off-site improvements totaling up to \$1M above the \$1,340,000 covered by Pacific Industrial. Pacific Industrial will also construct buildings that equal LEED Gold standards. The City can terminate if it is required to pay more than the \$2.34M Cost Cap.

Pacific Industrial will apply for New Market Tax Credits to develop the Property and will pay 50% of all tax credits it receives to the City. In addition, Pacific Industrial will provide \$25,000 to the City as a community benefit package.

Agreement for Purchase and Sale Adoption Process

As an exhibit of the Development Agreement, the Agreement for Purchase and Sale will be approved by the City Council and Bell Public Financing Authority. However, the Planning Commission, as planning agency for the City of Bell, must adopt a finding of general plan consistency for sale of property pursuant to Government Code Section 65402. In addition, as property owner, both the City Council and the Bell Public Financing Authority must authorize the Chief Administrative Officer and Executive Director to execute the PSA on their behalf.

SCOPE OF DEVELOPMENT

The Scope of Development, included as Exhibit C to the Development Agreement, defines the specific characteristics required to create a signature industrial/warehousing/logistics project combining high quality architectural design with sustainable building technologies. Specifically, it addresses Development Standards, Permitted Land Uses, and Basic Design Concepts.

Development Standards

The following tables list the development standards defined for the Bell Business Center Project: Maximum Building Area and Site Development Standards. Where the standards vary from the Bell Municipal Code, the standards listed below will apply.

MAXIMUM BUILDING AREA				
Parcel	Site Acres	Industrial/Warehouse Space	Ancillary Office Space	Total Building Size
A	14.5	274,860	20,000	294,860
F	11.6	234,528	10,000	244,528
G	3.6	68,002	4,000	72,002
H	10.5	219,000	10,000	229,000
TOTAL PROJECT AREA	40.2	796,390	44,000	840,390
Projects will be reviewed to ensure that they do not exceed the maximum building area for industrial/warehouse/logistics use, office use or total building size for their parcel. Projects that exceed any of these maximum area standards listed above must demonstrate that it will not result increase impacts or result in new impacts that could require additional environmental review pursuant to Section 15162 of the CEQA Guidelines.				

SITE DEVELOPMENT STANDARDS	
Lots	
Minimum Area	5,000 square feet
Minimum Width	50 feet
Minimum Depth	50 feet

SITE DEVELOPMENT STANDARDS	
Yards	
Front	No driveway in front yard: Front yard setback not required Driveway: Front yard setback shall have a minimum depth of 25 feet
Side	No driveway in side yard: Side yard setback not required Driveway: Side yard setback shall have a minimum depth of 20 feet
Rear	When not adjacent to residentially zoned property: Not required
Buildings	
Maximum Height	When not adjacent to residentially zoned property: 150 feet When adjacent to residentially zoned property: 50 feet
Building Mass	100% lot coverage, except for required yard areas, off-street parking and trash enclosures
Number of Required Off-Street Parking Spaces	
Offices Uses	1 per 250 square feet of office use
Industrial Uses	1 per 1,000 square feet for the first 20,000 square feet of warehouse/logistics/industrial use 1 per 2,000 square feet for the second 20,000 square feet of warehouse/logistics/industrial use 1 per 4,000 square feet for the warehouse/logistics/industrial use in excess of 40,000 square feet
Other uses	As defined by the Municipal Code.
Size of Off-Street Parking Spaces	
Conventional Spaces	Minimum dimensions: 9 feet by 20 feet
Compact Spaces	Minimum dimensions: 8 feet by 18 feet. The number of compact spaces shall not exceed 20% of required spaces.
Required Walls & Fences	
Parcel A	Masonry walls shall be constructed to enclose all parking, storage and truck loading areas outside of the front yard setback.
Parcel F	Options 1: Masonry walls or fencing as approved by the Director shall be constructed along the north and east property lines. Options 2, 3 and 4: Masonry walls or fencing as approved by the Director shall be constructed along the west, the north and east property lines.
Parcel G:	Options 1, 3 and 4: Masonry walls or fencing as approved by the Director shall be constructed along the south and southeast property lines to secure the parking and loading area. Option 2: Masonry walls shall be constructed along the east, south and west property lines. The Director may require a wrought iron fence or gate to secure the north property line.
Parcel H	Masonry walls or fencing as approved by the Director shall be constructed along the south property line. If the parcel is subdivided, masonry walls and fencing will not be required between the new lots
Ground-mounted Machinery and Utilities	
	Shall be enclosed within a permanent noncombustible enclosure.
	Shall be screened from public view.

Eligible Uses

The following table lists the eligible uses defined for the Bell Business Center Project. Where the uses vary from the Bell Municipal Code, the uses listed below will apply:

ELIGIBLE USES	
Permitted Uses	
Any use currently permitted in the M (Manufacturing) or CM (Commercial Manufacturing) zoning districts	
Warehousing	
Distribution	
Logistics	
Loading and Unloading of Parcels and Freight	
Truck terminal	
Sorting, loading and unloading of parcels and freight	
Parcel and freight forwarding	
Retail order fulfillment (online or catalog services)	
General office uses	
Onsite railroad service and transfer facility	
Outdoor advertising media	
Telecommunications facilities (including monopoles and towers)	
Accessory Uses	
Any accessory use currently permitted in the M (Manufacturing) or CM (Commercial Manufacturing) zoning districts	
Public intake, sales, and showroom facilities in support of a principal use	
Onsite, exterior storage of trailers, shipping containers, or other materials used in support of a principal use and subject to adequate screening from public view.	
Conditional Uses	
Any use not allowed as either a Permitted or Accessory Use may be approved as a Conditional Use Permit through the Conditional Use Permit Process outlined in Zoning Ordinance Sections 17.96.040 through 17.96.160. Except that no conditional shall be approved for a Prohibited Use.	
Prohibited Uses	
Prohibited Uses are not permitted on the Site or as part of the Project and include such uses as restaurant, gas station, transitional housing, retail alcohol or tobacco sales, and adult-oriented uses.	

Basic Design Concepts

The Basic Design Concepts set forth the design parameters for the Bell Business Center. For each of the four parcels, several alternate site plans were prepared. Each site plan defines the location of building footprints, landscape areas, access points, on-site circulation, parking and loading areas. Maximum building square footage is defined for the primary use, typically, warehousing, distribution or light industrial, as well as the ancillary office uses. A conceptual landscape plan illustrates plant palette, parkway and entry treatments. Building elevations and illustrative drawings establish a common theme for the area by defining building proportions and entry styles. The theme is furthered by the use of consistent building materials and complementary colors.

Project Specific Conditions of Approval

The conditions of approval set forth in detail the responsibilities and obligations of the developer in planning, constructing and operating the project. Some of the Bell Business Center conditions of approval are global in nature while others address specific parcels. Examples of general conditions include: a requirement that all buildings be constructed to LEED (Leadership in Energy and Environmental Design) Gold Standard certification or equivalent, development of a master sign program for the project area and efforts to encourage employers to hire locally. Project specific requirements address fencing on individual parcels, 6th Street improvements, and establishing a historical marker or public art display illustrating the cultural and historical significance of the Sleepy Lagoon.

Scope of Development Adoption Process

As an exhibit of the Development Agreement, the Scope of Development will be adopted by ordinance with adoption of DA 2013-01.

- Consistent with that process the Planning Commission will review the document for consistency with the general plan.
- The City Council will adopt the Scope of Development by legislative act.
- The Bell Public Financing Authority is not required to act independently on this document.

SUMMARY

This is potentially a \$100M project and the largest and most complex development ever constructed in Bell, and shows that even with all the turmoil of the last several years, the city of Bell can deliver an iconic development project on a scale comparable to any in California. The successful sale and development of the Property is critical for the City to meet the terms of the Stipulation for Settlement with Dexia; eliminate a potential deficiency of \$12 million - \$15 million to Dexia; increase property values with a state-of-the-art industrial development; and create hundreds of new jobs.

ATTACHMENTS (To Be Provided)

- A Bell Planning Commission Resolution No. 2013-31-PC** Bell Business Center Project Entitlements and the Bell Business Center Project EIR
- B Bell City Council Resolution No. 2013-32-CC** certifying, pursuant the Bell Business Center Project EIR, adopting the Bell Business Center Project Mitigation Monitoring and Reporting Program and adopting a Findings of Fact and a Statement of Overriding Considerations for the Bell Business Center Project
- C Bell City Council Resolution No. 2013-33-CC** approving the Agreement for Purchase and Sale for the Bell Business Center property and authorizing the City of Bell Chief Administrative Officer to act on behalf of the City in the execution of same.
- D Bell Public Financing Authority Resolution No. 2013-34-PFA** certifying that the Bell Public Financing Authority has reviewed and considered the Bell Business Center Project EIR prior to taking any action.

- E Bell Public Financing Authority Resolution No. 2013-35-PFA** approving the Agreement for Purchase and Sale for the Bell Business Center property and authorizing the Executive Director to execute the Agreement for Purchase and Sale for the Bell Business Center property

ATTACHMENTS (Included)

Bell Business Center Project FEIR (including DEIR)

Ordinance No. 1195

Development Agreement DA 2013-01 (including Exhibits)



City Council Agenda

Regular Meeting

Bell City Council

Wednesday, August 21, 2013

5:30 P.M. Closed Session

7:00 P.M. Open Session

**Bell Community Center
6250 Pine Avenue**

**Violeta Alvarez
Mayor**

**Ana Maria Quintana
Mayor Pro-Tem**

**Alicia Romero
Council Member**

**Ali Saleh
Council Member**

**Nestor Enrique Valencia
Council Member**

Welcome to the City Council Meeting

The Bell City Council and staff welcome you. This is your City Government. Individual participation is a basic part of American Democracy and all Bell residents are encouraged to attend meetings of the City Council. Regular City Council meetings are held the first and third Wednesday of the month at 7:00 p.m., Bell Community Center, 6250 Pine Avenue. For more information, you may call City Hall during regular business hours 8:00 a.m. to 4:00 p.m., Monday through Friday at (323) 588-6211 Extension 230.

City Council Organization

There are five City Council members, one of whom serves as Mayor and is the presiding officer of the City Council. These are your elected representatives who act as a Board of Directors for the City of Bell. City Council members are like you, concerned residents of the community who provide guidance in the operation of your City.

Addressing the City Council

If you wish to speak to the City Council on any item which is listed or not listed on the City Council Agenda, please complete a *Request to Speak Card* available in the back of the City Council Chambers. Please submit the completed card to the City Clerk prior to the meeting. The Mayor will call you to the microphone at the appropriate time if you have filled out a *Request to Speak Card*. At that time, please approach the podium, clearly state your name and address, and proceed to make your comments.

Compliance with Americans with Disabilities Act

The City of Bell, in complying with the Americans with Disabilities Act (ADA), request individuals who require special accommodation(s) to access, attend, and or participate in a City meeting due to disability. Please contact the City Clerk's Office, (323) 588-6211, Ext. 230, at least one business day prior to the scheduled meeting to insure that we may assist you.

Statement Regarding Compensation for Members of the Bell City Council

Compensation for the members of the Bell City Council is \$673 a month. In accordance with Government Code Section 54952.3, Councilmembers will not receive any additional compensation or stipend for the convening of the following regular meetings: Successor Agency to the Bell Community Redevelopment Agency, the Bell Community Housing Authority, the Bell Public Finance Authority, the Bell Surplus Property Authority, the Bell Solid Waste Authority, and the Planning Commission.

CITY OF BELL, CALIFORNIA

REGULAR MEETING OF THE

Bell City Council/Bell Public Finance Authority/ Bell Planning Commission

August 21, 2013

5:00 P.M. Closed Session

7:00 P.M. Regular Meeting

Bell Community Center

6250 Pine Avenue

Call to Order

Roll Call of the City Council in their capacities as Councilmembers/Members of all Related Agencies: Romero, Saleh, Valencia, Quintana and Alvarez.

Communications from the Public on Closed Session Items

This is the time for members of the public to address the City Council and related Authorities and Agencies only on items that are listed under Closed Session. Keep the public comment to items listed only on the Closed Session.

Closed Session

1. The City Council and the related Authorities and Agencies will recess to a closed session to confer with legal counsel regarding the following matters:
 - a) CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION (Government Code Section 54956.9(d)(1)); Name of case: *Bell v. Best Best & Krieger*; LASC BC466436
 - b) CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Government Code Section 54956.9(a),(d)(1)); Name of case: *Randy Adams v. City of Bell and Pedro Carrillo* – LASC Case No. BC 489331
 - c) CONFERENCE WITH LEGAL COUNSEL- EXISTING LITIGATION (Government Code Section 54956.9(a),(d)(1)) Name of Case: *Dexia Credit Local v. City of Bell, Bell Public Financing Authority* BC471478
 - d) CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Government Code Section 54956.9(a),(d)(1)); Name of case: *City of Bell v. County Records Research (Werrlein)*– LASC Case No. VC059404
 - e) PUBLIC EMPLOYMENT pursuant to Government Code section 54957(b)(1)
Title: Interim City Clerk

- f) CONFERENCE WITH LABOR NEGOTIATORS (Government Code Section 54957.6)
- g) CONFERENCE WITH LEGAL COUNSEL – POTENTIAL INITIATION OF LITIGATION (Government Code Section 54956.9 (d)(4)). (One (1) potential cases)

Reconvene Regular City Council Meeting

Pledge of Allegiance

City Attorney Report

The City Attorney will report out on any action(s) to be taken by the City Council/Agencies on Closed Session matters.

Presentations

Invitation to attend the Community Emergency Response Team Training

Communications from the Public

This is the time members of the public may address the City Council, Bell Public Financing Authority and the Planning Commission. The public may speak on items that are on the agenda and on non-agenda items that are under the subject matter jurisdiction of City Council and/or its related authorities and agencies.

Consent Calendar

The following Consent Calendar items are expected to be routine and non-controversial. They are acted upon by the City Council and related authorities at one time without discussion.

Recommendation: Approve item No. 2 through 3

- 2. Approval of General Warrants and Community Housing Authority Warrants dated August 21, 2013. *(Council/Successor Agency to the Bell Community Redevelopment Agency /Bell Community Housing Authority)*
- 3. Approval of Final Parcel Map 71920, Bandini Boulevard Industrial Center Project *(Council)*

Public Hearings

The following items have been posted as a Public Hearing as required by law. The Mayor will open the meeting to receive public testimony only on the Public Hearing item.

- 4. Resolution No. 2013-40 Congestion Management Plan Conformance Self Certification

Recommendation:

- Conduct a Public Hearing and accept testimony from the public; and
 - Read by title and waive full reading and adopt Resolution No. 2013-40 "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELL, CALIFORNIA, FINDING THE CITY OF BELL TO BE IN CONFORMANCE WITH THE CONGESTION MANAGEMENT PROGRAM (CMP) AND ADOPTING THE CMP LOCAL DEVELOPMENT, IN ACCORDANCE WITH CALIFORNIA GOVERNMENT CODE SECTION 65089"
5. Resolution No. 2013-42-PC Approval of a Tentative Parcel Map 72328 to Create Four (4) Lots of Parcel H of the Bell Business Center (*Planning Commission*)

Recommendation(s):

- Conduct a Public Hearing and accept testimony from the public on Tentative Parcel Map 72328; and
- Read by title and waive full reading and adopt Planning Commission Resolution No. 2013-42-PC "A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF BELL APPROVING TENTATIVE PARCEL MAP NO. 72328 CREATING FOUR PARCELS FROM LOS ANGELES COUNTY TAX ASSESSORS PARCEL NUMBERS 6332-002-946, 950, 952 AND 954, LOCATED ON RICKENBACKER ROAD AND 6TH STREET, SUBJECT TO FINDINGS AND CONDITIONS OF APPROVAL"
- Direct staff to file a notice of determination based on the Bell Business Center Environmental Impact Report (SCH#2013041025)

Business Calendar

6. Ordinance No. 1195: Adopting Development Agreement No. 2013-01 for the Bell Business Center Project

Recommendation: It is recommended that the City Council read by title and waive full reading and adopt Ordinance No. 1195, "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BELL ADOPTING DEVELOPMENT AGREEMENT 2013-01 BETWEEN THE CITY OF BELL, THE BELL PUBLIC FINANCING AUTHORITY AND PI BELL, LLC FOR THE BELL BUSINESS CENTER PROJECT, A 840,000 – SQUARE FOOT WAREHOUSE, DISTRIBUTION, LOGISTICS, LIGHT INDUSTRIAL DEVELOPMENT ON APPROXIMATELY 40.2 ACRES AND COMPRISED OF FOUR, NON-CONTIGUOUS BUILDING SITES LOCATED WEST OF EASTERN AVENUE ON RICKENBACKER ROAD, CITY OF BELL, CA 90201. (APN: Parcel A: 6332-002-965; Parcel F: 6332-002-948 and 6332-002-945; Parcel G: 6332-002-949 and Parcel H: 6332-002-946, 6332-002-950, 6332-002-952 and 6332-002-954)"

7. Contract Award for Public Works Maintenance Services (*Council*)

Recommendation: It is recommended that the City Council approve the contract award to MCE Corporation in an amount not to exceed \$533,238 for three years (not to exceed \$177,746 per year) to provide Public Works Maintenance Services for Fiscal Years 2013/14, 2014/15, and 2015/16.

8. Fiscal Year 2012-13 Financial Performance Report (at May 31, 2013) (*Council*)

Recommendation: It is recommended that the City Council receive and file the report.

9. Consideration to Reschedule the Regular City Council Meeting of September 18, 2013 (*Council*)

Recommendation: It is recommended that the City Council reschedule the regular scheduled City Council meeting of September 18, 2013 to Monday, September 16, 2013.

10. Appointment of Norma Gamez to the Position of Interim City Treasurer (*Council*)

Recommendation: It is recommended that the City Council approve the appointment of Norma Gamez to the position of Interim City Treasurer with a 5% special pay stipend per Resolution No. 2008-05.

11. Amendment No. 1 to Service Agreement with Third Party Administrator, Carl Warren & Company (*Council*)

Recommendation(s):

- Consider and approve the attached Amendment No. 1 to Service Agreement with Carl Warren and Company to extend the contract for a year to July 2014 for the administration of liability claims; and
- Read by title and waive full reading and adopt Resolution No. 2013-39 "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELL, CALIFORNIA EXTENDING THE CONTRACT OF CARL WARREN & COMPANY TO ACT AS THIRD PARTY CLAIMS ADMINISTRATOR TO HANDLE TORT LIABILITY CLAIMS, AS AUTHORIZED BY GOVERNMENT CODE SECTIONS 910, ET SEQ"; and
- Authorize the City Manager to execute a contract for services on behalf of the City

12. Notification to Council that letter was sent to auditors, Macias, Gini & O'Connel, LLP (MGO), requesting to include Client-No-Pays arrangement made between City Attorney and City Manager in upcoming audit for Fiscal Year 2012-2013 (*Council*)

Recommendation: It is recommended that the City Council receive and file the letter sent to our auditors seeking guidance in order to resolve the matter of deferred payment/billings discussed on the regularly scheduled meeting of June 19, 2013, and

request that they incorporate this arrangement into their final audit so that all of us have a full, complete and transparent picture of our liabilities for Fiscal Year 2012-13.

13. Notification to Council of Updates and Concerns addressed by the Office of the State Controller's Bell Auditing Team (*Council*)

Recommendation: It is recommended that the City Council set up a working session for the Bell City Council to meet and discuss how the City of Bell will address the upcoming visit from the State Controller's Office (SCO), tentatively scheduled for October or November 2013.

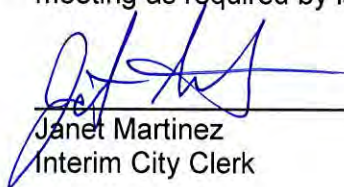
Mayor and City Council Communications

Pursuant to Assembly Bill 1234, this is the time and place to provide a brief report on Meetings, Seminars and Conferences attended by the Mayor and City Councilmembers

Adjournment

Next Regular Meeting, September 4, 2013

I, Janet Martinez, Interim City Clerk of the City of Bell, certify that a true, accurate copy of the foregoing agenda was posted on August 16, 2013, at least seventy-two (72) hours prior to the meeting as required by law.




Janet Martinez
Interim City Clerk

City of Bell Agenda Report

DATE: August 21, 2013

TO: Mayor and Members of the City Council

FROM: Joe Perez, Community Development Director

APPROVED BY: 
Doug Willmore, City Manager

SUBJECT: Ordinance No. 1195: Adopting Development Agreement No. 2013-01 for the Bell Business Center Project

RECOMMENDED ACTION

It is recommended that the City Council read by title only, waive further reading, and adopt Ordinance No. 1195.

DISCUSSION

The City Council, at its regularly scheduled meeting on August 7, 2103, introduced Ordinance No. 1195 and placed it on the next regular agenda for adoption.

ORDINANCE NO. 1195

"AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BELL ADOPTING DEVELOPMENT AGREEMENT 2013-01 BETWEEN THE CITY OF BELL, THE BELL PUBLIC FINANCING AUTHORITY AND PI BELL, LLC FOR THE BELL BUSINESS CENTER PROJECT, A 840,000-SQUARE FOOT WAREHOUSE, DISTRIBUTION, LOGISTICS, LIGHT INDUSTRIAL DEVELOPMENT ON APPROXIMATELY 40.2 ACRES AND COMPRISED OF FOUR, NON-CONTIGUOUS BUILDING SITES LOCATED WEST OF EASTERN AVENUE ON RICKENBACKER ROAD, CITY OF BELL, CA 90201. (APN: Parcel A: 6332-002-965; Parcel F: 6332-002-948 and 6332-002-945; Parcel G: 6332-002-949 and Parcel H: 6332-002-946, 6332-002-950, 6332-002-952 and 6332-002-954)"

Attached is the agenda report from the August 7, 2013 meeting.

ATTACHMENTS

1. Ordinance No. 1195
2. Development Agreement 2013-01
3. August 7, 2013 agenda report

ATTACHMENT 1

ORDINANCE NO. 1195

CITY OF BELL
LOS ANGELES COUNTY, CALIFORNIA

ORDINANCE NO. 1195

A ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BELL ADOPTING DEVELOPMENT AGREEMENT 2013-01 BETWEEN THE CITY OF BELL, THE BELL PUBLIC FINANCING AUTHORITY AND PI BELL, LLC FOR THE BELL BUSINESS CENTER PROJECT, A 840,000-SQUARE FOOT WAREHOUSE, DISTRIBUTION, LOGISTICS, LIGHT INDUSTRIAL DEVELOPMENT ON APPROXIMATELY 40.2 ACRES AND COMPRISED OF FOUR, NON-CONTIGUOUS BUILDING SITES LOCATED WEST OF EASTERN AVENUE ON RICKENBACKER ROAD, CITY OF BELL, CA 90201. (APN: Parcel A: 6332-002-965; Parcel F: 6332-002-948 and 6332-002-945; Parcel G: 6332-002-949 and Parcel H: 6332-002-946, 6332-002-950, 6332-002-952 and 6332-002-954)

WHEREAS, the Bell Public Financing Authority (“Authority”) issued Taxable Lease Revenue Bonds in the principal amount of \$35M (the “Bonds”) which were purchased by Dexia Credit Local (“Dexia”) on October 31, 2007 with approximately 25 acres of land consisting of three parcels (the Bell Federal Service site at 5600 Rickenbaker Road, the “Property”), pledged as security for the Bonds; and

WHEREAS, the Bonds were to be repaid through a lease of the Property to Burlington Northern and Santa Fe, a railroad holding company (“BNSF”), but the lease agreement was voided due to a successful lawsuit by East yard Communities that the project violated the California Environmental Quality Act, decided on August 14, 2013; and

WHEREAS, the Bonds matured on November 1, 2010 when the principal amount of \$35M was due, and the Authority was in default, and on October 14, 2011 Dexia filed suit against the Authority alleging \$38M in damages including costs and lost interest, seeking to foreclose on the Property, and seeking to recover for any deficiencies in the Property value against the City’s General Fund; and

WHEREAS, the City of Bell (“City”) has entered into a Stipulation for Settlement (“Stipulation”) with Dexia, which was approved by the Los Angeles Superior Court on June 10, 2013, under which the Property along with another parcel of land within the City (collectively defined and referred to as the “Site” in Section 1 of this Ordinance) will be sold to a purchaser pursuant to the terms set forth in the Stipulation in order to avoid foreclosure on the Property by Dexia; and

WHEREAS, PI Bell, LLC, a Delaware limited liability company made a proposal to the City and to the Bell Public Financing Authority (“Authority”) on April 5, 2013, outlining the terms of a future purchase and development of the property pursuant to the terms of the Stipulation; and

WHEREAS, the City, Authority, and Buyer have fully negotiated a Purchase and Sale Agreement, memorializing the terms of said proposal, and PI Bell, LLC has confirmed with Dexia that said Agreement also meets the requirements set forth under the Stipulation; and

WHEREAS, the Purchase and Sale Agreement will be executed in conjunction with a Development Agreement, which provides for eco-friendly development on the property, sustainable and high-quality job creation for the City’s residents, and long-term revenue generation for the City; and

WHEREAS, without the Project, the foreclosure on the Property could leave the City with a deficiency to Dexia of \$12-15M, and even under the terms of the Stipulation would cost the City some \$2M, which given the City’s difficult financial situation facing claims in the 10’s of millions due to the Bell 8 scandals, imperils the City’s financial viability; and

WHEREAS, the execution of the Purchase and Sale Agreement and the Development Agreement will fully satisfy any obligation to Dexia, and release the City and Authority therefrom.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF BELL DOES ORDAIN AS FOLLOWS:

Section 1. An application for a development agreement (the "Agreement"), pursuant to Government Code Sections 65864 through 65869.5 (the “Statute”) governing development agreements, was duly filed by the applicant, PI Bell LLC, a Delaware limited liability company (“Applicant”) with respect to the real property consisting of 40.2 acres and comprised of four non-contiguous building sites located west of Eastern Avenue on Rickenbacker Road, City of Bell, CA 90201 (APN: Parcel A: 6332-002-965; Parcel F: 6332-002-948 and 6332-002-945; Parcel G: 6332-002-949 and Parcel H: 6332-002-946, 6332-002-950, 6332-002-952 and 6332-002-954) (the “Site”). The Site is shown in Exhibit “A” attached hereto.

Section 2. The applicant proposes developing up to 840,390 sf of building area to accommodate warehouse, distribution, logistics and light industrial uses with ancillary offices on the Site (the "Project").

Section 3. An EIR was prepared for the Project by the City of Bell for the purpose of complying with CEQA. On August 7, 2013, the City of Bell certified the Final Environmental Impact Report, adopted the Statement of Overriding Consideration and the Mitigation Monitoring and Reporting Program.

Section 4. The Planning Commission held duly noticed public hearings to obtain public comments on the Agreement on August 7, 2013, at 6:00 P.M. at the City Hall Council Chambers, located at 6330 Pine Avenue, Bell, California. After consideration of the evidence and testimony, the Planning Commission voted to recommend approval of the Agreement.

Section 5. The City Council held public hearings on the Development Agreement on August 7, 2013, at 6:00 P.M. at the City Hall Council Chambers, located at 6330 Pine Avenue, Bell, California. A notice of the time, place and purpose of the aforesaid meetings was duly given.

Section 6. Evidence, both written and oral, was presented to and considered by the City Council at the aforesaid meetings, including but not limited to staff reports, along with testimony received by the applicant and other members of the public.

Section 7. The City Council finds that:

- a) The Site is located within an area suitable for the proposed uses, and is consistent with the General Plan.
- b) The Project provides for developing up to 840,390 sq. ft. of building area to accommodate warehouse, distribution, logistics and light industrial uses with ancillary offices on the Site, and therefore finds the Development Agreement will allow for public convenience and good land use practices.
- c) The Project will not be detrimental and will in fact further the public health, safety and welfare through development of a blighted underdeveloped site. Through the implementation of the proposed Project, the Site will be placed into productive use and will assist the City in achieving a number of City objectives including removing blight and revitalizing and reutilizing the Site and the immediate vicinity and the creation of local employment, energy efficient construction and operations, and other community benefits including the potential for tax credits.
- d) In the midst of an economic downturn and various scandals which have left many vacancies in the City's downtown core, the approval of the Development Agreement for the Project will allow for the orderly development of some of the largest vacant parcels within the City of Bell, will not adversely affect property values, and represents the most significant investment in Bell in a generation.
- e) The Development Agreement contains the contents required by the Statute including Government Code §68865.2, as follows:
 - (1) The Development Agreement in Section 10.1 provides for a periodic review as required in Section 65865.1 of the Government Code.

ATTEST:

State of California)
County of Los Angeles)
City of Bell)

I, Janet Martinez, City Clerk of Bell, California, hereby certify that the foregoing ordinance was adopted by the City Council of the City of Bell at a regular meeting held on the ____ day of _____, 2013 and passed by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

JANET MARTINEZ, Interim City Clerk

APPROVED AS TO FORM

DAVID J. ALESHIRE, City Attorney

ATTACHMENT 2

DEVELOPMENT AGREEMENT NO. 2013-01

RECORDING REQUESTED BY,)

AND WHEN RECORDED MAIL TO:)

)

CITY CLERK)

City of Bell)

99 E. Ramsey Street)

Bell, CA 92220)

No Recording Fee Required – Government Code § 27383

DEVELOPMENT AGREEMENT

between

THE BELL PUBLIC FINANCING AUTHORITY

&

THE CITY OF BELL

(Collectively, “City”)

and

PI BELL LLC

A Delaware limited liability company

(“Developer”)

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (together with all exhibits hereto, the "Agreement"), by and between the CITY OF BELL ("City"), a California Charter City, the BELL PUBLIC FINANCING AUTHORITY ("Authority"), a body corporate and politic (collectively the Authority and the City are referred to herein jointly and severally as "City"), and PI Bell LLC, a Delaware limited liability company ("Developer"). The City is entering this Agreement for the limited purposes as described below. City and Developer are hereinafter collectively referred to as the "parties" and individually as a "party".

R E C I T A L S:

A. Capitalized Terms. The capitalized terms used in these Recitals and throughout this Agreement shall have the meaning assigned to them in Section 1. Any capitalized terms not defined in Section 1 shall have the meaning otherwise assigned to them in this Agreement or apparent from the context in which they are used.

B. The Site. The Authority owns four (4) parcels of land, totaling approximately 40.2 net acres along Rickenbacker Road in the City of Bell, comprising: Parcel A, comprising approximately 14.5 net acres, Parcel F, comprising approximately 11.6 net acres, Parcel G, comprising approximately 3.6 net acres, and Parcel H, comprising approximately 10.5 net acres (the "Site"). The Site is commonly known as the Bell Federal Service Site (or, herein, the "Site"), and is located at 5600 Rickenbacker Road, Bell, California 90201. The Site is more fully shown in the Site Map attached hereto as Exhibit "A." The four Parcels comprising the Site are legally described, respectively, in the "Legal Descriptions of Parcels" attached as Exhibit "B" with Parcel A as "B1" and the remaining Parcels as "B2".

C. Choice of Developer for Site Development; Site as Centrally Located for Intermodal Freight Transport. The Site is directly proximate to the Interstate 710 freeway, which constitutes a critical freight/shipping corridor from the Los Angeles and Long Beach ports to mid- and eastern United States. This makes the Site a prime location for a logistics center and commercial/industrial uses. Developer and its affiliates have demonstrated skill and expertise in industrial real estate development, the ability to attract reputable commercial tenants, and has local experience in development. Developer is experienced in the delivery of real estate development specializing in the development of large scale industrial real estate development and acquisition. Developer and its affiliates currently manage the construction of 1.2 million square feet, including 490,000 square feet in the City, and are entitling an additional 6.4 million square feet. Developer has an established financial partnership, and appropriate potential tenants. Therefore, on June 5, 2013, City and Developer entered into an Exclusive Negotiation Agreement ("ENA") under which the City agreed to negotiate with Developer the terms of a potential commercial development on the Site.

Logistics is a key industry in Southern California, and a critical element of its economy. The City is uniquely positioned and has special geographic advantages in the goods movement industry. For example, the Site lies approximately less than 20 miles from both the Los Angeles and Long Beach ports, and approximately 8 miles from Downtown Los Angeles. Such a use of the Site could provide for economic growth in the City of Bell to the extent it:

- Provides for a land use and infrastructure plan that will support the creation of a major job center in the City;
- Establish Bell as a prime location for the logistics industry;
- Provides a balanced approach to the City's fiscal viability, economic expansion and environmental integrity;
- Significantly improves the City's jobs to housing balance; and
- Provides new, local construction and operations jobs.

D. The Project. The Developer is considering two potential tenants for the Site (collectively, the "Project"). Developer is considering designing and constructing a new facility for a large-scale logistical operation on Parcels F and G ("Parcels F&G Project"). The Parcels F&G Project contemplates design and construction of an approximately 200,000 square foot facility, and could generate approximately 300 jobs, and intends to use the Site for the uses set forth in the Development Standards and Permitted Land Uses, Exhibit "C2". Additionally, Developer is considering designing and constructing certain improvements on Parcel H ("Parcel H Project") for a privately-owned manufacturing company. The Parcel H Project may comprise a manufacturing facility totaling approximately 229,000 square feet, and may employ approximately 350 employees. Overall, the Project is proposed to provide substantial economic and employment opportunities for the community, with a goal of generating at least 300 new jobs, with potential to create upwards of 542 new jobs. The Project shall maintain highest standards of development, including without limitation Developer's best efforts to design the Project to meet or exceed the standards for a LEED Gold Certified building, strict adherence to building codes, best practices for environmental protection, energy efficiency, water conservation, and reduced greenhouse gas emissions. The Project will also include necessary street and utility infrastructure, including as outlined in the Developer's narrative description for the Project. The development of the project is set forth in the Scope of Development, Exhibit "C". Developer shall also be required to install Energy Star appliances in all buildings, in addition to loading docks which can accommodate SmartWay trucks. Prior to permit issuance, Developer shall be required to install rooftop solar panels or solar-panel-ready rooftops to allow for easy, cost-effective installation of solar energy systems in the future. Developer shall also support the use of electrical and hybrid vehicles through the construction of plug-in stations at the Project.

E. Zoning & Entitlements. This Agreement shall supersede any requirements in the City's Zoning Code, including but not limited to requirements for a "Specific Plan", and in the event that any terms of this Agreement conflict with the City's Zoning Code, the terms of this Agreement shall govern. The Scope of Development, the Development Standards and Permitted land Uses and the Conditions of Approval for Project Development, attached hereto as Exhibit "D", shall govern Developer's permitting, construction and operation of the Project. Any zoning issues or requirements applicable to the Site that are not otherwise specified in this Agreement shall be governed by the City's Zoning Code and General Plan.

F. Conveyance of Site. The City will convey the whole Site to Developer for a cash payment of \$44,500,000.00 ("Purchase Price") payable at Closing. Should Developer purchase some but not all of the Parcels, the Purchase Price shall reflect only those Parcels actually purchased. Closing shall occur not before August 25, 2013, and no later than the date set forth in the "Purchase & Sale Agreement," attached hereto as Exhibit "E", subject to extension

exclusively as set forth therein and pursuant to the Stipulation. The Site will be conveyed to Developer in fee as set forth in Exhibit "E".

G. Legislation Authorizing Development Agreements. To strengthen the public planning process, encourage private participation in comprehensive planning and reduce the economic risk of development, the Legislature of the State of California adopted the Development Agreement Statute, authorizing the City to enter into an agreement with any person having a legal or equitable interest in real property providing for the development of such property and establishing certain development rights therein. The legislative findings and declarations underlying the Development Agreement Statute and the provisions governing contents of development agreements state, in Government Code §§ 65864(c) and 65865.2, that the lack of public facilities, including, but not limited to, streets, sewerage, transportation, drinking water, school, and utility facilities is a serious impediment to the development of new development, and that applicants and local governments may include provisions in development agreements relating to applicant financing of necessary public facilities and subsequent reimbursement over time.

H. Dexia Lawsuit. Portions of the Site currently serve as security for \$35,000,000 in bonds issued by the Authority and purchased by Dexia Credit Local ("Dexia"). As described in greater detail in Sections 1.29, 9.2, 9.37 and 16.5 hereof, sale of the Site is part of settlement of a lawsuit against the City by Dexia(Dexia Credit Local v. City of Bell et al., Case No. BC471478), filed on October 14, 2011, which sought to foreclose upon the Site as a result of the Authority's failure to make required payments on the Authority's Taxable Lease Revenue Bonds. The Site is being sold in accordance with the terms of a Stipulation for Settlement with Dexia (the "Stipulation") approved by the Court on June 10, 2013, which requires an all cash sale of the Site with closing prior to December 1, 2013, subject to extension as provided in the Stipulation. Developer's offer to purchase the Site and the terms of conveyance and Project development set forth in this Agreement meet the requirements of the Stipulation. The terms of the Stipulation are fully incorporated herein by this reference.

I. Exclusive Right to Negotiate with Developer. On April 5, 2013, Developer submitted an offer to purchase the Property, and has confirmed with Dexia that such offer meets the criteria set forth in the Stipulation. The Stipulation further contemplated that the City would undertake a process with the Developer to obtain approvals of a development project, and that such an entitled Project would enhance the value of the Property sufficiently so that Dexia would forego its claim against the City Parties for recovery of any deficiency. Thereafter City and Developer negotiated an Exclusive Negotiation Agreement, dated June 5, 2013 (the "ENA"), the terms of which are fully incorporated herein by this reference. In the event of any conflict between the terms hereof and the terms of the ENA, this Agreement shall govern.

J. Development Agreement. In light of the foregoing, the Developer and the City have determined that the Project is a development for which a development agreement is appropriate. The Parties desire to define the parameters within which the obligations of the Developer for infrastructure and public improvements and facilities will be met and to provide for the orderly development of the Site, assist in attaining the most effective utilization of resources within the City and otherwise achieve the goals of the Development Agreement Statute. In consideration of these benefits to the City and the public benefits of the development

of the Site, the Developer will receive assurances that the City shall grant all permits and approvals required for total development of the Site, including all Entitlements, and will provide for the assistance called for in this Agreement in accordance with the terms of this Agreement.

K. Public Benefits of the Project. This Agreement provides assurances that the public benefits identified below in this Recital K will be achieved in accordance with the terms of this Agreement. The Site is highly accessible, sitting approximately 0.7 miles from the Interstate 710 Freeway, which acts as a vital corridor for the Los Angeles and Long Beach Ports, making the Site ideal for a manufacturing and logistics center. These factors thus establish Bell as a prime location for the logistics industry. With appropriate development, the Site can realize commercial, industrial, revenue-generating and job-generating potential, including without limitation:

1. *Increased Tax Revenues.* The development of the Site in accordance with the terms of this Agreement will result in increased real property and sales taxes and other revenues to the City.

2. *Job Generation.* The Project entails a land use and infrastructure plan that will support the creation of a major job center in the City and significantly improve the City's jobs to housing balance. The Project is proposed to provide substantial economic and employment opportunities for the community, with a goal of generating upwards of 542 new jobs.

3. *Sustainable Design.* The Developer will, to the extent reasonably feasible, include sustainable design for commercial and industrial uses and green building standards for residential construction. The Project shall maintain highest standards of development, including without limitation Developer's best efforts to design the Project to meet or exceed the standards for a LEED Gold Certified building, strict adherence to building codes, best practices for environmental protection, energy efficiency, water conservation, and reduced greenhouse gas emissions.

4. *Signature Project.* Given the City's prime location for a logistics and manufacturing center, and the size and scope of the proposed Project, the parties agree that the Project shall serve as a "signature project" for the City of Bell; i.e., creating an iconic image for the City as a business- and manufacturing- friendly jurisdiction that is nonetheless well-balanced with attractive landscaping and sustainable design.

L. Public Hearings: Findings. In accordance with the requirements of the California Environmental Quality Act (Public Resources Code § 21000, et seq. ("CEQA")), appropriate studies, analyses, reports and documents were prepared and considered by the Planning Commission and the City Council. The Board of the Authority, Planning Commission and the City Council, after giving the notice required by law, held a joint public hearing on August 7, 2013, recommended, and the City Council, after making appropriate findings, certified, by Resolution No. 2013-32-CC, adopted on August 7, 2013, a Final Environmental Impact Report for the Project, more specifically identified as the Final Environmental Impact Report for the Bell Business Center Project, State Clearinghouse No. 2013041025, as having been prepared in compliance with CEQA. On August 7, the Board of the Authority, City Council and the Planning

Commission, after giving notice pursuant to Government Code §§ 65090, 65091, 65092 and 65094, held a joint public hearing on the Developer's application for this Agreement. The Planning Commission and the City Council have found on the basis of substantial evidence based on the entire administrative record, that this Agreement is consistent with all applicable plans, rules, regulations and official policies of the City.

M. Mutual Agreement. Based on the foregoing and subject to the terms and conditions set forth herein, Developer and City desire to enter into this Agreement.

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

1. DEFINITIONS

The following words and phrases are used as defined terms throughout this Agreement. Each defined term shall have the meaning set forth below.

1.1 Anniversary Date. "Anniversary Date" means the date of the anniversary of each year following the Effective Date of this Agreement.

1.2 Annual Review. "Annual Review" means the annual review of the Developer's performance of the Agreement in accordance with Article 10 of this Agreement and Government Code § 65865.1.

1.3 Applications. "Application(s)" means a complete application for the applicable land use approvals (such as a subdivision map, conditional use permit, etc.) meeting all of the terms of this Agreement, or where the terms of this Agreement do not address a particular permit, then meeting the terms of the current ordinances of the City; provided, however, that any additional or alternate requirements in those ordinances enacted after the date this Agreement is approved by the City Council which affect the Project application shall apply only to the extent permitted by this Agreement.

1.4 Assignment. "Assign" shall have the meaning set forth in Article 12 below. All forms of use of the verb "assign" and the nouns "assignment" and "assignee" shall include all contexts of hypothecations, sales, conveyances, transfers, leases, and assignments.

1.5 Authorizing Ordinance. "Authorizing Ordinance" means Ordinance No. 1195 approving this Agreement, introduced on August 7, 2013 and adopted on August 21, 2013.

1.6 BNSF and BNSF Lease. "BNSF" means "BNSF Railway," a lessee of Parcel A. The BNSF Lease on Parcel A, which was entered into on August 8, 2000, with a term lasting through 2013, and has been extended for five more years until July 31, 2018, by BNSF's exercise of its option for lease extension.

1.7 Building Permit. "Building Permit," with respect to any building or structure to be constructed on the Site, means a building permit for not less than the shell and core of such building or structure issued by the City's Division of Building and Safety.

1.8 CC&R's. "CC&R's" shall have the meaning set forth in Section 12.2 below.

1.9 CEQA. "CEQA" means the California Environmental Quality Act (Public Resources Code Sections 21000, et seq.).

1.10 Certificate of Compliance. "Certificate of Compliance" shall have the meaning set forth in Section 10.2 below.

1.11 Certificate of Occupancy. "Certificate of Occupancy," with respect to a particular building or other work of improvement, means the final certificate of occupancy issued by the City with respect to such building or other work of improvement. No Certificate of Occupancy shall be issued until all required covenants are recorded.

1.12 City. "City" means the City of Bell, California.

1.13 City Council. The "City Council" means the governing body of the City.

1.14 City Manager. "City Manager" means the City Manager of City.

1.15 Claims or Litigation. "Claims or Litigation" means any challenge by adjacent owners or any other third parties (i) to the legality, validity or adequacy of the General Plan, Land Use Regulations, this Agreement, Development Approvals or other actions of the City pertaining to the Project, or (ii) seeking damages against the City as a consequence of the foregoing actions, for the taking or diminution in value of their property or for any other reason. "Claims or Litigation" shall also include any referendum involving the approval of this Agreement, any of the Entitlements or then Existing Development Approvals.

1.16 Closing. "Closing" shall mean the close of escrow conveying the Site to the Developer and Closing shall occur no earlier than August 25, 2013, and no later than the date set forth in the Purchase & Sale Agreement, subject to extension as set forth therein.

1.17 Conditions of Approval. "Conditions of Approval" means those conditions to the Development of the Project imposed via this Agreement and attached hereto as Exhibit "D".

1.18 Default. "Default" refers to any material default, breach, or violation of a provision of this Development Agreement as defined in Article 11 below. "City Default" refers to a Default by the City, while "Developer Default" refers to a Default by the Developer.

1.19 Design Review Board. "Design Review Board" shall mean that four member review board consisting of the Community Development Director, City Engineer, one member of the Planning Commission and one member of the City Council, with the Planning Commission and City Councilmembers selected by the City Council, which Board shall operate administratively.

1.20 Developed Parcel. “Developed Parcel” shall mean a Parcel of the Site for which a Certificate of Occupancy has been issued or a final inspection conducted if no Certificate of Occupancy is required.

1.21 Development Goals. “Development Goals” shall have the meaning set forth in Recital K above.

1.22 Development. “Development” means the preparation of designs for, and improvement of, the Site for purposes of effecting the structures, improvements and facilities composing the Project including, without limitation: design, grading, the construction of infrastructure related to the Project, whether located within or outside the Site; the construction of structures and buildings; the installation of landscaping; and the operation, use and occupancy of, and the right to maintain, repair, or reconstruct, any private building, structure, improvement or facility after the construction and completion thereof, provided that such repair, or reconstruction takes place during the Term of this Agreement on parcels subject to this Agreement.

1.23 Development Agreement Statute. “Development Agreement Statute” means Sections 65864 through 65869.5 of the Government Code as it exists on the date the City Council approves this Agreement.

1.24 Development Approvals. “Development Approvals” means all Site-specific (meaning specifically applicable to the Site only and not generally applicable to some or all other properties within the City) plans, maps, permits, and entitlements to use of every kind and nature. Development Approvals includes, but is not limited to, site plans, tentative and final subdivision maps, vesting tentative maps, variances, zoning designations, planned unit developments, conditional use permits, grading, building and other similar permits, the Site-specific provisions of general plans, environmental assessments, including environmental impact reports, and any amendments or modifications to those plans, maps, permits, assessments and entitlements. The term Development Approvals does not include rules, regulations, policies, and other enactments of general application within the City.

1.25 Development Impact Fees. “Development Impact Fees” means a monetary exaction other than a tax or special assessment that is charged by a local governmental agency to an applicant in connection with approval of a development project for the purpose of defraying all or a portion of the cost of public facilities related to the development project, pursuant to Gov. Code § 66000(b).

1.26 Development Plan. “Development Plan” means the Existing Development Approvals, Future Development Approvals and Existing Land Use Regulations.

1.27 Development Standards and Permitted Land Uses. “Development Standards and Permitted Land Use” means the development standards and permitted land uses set forth in Exhibit “C2”.

1.28 Director. “Director” means the City’s Director of Community Development or equivalent official.

1.29 Effective Date. “Effective Date” means the later of the date when: (i) this Agreement becomes effective pursuant to the Development Agreement Statute; (ii) all necessary hearings have been held and the Existing Development Approvals, have been granted; (iii) this Agreement has been executed by both parties; (iv) the Closing of the Escrow for sale of the Site to Developer pursuant to Article 9; and, (v) the periods in which to bring any Claim or Litigation have expired without any Claim or Litigation having been commenced or, if any Claim or Litigation has been commenced, the date on which the validity of this Agreement, the Entitlements and the Existing Development Approvals have been finally upheld and are free from any further judicial review. To the extent that such date extends beyond December 1, 2013, this Agreement will only become effective subject to Dexia’s approval.

1.30 EIR. “EIR” means the Final Environmental Impact Report for the Project more specifically identified as the “Bell Business Center Project Final Environmental Impact Report”, State Clearinghouse No. 2013041025, which was certified by the City Council, after making appropriate findings, by Resolution No. 2013-32-CC adopted on August 7, 2013, as being in compliance with CEQA.

1.31 EIR Mitigation Measures. “EIR Mitigation Measures” means the mitigation measures imposed upon the Project pursuant to the EIR and the Conditions of Approval thereof. The EIR Mitigation Measures are attached hereto as Exhibit “F”.

1.32 Eligible Uses / Prohibited Uses. The Site, and all Parcels thereof, shall be restricted in use to those uses permitted under the Scope of Development (Exhibit “C2”) . Eligible Uses are permitted on the Site as part of the Project and include such uses as industrial, manufacturing and warehousing. Prohibited Uses are not permitted on the Site or as part of the Project and include such uses as restaurant, gas station, transitional housing, retail alcohol or tobacco sales, and adult-oriented uses. No use permit may be issued for a Prohibited Use.

1.33 Entitlement Costs. “Entitlement Costs” shall include all expenses of City in the preparation of the Development Plan and EIR, as well as costs for environmental, soils, geotechnical, traffic, financial and economic studies and reports, or any other consultant costs and reports or analyses related thereto, and including all legal expenses in connection therewith.

1.34 Entitlements. As used herein, “Entitlements” shall mean receipt by Developer of all final Project entitlements, including without limitation all necessary governmental approvals, and consents to develop its Project (other than building permits) .

1.35 Existing Development Approvals. “Existing Development Approvals” means only the Development Approvals which are listed on Exhibit “G” and includes all provisions and exhibits hereto, including the Scope of Development, the Basic Design Concept, the Development Standards and Permitted Land Uses, the Conditions of Approval and the EIR Mitigation Measures

1.36 Existing Land Use Regulations. “Existing Land Use Regulations” or “Existing Regulations” means those Land Use Regulations applicable to the Site in effect on the date the City Council approves this Agreement.

1.37 Force Majeure. “Force Majeure” shall have the meaning set forth in Section 16.2 below.

1.38 Future Development Approvals. “Future Development Approvals” means those Development Approvals applicable to the Site approved by the City after the date the City Council approves this Agreement, including, without limitation, conditional use permits for any proposed non-Eligible Uses (Section 1.32 above), tentative tract maps, subdivision improvement agreements, detailed planning or engineering approvals for submission to plan check, architectural design plans (Section 1.24 above), such approvals as may be required for construction of Off-Site Improvements (Section 1.52 below), any applicable street vacations, grading permits and building permits. A list of specifically-anticipated and agreed-upon Future Development Approvals is attached hereto at Exhibit “G”.

1.39 General Plan. “General Plan” means the City’s General Plan as it exists on the date the City Council approves this Agreement.

1.40 Grading Permit. “Grading Permit” means a permit issued by the City’s Division of Building and Safety which allows the excavation or filling, or any combination thereof, of earth.

1.41 Intersection Improvements and Traffic Analysis. “Intersection Improvements and Traffic Analysis” means those specific intersection improvements, in-lieu fees, or supplemental traffic analysis, as defined in EIR Mitigation Measures MM 3.12.1a, 3.12.1b, 3.12.1c, 3.12.6a, 3.12.6b, and 3.12.6c.

1.42 Land Use Regulations. “Land Use Regulations” means those ordinances, laws, statutes, rules, regulations, initiatives, policies, requirements, guidelines, constraints, codes or other actions of the City which affect, govern, or apply to the Site or the implementation of the Development Plan. Land Use Regulations include the ordinances and regulations adopted by the City which govern permitted uses of land, density and intensity of use and the design of buildings, applicable to the Site, including, but not limited to, the EIR and EIR Mitigation Measures, Zoning Ordinances, development moratoria, implementing growth management and phased development programs, ordinances establishing development exactions, subdivision and park codes, any other similar or related codes and building and improvements standards, mitigation measures required in order to lessen or compensate for the adverse impacts of a project on the environment and other public interests and concerns or similar matters. The term Land Use Regulations does not include, however, regulations relating to the conduct of business, professions, and occupations generally; taxes and assessments; regulations for the control and abatement of nuisances; building codes; encroachment and other permits and the conveyances of rights and interests which provide for the use of or entry upon public property; any exercise of the power of eminent domain; or similar matters.

1.43 Local Agency. “Local Agency” means any public agency authorized to levy, create or issue any form of land secured financing over all or any part of the Project, including, but not limited to, the City.

1.44 Minor Modifications. “Minor Modifications” means those changes to this Agreement and the Development Plan which can be made administratively as set forth in Section 7.4.

1.45 Mortgage. “Mortgage” means a mortgage, deed of trust, sale and leaseback arrangement or other transaction in which all, or any portion of, or any interest in, the Site is pledged as security.

1.46 Mortgagee. “Mortgagee” refers to the holder of a beneficial interest under a Mortgage.

1.47 Mortgagee Successor. “Mortgagee Successor” means a Mortgagee or any third party who acquires fee title or any rights or interest in, or with respect to, the Site, or any portion thereof, through foreclosure, trustee’s sale, deed in lieu of foreclosure, lease termination, or otherwise from, or through, a Mortgagee. If a Mortgagee acquires fee title or any right or interest in, or with respect to, the Site, or any portion thereof, through foreclosure, trustee’s sale or by deed in lieu of foreclosure and such Mortgagee subsequently conveys fee title to such portion of the Site to a third party, then such third party shall be deemed a Mortgagee Successor.

1.48 Municipal Code. “Municipal Code” means the City’s Municipal Code as it existed on the date the City Council approves this Agreement and as it may be amended from time to time consistent with the terms of this Agreement.

1.49 NMTC Program. “NMTC Program” means the New Markets Tax Credit Program, established by the United States Congress in 2000 and managed by the United States Department of Treasury, which provides funding for (i) domestic corporations or partnerships, (ii) demonstrating a primary mission of serving, or providing investment capital for, low-income communities, that (iii) maintain accountability to residents of the low-income community.

1.50 Non-Defaulting Party. “Non-Defaulting Party” shall have the meaning set forth in Section 11.1 below.

1.51 Developer’s Off-Site Budget. “Developer’s Off-Site Budget” means that budgeted amount of money that Developer has set-aside for off-site improvements. The Developer’s Off-Site Budget shall be solely expended for implementation of Off-Site Improvements to be constructed by Developer via the Developer’s own forces or contractors. The Developer’s Off-Site Budget shall include the actual costs of construction, including materials and labor; direct costs of insurance, bonds and other matters or a reasonable overhead allowance; including, but not limited to, engineering and design costs and permit fees; provided that all such costs are approved by the City Engineer. The contingency in the budget shall not exceed five percent (5%).

1.52 Off-Site Improvements. “Off-Site Improvements” means those public infrastructure improvements not located on the Site, yet consisting of public infrastructure serving the Site and/or necessitated by the Project whether constructed by the Developer or City, all as further described in Section 5.4 and described/depicted in Exhibit “C3” hereto.

1.53 Parcels. “Parcels” means each of the four (4) designated parcels encompassed by the Project Site, namely:

- a. *Parcel A*, comprising approximately 14.5 net acres and legally described in Exhibit “B1” hereto. Parcel A is currently subject to a lease by the BNSF Railway (“BNSF”), which lease expires in 2018;
- b. *Parcel F*, comprising approximately 11.6 net acres and legally described in Exhibit “B2” hereto;
- c. *Parcel G*, comprising approximately 3.6 net acres and legally described in Exhibit “B2” hereto; and
- d. *Parcel H*, comprising approximately 10.5 net acres and legally described in Exhibit “B2” hereto.

1.54 Planning Commission. “Planning Commission” means the City’s Planning Commission.

1.55 Processing Fees. “Processing Fees” means (i) the City’s normal fees for processing, future environmental assessment/review, tentative tracts/parcel map review, plan checking, site review, site approval, administrative review, building permit (plumbing, mechanical, electrical, building), inspection and similar fees imposed to recover the City’s costs associated with processing, review and inspection of applications, plans, specifications, etc., and (ii) any fees required pursuant to any Uniform Code. The Developer is required to pay the City’s normal and customary Processing Fees, which Fees are not subject to limitation hereunder except pursuant to the City’s general police power authority. Processing Fees do not include Developer Impact Fees.

1.56 Project. “Project” means the Development of the Site, pursuant to this Agreement, the EIR and EIR Mitigation Measures, and the Existing Land Use Regulations, as described more specifically in the Scope of Development, attached hereto as Exhibit “C” and incorporated herein by this reference.

1.57 Purchase Price. “Purchase Price” means the price for which the City will sell the Site or any Parcels thereof to Developer pursuant to the Purchase & Sale Agreement.

1.58 Purchase & Sale Agreement. “Purchase & Sale Agreement” means that agreement by which the City will convey the whole Site to Developer, the form of which agreement is attached hereto as Exhibit “E”.

1.59 Reservations of Authority. “Reservation of Authority” shall have the meaning set forth in Article 8 below.

1.60 Scope of Development. “Scope of Development” means the description of the Project and the manner in which it will be developed as set forth in Exhibit “D”.

1.61 Site. “Site” means the collective four (4) Parcels of land, totaling approximately 40.2 net acres along Rickenbacker Road in the City of Bell, comprising: Parcel A, comprising approximately 14.5 net acres, Parcel F, comprising approximately 11.6 net acres, Parcel G, comprising approximately 3.6 net acres, and Parcel H, comprising approximately 10.5 net acres. The Site is commonly known as the Bell Federal Service Site (or, herein, the “Site”), and is located at 5600 Rickenbacker Road, Bell, California 90201. The Site is more fully shown in the Site Map attached hereto as Exhibit “A.”

1.62 Subdivision Map. “Subdivision Map” means the subdivision map for the development of any Parcel which shall be consistent with the Scope of Development and Conditions of Approval and shall contain its own plan for the installation of infrastructure and other Project improvements within the subdivision. All Subdivision Maps shall meet the requirements of the Subdivision Map Act.

1.63 Subdivision Map Act. “Subdivision Map Act” means Government Code § 66412 et seq. as implemented by Title 16 of the Municipal Code.

1.64 Taxes. “Taxes” means general or special taxes, including but not limited to ad valorem property taxes, sales taxes, transient occupancy taxes, utility taxes or business taxes of general applicability citywide which do not burden the Site disproportionately to similar types of development in the City and which are not imposed as a condition of approval of a development project. Taxes do not include Development Impact Fees or Processing Fees.

1.65 Term. “Term” means that period of time during which this Agreement shall be in effect and bind the Parties, as defined in Article 3 below.

1.66 Transfer. “Transfer” shall have the meaning set forth in Article 12 below.

1.67 Zoning Code. “Zoning Code” means Title 17 of the Municipal Code as it existed on the date the City Council approves this Agreement except (i) as amended by any zone change relating to the Site approved concurrently with the approval of this Agreement, and (ii) as the same may be further amended from time to time consistent with this Agreement.

2. EXHIBITS.

The following are the Exhibits to this Agreement:

2.1 Exhibit A Site Map

2.2 Exhibit B Legal Descriptions

- Exhibit B1 Parcel A Legal Description
- Exhibit B2 Parcel F, G and H Legal Description

2.3 Exhibit C Scope of Development

- Exhibit C1 Basic Design Concept
 - Site Plans
 - Conceptual Landscape Plan
 - Illustrative Drawings and Elevations
 - Building Materials
 - Exhibit C2 Development Standards and Permitted Land Uses (“Development Standards”)
 - Exhibit C3 Offsite Improvement Narrative
- 2.4 Exhibit D Conditions of Approval
- 2.5 Exhibit E Purchase and Sale Agreement
- 2.6 Exhibit F EIR Mitigation Measures
- 2.7 Exhibit G List of Existing Development Approvals
- 2.8 Exhibit H Off-Site Improvements Budget
- 2.9 Exhibit I Preliminary Estimate of City’s Costs
- 2.10 Exhibit J Estoppel Certificate Form

3. **TERM.**

3.1 Term. The term of this Development Agreement (the “Term”) shall commence on the Effective Date and shall continue until the earlier of either (i) the point in time at which all Parcels have been Developed to completion and are a Developed Parcel, or (ii) fifteen (15) years from the Effective Date hereof.

3.2 Termination Upon Completion of Construction. This Agreement shall terminate with respect to any Parcel, and such Parcel shall be released and no longer subject to this Agreement, without the execution or recordation of any further document, when a Certificate of Occupancy has been issued for the last building on the Parcel.

3.3 Termination for Default. This Agreement may be terminated due to the occurrence of any Default in accordance with the procedures in Article 11.

3.4 Effective Date. See Section 1.29 above. If such a Claim or Litigation has been filed, then the Effective Date shall be the date that the Claim or Litigation has been successfully resolved in the City’s favor, and the time for any further judicial review has run. The City shall give Developer notice as to the date established as the Effective Date. Until the Effective Date, neither City nor Developer shall have any rights or obligations under this Agreement. The Effective Date is not otherwise tolled for any other Force Majeure as described in Section 16.2.

3.5 Term Subject to Reduction for Failure to Commence Vertical Construction on Parcels F, G and H. Developer agrees to commence development of Parcels F, G and H within one (1) year from the Effective Date. Upon the Third Anniversary and on every Anniversary thereafter, that Developer fails to commence vertical construction on any one or more of Parcels F, G and H, then the Term of this Agreement shall be reduced one year. For example, if on the Third Anniversary, Developer has commenced vertical construction on F&G but not H (or if construction was commenced on one parcel but not the other two), the Term shall be reduced to fourteen (14) years. The City Council may find good cause for any delays and waive these provisions for shortening the Agreement's Term.

3.6 Term Subject to Reduction for Failure to Commence Construction on Parcel A. Notwithstanding, and cumulatively with Section 3.5 above, on the 8th Anniversary Date, the Term of this Development Agreement shall be subject to reduction of one year for every year that the Developer fails thereafter to commence vertical construction on Parcel A. For example, and assuming that Developer timely commenced construction on all other Parcels pursuant to Section 3.5 above, if on the 10th Anniversary Date vertical construction had not commenced on Parcel A, 3 years of term would be lost and the Term would be reduced to 12 years, and the Development Agreement terminates at the end of the 12th year. The City Council may find good cause for any delays and waive these provisions for shortening the Agreement's Term.

4. DEVELOPMENT OF THE SITE.

4.1 Right to Develop. During the Term, the Developer shall have a vested right to develop the Site (subject to Article 6 below) to the full extent permitted by the EIR and EIR Mitigation Measures, this Agreement and the Development Plan shall exclusively control the Development of the Site (including the uses of the Site, the density or intensity of use, architectural review, the maximum height and size of proposed buildings, the provisions for reservation or dedication of land for public purposes and the design, improvement and construction standards and specifications applicable to the Project). The Scope of Development, the Basic Design Concept, the Development Standards and Permitted Land Uses and the Conditions of Approval and the EIR Mitigation Measures for this right to develop are attached hereto as Exhibits "C", "D" and "F" and incorporated herein by this reference. The Project shall be subject only to those Development Impact Fees, if any, that exist on the date that the City Council approves this Agreement.

4.2 Approval of Project Site Plans; Conditions of Approval. The Parcel A Project scenarios, the Parcels F&G Project scenarios, and the Parcel H Project scenarios are all attached hereto as Exhibit "C1", with each set of scenarios for each Parcel at "Option 1", "Option 2" and "Option 3" respectively. All such Project scenarios are approved commensurate with approval of this Agreement, as long as the combination of building area, use and trip generation do not exceed the parameters of the EIR. Such approval of these Project maps shall serve for all purposes as a "Site Plan" approval for each proposed Development scenario, thus superseding Chapter 17.92 of the Zoning Code. Said approval is strictly conditioned upon Developer's acceptance of the Conditions of Approval at Exhibit "F" and the EIR Mitigation Measures.

4.3 This Agreement to Govern Zoning; Waiver of Specific Plan. The City has determined that this Agreement is consistent with the General Plan and the Zoning Code. As such, this Agreement and its Exhibits (including the Scope of Development, the Basic Design Concept, Development Standards and Permitted Land Uses and the Conditions of Approval) shall be the primary documents governing the use and Development of the Site and, in the event of a conflict, shall prevail over any other Existing Land Use Regulations. Further, the City and Developer hereby specifically agree that this Agreement shall be the Specific Plan for the Site and all other requirements to adopt a Specific Plan shall be waived in lieu of Developer's acceptance of this Agreement, the EIR and the Development Plan. Any zoning issues or requirements applicable to the Site, or a Parcel thereof, that are not otherwise governed by this Agreement, the EIR or the Development Plan shall be governed by the Existing Land Use Regulations. Project zoning and permitting shall be governed by the following hierarchy of regulations, with item "a" having highest governing authority and descending therefrom:

- (a) The EIR and EIR Mitigation Measures;
- (b) The terms of this Agreement, (including the Scope of Development, the Basic Design Concept, Development Standards and Permitted Land Uses and the Conditions of Approval;
- (c) The terms of any Existing Development Approvals;
- (d) Existing Land Use Regulations.

4.4 Right To Future Approvals. Subject to the City's exercise of its police power authority as specified in Article 11 below, the Developer shall have a vested right: (i) to receive from the City all Future Development Approvals for the Site that are consistent with, and implement, the EIR and this Agreement; (ii) not to have such approvals be conditioned or delayed for reasons inconsistent with the EIR and this Agreement; and (iii) to Develop the Site in a manner consistent with such approvals in accordance with this Agreement. All Future Development Approvals for the Site, including without limitation zone changes, or parcel maps or tract maps, shall upon approval by the City, be vested in the same manner as provided in this Agreement for the Existing Land Use Regulations, for the term of this Agreement.

4.5 Existing Development Approvals. Only those items specifically set forth on Exhibit "G" hereto are deemed Existing Development Approvals for purposes of this Agreement. Any approvals not included within Exhibit "G" shall not apply to the Project with the exception of those reservations set forth in Article 8 below.

4.6 NMTC Program. Pursuant to the ENA and Buyer's offer, Buyer will apply for New Market Tax Credits (the "NMTCs") and consider using the same for the purpose of developing the Property. Buyer has agreed to pay fifty percent (50%) of all tax credits received by Buyer obtained through New Market Tax Credits to Sellers in addition to the Purchase Price, in addition to developing a community benefit package which will not be required to exceed \$25,000 in value.

4.7 Employment Outreach for Local Residents. A goal of the City with respect to this Project and other major projects within the City is to foster employment

opportunities for Bell residents. To that end, Developer covenants that with respect to the construction, operation and maintenance of the Project, the Developer shall make reasonable efforts to cause all solicitations for full or part-time, new or replacement, employment relating to the construction, operation and maintenance of the Project to be listed with the City's Job Clearinghouse, and any other replacement job listing clearing house reasonably selected by the City and designated in writing to Developer, and to take other efforts at outreach to local efforts as the City shall approve. Developer will inform its purchasers and lessees of the provisions of this program. Without limiting the generality of the foregoing, the provisions of this Section 4.7 are not intended, and shall not be construed, to benefit or be enforceable by any Person whatsoever other than City.

4.8 Energy Efficient and Sustainable Building Design. All buildings developed on Parcels A, F, G and H shall promote sustainable and energy efficient practices. The Project shall maintain highest standards of development, including without limitation Developer's best efforts to design the Project to meet or exceed the standards for a LEED Gold Certified building. A goal shall be established to reduce energy use by 40%. Systems which may be utilized would include solar panels and other alternative energy technologies. Additionally, to reduce emissions, at all truck loading locations, power plug-in stations shall be provided to reduce emissions from idling trucks.

5. PROJECT CONSTRUCTION AND SCHEDULING.

5.1 Timing of Development. The Parties acknowledge that the substantial public benefits to be provided by the Developer to the City pursuant to this Agreement are in consideration for, and in reliance upon, assurances that the City will permit Development of the Site in accordance with the terms of this Agreement. Accordingly, the City shall not attempt to restrict or limit the Development of the Site in any manner that would conflict with the provisions of this Agreement or the Existing Development Approvals. The City acknowledges that the Developer cannot at this time predict the exact timing or rate at which the Site will be Developed. The timing and rate of Development depend on numerous factors such as market demand, commercial tenant availability, absorption, completion schedules and other factors, which are not within the control of the Developer or the City. It is the intent of the Parties to provide in this Agreement that the Developer shall have the vested right to Develop the Site in such order and at such rate and at such time as the Developer deems appropriate, but in accordance with the Development Goals, and all other requirements of Project construction and timing set forth in this Article 5. Except as set forth in the following sentence, it is the intent of the Parties that no City moratorium or other similar limitation relating to the rate or timing of the Development of the Site or any portion thereof, whether adopted by initiative, referendum or otherwise, shall apply to the Site to the extent that such moratorium, referendum or other similar limitation is in conflict with this Agreement. Notwithstanding the foregoing, the Developer acknowledges that nothing herein is intended or shall be construed as (i) overriding any provision of the Existing Land Use Regulations to the phasing of Development of the Project; or (ii) restricting the City from exercising the powers described in Article 6 of this Agreement to regulate development of the Site; and, (iii) nothing in this Article 5. is intended to excuse or release the Developer from any obligation set forth in this Agreement which is required to be performed on or before a specified calendar date or event.

5.2 Critical Development Goals & Schedule of Performance. Subject to the provisions of Article 3, the Developer must achieve certain goals and objectives in terms of Project Development in order to keep the Agreement in place for the full term contemplated in Section 3.1. The development of the Project will be reviewed at each Annual Review. The Development Goals are as follows:

<u>Development Event</u>	<u>Critical Deadline</u>
<p>A. <u>Parcel A Project.</u> Developer shall have a choice of developing the Parcel A Project pursuant to one of three alternative Development scenarios, all of which are depicted in Exhibit "C1" hereto. The potential Parcel A Project scenarios contemplate expanding the Parcels F&G Project onto Parcel A; however, because Parcel A is currently leased to the BNSF Railroad ("BNSF"), such Development could not occur until the expiration of BNSF's current lease of Parcel A, which lease expires in 2018.</p>	<ul style="list-style-type: none"> i. Developer shall provide written notice to City of which Parcel A Project scenario it shall proceed with no later than one year from the expiration of the BNSF lease. Developer shall commence vertical construction no more than eight (8) years following the Effective Date ii. Any Subdivision Map Approvals required for Parcel A Development, if any, shall be provided within three months from building permit plan check submittal. iii. Rough Grading Permits shall be provided for the Parcel A Project within one month of grading permit plan check submittal. iv. All permits/approvals required for vertical construction of the Parcel A Project shall be provided within two months of building permit plan check submittal. v. Parcel A Project improvements shall be complete (as demonstrated by issuance of a Certificate of Occupancy) no later than one week from final inspection sign off.
<p>B. <u>Parcels F&G Project.</u> The Developer shall have a choice of developing the Parcels F&G Project pursuant to one of four alternative Development scenarios, all of which are depicted in Exhibit "C1" hereto.</p>	<ul style="list-style-type: none"> i. Developer shall provide written notice to City of which Parcels F&G Project scenario it shall proceed with, and shall begin vertical construction, no later than one year from the Effective Date. ii. Any Subdivision Map Approvals required for Parcels F&G Project Development, if any, shall be provided within three months from building permit plan check issuance. iii. Rough Grading Permits shall be provided for the Parcels F&G Project within one month of grading permit plan check submittal. iv. All permits/approvals required for vertical construction of the Parcels F&G Project shall be provided within two

<u>Development Event</u>	<u>Critical Deadline</u>
	<p>months of building permit plan check submittal.</p> <p>v. Parcels F&G Project improvements shall be complete (as demonstrated by issuance of a Certificate of Occupancy) no later than one week from final inspection sign off.</p>
<p>C. <u>Parcel H Project</u>. The <u>Developer</u> shall have a choice of developing the Parcel H Project pursuant to one of four alternative Development scenarios, all of which are depicted in Exhibit "C1" hereto.</p>	<p>i. Developer shall provide written notice to City of which Parcel H Project scenario it shall proceed with, and shall begin vertical construction thereon, no later than one year from the Effective Date.</p> <p>ii. On _____, 2013, Developer received City approval for a Subdivision Map (TPM #72328) subdividing Parcel H into four lots. However, at the time of such approval, it was unknown whether Developer would Develop Parcel H as four, two or one parcels (as reflected in the Parcel H Project alternative scenarios at Exhibit "C1"). City has agreed to diligently pursue map check of the four parcel scenario and approve and record the map. If Developer timely determines to Develop Parcel H with either one or two parcels, then the City will promptly process a lot line adjustment which will be completed within three months from building permit plan check submittal</p> <p>iii. Rough Grading Permits shall be provided for the Parcel H Project within one month of grading permit plan check submittal.</p> <p>iv. All permits/approvals required for vertical construction of the Parcel H Project shall be provided within two months of building permit plan check submittal.</p> <p>v. Parcel H Project improvements shall be complete (as demonstrated by issuance of a Certificate of Occupancy) no later than one week from final inspection sign off.</p>
<p>D. In addition to the above critical Development Goals and deadlines, the parties shall begin and complete all plans, reviews, construction and Development of the Project within the times specified in Sections 6.3 and 6.4, or such reasonable extensions of said dates as may be mutually approved in writing by the parties. Once construction is commenced, it shall be diligently pursued to completion, and shall not be abandoned for more than thirty (30) consecutive days, except when due to a Force Majeure. Developer shall keep the City informed of the progress of construction and submit to the City written reports of the progress of the construction when and in the form requested by the City.</p>	

<u>Development Event</u>	<u>Critical Deadline</u>
<p>E. Times of performance under this Agreement may be extended by mutual written agreement by City and Developer. The City Manager of City shall have the authority on behalf of City to approve extensions of time not to exceed a cumulative total of one hundred eighty (180) days with respect to the development of any one Parcel or a cumulative total of three hundred sixty (360) days with respect to the development of the Site as a whole.</p>	

5.3 Development Goals Satisfied By Commencement of Construction. The Development Goals for each Parcel specified above are deemed satisfied once Developer has commenced construction of vertical improvements upon the Parcel. "Commenced construction" of a vertical improvements means that building plans have been approved, that a building permit has been issued and that construction has commenced on all vertical units to be installed on the Parcel. The commencement shall not be counted if the building permit expires without completion of the unit.

5.4 Off-Site Public Improvements. The Parties understand and agree that the Project necessitates the design and construction of the Off-Site Improvements which include, without limitation, curb, gutter, sidewalk, lighting parkways, pavement, and other street improvements; water and sewer extensions; and other improvements on (i) Rickenbacker Road and 6th Street ("Developer Off-Site Improvements"), and (ii) at other locations ("City Off-Site Improvements"), (collectively, Developer Off-Site Improvements and City Off-Site Improvements are the "Off-Site Improvements"), all as further described and/or depicted in Exhibit "C3" hereto. The City Off-Site Improvements include all Off-Site Improvements other than the Developer Off-Site Improvements, as required by the Mitigation Measures. Without limiting the generality of the foregoing, these include the intersection improvements set forth in the Traffic Analysis. As of the date the City Council approves this Agreement, there is no specific phasing for the construction of the Off-Site Improvements. Developer shall provide City with a Phasing Plan, which shall include both Developer and City Off-Site Improvements for approval of City and all Off Site Improvements shall be constructed by the party responsible therefore in accordance with the Phasing Plan subject to the guidelines specified below. Notwithstanding any provision herein to the contrary, the City shall retain the right to condition any Future Development Approvals to require Developer to construct the Off-Site Improvements reasonably necessary at that stage of the Development cycle, subject to the following conditions:

5.4.1 Developer shall be responsible for the Developer Off-Site Improvements up to the amount of \$1,340,000.00 (the "Off-Site Budget") for implementing the Developer Off-Site Improvements. However it is possible that Developer Off-Site Improvements may cost more than \$1,340,000.00. Any portion of the \$1,340,000 not necessary to pay for Developer Off-Site Improvement costs shall be spent in accordance with Section 5.4.5. Developer shall establish the Off-Site Budget in accordance with Section 5.4.2 and shall assure that the work is carried out in a cost effective manner in accordance with the Off-Site Budget.

In order to ensure that Developer is installing Off-Site Improvements in an efficient and cost-effective manner that does not unnecessarily result in cost overages, the Developer will validate the true cost of the Off-Site Improvements. Developer will administer a competitive bid.

Utilizing a single General Contractor to administer the bid (whose direct job costs will include fee, insurance and general conditions expressed as discreet percentages of the subcontractor work, with such percentages subject to mutual agreement between the Developer and City), Developer shall procure bids for the work from a minimum of three (3) licensed and bonded contractors for each key subtrade (specific subtrades having been identified by General Contractor). The Developer, upon reasonable request of the City, shall provide the City with an accounting for all work performed and expenses incurred in the course of installing the Developer Off-Site Improvements. If the City discovers unnecessary cost overruns and/or unreasonably excessive costs in Developer's installation of the Developer Off-Site Improvements, such excessive costs shall not be included in the Off-Site Budget. The parties agree to meet and confer in good faith in the event of any dispute regarding Developer's incurrence of Off-Site Improvement costs. This bid process will be "open book" with such materials as bid instructions, bid sheet/cost summary, bid qualifications, insurance certificates, and subcontractor CV/project history subject to review and ultimate approval by the City prior to the award of subcontracts.

5.4.2 Certain portions of the Off-Site Improvements consist of a private, vehicular thoroughfare identified as "Rickenbacker Road" in Exhibit "C3" hereto, which is owned by private third-parties. As part of the Conditions of Approval at Exhibit "D", Developer shall be required to extend Rickenbacker Road, as further described in the description of Rickenbacker Improvements at Exhibit "C3" and conditioned pursuant to the Conditions of Approval. Further, Developer is hereby required to exercise all due diligence in an attempt to reach an agreement with the owner(s) of Rickenbacker Road for the Project's use and maintenance of the Road (e.g., via a property use/maintenance agreement or a property owners' association or similar such mechanism) within three years of the Effective Date hereof. If, after diligent and good faith efforts for three years, the Developer is unable to negotiate such arrangement with owner(s) of Rickenbacker Road, and if request by the Developer, the City will consider but is not required to establish an assessment district for such purposes of transferring ownership to the City and maintaining Rickenbacker Road for use by the Public which assessment district is subject to the protest rights of adjacent land owners including the Developer, the Shelter Partnership, the Los Angeles United School District and Federal Government. If so requested by Developer, Developer shall pay all Processing Fees attributable to the City's creation of an assessment district. These Processing Fees may be reimbursed to the Developer upon successful establishment of the assessment district if the assessment district allows such reimbursement. If the City is unsuccessful in establishing an assessment district for maintaining Rickenbacker Road or otherwise chooses not to establish the assessment district for any reason, no fees will be reimbursed to the Developer for costs associated in pursuing the assessment district.

5.4.3 A portion of Parcel A consists of access easements that are identified as either "K Street" or "1st Street" in Exhibit "A" attached hereto. As part of the Conditions of Approval, Developer shall notify the City of its election to either relocate or abandon either of these Easements. Such relocation or abandonment of either of these Easements must be processed as a map or other instrument as allowed by the California Map Act and must be processed with the agreement of all parties with rights with respect to either of these easement as described in the easement documents.

5.4.4 The parties hereto acknowledge that construction of the Off-Site Improvements is needed to alleviate an impact caused by the Project or be of benefit to the Project. The timing of the construction of Off-Site Improvements shall be reasonably related to the phasing of the Development and said Improvements shall be phased to be commensurate with the logical progression of the Project as well as the reasonable needs of the public; the Off-Site Improvements shall be completed based upon the needs of the Parcel then being Developed and the needs of the general public existing from time to time.

5.4.5 In the event there are savings and the Developer's Off-Site Improvements cost less than \$1,340,000, the savings shall be paid by Developer to City to reimburse City for its Project related costs, including the Entitlement Costs, and to pay for the City's Off-Site Improvement Costs. Payment shall be made within 30 days of the completion of the Developer's Off-Site Improvements and Developer shall submit to City full written documentation of all costs. Such costs shall not exceed the approved Off-Site Budget. If the Off-Site Budget is greater than \$1,340,000, the City shall be responsible for such costs up to the amount of the City Cost Cap ("City Cost Cap") in Section 5.4.6.

5.4.6 City is not obligated by any provision herein for more than \$2,340,000 (the "City Costs Cap") in various costs of the Project, the Entitlement Costs, and any legal costs in association with the legal defense of the Existing Developer Approvals. City shall prepare an Estimate of City's Costs, a preliminary estimate of which is included as Exhibit I. City shall update such estimates as they occur and provide a written copy to Developer along with appropriate documentation. If such estimates exceed the City Costs Cap, City may terminate this Agreement and the Purchase & Sale Agreement without liability to Developer by giving 30-day notice ("Notice to Terminate") to Developer. If the City does elect to terminate this Agreement, it shall immediately refund all unexpended funds on deposit with it by the Developer. Nothing herein shall prevent the parties from negotiating over the adjustment of such costs, or prevent City from withdrawing such Notice to Terminate prior to the expiration of such 30 days. Notwithstanding the foregoing, the City's liability hereunder is significantly affected by whether litigation is filed concerning the Project, and such litigation can be filed within thirty (30) days following the recordation of the Notice of Determination, and can be served on City thereafter. Accordingly, City's right to serve the Notice of Termination hereunder shall expire if not exercised by close of business on September 8, 2013.

5.5 Standard of Work. When the Developer is required by this Agreement and/or the Development Plan to construct any Off-Site Improvements which will be dedicated to the City or any other public agency, upon completion, and if required by applicable laws to do so, the Developer shall perform such work in the same manner and subject to the same construction standards as would be applicable to the City or such other public agency should it have undertaken such construction work. In any case where the Developer performs the Off-Site Improvement work, the Developer shall pay prevailing wages as required by law and the City shall not be liable for any failure in Developer's payment of prevailing wages or legally-imposed penalties therefore.

5.6 Prevailing Wages. Developer shall pay prevailing wages as required by law, as described in California Labor Code § 1720. To the extent that it is determined that Developer has not paid, or does not pay, prevailing wages required by law for any portion of the

Project, Developer shall defend and hold the City harmless from and against any and all increase in construction costs, or other liability, loss, damage, costs, or expenses (including reasonable attorneys' fees and court costs) arising from or as a result of any action or determination that the Developer failed to pay prevailing wages in connection with the construction of the Project in violation of the Prevailing Wage Law.

Developer acknowledges and agrees that should any third party, including but not limited to the Director of the Department of Industrial Relations ("DIR"), require Developer or any of its contractors or subcontractors to pay the general prevailing wage rates of per diem wages and overtime and holiday wages determined by the Director of the DIR under Prevailing Wage Law, then Developer shall indemnify, defend, and hold City harmless from any such determinations, or actions (whether legal, equitable, or administrative in nature) or other proceedings, and shall assume all obligations and liabilities for the payment of such wages and for compliance with the provisions of the Prevailing Wage Law. The City makes no representation that any construction or Site uses to be undertaken by Developer are or are not subject to Prevailing Wage Law.

6. PROCESSING OF REQUESTS AND APPLICATIONS FOR FUTURE DEVELOPMENT APPROVALS; OTHER GOVERNMENT PERMITS.

6.1 Project Uses; Future Development Approvals for Same. The Project is hereby approved for Eligible Uses. If, however, Developer proposes modifications to the Development Plan or proposes to implement anything other than an Eligible Use on the Site or any Parcel thereof, Developer shall be required to obtain a "Conditional Use Permit," which Conditional Use Permit shall be processed in the manner set forth in Zoning Code Sections 17.96.040 through 17.96.160 and shall be deemed an Existing Development Approval hereunder. The issuance of a Conditional Use Permit may result in the imposition of new or amended Conditions of Approval (Exhibit "D") pursuant to Zoning Code Section 17.96.090. Nothing in this Section shall apply to any nonconforming uses or structures on the Site which shall be governed by the "Exceptions" portion of the Development Standards and Permitted Land Uses.

6.2 Design Review Approvals. As part of its Future Development Approvals, Developer will be required to secure design review approvals for all buildings and landscaping improvements in the Project. The provisions of this Agreement shall fully govern the terms of such architectural design review and supersede the provisions of Zoning Code Chapter 2.64. The parties acknowledge that design review is needed in order to encourage the orderly and harmonious appearance of structures and property upon and around the Site, to maintain the public health, safety and welfare and to maintain the property and improvement values throughout the City and to encourage the physical development of the City.

6.2.1 Design review shall be the responsibility of the Design Review Board, based upon an application submitted to the Director.

6.2.2 Before action is taken on any Future Development Approval, including without limitation building application for any Project improvement or for the issuance of a permit for any sign, building, structure, or alteration of the exterior of a structure in the Project, plans and drawings of such Project improvement, sign, building or alteration proposed as part of the Future Development Approval shall be submitted, in such form and detail as the

Director may prescribe, to the Design Review Board for approval. The submittal shall include the following information to the extent applicable to the Future Development Approval being sought:

- (a) Site plans
- (b) Landscaping plans
- (c) Building elevations/renderings
- (d) Color and materials board

6.2.3 In order to grant design review approval, the findings and determinations of the Design Review Board shall be that the Project improvement, as set forth in the proposed Future Development Approval, is based on the design requirements included in the approved Scope of Development, Basic Design Concept, Conditions of Approval, and Environmental Impact Report.

6.2.4 If the Design Review Board is unable to make the findings and determinations prerequisite to the granting of design approval pursuant to this Section, the application shall be denied.

6.2.5 Approval of a design, and the finding that such design conforms to the provisions of this Agreement, is hereby declared to be an administrative function. The Design Review Board has the authority and responsibility to perform this administrative function. The action thereon by the Design Review Board shall be final and conclusive.

6.2.6 No Future Development Approval shall be issued, no permit shall be issued for any development, and no structure, building, or sign shall be constructed or used in any case hereinabove mentioned until such plans and drawings have been finally approved by the Design Review Board for purposes of design review.

6.2.7 The plans and designs for review will be submitted concurrently with the application for the Future Development Approval underlying said review and, to the extent reasonably possible, will be processed concurrently with the accompanying application for a Future Development Approval. For example, if the proposed Future Development Approval is for a building permit for Parcel A, a submission of Design Review Plans pertaining to the improvements proposed in the building permit shall be submitted concurrently with the application for building permit, and said Design Review Plans shall be processed concurrently with the building permit to the extent reasonably possible.

6.2.8 Any design review approval granted in accordance with the terms of this title shall be automatically revoked and terminated if not used within two years of original grant or within the period of any Design Review Board extensions thereof.

6.3 Processing Future Development Approvals; General Protocols and Payment of Processing Fees. Notwithstanding that the approval of this Agreement replaces and supersedes the need for Site Plan approvals and/or a specific plan, the parties contemplate that

Developer will be required to obtain certain Future Development Approvals that will be subject to the City's discretionary review. Future Development approvals may include, without limitation, conditional use permits to obtain approval of uses other than Eligible Uses (Section 6.1 above), tentative tract maps, subdivision improvement agreements, such approvals as may be required for construction of Off-Site Improvements (Section 5.4 above), and any applicable street vacations.

6.3.1 The Developer, in a timely manner, will provide the City with all documents, applications, plans and other information necessary for the City to carry out its obligations hereunder in processing the Development Plan and Future Development Approvals, and Developer will cause the Developer's planners, engineers and all other consultants to submit in a timely manner all required materials and documents therefor. It is the express intent of this Agreement that the parties cooperate and diligently work to implement any zoning or other land use, subdivision, grading, building or other approvals for Development of the Project in accordance with this Agreement, the Existing Development Approvals and the Conditions of Approval.

6.3.2 Pursuant to the terms of Section 5.4.5, the Developer shall to pay to the City any surplus funds in the Off-Site Budget (*i.e.*, the difference between the cost to complete the Off-site Improvements and \$1,340,000) after the Off-Site Improvements are complete to cover the costs of Entitlement Costs associated with Project Development. In addition, Developer is required to pay the City's normal and customary Processing Fees, which Fees are not subject to limitation hereunder except pursuant to the City's general police power authority. Developer will pay all Processing Fees relating to the City's processing and approval of Tentative Parcel Map No. 72328.

(a) On or prior to Closing, the City will provide Developer an accounting of all Processing Fees incurred by Developer up to such date of Closing and, as a condition to Closing, the Developer shall deposit into escrow the full amount of Processing Fees due and payable to the City (including for processing and approval of Tentative Parcel Map No. 72328), which amount shall be disbursed to City upon Closing.

(b) After Closing, the Developer may continue to incur Processing Fees attributable to the City's processing of Future Development Approvals (including for processing and approval of Tentative Parcel Map No 72328). After Closing, Processing Fees incurred by Developer shall be paid at issuance of each building permit.

(c) Notwithstanding the foregoing, the City shall pay for those certain CalTrans-related CEQA mitigation measures identified as Mitigation Measures Nos. M3.12.1a, M3.12.1d, and M3.12.6a in the EIR Mitigation Measures.

(d) *Developer to Pay for Expedited Processing.* If Developer elects, in its sole and absolute discretion, to request the City to incur overtime or additional consulting services to receive expedited processing by the City, the Developer shall pay all such overtime costs, charges or fees incurred by City for such expedited processing.

6.4 General Time Periods for Processing Future Development Approvals. The City shall reasonably approve or disapprove any submittal deemed complete for Future Development Approvals made by Developer pursuant to this Section within thirty (30) days after such submittal. All submittals made by Developer shall note the 30 day time limit, and specifically reference this Agreement and this Section. Any disapproval shall state in writing in reasonable detail the reason for the disapproval and the changes that the City requests for correction of the submittal. Developer shall make the required changes and revisions and resubmit for approval as soon as is reasonably practicable but no more than thirty (30) days of the date of disapproval. Thereafter, City shall have an additional ten (10) days for review of the re-submittal, but if the City disapproves the re-submittal, then the cycle shall repeat, until the City's approval of the Future Development Approval has been obtained.

During the preparation of all drawings and plans for Future Development Approvals, the parties shall hold regular progress meetings to coordinate the preparation of, submission to, and review of construction plans and related documents by City. The parties shall communicate and consult informally as frequently as is necessary to ensure that the formal submittal of any documents to City can receive prompt and speedy consideration. Approval of progressively more detailed drawings and specifications will be promptly granted by City if developed as a logical evolution of drawings and specifications theretofore approved. Any Future Development Approvals so submitted and approved by City (including City staff) shall not be subject to subsequent disapproval.

6.5 Other Governmental Permits. The Developer shall apply in a timely manner for such other permits and approvals as may be required from other governmental or quasi-governmental agencies having jurisdiction over the Project as may be required for the development of, or provision of services to, the Project. The City shall cooperate with the Developer in its efforts to obtain such permits and approvals. The City and Developer shall cooperate and use reasonable efforts in coordinating the implementation of the Development Plan with other public agencies, if any, having jurisdiction over the Site or the Project. Provided, however, that City makes no representations or warranties with respect to approvals required by any other governmental entity.

7. AMENDMENT AND MODIFICATION OF DEVELOPMENT AGREEMENT.

7.1 Initiation of Amendment. Either party may propose an amendment to this Agreement.

7.2 Procedure. Except as set forth in Section 7.4 below, the procedure for proposing and adopting an amendment to this Agreement shall be the same as the procedure required for entering into this Agreement in the first instance, and meet the requirements of the Development Agreement Statute § 65867.

7.3 Consent. Except as expressly provided in this Agreement, no amendment to all or any provision of this Agreement shall be effective unless set forth in writing and signed by duly authorized representatives of each of the Parties hereto and recorded in the Official Records of Los Angeles County.

7.4 Minor Modifications.

7.4.1 *Flexibility Necessary.* The provisions of this Agreement require a close degree of cooperation between the City and the Developer. Implementation of the Project may require Minor Modifications to refine the details of the Development Plan and affect the performance of the parties under this Agreement. Such anticipated refinements to the Project and the Development Plan may necessitate clarifications to this Agreement and the Existing Land Use Regulations with respect to the details of performance of the City and the Developer. The parties desire to retain a certain degree of flexibility with respect to those items covered in general terms under this Agreement. Therefore, non-substantive and procedural modifications of the Development Plan shall not require modification of this Agreement ("Minor Modifications").

7.4.2 *Non-Substantive Changes.* A modification will be deemed to be a Minor Modification if it is non-substantive and/or procedural such that it does not result in a material change to: the Off-Site Budget, maximum intensity of Site use, the maximum height and size of Project buildings, or the improvement and construction standards and specifications for the Project, including parking, drainage, and circulation standards. A "non-material change" is described in Section 5.D of the Scope of Development and is generally one which does not change the standard by ten percent (10%) or more. For example, for a height limit of 20 feet, a change of less than two feet is deemed non-material.

7.4.3 *Determination of Minor Modification.* A determination that a modification is a Minor Modification may be made administratively, in writing, by the Director of Planning in consultation with the City Attorney, but is subject to appeal to the Planning Commission as provided in Section 16.04.080(B)(1) of the Bell Municipal Code, as it exists on the Effective Date.

7.4.4 *Substantive Changes.* All modifications determined not to be non-substantive and/or procedural shall require an amendment to this Agreement as specified in this Section 7.0.

7.5 Hearing Rights Protected. Notwithstanding the foregoing, City will process any change to this Development Agreement consistent with State law and will hold public hearings thereon if so required by State law and the parties expressly agree nothing herein is intended to deprive any party or person of due process of law.

7.6 Effect of Amendment to Development Agreement. Except as expressly set forth in any such amendment, an amendment to this Agreement will not alter, affect, impair, modify, waive, or otherwise impact any other rights, duties, or obligations of either party under this Agreement.

8. RESERVATIONS OF AUTHORITY.

8.1 Limitations, Reservations and Exceptions. Notwithstanding anything to the contrary set forth hereinabove, in addition to the EIR and EIR Mitigation Measures, this Agreement and the Development Plan, only the following Land Use Regulations adopted by City hereafter shall apply to and govern the Development of the Site ("Reservation of Authority"):

8.1.1 *Future Regulations.* Future Land Use Regulations which (i) are not in conflict with the Existing Land Use Regulations; (ii) would be applicable under the Development Agreement statute (§ 65866); or (iii) have been consented to in writing by Developer (even if in conflict with the Existing Land Use Regulations).

8.1.2 *State and Federal Laws and Regulations.* Where state or federal laws or regulations enacted after the date this Agreement is approved by the City Council prevent or preclude compliance with one or more provisions of this Agreement, those provisions shall be modified, through revision or suspension, to the minimum extent necessary to comply with such state or federal laws or regulations.

8.1.3 *Public Health and Safety/Uniform Codes.*

(a) *Adoption Automatic Regarding Uniform Codes.* This Agreement shall not prevent the City from adopting future Land Use Regulations or amending Existing Land Use Regulations that are uniform codes and are based on recommendations of a multi-state professional organization and become applicable throughout the City, such as, but not limited to, the Uniform Building, Electrical, Plumbing, Mechanical, or Fire Codes ("Uniform Codes").

(b) *Adoption Regarding Public Health and Safety/Uniform Codes.* This Development Agreement shall not prevent the City from adopting Future Land Use Regulations respecting public health and safety to be applicable throughout the City which directly result from findings by the City that failure to adopt such future Land Use Regulations would result in a condition injurious or detrimental to the public health and safety.

(c) *Adoption Automatic Regarding Regional Programs.* This Agreement shall not prevent the City from adopting Future Land Use Regulations or amending Existing Regulations that are regional codes and are based on recommendations of a county or regional organization and become applicable throughout the region, such as the Gateway Cities Council of Governments, with the exception of any Future Land Use Regulations or amendments to Existing Regulations that will otherwise prohibit the uses that are allowed by this Agreement.

8.1.4 *Amendments to Codes for Local Conditions.* Notwithstanding the foregoing, no construction within the Project shall be subject to any provision in any of the subsequent Uniform Construction Codes, adopted by the State of California, but modified by the City to make it more restrictive than the provisions of previous Uniform Construction Codes of the City, notwithstanding the fact that the City has the authority to adopt such more restrictive provision pursuant to the California Building Standards Law, including, but not limited to, Health and Safety Code § 18941.5, unless such amendment applies City-wide. The City shall give Developer prior written notice of the proposed adoption of such amendment and Developer shall have the right to present its objections to the amendment.

8.2 Regulation by Other Public Agencies. It is acknowledged by the Parties that other public agencies not within the control of the City possess authority to regulate aspects

of the Development of the Site separately from, or jointly with, the City and this Agreement does not limit the reasonable authority of such other public agencies.

8.3 Fees, Taxes and Assessments. Notwithstanding any other provision herein to the contrary, the City retains the right: (i) to impose or modify Processing Fees as provided in Section 6.3, (ii) to impose or modify business licensing or other fees pertaining to the operation of businesses; (iii) to impose or modify taxes and assessments which apply City-wide such as utility taxes, sales taxes and transient occupancy taxes; (iv) to impose or modify fees and charges for City services such as electrical utility charges, water rates, and sewer rates; (v) to impose or modify a community wide or area-wide assessment district; and (vi) to impose or modify any fees, taxes or assessments similar to the foregoing.

9. CONVEYANCE OF SITE TO DEVELOPER.

9.1 City Owns Site; Purchase & Sale Agreement. The Development Agreement Statute provides that “[a]ny city, county, or city and county, may enter into a development agreement with any person having a legal or equitable interest in real property for the development of the property.” (Government Code Section 65865.) Although the City currently owns legal title to the Site, the Developer has an equitable interest in the Site by and through the ENA, pursuant to which the City holds land for the benefit of Developer pending completion of Project negotiations. In accordance with and subject to all the terms, covenants and conditions of this Agreement, the City agrees to convey various parcels of the Site to Developer in accordance with that Purchase & Sale Agreement attached hereto as Exhibit “E”.

9.2 Basis for Conveyance. Portions of the Site currently serve as security for certain bonds, issued by the City and purchased by Dexia. The Bonds were secured by revenue from a certain lease which was invalidated based on a lawsuit challenging certain development approvals for the Site. The Bonds are currently in default, and on October 14, 2011, Dexia sued the City to foreclose the Site and recover any deficiencies against the City. The Site is now being sold in accordance with the terms of the Stipulation, which requires a purchase offer to meet the following conditions: (i) the Site must be purchased with all cash, (ii) the closing must occur prior to December 1, 2013, subject to extension under limited circumstances as provided for in the Stipulation, (iii) the per square foot value of the offer exceeds Twenty Nine Dollars and Ninety Cents per square foot (\$29.90/sq. ft.); (iv) there are no contingencies beyond normal and customary contingencies, (v) the buyer must use the Site in compliance with relevant legal and environmental requirements, including City code requirements, zoning requirements, (vi) the terms of the offer must satisfy Dexia’s credit criteria, and (vii) the buyer must assume the risks and obligations of environmental review and approval.

The Stipulation further contemplated that the City would undertake a process with the Developer to obtain approvals of a development project, and that such an entitled project would enhance the value of the Site sufficiently so that Dexia would forego its claim against the City for recovery of any deficiency.

On or about April 5, 2013, Developer submitted an offer to purchase and Develop the Site that meets the above-listed requirements of the Stipulation. The terms of this Agreement, the Project entitlements granted herewith, and the Purchase & Sale Agreement are intended to

implement these terms of the Stipulation. To this end, the proposed Project, the terms hereof, and the terms of the Purchase & Sale Agreement shall be construed in such manner as to be consistent with, and in furtherance of, the Stipulation.

9.3 General Terms for Conveyance of Site. The Purchase & Sale Agreement specifically governs the terms of conveying the Site to Developer. Pursuant to the Purchase & Sale Agreement, and subject to the execution of the Development Agreement, City agrees to sell to Developer, and Developer agrees to purchase from City, Parcel A (subject to the BNSF lease), and Parcels F & G, and Parcel H. The terms of the purchase and sale of the Site shall be consistent with the Stipulation, and shall be subject to the terms in this Agreement with respect to ongoing Development and operation of the Site, and any other terms contained herein. The Purchase & Sale Agreement contemplates that due diligence and inspection of the preliminary title report and condition of title have already been completed pursuant to the ENA. Conveyance of less than all of the Parcels is permitted, and in such case this Agreement shall only apply to the Parcels actually conveyed.

To summarize, Closing shall occur no earlier than August 25, 2013, and no later than the date set forth in the "Purchase and Sale Agreement," subject to extension as set forth therein, based on the following conditions precedent:

9.3.1 This Agreement has been approved by the City, and the period for the commencement of any Claim or Litigation involving this Agreement, the EIR, the Entitlements or the Existing development Approvals has passed with no Claim or Litigation having been commenced.

9.3.2 A title policy will be issued by a title company insuring title to the Site vested in Developer as purchaser of the Site.

9.3.3 The City has deposited the executed Grant Deeds into Escrow (as further described in the Purchase & Sale Agreement).

9.3.4 All representations and warranties contained in the Purchase & Sale Agreement are true and correct.

9.3.5 There have been no material adverse changes to the condition of title after review of a Preliminary Title Report, or the condition of the Site since completion of due diligence review period conducted pursuant to the ENA.

9.3.6 The City has delivered to Chicago Title Company as "Escrow Holder" an executed Assignment of the BNSF lease on Parcel A to Developer.

9.3.7 Escrow Holder holds and will deliver to Developer and City the instruments and funds, if any, accruing to Developer or City pursuant to the Purchase & Sale Agreement.

9.3.8 For any Closing after December 1, 2013, such Closing shall not be contrary to the terms of the Stipulation and such Closing shall not be permitted and this

Agreement and the Purchase & Sale Agreement shall terminate should Dexia exercise its absolute right to foreclose and sell the Site or any Parcel thereof.

9.3.9 All other conditions and terms of the Site's conveyance to Developer have been satisfied pursuant to the Purchase & Sale Agreement, the form of which is attached hereto as Exhibit "E" and incorporated herein by this reference.

10. ANNUAL REVIEW.

10.1 Annual Monitoring Review. Following commencement of construction (as demarcated by the commencement of actual Site grading), the City and the Developer shall review the performance of this Agreement, and the Development of the Project, on or about each anniversary of the Effective Date (the "Annual Review"). The cost of the Annual Review shall be borne by Developer and Developer shall pay a reasonable deposit in an amount requested by City to pay for such review. As part of each Annual Review, within ten (10) days after each anniversary of this Agreement, the Developer shall deliver to the City all information reasonably requested by City (i) regarding the Developer's performance under this Agreement demonstrating that the Developer has complied in good faith with the terms of this Agreement and (ii) as required by the Existing Land Use Regulations.

The Director shall prepare and submit to Developer and thereafter to City Council a written report on the performance of the Project, and identify any deficiencies and explain why such deficiencies have occurred and the Developer's plan to correct them. A deficiency shall include the failure to timely proceed with development of any of the Parcels which have been conveyed. If any deficiencies are noted, or if requested by a Councilmember, a public hearing shall be held before the City Council on the report to Council. The Developer's written response shall be included in the Director's report. The report to Council shall be made within 45 days of the anniversary date. If after five (5) years any Parcel which has been conveyed remains undeveloped, Developer shall provide with the Annual Review a written action plan with timelines as to how it intends to get the Parcel developed.

If the City determines that the Developer has substantially complied with the terms and conditions of this Agreement, the Annual Review shall be concluded. If the City finds and determines that the Developer has not substantially complied with the terms and conditions of this Agreement for the period under review, the City may declare a default by the Developer in accordance with Article 11.

10.2 Certificate of Compliance. If, at the conclusion of an Annual Review, the City finds that the Developer is in substantial compliance with this Agreement, the City shall, upon request by the Developer, issue a Certificate of Compliance to the Developer in the form shown on Exhibit "J".

10.3 Failure to Conduct Annual Review. The failure of the City to conduct the Annual Review shall not be a Developer Default unless Developer fails to cooperate in providing necessary information.

11. DEFAULT, REMEDIES AND TERMINATION.

11.1 Rights of Non-Defaulting Party after Default. The parties acknowledge that both parties shall have hereunder all legal and equitable remedies as provided by law following the occurrence of a Default or to enforce any covenant or agreement herein except as provided in Section 11.2 below. Before this Agreement may be terminated or action may be taken to obtain judicial relief the party seeking relief ("Non-Defaulting Party") shall comply with the notice and cure provisions of this Article 11.

11.2 No Recovery for Monetary Damages. The nature of a development agreement under the Development Agreement Statute is a very unusual contract for promoting a large development project facing many complex issues including geologic, environmental, finance, market, regulatory and other constantly evolving factors over a long time frame. The high level of uncertainty and risk involved justify the extraordinary commitments made to the Developer. However, the original persons representing the parties and approving the transaction are only likely to be involved with the Project for a limited time in comparison to the over-all life of the Project. This can lead to confusion over time as to the intent of the parties in dealing with changed circumstances.

Municipal budgets are extremely constrained, and a threat of recovery of damages against a municipal entity may pressure a municipality with limited resources to settle in a manner adverse to its interests and those of its citizens. The municipal entity represents the public welfare of the entire community, a community who cannot directly represent themselves. The City Council has come to believe that entering into a development agreement with the Developer, thus vesting the Developer with the extraordinary rights provided herein, is in the best interests of the community. It is critical to the success of this Project that as inevitable obstacles are met, and the persons implementing the Project change over the fifteen-year time span of the Project, that close working relationships be maintained.

Accordingly, in this Agreement, the rights of enforcement are limited as follows (i) the remedy of monetary damages is not available to either party, and (ii) there is no shortcut to a mediation or arbitration procedure where a nonelected representative can arbitrarily determine land use development issues. However, the parties shall have the equitable remedies of specific performance, injunctive and declaratory relief, or a mandate or other action determining that the City has exceeded its authority, and similar remedies, other than recovery of monetary damages, to enforce their rights under this Agreement. The Parties shall have the right to recover their attorney fees and costs pursuant to Section 16.8 in such action. Moreover, the Developer shall have the right to a public hearing before the City Council before any default can be established under this Agreement, as provided in Section 11.6.3.

11.3 Recovery of Monies Other Than Damages.

11.3.1 Restitution of Improper Exactions. In the event any actions, whether monetary or through the provision of land, good or services, are imposed on the Development of the Site other than those authorized pursuant to this Agreement, the Developer shall be entitled to recover from City restitution of all such improperly assessed exactions, either in kind or the value in-lieu of the exaction, together with interest thereon at the rate of the

maximum rate provided by law per year from the date such exactions were provided to City to the date of restitution.

11.3.2 *Monetary Default.* In the event the Developer fails to perform any monetary obligation under this Agreement, City may sue for the payment of such sums to the extent due and payable. The Developer shall pay interest thereon at the lesser of: (i) ten percent (10%) per annum, or (ii) the maximum rate permitted by law, from and after the due date of the monetary obligation until payment is actually received by the City.

11.4 Compliance with the Claims Act. Compliance with this Section 11.4 shall constitute full compliance with the requirements of the Claims Act, Government Code § 900 et seq., pursuant to Government Code § 930.2 in any action brought by the Developer.

11.5 Notice and Opportunity to Cure. A Non-Defaulting Party in its discretion may elect to declare a Default under this Agreement in accordance with the procedures hereinafter set forth for any failure or breach of the other party ("Defaulting Party") to perform any material duty or obligation of the Defaulting Party under the terms of this Agreement. However, the Non-Defaulting Party must provide written notice to the Defaulting Party setting forth the nature of the breach or failure and the actions, if any, required by the Defaulting Party to cure such breach or failure. The Defaulting Party shall be deemed in Default under this Agreement, if the breach or failure can be cured, but the Defaulting Party has failed to take such actions and cure such default within thirty (30) days after the date of such notice or ten (10) days for monetary defaults (or such lesser time as may be specifically provided in this Agreement). However, if such non-monetary Default cannot be cured within such thirty (30) day period, and if and, as long as the Defaulting Party does each of the following:

- (a) Notifies the Non-Defaulting Party in writing with a reasonable explanation as to the reasons the asserted default is not curable within the thirty (30) day period;
- (b) Notifies the Non-Defaulting Party of the Defaulting Party's proposed cause of action to cure the default;
- (c) Promptly commences to cure the default within the thirty (30) day period;
- (d) Makes periodic reports to the Non-Defaulting Party as to the progress of the program of cure;
- (e) Diligently prosecutes such cure to completion, and

Then the Defaulting Party shall not be deemed in breach of this Agreement.

Notwithstanding the foregoing, the Defaulting Party shall be deemed in default under this Agreement if the breach or failure involves the payment of money but the Defaulting Party has failed to completely cure the monetary default within ten (10) days (or such lesser time as may be specifically provided in this Agreement) after the date of such notice.

11.6 Dispute Resolution.

11.6.1 *Meet & Confer.* Prior to any party issuing a Default Notice hereunder, the Non-Defaulting Party shall inform the Defaulting Party either orally or in writing of the Default and request a meeting to meet and confer over the alleged default and how it might be corrected. The parties through their designated representatives shall meet within ten (10) days of the request therefore. The parties shall meet as often as may be necessary to correct the conditions of default, but after the initial meeting either party may also terminate the meet and confer process and proceed with the formal Default Notice.

11.6.2 *Termination Notice.* Upon receiving a Default Notice, should the Defaulting Party fail to timely cure any default, or fail to diligently pursue such cure as prescribed above, the Nondefaulting Party may, in its discretion, provide the Defaulting Party with a written notice of intent to terminate this Agreement and other Agreements (“Termination Notice”). The Termination Notice shall state that the Nondefaulting Party will elect to terminate the Agreement and such other Agreements as the Non-defaulting Party elects to terminate within thirty (30) days and state the reasons therefor (including a copy of any specific charges of default) and a description of the evidence upon which the decision to terminate is based. Once the Termination Notice has been issued, the Non-defaulting Party’s election to terminate Agreements will only be waived if (i) the Defaulting Party fully and completely cures all defaults prior to the date of termination, or (ii) pursuant to Section 11.7 below.

11.6.3 *Hearing Opportunity Prior to Termination.* Prior to any termination, a termination hearing shall be conducted as provided herein (“Termination Hearing”). The Termination Hearing shall be scheduled as an open public hearing item at a regularly-scheduled City Council meeting within thirty (30) days of the Termination Notice, subject to any legal requirements including but not limited to the Ralph M. Brown Act, Government Code Sections 54950-54963. At said Termination Hearing, the Defaulting Party shall have the right to present evidence to demonstrate that it is not in default and to rebut any evidence presented in favor of termination. Based upon substantial evidence presented at the Termination Hearing, the Council may, by adopted resolution, act as follows:

- (a) Decide to terminate this Agreement.
- (b) Determine that the alleged Defaulting Party is innocent of a default and, accordingly, dismiss the Termination Notice and any charges of default; or
- (c) Impose conditions on a finding of default and a time for cure, such that Defaulting Party’s fulfillment of said conditions will waive or cure any default.

Findings of a default or a condition of default must be based upon substantial evidence supporting the following three findings: (i) that a default in fact occurred and has continued to exist without timely cure, (ii) that the Non-Defaulting Party’s performance has not excused the default; and (iii) that such default has, or will, cause a material breach of this Agreement and/or a substantial negative impact upon public health, safety and welfare, or the financial terms

established in the Agreement, or such other interests arising from the Project. Notwithstanding the foregoing, nothing herein shall vest authority in the City Council to unilaterally change any material provision of the Agreement.

Following the decision of the City Council, any party dissatisfied with the decision may seek judicial relief consistent with this Article.

11.7 Waiver of Breach. By not challenging any (Existing or Future) Development Approval within 90 days of the action of City enacting the same, Developer shall be deemed to have waived any claim that any condition of approval is improper or that the action, as approved, constitutes a breach of the provisions of this Agreement. By recordation of a final map on all or any portion of the Site, or obtaining a building permit, the Developer shall be deemed to have waived any claim that any condition of approval is improper or that the action, as approved, constitutes a breach of the provisions of this Agreement for the subject portion of the Site.

11.8 Venue. In the event of any judicial action, venue shall be in the Superior Court of Los Angeles County.

12. ASSIGNMENT & BINDING SITE COVENANTS.

12.1 Right to Assign.

12.1.1 *General.* Neither party shall have the right to assign this Agreement or any interest or right thereunder without the prior written consent of the other party; however, notwithstanding the above, the Developer's assignment of its rights and obligations under this Agreement to another entity meeting the definition of being a Permitted Transferee below is permitted without the City's approval (a "Permitted Transfer"). The term "assignment" as used in this Agreement shall include successors-in-interest to the City that may be created by operation of law.

As used in this Section, the term "transfer" shall include the transfer to any person or group of persons acting in concert of more than seventy percent (70%) of the present equity ownership and/or more than fifty percent (50%) of the voting control of the Developer (jointly and severally referred to herein as the "Trigger Percentages") or any general partner of the Developer in the aggregate, taking all transfers into account on a cumulative basis, except transfers of such ownership or control interest between members of the same immediate family, or transfers to a trust, testamentary or otherwise, in which the beneficiaries are limited to members of the transferor's immediate family. A transfer of interests (on a cumulative basis) in the equity ownership and/or voting control of the Developer in amounts less than the Trigger Percentages shall not constitute a transfer subject to the restrictions set forth herein. In the event the Developer or any general partner of the Developer or its successor is a corporation or trust, such transfer shall refer to the transfer of the issued and outstanding capital stock of the Developer, or of beneficial interests of such trust; in the event that Developer or any general partner of the Developer is a limited or general partnership, such transfer shall refer to the transfer of more than the Trigger Percentages in the limited or general partnership interest; in the event that the Developer or any general partner is a joint venture, such transfer shall refer to the

transfer of more than the Trigger Percentages of such joint venture partner, taking all transfers into account on a cumulative basis.

Except for a Permitted Transfer, the Developer shall not transfer this Agreement or any of the Developer's rights hereunder, or any interest in the Site or in the improvements thereon, directly or indirectly, voluntarily or by operation of law, except as provided below, without the prior written approval of City, and if so purported to be transferred, the same shall be null and void. In considering whether it will grant approval to any transfer by Developer, which transfer requires City approval, City shall consider factors such as (i) the financial strength and capability of the proposed transferee to perform the obligations hereunder; and (ii) the proposed transferee's experience and expertise in the planning, financing, development, ownership, and operation of similar projects. In no event shall the City's approval of any transfer be unreasonably withheld or delayed.

In addition, no attempted assignment of any of the Developer's obligations hereunder which requires the City's approval shall be effective unless and until the successor party signs and delivers to the City an assumption agreement, in a form reasonably approved by the City, assuming such obligations. No consent or approval by City of any transfer requiring the City's approval shall constitute a further waiver of the provision of this Section 12.1.1 and, furthermore, the City's consent to a transfer shall not be deemed to release the Developer of liability for performance under this Agreement unless such release is specific and in writing executed by City. In no event shall the City's release of the Developer from liability under this Agreement upon a transfer be unreasonably withheld or delayed.

Notwithstanding any provision of this Agreement to the contrary, City approval of a Transfer or Assignment of any portion of the Site under this Agreement shall not be required in connection with any of the following, which shall be deemed a Permitted Transfer; provided that such person or entity transferee or assignee assumes in writing all of the Developer's obligations under this Agreement and notifies the City in writing of the same:

- (a) Any mortgage, deed of trust, sale/lease-back, or other form of conveyance for financing and any resulting foreclosure therefrom.
- (b) The granting of easements or dedications to any appropriate governmental agency or utility or permits to facilitate the development of the Site.
- (c) A sale or transfer resulting from, or in connection with, a reorganization as contemplated by the provisions of the Internal Revenue Code of 1986, as amended or otherwise, in which the ownership interests of a corporation are assigned directly or by operation of law to a person or persons, firm or corporation which acquires the control of the voting capital stock of such corporation or all or substantially all of the assets of such corporation.
- (d) A sale or transfer of less than the Trigger Percentages between members of the same immediate family, or transfers to a trust,

testamentary or otherwise, in which the beneficiaries consist solely of immediate family members of the trustor or transfers to a corporation or partnership in which the immediate family members or shareholders of the transferor who owns at least ten percent (10%) of the present equity ownership and/or at least fifty percent (50%) of the voting control of Developer.

- (e) A transfer of common areas to a duly-organized Property Owners' Association.
- (f) Any transfer to an entity or entities in which the Developer retains a minimum of 51% of the ownership or beneficial interest and retains management and control of the transferee entity or entities.
- (g) Any transfer of interests in Owner for estate planning purposes to the heirs of Owner, provided that the heirs retain a minimum of 51% of the ownership or beneficial interest of the transferor entity and retain management and control of the transferee entity.

12.1.2 *Subject to Terms of Agreement.* Following any such Transfer or Assignment of any of the rights and interests of the Developer under this Agreement, in accordance with Section 12.1.1 above, the exercise, use and enjoyment of such rights and interests shall continue to be subject to the terms of this Agreement to the same extent as if the assignee or transferee were the Developer.

12.1.3 *Release of Developer.* Upon the written consent of the City to the complete assignment of this Agreement or the transfer of a portion of the Site and the express written assumption of the assigned obligations of the Developer under this Agreement by the assignee, the Developer shall be relieved of its legal duty from the assigned obligations under this Agreement with respect to the portion of the Site transferred, except to the extent the Developer is in Default under the terms of this Agreement prior to the transfer.

12.2 Declaration of Covenants, Conditions and Restrictions. Prior to the transfer of any portion of the Project to a third party (either by lease or sale), the Developer shall submit a proposed form of Declaration of Covenants, Conditions and Restrictions to be recorded against the applicable Parcel to the City for its review and approval ("CC&RS"). The CC&RS must be recorded prior to issuance of certificates of occupancy, and Developer shall pay City's review costs, which review costs shall be in addition to the costs of Processing Fees. It is anticipated that the CC&RS will contain, among other things, protective covenants to protect and preserve the integrity and value in the Parcel, including but not limited to use restrictions, maintenance covenants, EIR mitigation measures, restrictions under this Development Agreement which will continue to apply to the subdivision, covenants for construction and completion of the improvements and a provision giving the City the right to enforce the CC&RS, including the right to recover its enforcement costs if there is noncompliance following notice and the opportunity to cure.

13. RELEASES AND INDEMNITIES.

13.1 The City's Release As To Actions Prior To Effective Date. The City forever discharges, releases and expressly waives as against the Developer and its attorneys and employees any and all claims, liens, demands, causes of action, excuses for nonperformance (including but not limited to claims and/or defenses of unenforceability, lack of consideration, and/or violation of public policy), losses, damages, and liabilities, known or unknown, suspected or unsuspected, liquidated or unliquidated, fixed or contingent, based in contract, tort, or other theories of direct and/or of agency liability (including but not limited to principles of respondent superior) that it has now or has had in the past, arising out of or relating to the Site, this Agreement or the Development Plan.

13.2 The Developer's Release As To Actions Prior To Effective Date. The Developer forever discharges, releases and expressly waives as against the City and its respective councils, boards, commissions, officers, attorneys and employees any and all claims, liens, demands, causes of action, excuses for nonperformance (including but not limited to claims and/or defenses of unenforceability, lack of consideration, and/or violation of public policy), losses, damages, and liabilities, known or unknown, suspected or unsuspected, liquidated or unliquidated, fixed or contingent, based in contract, tort or other theories of direct and/or of agency liability (including but not limited to principles of respondent superior) that they have now or have had in the past, arising out of or relating to this Agreement and the Development Plan.

13.3 Litigation Preventing Performance. The Parties acknowledge that: (i) in the future there may be challenges to legality, validity and adequacy of the General Plan, the Existing Development Approvals, Development Plan and/or this Agreement; and (ii) if successful, such challenges could delay or prevent the performance of this Agreement and the Development of the Site.

In addition to the other provisions of this Agreement, including, without limitation, the provisions of this Section 13.3, the City shall have no liability under this Agreement for any failure of the City to perform under this Agreement or the inability of the Developer to develop the Site as contemplated by the Development Plan or this Agreement as the result of a judicial determination that on the date this Agreement is approved by the City Council, or at any time thereafter, the Existing Land Use Regulations, the Development Approvals, this Agreement, or portions thereof, are invalid or inadequate or not in compliance with law.

13.4 Revision of Land Use Restrictions to Cure Litigation. If, for any reason, the Development Plan, Existing Development Approvals, this Agreement or any part thereof is hereafter judicially determined, as provided above, to not be in compliance with the State or Federal Constitution, laws or regulations and, if such noncompliance can be cured by an appropriate amendment thereof otherwise conforming to the provisions of this Agreement, then this Agreement shall remain in full force and effect to the extent permitted by law. The Development Plan, Existing Development Approvals and this Agreement shall be amended, as necessary, in order to comply with such judicial decision.

13.5 Participation in Litigation: Indemnity. The Developer shall indemnify the City and its elected boards, commissions, officers, agents and employees and will hold and save them and each of them harmless from any and all actions, suits, claims, liabilities, losses,

damages, penalties, obligations and expenses (including but not limited to attorneys' fees and costs) against the City for any such Claims or Litigation (as defined in Section 1.14) and shall be responsible for any judgment arising therefrom. The City shall provide the Developer with notice of the pendency of such action and shall request that the Developer defend such action. The Developer may utilize the City Attorney's office or use legal counsel of its choosing, but shall reimburse the City for any necessary legal cost incurred by City. The Developer shall provide a deposit in the amount of 150% of the City's estimate, in its sole and absolute discretion, of the cost of litigation, including the cost of any award of attorneys' fees, and shall make additional deposits as requested by City to keep the deposit at such level. The City may ask for further security in the form of a deed of trust to land of equivalent value. If the Developer fails to provide or maintain the deposit, the City may abandon the action and the Developer shall pay all costs resulting therefrom and City shall have no liability to the Developer. The Developer's obligation to pay the cost of the action, including judgment, shall extend until judgment. After judgment in a trial court, the parties must mutually agree as to whether any appeal will be taken or defended. The Developer shall have the right, within the first 30 days of the service of the complaint or petition on the Developer, in its sole and absolute discretion, to determine that it does not want to defend any litigation attacking this Agreement or the Development Approvals in which case the City shall allow the Developer to settle the litigation on whatever terms the Developer determines, in its sole and absolute discretion, but Developer shall confer with City before acting and cannot bind City. In that event, the Developer shall be liable for any costs incurred by the City up to the date of settlement but shall have no further obligation to the City beyond the payment of those costs. In the event of an appeal, or a settlement offer, the Parties shall confer in good faith as to how to proceed. Notwithstanding the Developer's indemnity for claims and litigation, the City retains the right to settle any litigation brought against it in its sole and absolute discretion and the Developer shall remain liable except as follows: (i) the settlement would reduce the scope of the Project by 10% or more, and (ii) the Developer opposes the settlement. In such case the City may still settle the litigation but shall then be responsible for its own litigation expense but shall bear no other liability to the Developer. Neither City nor Developer shall have any rights or obligations under this Section 13.5 prior to the Effective Date although Developer may, in its sole and unfettered discretion, assume the obligations if it chooses to do so.

13.6 Hold Harmless: Developer's Construction and Other Activities. The Developer shall defend, save and hold the City and its elected and appointed boards, commissions, officers, agents, and employees harmless from any and all claims, costs (including attorneys' fees) and liability for any damages, personal injury or death, which may arise, directly or indirectly, from the Developer's or the Developer's agents, contractors, subcontractors, agents, or employees' operations under this Agreement, whether such operations be by the Developer or by any of the Developer's agents, contractors or subcontractors or by any one or more persons directly or indirectly employed by or acting as agent for the Developer or any of the Developer's agents, contractors or subcontractors. Nothing herein is intended to make the Developer liable for the acts of the City's officers, employees, agents, contractors of subcontractors.

13.7 Survival of Indemnity Obligations. All indemnity provisions set forth in this Agreement shall survive termination of this Agreement for any reason other than the City's Default.

14. EFFECT OF AGREEMENT ON TITLE.

14.1 Covenant Run with the Land. Subject to the provisions of Articles 12 and 15 and pursuant to the Development Agreement Statute (Government Code § 65868.5):

(a) All of the provisions, agreements, rights, powers, standards, terms, covenants and obligations contained in this Agreement shall be binding upon the parties and their respective heirs, successors (by merger, consolidation, or otherwise) and assigns, devisees, administrators, representatives, lessees, and all other persons acquiring any rights or interests in the Site, or any portion thereof, whether by operation of laws or in any manner whatsoever and shall inure to the benefit of the parties and their respective heirs, successors (by merger, consolidation or otherwise) and assigns;

(b) All of the provisions of this Agreement shall be enforceable as equitable servitudes and constitute covenants running with the land pursuant to applicable law; and

(c) Each covenant to do or refrain from doing some act on the Site hereunder (i) is for the benefit of and is a burden upon every portion of the Site, (ii) runs with such lands, and (iii) is binding upon each party and each successive owner during its ownership of such properties or any portion thereof, and each person having any interest therein derived in any manner through any owner of such lands, or any portion thereof, and each other person succeeding to an interest in such lands.

15. MORTGAGEE PROTECTION.

15.1 Definitions. As used in this Section, the term “mortgage” shall include any mortgage, whether a leasehold mortgage or otherwise, deed of trust, or other security interest, or sale and lease-back, or any other form of conveyance for financing. The term “holder” shall include the holder of any such mortgage, deed of trust, or other security interest, or the lessor under a lease-back, or the grantee under any other conveyance for financing.

15.2 No Encumbrances Except Mortgages to Finance the Project. Notwithstanding the restrictions on transfer in Article 12, mortgages required for any reasonable method of financing of the construction of the improvements are permitted but only for the following: (i) for the purpose of securing loans of funds used or to be used for financing the acquisition of a separate lot(s) or parcel(s), (ii) for the construction of improvements thereon, in payment of interest and other financing costs, and (iii) for any other expenditures necessary and appropriate to develop the Project under this Agreement, or for restructuring or refinancing any for same. No map permitted herein, even if for financing purposes, shall permit financing for other than purposes of developing the Project solely. The Developer (or any entity permitted to acquire title under this Agreement) shall notify the City in advance of any future mortgage or any extensions or modifications thereof. Any lender which has so notified the City shall not be bound by any amendment, implementation, or modification to this Agreement without such lender giving its prior written consent thereto. In any event, the Developer shall promptly notify the City of any mortgage, encumbrance, or lien that has been created or attached thereto prior to completion of construction, whether by voluntary act of the Developer or otherwise.

15.3 Developer's Breach Not Defeat Mortgage Lien. The Developer's breach of any of the covenants or restrictions contained in this Agreement shall not defeat or render void the lien of any mortgage made in good faith and for value but, unless otherwise provided herein, the terms, conditions, covenants, restrictions, easements, and reservations of this Agreement shall be binding and effective against the holder of any such mortgage whose interest is acquired by foreclosure, trustee's sale or otherwise.

15.4 Holder Not Obligated to Construct or Complete Improvements. The holder of any mortgage 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. Nothing in this Agreement shall be deemed or construed to permit or authorize any such holder to devote the Project or any portion thereof to any uses, or to construct any improvements thereon, other than those uses or improvements provided for or authorized by this Agreement.

15.5 Notice of Default to Mortgagee. Whenever the City shall deliver any notice or demand to the Developer with respect to any breach or default by the Developer hereunder, the City shall at the same time deliver a copy of such notice or demand to each holder of record of any mortgage who has previously made a written request to the City therefor, or to the representative of such lender as may be identified in such a written request by the lender. No notice of default shall be effective as to the holder unless such notice is given.

15.6 Right to Cure. Each holder (insofar as the rights of City are concerned) shall have the right, at its option, within ninety (90) days after the receipt of the notice, and one hundred twenty (120) days after the Developer's cure rights have expired, whichever is later, to:

(a) Obtain possession, if necessary, and to commence and diligently pursue the cure until the same is completed, and

(b) Add the cost of said cure to the security interest debt and the lien or obligation on its security interest;

provided that, in the case of a default which cannot with diligence be remedied or cured within such cure periods referenced above in this Section 15.6, such holder shall have additional time as reasonably necessary to remedy or cure such default.

In the event there is more than one such holder, the right to cure or remedy a breach or default of the Developer under this Section 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 Developer under this Section.

No holder shall undertake or continue the construction or completion of the improvements on the Site (beyond the extent necessary to preserve or protect the improvements or construction already made) without first having expressly assumed the Developer's obligations to the City by written agreement satisfactory to City with respect to the Project or any portion thereof in which the holder has an interest. The holder must agree to complete, in the manner required by this Agreement, the improvements to which the lien or title of such holder relates, and submit evidence satisfactory to the City that it has the qualifications and financial responsibility necessary to perform such obligations.

15.7 City's Rights upon Failure of Holder to Complete Improvements. In any case where one hundred eighty (180) days after default by the Developer in completion of construction of improvements on the Site under this Agreement, the holder of any mortgage creating a lien or encumbrance upon the Project or portion thereof has not exercised the option to construct afforded in this Section or, if it has exercised such option and has not proceeded diligently with construction, the City may, after ninety (90) days' notice to such holder and if such holder has not exercised such option to construct within said ninety (90) day period, purchase the mortgage, upon payment to the holder of an amount equal to the sum of the following:

- (a) The unpaid mortgage, debt plus any accrued and unpaid interest (less all appropriate credits, including those resulting from collection and application of rentals and other income received during foreclosure proceedings, if any);
- (b) All expenses, incurred by the holder with respect to foreclosure, if any;
- (c) The net expenses (exclusive of general overhead), incurred by the holder as a direct result of the ownership or management of the applicable portion of the Project, such as insurance premiums or real estate taxes, if any;
- (d) The costs of any improvements made by such holder, if any; and
- (e) An amount equivalent to the interest that would have accrued on the aggregate of such amounts had all such amounts become part of the mortgage debt and such debt had continued in existence to the date of payment by the City.

If the City has not purchased the mortgage within ninety (90) days of the expiration of the ninety (90) days referred to above, then the right of the City to purchase shall expire.

In the event that the holder does not exercise its option to construct afforded in this Section, and if the City elects not to purchase the mortgage of holder, upon written request by the holder to the City, the City shall use reasonable efforts to assist the holder in selling the holder's interest to a qualified and responsible party or parties (as reasonably determined by City), who shall assume the obligations of making or completing the improvements required to be constructed by the Developer, or such other improvements in their stead as shall be satisfactory to the City. The proceeds of such a sale shall be applied first to the holder of those items specified in subparagraphs (a) through (e) hereinabove and any balance remaining thereafter shall be applied as follows:

- (1) First, to reimburse the City for all costs and expenses actually and reasonably incurred by the City, including, but not limited to, payroll expenses, management expenses, legal expenses, and others;
- (2) Second, to reimburse the City for all payments made by City to discharge any other encumbrances or liens on the applicable portion of the Project or to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults, or acts of the Developer, its successors or transferees;

(3) Third, to reimburse the City for all costs and expenses actually and reasonably incurred by the City, in connection with its efforts assisting the holder in selling the holder's interest in accordance with this Section; and

(4) Fourth, any balance remaining thereafter shall be paid to the Developer.

15.8 Right of City to Cure Mortgage Default. In the event of a default or breach by the Developer (or entity permitted to acquire title under this Section) prior to completion of the Project or the applicable portion thereof, and the holder of any such mortgage has not exercised its option to complete the development, the City may cure the default prior to completion of any foreclosure. In such event, the City shall be entitled to reimbursement from the Developer or other entity of all costs and expenses incurred by the City in curing the default, to the extent permitted by law, as if such holder initiated such claim for reimbursement, including legal costs and attorneys' fees reasonably incurred, which right of reimbursement shall be secured by a lien upon the applicable portion of the Project to the extent of such costs and disbursements. Any such lien shall be subject to:

(a) Any Mortgage; and

(b) Any rights or interests provided in this Agreement for the protection of the holders of such Mortgages;

provided that nothing herein shall be deemed to impose upon the City any affirmative obligations (by the payment of money, construction or otherwise) with respect to the Project in the event of its enforcement of its lien.

15.9 Right of the City to Satisfy Other Liens on the Site After Conveyance of Title. After the conveyance of title and prior to completion of construction and development, and after the Developer has had a reasonable time to challenge, cure, or satisfy any liens or encumbrances on the Project, the City shall have the right to satisfy any such liens or encumbrances; provided, however, that nothing in this Agreement shall require the Developer to pay or make provision for the payment of any tax, assessment, lien or charge so long as the Developer in good faith shall contest the validity or amount thereof, and so long as such delay in payment shall not subject the Project or any portion thereof to forfeiture or sale.

16. MISCELLANEOUS.

16.1 Certificates of Compliance. Either party (or a Mortgagee under Section 1.46 and Article 15) may at any time deliver written notice to the other party requesting an Estoppel Certificate stating:

(a) The Agreement is in full force and effect and is a binding obligation of the parties;

(b) The Agreement has not been amended or modified either orally or in writing or, if so amended, identifying the amendments; and

(c) There are no existing defaults under the Agreement to the actual knowledge of the party signing the Estoppel Certificate.

A party receiving a request for an Estoppel Certificate shall provide a signed certificate to the requesting party within thirty (30) days after receipt of the request. The Director may sign Estoppel Certificates on behalf of the City. An Estoppel Certificate may be relied on by assignees and Mortgagees.

16.2 Force Majeure. The time within which the Developer or the City shall be required to perform any act under this Agreement shall be extended by a period of time equal to the number of days during which performance of such act is delayed due to war, insurrection, strikes, lock-outs, riots, floods, earthquakes, fires, casualties, natural disasters, acts of God, acts of the public enemy, epidemics, quarantine restrictions, freight embargoes, governmental restrictions on priority, initiative or referendum, moratoria, processing with governmental agencies other than the City, unusually severe weather, third party litigation as described in Section 13.3 above, or any other similar 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 shall be for the period of the enforced delay and shall commence to run from the time of the commencement of the cause, if written notice by the party claiming such extension is sent to the other party within thirty (30) days of knowledge of the commencement of the cause. Any act or failure to act on the part of a party shall not excuse performance by that party.

16.3 Interpretation.

16.3.1 *Construction of Development Agreement.* The language of this Agreement shall be construed as a whole and given its fair meaning. The captions of the sections and subsections are for convenience only and shall not influence construction. This Agreement shall be governed by the laws of the State of California. This Agreement shall not be deemed to constitute the surrender or abrogation of the City's governmental powers over the Site.

16.3.2 *Entire Agreement.* With the exception of the Stipulation and ENA, this Agreement constitutes the entire agreement between the parties with respect to the subject matter of this Agreement and this Agreement supersedes all previous negotiations, discussions, and agreements between the parties, and no parol evidence of any prior or other agreement shall be permitted to contradict or vary the terms of this Agreement.

16.3.3 *Recitals.* The recitals in this Agreement constitute part of this Agreement and each party shall be entitled to rely on the truth and accuracy of each recital as an inducement to enter into this Agreement.

16.3.4 *Mutual Covenants.* The covenants contained herein are mutual covenants and also constitute conditions to the concurrent or subsequent performance by the party benefitted thereby of the covenants to be performed hereunder by such benefitted party.

16.3.5 *Severability.* If any provision of this Agreement is adjudged invalid, void or unenforceable, that provision shall not affect, impair, or invalidate any other provision, unless such judgment affects a material part of this Agreement in which case the parties shall comply with the procedures set forth in Section 13.4 above.

16.4 Joint and Several Obligations. All obligations and liabilities of the Developer hereunder shall be joint and several among the obligees.

16.5 No Third Party Beneficiaries. With the exception of Dexia pursuant to the terms of the Stipulation, there are no other third party beneficiaries and this Agreement is not intended, and shall not be construed, to benefit or be enforceable by any other person, excepting the parties hereto and Dexia.

16.6 Notice.

16.6.1 *To Developer.* Any notice required or permitted to be given by the City to the Developer under this Development Agreement shall be in writing and delivered personally to the Developer or mailed, with postage fully prepaid, registered or certified mail, return receipt requested, addressed as follows:

PI Bell, LLC
6272 Pacific Coast Highway, Suite #E
Long Beach, CA 90803
Attn: Neil Mishurda

With copies to:

DLA Piper US, LLP
1717 Main Street, Suite 4600
Dallas, TX 75201
Attn: Craig Anderson, Esq.

Cox, Castle & Nicholson LLP
2049 Century Park East, 28th Floor
Los Angeles, CA 90067-3284
Attn: Kenneth B. Bley, Esq.

or such other address as the Developer may designate in writing to the City.

16.6.2 *To the City.* Any notice required or permitted to be given by the Developer to the City under this Development Agreement shall be in writing and delivered personally to the City Clerk or mailed with postage fully prepaid, registered or certified mail, return receipt requested, addressed as follows:

City of Bell and Bell Public Finance Authority
6330 Pine Avenue
Bell, California 90201
Attention: Planning Director

With a copy to:

David J. Aleshire, Esq., City Attorney
Aleshire & Wynder, LLP
18881 Von Karman Avenue, Suite 1700
Irvine, California 92612

or such other address as the City may designate in writing to the Developer.

Notices provided pursuant to this Section shall be deemed received at the date of delivery as shown on the affidavit of personal service or the Postal Service receipt.

16.7 Relationship of Parties. It is specifically understood and acknowledged by the parties that the Project is a private development, that neither party is acting as the agent of the other in any respect hereunder, and that each party is an independent contracting entity with respect to the terms, covenants, and conditions contained in this Agreement. The only relationship between the City and the Developer is that of a government entity regulating the development of private property and the owner of such private property.

16.8 Attorney's Fees. If either party to this Agreement is required to initiate or defend litigation against the other party, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees. Attorney's fees shall include attorney's fees on any appeal, and, in addition, a party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to a final judgment.

16.9 Further Actions and Instruments. Each of the parties shall cooperate with and provide reasonable assistance to the other to the extent necessary to implement this Agreement. Upon the request of either party at any time, the other party shall promptly execute, with acknowledgment or affidavit if reasonably required, and file or record such required instruments and writings and take any actions as may be reasonably necessary to implement this Agreement or to evidence or consummate the transactions contemplated by this Agreement.

16.10 Time of Essence. Time is of the essence in: (i) the performance of the provisions of this Agreement as to which time is an element; and (ii) the resolution of any dispute which may arise concerning the obligations of the Developer and the City as set forth in this Agreement.

16.11 Waiver. Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by the other party, or the failure by a party to exercise its rights upon the default of the other party, shall not constitute a waiver of such party's right to insist and demand strict compliance by the other party with the terms of this Agreement thereafter.

16.12 Execution.

16.12.1 *Counterparts.* This Agreement may be executed by the parties in counterparts which counterparts shall be construed together and have the same effect as if all of the parties had executed the same instrument.

16.12.2 *Recording.* The City Clerk shall cause a copy of this Agreement to be executed by the City and recorded in the Official Records of Los Angeles County no later than ten (10) days after the Effective Date (Gov't. Code § 65868.5). The recordation of this Agreement is deemed a ministerial act and the failure of the City to record the Agreement as required by this Section and the Development Agreement Statute does not make this Agreement void or ineffective.

16.12.3 *Authority to Execute.* The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to sign and deliver this Agreement on behalf of the party he or she represents, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, (iv) the entering into of this Agreement does not violate any provision of any other Agreement to which the party is bound and (v) there is no litigation or legal proceeding which would prevent the parties from entering into this Agreement.

(SIGNATURES ON NEXT PAGE.)

IN WITNESS WHEREOF, the City and the Developer have executed this Agreement on the date first above written.

CITY OF BELL

By: _____
Violeta Alvarez, Mayor

BELL PUBLIC FINANCING AUTHORITY

By: _____
Violeta Alvarez, Chairperson

ATTEST:

Janet Martinez, City Clerk

APPROVED AS TO FORM:
ALESHIRE & WYNDER, LLP

David J. Aleshire, City Attorney

**PI BELL, LLC, A DELAWARE LIMITED
LIABILITY COMPANY**

By: _____
President

By: _____
Secretary

STATE OF CALIFORNIA)

) SS

COUNTY OF _____)

On _____, _____, before me _____, personally appeared _____, who 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.

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

WITNESS my hand and official seal

Notary Signature

(SEAL)

STATE OF CALIFORNIA)
) SS
COUNTY OF _____)

) SS

COUNTY OF _____)

On _____, _____, before me _____, personally appeared _____, who 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.

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

WITNESS my hand and official seal

Notary Signature

[illegible]

EXHIBIT B
LEGAL DESCRIPTIONS

EXHIBIT B1
PARCEL A LEGAL DESCRIPTION

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

PARCEL I:

THOSE PORTIONS OF LOTS 109 AND 115 IN THE RANCHO LAGUNA, IN THE CITY OF BELL, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED AS EXHIBIT "A" IN THE FINAL DECREE OF PARTITION AS CASE NO. B25296 IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA, A CERTIFIED COPY OF SAID DECREE BEING RECORDED IN BOOK 6387 PAGE 1 OF DEEDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF PARCEL 14 OF PARCEL MAP NO. 11282, FILED IN BOOK 120 PAGES 56 THROUGH 60 INCLUSIVE OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, SAID POINT BEING ON A CURVE CONCAVE TO THE SOUTH AND HAVING A RADIUS OF 501.34 FEET, A RADIAL LINE THROUGH SAID POINT BEARS SOUTH 17° 51' 36" WEST; THENCE SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 4° 25' 39" AN ARC DISTANCE OF 38.74 FEET TO A POINT ON THE NORTHEAST LINE OF THE 33 FOOT WIDE STRIP OF LAND DESCRIBED IN DEED TO CENTRAL MANUFACTURING DISTRICT, INC., RECORDED IN BOOK 7471 PAGE 45 OF OFFICIAL RECORDS; THENCE SOUTH 22° 17' 15" WEST 33.00 FEET TO THE TRUE POINT OF BEGINNING; SAID TRUE POINT OF BEGINNING BEING A POINT ON THE SOUTHWEST LINE OF SAID 33-FOOT WIDE STRIP, AND SAID POINT ALSO BEING THE BEGINNING OF A CONCENTRIC CURVE CONCAVE TO THE SOUTH AND HAVING A RADIUS OF 468.34 FEET; THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 3° 10' 35" AN ARC DISTANCE OF 25.96 FEET TO A POINT ON THE EASTERLY LINE OF THE LONG BEACH FREEWAY, STATE ROUTE 710, AS DESCRIBED IN DEED TO THE STATE OF CALIFORNIA, RECORDED JANUARY 24, 1957 IN BOOK 53458 PAGE 311 OF OFFICIAL RECORDS; THENCE SOUTH 0° 43' 26" WEST 111.19 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 720.00 FEET; THENCE ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 12° 56' 00" AN ARC DISTANCE OF 162.53 FEET; THENCE TANGENT TO SAID LAST CURVE, SOUTH 12° 12' 34" EAST, 226.85 FEET; THENCE SOUTH 26° 17' 36" EAST 658.27 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 1,910.00 FEET, A RADIAL LINE THROUGH SAID POINT BEARS NORTH 50° 55' 38" EAST; THENCE SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 7° 42' 48" AN ARC DISTANCE OF 257.13 FEET; THENCE NORTH 22° 17' 15" EAST 977.43 FEET TO POINT ON SAID SOUTHWEST LINE OF CENTRAL MANUFACTURING DISTRICT, INC.; THENCE NORTH 67° 42' 45" WEST ALONG SAID SOUTHWEST LINE 946.51 FEET TO THE TRUE POINT OF BEGINNING.

EXCEPT ALL MINERALS, PETROLEUM, GASES AND OTHER HYDROCARBON SUBSTANCES EXISTING IN AND UNDER SAID LAND, WITHOUT THE RIGHT TO ENTER UPON OR USE THE SURFACE OF SAID LAND FOR THE EXTRACTION AND REMOVAL OF SUCH RESERVED SUBSTANCES, OR FOR ANY OTHER PURPOSE OR PURPOSES, AS RESERVED IN THE DEED RECORDED JULY 18, 1944 AS INSTRUMENT NO. 913, IN BOOK 21013 PAGE 131 OFFICIAL RECORDS.

PARCEL II:

THOSE PORTIONS OF LOTS 109, 115, 116, 117, 118 AND A PORTION OF CAMFIELD AVENUE, (VACATED) IN THE RANCHO LAGUNA, IN THE CITY OF BELL, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED AS EXHIBIT "A" IN THE FINAL DECREE OF PARTITION AS CASE NO. B25296 IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA, A CERTIFIED COPY OF SAID DECREE BEING RECORDED IN BOOK 6387 PAGE 1 OF DEEDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BEING A STRIP OF LAND 22 FEET WIDE, THE CENTERLINE OF WHICH IS DESCRIBED AS FOLLOWS:

COMMENCING AT THE WESTERLY TERMINUS OF THE CENTERLINE OF MANSFIELD WAY AS SHOWN ON PARCEL MAP NO. 11282 RECORDED IN BOOK 120, PAGES 56 THROUGH 60 INCLUSIVE OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, SAID CENTERLINE HAVING A BEARING OF

NORTH 82° 57' 31" WEST; THENCE CONTINUING ON LAST MENTIONED BEARING A DISTANCE OF 174.62 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTH, HAVING A RADIUS OF 922 FEET; THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 15° 13' 15" AN ARC LENGTH OF 244.93 FEET; THENCE NORTH 67° 44' 16" WEST, 1,792.98 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTH HAVING A RADIUS OF 372 FEET; THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 27° 06' 40" AN ARC LENGTH OF 176.02 FEET; THENCE TANGENT TO SAID CURVE, NORTH 40° 37' 36" WEST, 211.33 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTH, HAVING A RADIUS OF 1,522 FEET; THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 6° 25' 30" AN ARC LENGTH OF 170.67 FEET; THENCE NORTH 47° 03' 06" WEST, 796.19 FEET.

THE SIDELINES OF SAID STRIP TO BE LENGTHENED OR SHORTENED SO AS TO TERMINATE AT THE WESTERLY LINE OF MANSFIELD WAY AND THE WESTERLY LINE OF FIRST STREET, ALSO KNOWN AS THE EASTERLY LINE OF PARCEL I ABOVE.

EXCEPT ALL MINERALS, PETROLEUM, GASES AND OTHER HYDROCARBON SUBSTANCES EXISTING IN AND UNDER SAID LAND, WITHOUT THE RIGHT TO ENTER UPON OR USE THE SURFACE OF SAID LAND FOR THE EXTRACTION AND REMOVAL OF SUCH RESERVED SUBSTANCES, OR FOR ANY OTHER PURPOSE OR PURPOSES, AS RESERVED IN THE DEED RECORDED JULY 18, 1944 AS INSTRUMENT NO. 913, IN BOOK 21013 PAGE 131 OFFICIAL RECORDS.

PARCEL III:

THOSE PORTIONS OF LOTS 109 & 115 IN THE RANCHO LAGUNA, IN THE CITY OF BELL, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED AS EXHIBIT "A" IN THE FINAL DECREE OF PARTITION, AS CASE NO. B25296 IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA, A CERTIFIED COPY OF SAID DECREE BEING RECORDED IN BOOK 6387 PAGE 1 OF DEEDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BEING 30 FEET WIDE, THE CENTERLINE OF WHICH BEING DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF PARCEL 14 OF PARCEL MAP NO. 11282, RECORDED IN BOOK 120, PAGES 56 THROUGH 60 INCLUSIVE OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, SAID POINT BEING ON A CURVE CONCAVE TO THE SOUTH AND HAVING A RADIUS OF 501.34 FEET, A RADIAL LINE THROUGH SAID POINT BEARS SOUTH 17° 51' 36" WEST; THENCE EASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 4° 25' 39", AN ARC LENGTH OF 38.74 FEET; THENCE RADIAL TO SAID CURVE, SOUTH 22° 17' 15" WEST, 33.00 FEET TO A POINT ON THE SOUTHERLY LINE OF THAT 33.00 FOOT WIDE STRIP OF LAND DESCRIBED IN DEED TO CENTRAL MANUFACTURING DISTRICT, INC., RECORDED IN BOOK 7471, PAGE 45 OF OFFICIAL RECORDS; THENCE SOUTH 67° 42' 45" EAST ALONG SAID SOUTHERLY LINE 961.51 FEET TO THE TRUE POINT OF BEGINNING; THENCE SOUTH 22° 17' 15" WEST 983.17 FEET, MORE OR LESS, TO A POINT ON THE EASTERLY LINE OF STATE ROUTE 710, AS DESCRIBED IN DEED TO THE STATE OF CALIFORNIA, RECORDED JANUARY 24, 1957 IN BOOK 53458 PAGE 311 OF OFFICIAL RECORDS.

THE SIDELINES OF SAID STRIP TO BE LENGTHENED OR SHORTENED TO TERMINATE AT THE SOUTHERLY LINE OF SAID 33 FOOT WIDE STRIP AND SAID EASTERLY LINE OF STATE ROUTE 710.

EXCEPT ALL MINERALS, PETROLEUM, GASES AND OTHER HYDROCARBON SUBSTANCES EXISTING IN AND UNDER SAID LAND, WITHOUT THE RIGHT TO ENTER UPON OR USE THE SURFACE OF SAID LAND FOR THE EXTRACTION AND REMOVAL OF SUCH RESERVED SUBSTANCES, OR FOR ANY OTHER PURPOSE OR PURPOSES, AS RESERVED IN THE DEED RECORDED JULY 18, 1944 AS INSTRUMENT NO. 913, IN BOOK 21013 PAGE 131 OFFICIAL RECORDS.

EXHIBIT B2
PARCELS F, G AND H LEGAL DESCRIPTIONS

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

PARCEL 1:

THE FOLLOWING PARCELS OF LAND IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, INCLUDING PORTIONS OF LOTS 106 TO 109 INCLUSIVE, AND LOTS 115 TO 118 INCLUSIVE, AND THAT PORTION OF CAMFIELD AVENUE, ADJOINING LOTS 106, 107, 117 AND 118 VACATED BY AN ORDER OF THE BOARD OF SUPERVISORS OF SAID COUNTY, RECORDED IN BOOK 10430 PAGE 32 OF OFFICIAL RECORDS OF SAID COUNTY, ALL IN RANCHO LAGUNA AS SHOWN MAP FILED AS EXHIBIT "A" IN CASE NO. B-25296 OF SUPERIOR COURT OF THE STATE OF CALIFORNIA, LOS ANGELES COUNTY, AND ALSO A PORTION OF THE RANCHO SAN ANTONIO, AS PER MAP RECORDED IN BOOK 1 PAGE 382 OF PATENTS, RECORDS OF SAID LOS ANGELES COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

PARCEL "F"

COMMENCING AT A FOUND CONCRETE MONUMENT WITH BRASS PLATE STAMPED "LS 2348" MARKING THE MOST NORTHERLY CORNER OF PARCEL 10 OF PARCEL MAP NO. 11282, AS PER MAP FILED IN BOOK 120 PAGES 56 THROUGH 60 INCLUSIVE OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY SAID POINT ALSO BEING A POINT ON THE SOUTHERLY LINE OF 33 FOOT WIDE STRIP DESCRIBED AS PARCEL 2 IN DEED RECORDED IN BOOK 7471 PAGE 45 OF OFFICIAL RECORDS; THENCE ALONG SAID SOUTHERLY LINE NORTH 67° 48' 18" WEST, 2711.76 FEET TO THE POINT OF BEGINNING; THENCE LEAVING SAID SOUTHERLY LINE SOUTH 22° 11' 36" WEST, 722.40 FEET; THENCE NORTH 67° 48' 18" WEST, 696.32 FEET TO A POINT HEREINAFTER REFERRED TO AS POINT "A" SAID POINT ALSO BEING A POINT ON THE EASTERLY LINE OF LAND DESCRIBED IN EXCEPTION TO TITLE IN FAVOR OF THE BELL PUBLIC FINANCING AUTHORITY PER INSTRUMENT NO. 92-306752 RECORDED FEBRUARY 25, 1992 OF OFFICIAL RECORDS; THENCE ALONG SAID EASTERLY LINE NORTH 22° 11' 36" EAST, 722.40 FEET TO A POINT ON SAID SOUTHERLY LINE; THENCE LEAVING SAID EASTERLY LINE ALONG SAID SOUTHERLY LINE SOUTH 67° 48' 18" EAST, 696.32 FEET TO THE POINT OF BEGINNING.

PARCEL "G"

BEGINNING AT POINT "A" DESCRIBED IN THE AFOREMENTIONED PARCEL "F"; THENCE SOUTH 67° 48' 18" EAST, 443.52 FEET; THENCE SOUTH 22° 11' 36" WEST, 401.80 FEET TO A POINT HEREINAFTER REFERRED TO AS POINT "B" SAID POINT ALSO BEING A POINT ON THE NORTHERLY LINE OF "K" STREET DESCRIBED IN EXCEPTION TO TITLE IN FAVOR OF THE BELL PUBLIC FINANCING AUTHORITY PER INSTRUMENT NO. 92-306752 RECORDED FEBRUARY 25, 1992; THENCE ALONG SAID NORTHERLY LINE NORTH 46° 53' 58" WEST, 474.78 FEET TO A POINT ON THE EASTERLY LINE OF LAND DESCRIBED IN EXCEPTION TO TITLE IN FAVOR OF THE BELL PUBLIC FINANCING AUTHORITY PER INSTRUMENT NO. 92-306752 RECORDED FEBRUARY 25, 1992 OF OFFICIAL RECORDS; THENCE LEAVING SAID NORTHERLY LINE ALONG SAID EASTERLY LINE NORTH 22° 11' 36" EAST, 232.38 FEET TO THE POINT OF BEGINNING.

THENCE COMMENCING AT POINT "B" DESCRIBED ABOVE; THENCE SOUTH 22° 11' 36" WEST, 23.55 FEET TO THE POINT OF BEGINNING AND A POINT ON THE SOUTHERLY LINE OF "K" STREET DESCRIBED IN EXCEPTION TO TITLE IN FAVOR OF THE BELL PUBLIC FINANCING AUTHORITY PER INSTRUMENT NO. 92-306752 RECORDED FEBRUARY 25, 1992; THENCE SOUTH 22° 11' 36" WEST, 10.83 FEET TO A POINT ON THE NORTHEASTERLY RIGHT-OF-WAY OF INTERSTATE 710 AS SHOWN ON CALTRANS RIGHT-OF-WAY MAP NO. S.F. 1524-3-6; THENCE ALONG SAID NORTHEASTERLY RIGHT-OF-WAY NORTH 46° 52' 58" WEST, 474.84 FEET TO A POINT ON THE EASTERLY LINE OF LAND DESCRIBED IN EXCEPTION TO TITLE IN FAVOR OF THE BELL PUBLIC FINANCING AUTHORITY PER INSTRUMENT NO. 92-306752 RECORDED FEBRUARY 25, 1992 OF OFFICIAL RECORDS; THENCE ALONG SAID EASTERLY LINE NORTH 22° 11' 36" EAST, 10.68 FEET TO SAID SOUTHERLY LINE; THENCE SOUTH 46° 53' 58" EAST, 474.78 FEET TO THE POINT OF BEGINNING.

PARCEL "H"

COMMENCING AT A FOUND CONCRETE MONUMENT WITH BRASS PLATE STAMPED "LS 2348" MARKING THE MOST NORTHERLY CORNER OF PARCEL 10 OF PARCEL MAP NO. 11282, AS PER MAP FILED IN BOOK 120 PAGES 56 THROUGH 60 INCLUSIVE OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE ALONG THE WESTERLY LINE OF SAID PARCEL MAP THE FOLLOWING COURSES: SOUTH 22° 11' 36" WEST, 662.47 FEET; THENCE SOUTH 82° 43' 02" EAST, 19.98 FEET; THENCE SOUTH 22° 12' 11" WEST, 65.07 FEET TO THE CENTERLINE OF EXISTING RICKENBACKER ROAD PER SAID PARCEL MAP NO. 11282 AND THE POINT OF BEGINNING; THENCE SOUTH 22° 12' 11" WEST, 32.57 FEET; THENCE NORTH 82° 49' 45" WEST, 20.00 FEET; THENCE SOUTH 22° 11' 58" WEST, 356.23 FEET; THENCE LEAVING SAID WESTERLY LINE NORTH 67° 48' 18" WEST, 1159.02 FEET; THENCE NORTH 22° 11' 36" EAST, 394.23 FEET; THENCE SOUTH 67° 48' 18" EAST, 1178.38 FEET TO THE POINT OF BEGINNING.

PARCEL 2:

NON-EXCLUSIVE EASEMENTS FOR RIGHT OF WAY AND UTILITY, AS RESERVED IN THAT CERTAIN "QUITCLAIM DEED AND EASEMENTS", EXECUTED BY UNITED STATES OF AMERICA, AS GRANTOR DATED AS OF DECEMBER 15, 2006 AND RECORDED DECEMBER 18, 2006 AS INSTRUMENT NO. 06-2807198, OVER THOSE PORTIONS OF THE LAND DEPICTED AS "EASEMENT I" AND "EASEMENT K", ATTACHED TO AND MADE A PART OF THE AFOREMENTIONED DOCUMENT.

EXHIBIT C
SCOPE OF DEVELOPMENT

[See Attached Scope of Development]

EXHIBIT C

DA

SCOPE OF DEVELOPMENT

The Developer shall be required to develop the Project in accordance with the following description.

1. GENERAL

The Developer and City agree that the Project Area and respective Sites shall be graded, subdivided (Parcel H only), developed and improved by Developer in accordance with the provisions of this Agreement, which includes the Basic Design Concept (which includes the Site Plans, Conceptual Landscape Plan, Illustrative Drawings and Elevations, and Building Materials) attached to this Scope of Development as Exhibit C1 and subject to all applicable codes, ordinances, and statutes including requirements and procedures set forth in the City of Bell Municipal Code, adopted in conjunction with or subsequent to adoption of this Agreement. Any issues regarding the Scope of Development that are not resolved herein or in the Agreement shall be resolved in accordance with the City of Bell Municipal Code.

The Project will be comprised of high-quality, energy-efficient speculative industrial buildings designed to accommodate any of the permitted and accessory land uses enumerated in Development Standards and Permitted Land Uses ("Development Standards") attached hereto as Exhibit C2. The buildings of the Project shall be designed and constructed for occupancy in accordance with applicable codes and as an energy-efficient structure as demonstrated by LEED Gold Certification.

The Project shall be subject to the approval of the Bell City Council. The specific design of the Project shall be of substantially similar character, architecture and style to the Basic Concept Design (Exhibit C1) which includes Site Plans, Landscape Plans, Elevation Drawings and Building Materials and Colors. The proposed Project requires discretionary approval by the City of this Development Agreement and Tentative Parcel Map (TPM), collectively identified as the Entitlements. The Development Agreement will include the Scope of Development, Basic Design Concept and Development Standards and Permitted Land Uses. Separate from the Development Agreement, the Developer with the City's authorization has submitted an application for a tentative parcel map on Parcel H. An environmental impact report (EIR) has been prepared to assess the potential impacts of the Entitlements. Developer shall develop the Project in accordance with the timing described in the Schedule of Performance. It is recognized that plan modifications, additional conditions, or mitigation measures may result from this public review of the Entitlements. In the event that the City and the Developer cannot agree on appropriate plan modifications, conditions and mitigation measures, the Developer may terminate this Agreement for failure of a required condition to Close Escrow pursuant to Section 405 of this Agreement.

2. SITE DESCRIPTION

The Project Area is comprised of four (4) distinct Sites (parcels) totaling approximately 40.2 acres of developable land area located within the City's C-M, "Commercial

Manufacturing” Zone. Upon completion, the project will result in approximately 840,390 square feet of new industrial and ancillary office space. The Project Area also includes any adjacent roadway easements for Rickenbacker Road or 6th Street.

3. DEMOLITION AND CLEARANCE

Developer shall perform demolition on the Project Area, if necessary, in the manner approved by the Director. After the Close of Escrow, Developer, at its cost, shall maintain all overhead and underground utilities and appurtenances thereto during demolition and clearance activities, and appropriately cap, rework, reroute, or terminate same as necessary to continue optimal functioning of undisturbed improvements and utilities.

4. SITE PREPARATION

Except as provided otherwise in Section ___ of the Agreement, Developer shall, at its sole cost and expense, perform or cause to be performed grading plan preparation, fine grading and related compaction, and other site preparation as necessary for construction of the Project, as approved by the City Engineer. Plans shall be prepared by a California-licensed civil engineer in good standing and subject to the approval of the City Engineer.

Developer shall, at its sole cost and expense, scarify, over-excavate, cut, fill, compact, rough grade, and/or perform all grading as required pursuant to approved grading plan(s) and geotechnical report to create finished building pads and appropriate right-of-way configurations necessary to develop the Project described herein.

5. PROJECT DESIGN

A. Basic Design Concept: Site Plans, Landscape Plans, Elevation Drawings and Building Materials and Colors

The Project shall be designed and constructed as an integrated development in which the buildings shall have architectural excellence. The improvements to be constructed on the Sites 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 improvements must be consonant with, visually related to, physically related to one another, and an enhancement to each other and, to the extent reasonably practicable, to adjacent improvements existing or planned within the Project Area. Outdoor areas shall be designed, landscaped and developed with the same degree of excellence. The design of the Project, using concrete tilt-up construction, shall be substantially consistent with the conceptual drawings presented in Exhibit C1.

B. Development Standards and Permitted Land Uses

Specific Development Standards and Permitted Land Uses (“Development Standards”) for the project are outlined in Exhibit C2. The Development Standards contained in this Agreement shall become the prevailing land use regulations for the Project. These regulations will have the full force of the Zoning Ordinance of the City of Bell Municipal Code through application of

the Agreement. Where conflicts exist between this Agreement and the City of Bell Municipal Code, the regulations and provisions of this Agreement shall prevail.

C. Design Review and Substantial Conformance

Pursuant to Section 1 above, approval of this Agreement will constitute approval of the Entitlements for the Project. Upon approval of Basic Design Concept by the Bell City Council, as well as any Development Standards enumerated in this Agreement or the Scope of Development or Conditions of Approval attached to the collective development or individual Sites by resolution, any subsequent, construction-level development plans shall only be subject to ministerial action, with any exceptions noted in this section below.

Upon approval of the Entitlements, adoption of the conditions of approval and submittal of construction documents for City plan check, the Director of Community Development (Director) shall present the documents to the Design Review Board (Board). The Board shall review the design documents (notably architectural elevations, materials, finishes, site plans, landscaping and hardscape details) to confirm substantial conformance with the Basic Design Concept approved by the Bell City Council. Such determination of substantial conformance shall be at the discretion of the Board.

In the event such construction drawings are determined to be deficient in their conformance to the Basic Design Concept approved by the Bell City Council, the Director shall advise Developer accordingly, providing written comments as applicable. Director and Developer will continue to collaborate in good faith until such time as Director reasonably determines that construction documents are in substantial conformance with the Basic Design Concept. The Director will then present the revised drawings to the Board to review and approve. Upon determination of substantial conformance, Director shall advise Developer that plans are suitable for submission for building permit plan check.

D. Minor Modifications to Approved Design

Pursuant to this Agreement, the Board shall have the subjective authority to administratively approve minor modifications to the Basic Design Concept subsequent to approval by the Bell City Council, under this Agreement and the Project Entitlements. Examples of minor modifications may include:

- Modification of site plan, on site circulation, building shape, and articulation that do not include a change in the number of primary structures or their location;
- Modification of building materials, finishes and colors must be consistent with and complementary to the approved materials, finishes and colors in the Basic Design Concept.
- Variances to the Development Standards, including building size or magnitude not more than 10%, except that reductions in size may be subject to approval of the Design Review Board, except where the Design Review Board believes such approval should be within the discretion of the City Council
- Modification to infrastructure connection points and performance standards
- Ultimate location, alignment and quantity of rail spur lines on site

Determination regarding what constitutes a minor modification shall be made on a case-by-case basis at the subjective discretion of the Board and may include conditions not enumerated above. Approval of any minor modification is contingent upon the Board finding that such modification:

- is consistent with the maximum total square footage for the Project;
- is in substantial compliance with the fundamental theme, idiom, and design intent of the Basic Design Concept as described in Exhibit C1; and
- promotes the Public Benefits outlined in Section K of the Development Agreement; and
- would not require additional environmental review subject to Section 15162 of the CEQA Guidelines.

E. Construction Document Plan Check

Prior to submitting construction documents for City plan check, the Developer and its representatives, including its architect and engineer, shall work with City staff to develop and execute the architectural concept, architectural drawings, site plan, tentative parcel map, rough grading plans, off-site improvement plans, and related drawings and documents consistent with direction of the Bell City Council, approval of the Entitlements, and specific provisions of this Agreement.

Construction documents, including but not limited to, site plan, architectural elevations, tentative parcel map, grading plans, flood control and drainage plans, landscape and irrigation plans and geotechnical reports, shall be submitted to the City concurrent with the permit plan check process as outlined in the Bell Municipal Code.

F. Plan check and Development Fees

The project shall be subject to the following fees:

1. **Building Plan Check and Permit** – The building plan check and permit fees will be calculated based on the then current fee schedule of the City of Bell. Currently this is calculated based on the valuation of the buildings at the time of plan submittal.
2. **Engineering, Planning, Attorney, Application Processing and other Review and Inspection Fees** – These fees are paid for on a cost recovery basis. Funds will be deposited by the developer and then costs incurred by the City for review activities will be paid for out of this deposit account. City may make demands for additional deposits to cover all expenses projected over a period of 60 days, and funds shall be deposited within 10 days of the request therefore, or work may cease on the Project. The developer shall pay the cost for review and approval of such agreements and deposit necessary funds pursuant to a deposit agreement. Any funds remaining at the end of the City's activities on the project will be returned to the developer.
3. **Impact Fees** – The City will not collect any impact fees for the project. However any impact fees charged by other agencies or utilities such as the Los Angeles Unified School District, Cal Water, Southern California Edison, Los Angeles Sanitation District, Los Angeles County Fire Department, Los Angeles County, or California Regional Water Quality Control Board will be paid for by the developer. This is not intended to be an exhaustive list of outside agencies who

might levy a fee. This does not include fees that are paid as part of the off-site improvements which are agreed to separately in the off-site improvement narrative.

G. Site Work

The Project shall substantially conform to the Basic Design Concept by the Bell City Council and attached to this Agreement as Exhibit C1. It shall be the responsibility of the Developer, the civil engineer and the contractor to develop the Project consistent with the aforementioned plans. Any substantial modification to the approved plans, as determined by the Director to not qualify as a minor modification, shall be referred to the Bell Planning Commission for review and approval. The Developer shall be responsible for the City processing costs of any modification requiring review and approval. The Developer shall be responsible for the construction and installation of all improvements to be constructed or installed on the Site.

H. Landscaping

Developer shall install on-site landscaping and automatic irrigation pursuant to this Agreement. The ultimate landscape design (as reflected in plans provided by a California-licensed landscape architect and including plant species, quantities, location, irrigation distribution, and design specifications). Landscape and irrigation plans shall be reviewed and approved by the Director and found to be substantially consistent with the landscape concept approved in the Basic Design Concept.

I. Undergrounding Utilities

Existing off site overhead facilities (including, but not limited to, electrical service, telephone service, fiber optic, or other telecommunication lines) shall be allowed to remain in place overhead, subject to Developer's subjective determination that existing lines may or may not require relocation to align with the approved Site plans. New street lights will be serviced overhead, subject to approval of such a specification by the utility provider (SC Edison). So called "wet" utilities (water and sewer) and gas service (if required) will be fed to the Sites and buildings underground. On-site connection of power, telephone and cable lines shall be installed underground.

J. Mechanical Equipment

On-site mechanical equipment, whether roof or ground mounted, shall be completely screened from public view. Screening shall be constructed of materials which coordinate with the overall architectural and/or landscape theme. Where public visibility will be minimal, the Director may permit use of landscaping to screen ground mounted equipment.

K. Offsite Improvements

Pursuant to this Agreement, Developer shall perform, or cause to be performed, all offsite improvements Offsite Improvement Narrative attached hereto as Exhibit C3. Off-site improvements will generally include the installation of water, sewer, fire hydrants, streetlights, curb, gutter, street drainage improvements and street pave-out for Rickenbacker Road and 6th Street as necessary. Construction of any offsite intersection improvements pursuant to Mitigation Measures outlined in the EIR will be the responsibility of the City.

L. Specific Description of Project Buildings and Related Improvements.

The Project Entitlements will cover various site plan options for a total of up to 840,390 square feet of industrial space. All parking will be on-site and no off-site parking spaces will be required. The Sites will be landscaped. Six-foot masonry walls will be required along the property lines as specified in Exhibit C2 Development Standards and Permitted Land Uses. Final wall design and landscape plans will be subject to approval by the Director pursuant to Section 5C above. Except as modified by this Agreement, loading areas trash enclosures will be constructed to meet the standards required in the City Municipal Code. All needed public utilities will be installed to service the Site.

Required offsite improvements will be limited to those made to Rickenbacker Road and 6th Street (including curb and gutter, street pave-out and streetlights) as specifically outlined in the offsite improvement narrative attached hereto as Exhibit C3. Construction of any offsite intersection improvements pursuant to Mitigation Measures outlined in the EIR will be the responsibility of the City. Development of the Project may require the import of fill material to raise specific parcels above the street drainage flow line. The exact amount of fill material will be determined as part of the future grading plan, as approved by the City Engineer. The Project is served by a public sewer system, to which the buildings on the Sites will connect.

M. Parcel Map

Developer shall submit to the City and City shall process a Tentative Parcel Map for Parcel H to create as many as four (4) lots for the Site on Parcel H. Such Tentative Parcel Map shall be processed and approved concurrently with the approval of Developer's Entitlements for the Project. In the event Developer later elects to develop the Site as two lots, such delineation will be reflected on the Final Map submitted for plan check. As an alternative, Developer may record the Final Map reflecting four lots and then process a Lot Line Adjustment (LLA) or Lot Merger in order to develop the Site with two lots or a single lot respectively. The City will work with Developer in good faith to diligently process the Final Map such that issuance of any building permits for Parcel H will not be delayed subject to the final recordation of the Map.

LIST OF EXHIBITS

- | | |
|-------------|----------------------------------------------------------------------------------------------|
| Exhibit C1. | Basic Design Concept: Site Plans, Landscape Plans, Elevation Drawings and Building Materials |
| Exhibit C2. | Development Standards and Permitted Land Uses ("Development Standards") |
| Exhibit C3. | Offsite Improvement Narrative |

Exhibit C1. Basic Design Concept:

- **Site Plans**
- **Conceptual Landscape Plan**
- **Illustrative Drawings and Elevations**
- **Building Materials**

Exhibit C1. Basic Design Concept: Site Plans

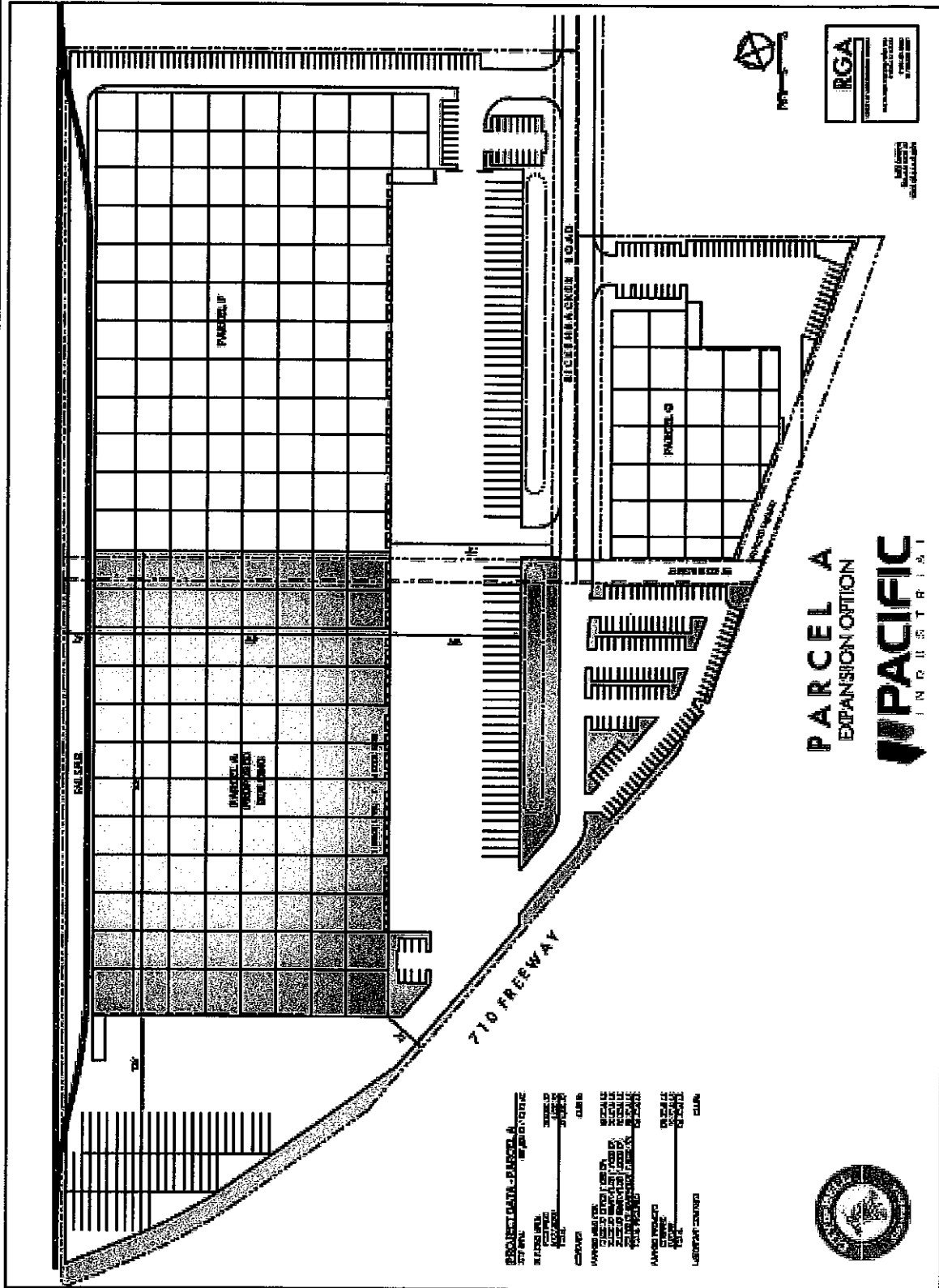


Exhibit C1. Basic Design Concept: Site Plans

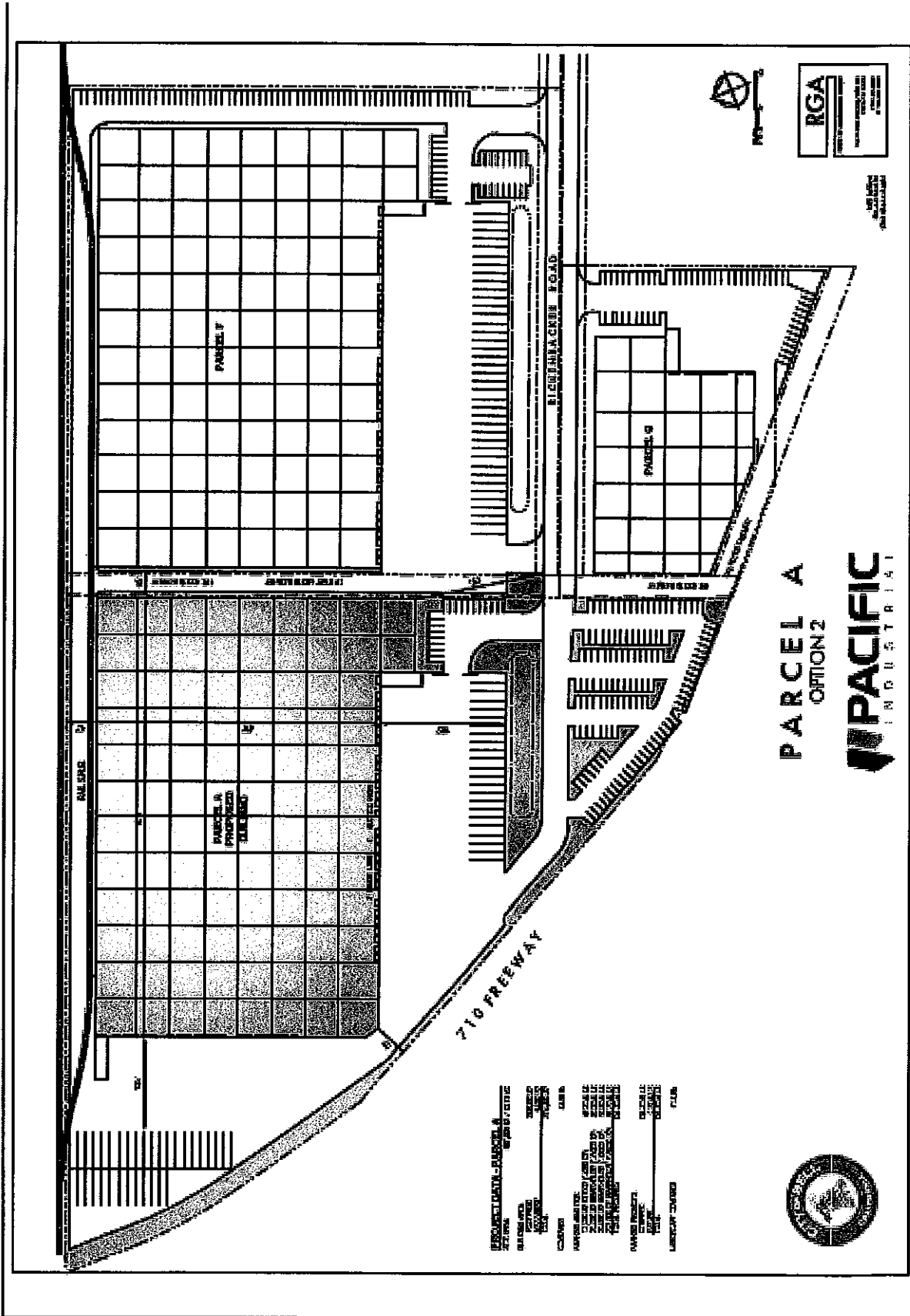
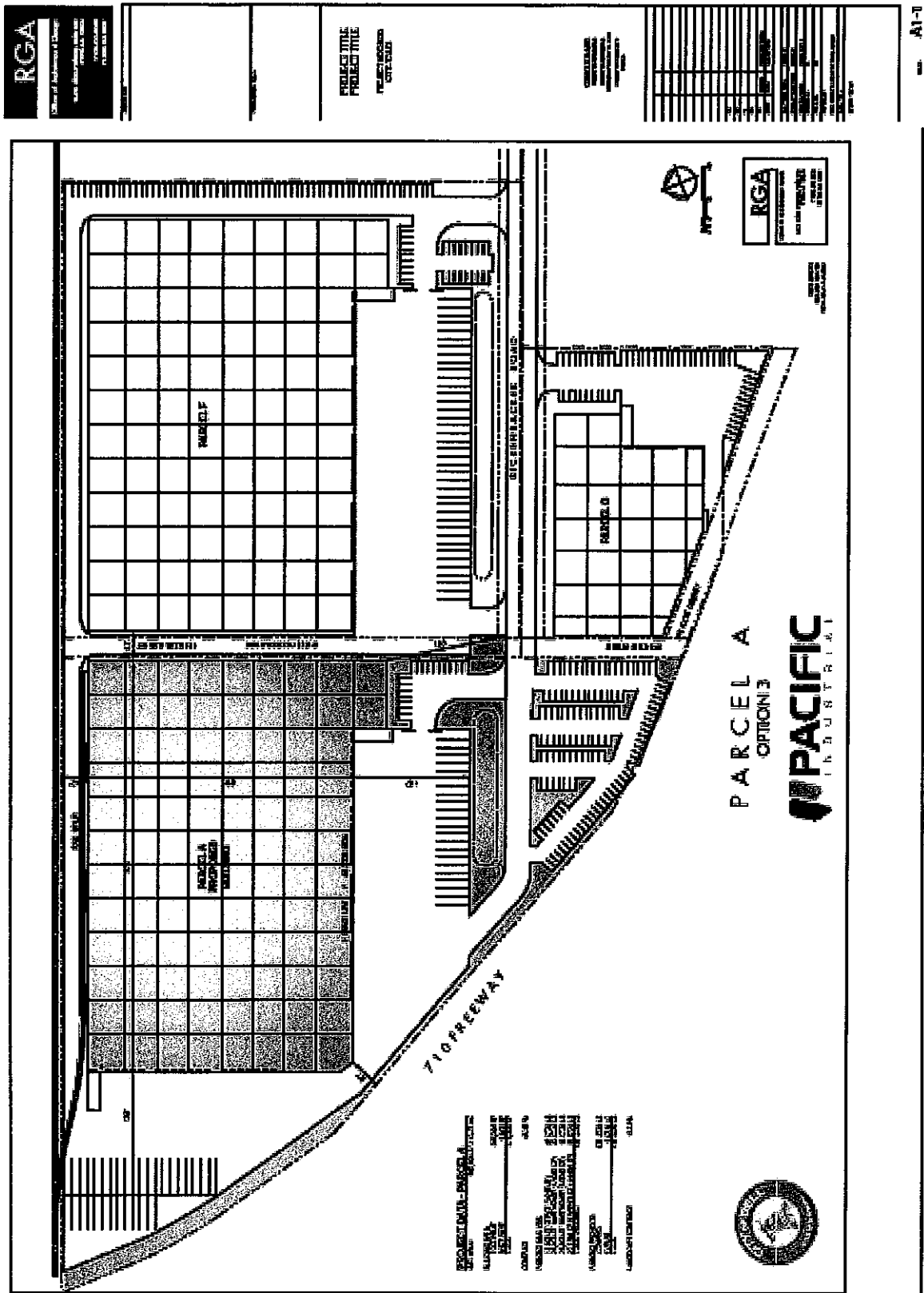
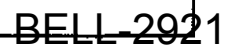


Exhibit C1. Basic Design Concept: Site Plans





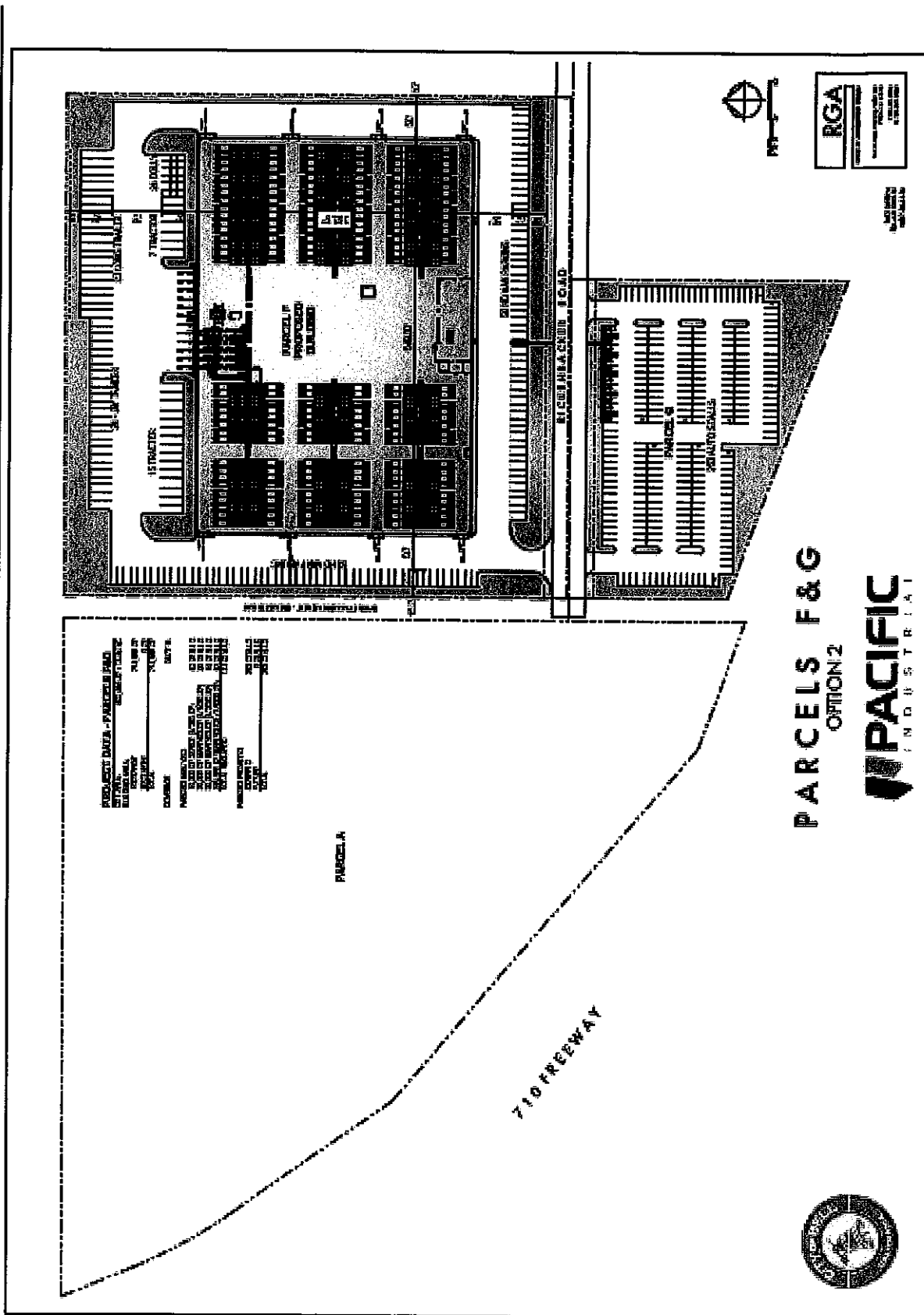
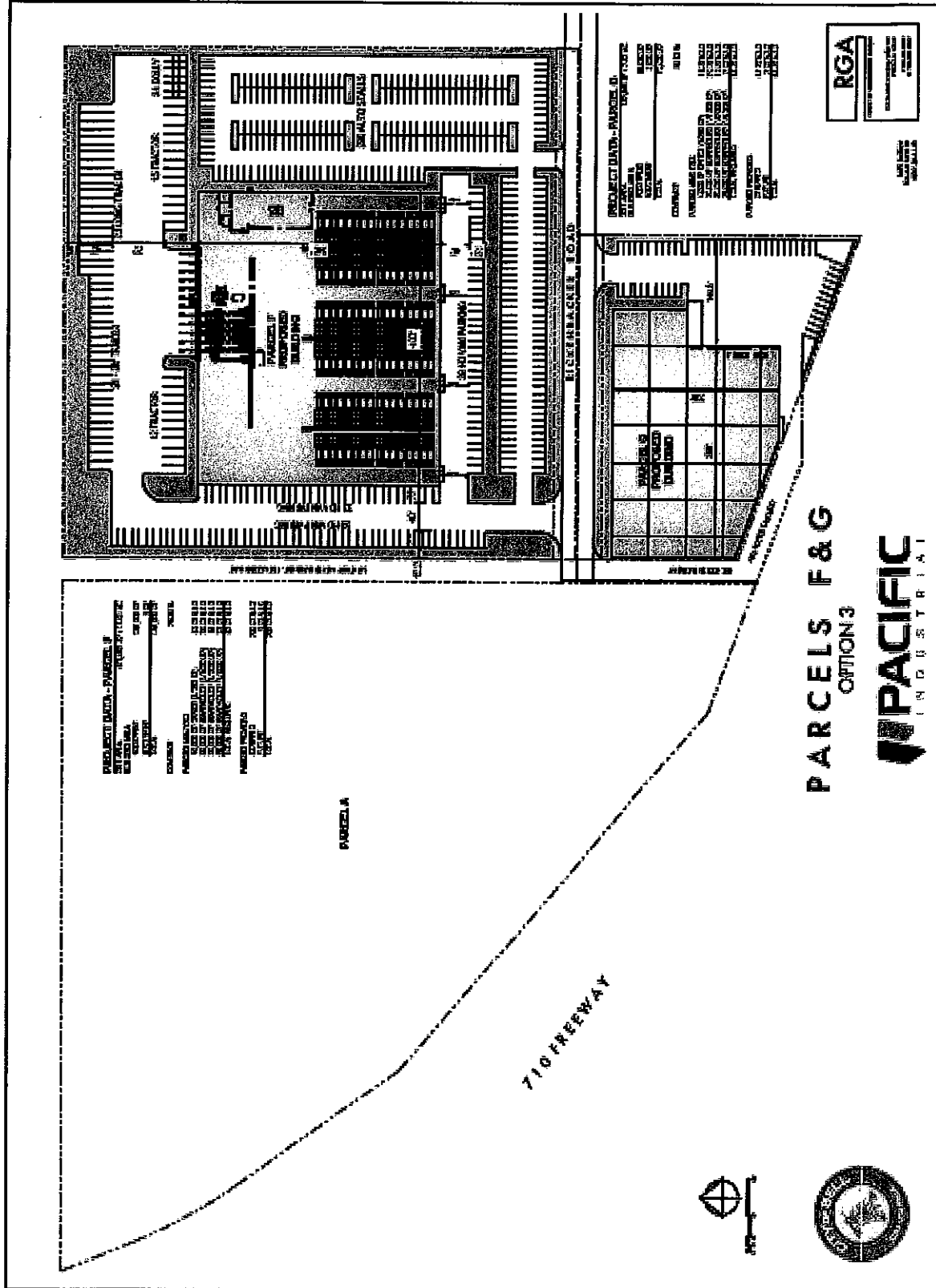
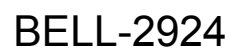
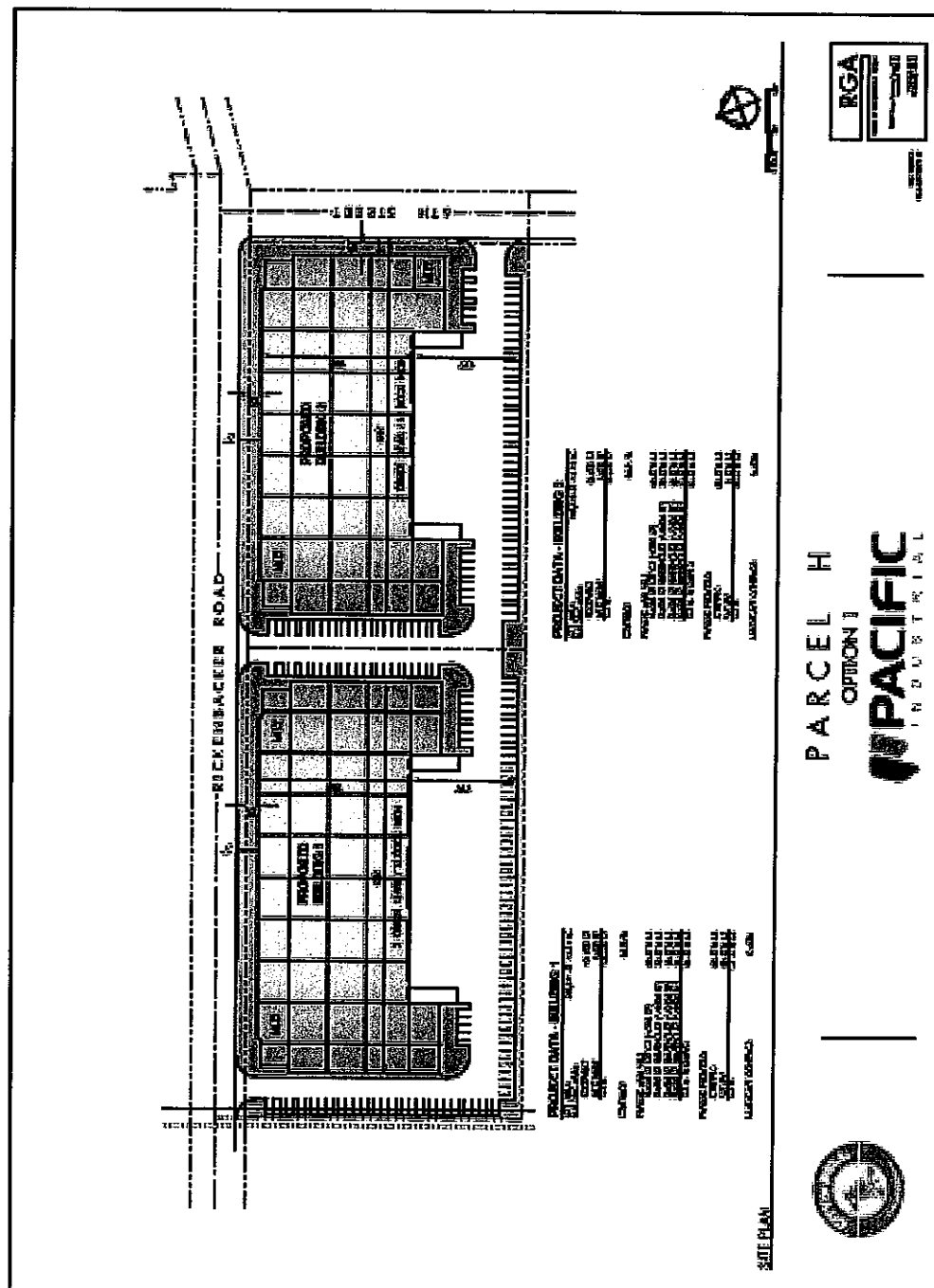


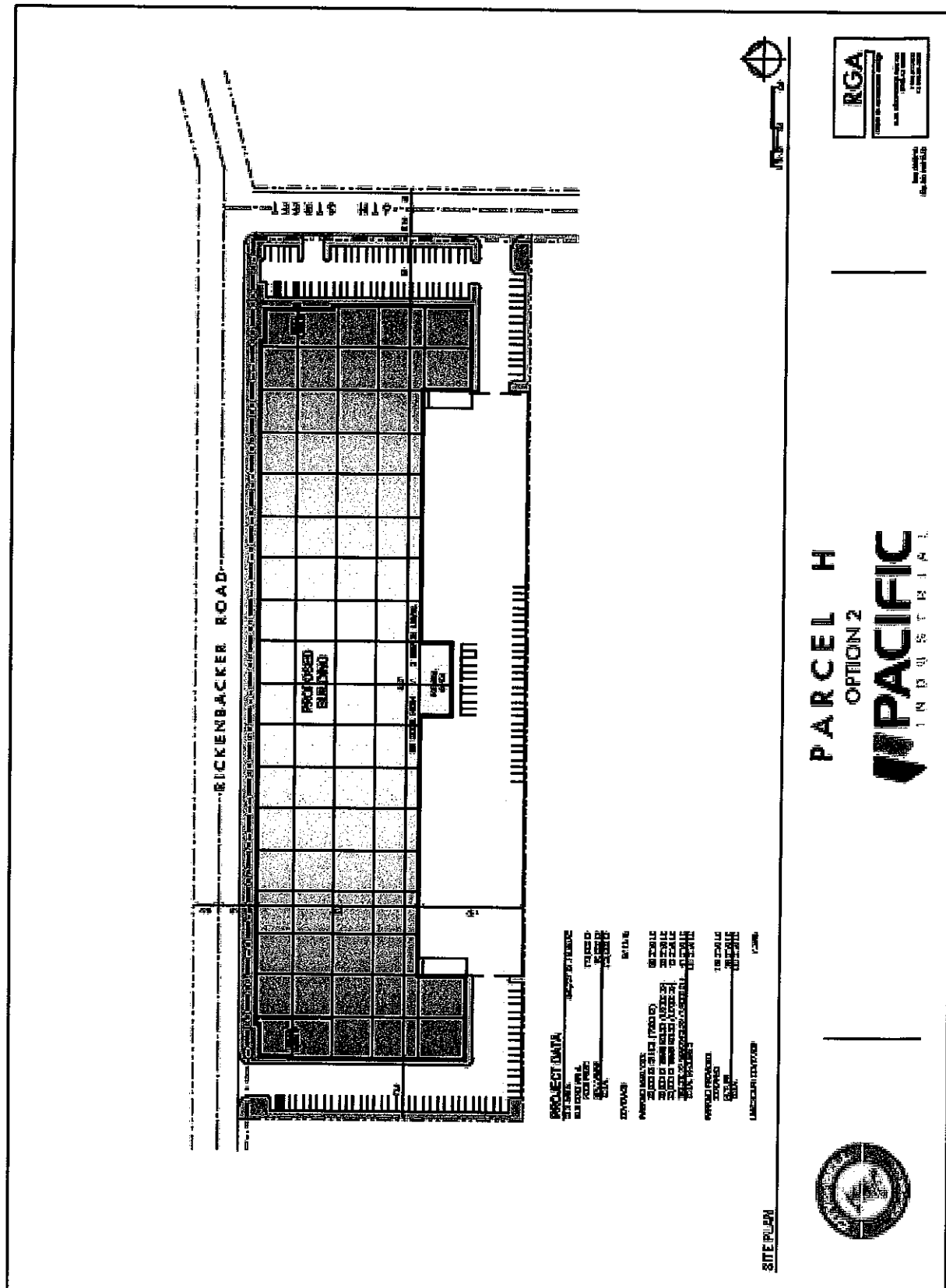
Exhibit C1. Basic Design Concept: Site Plans

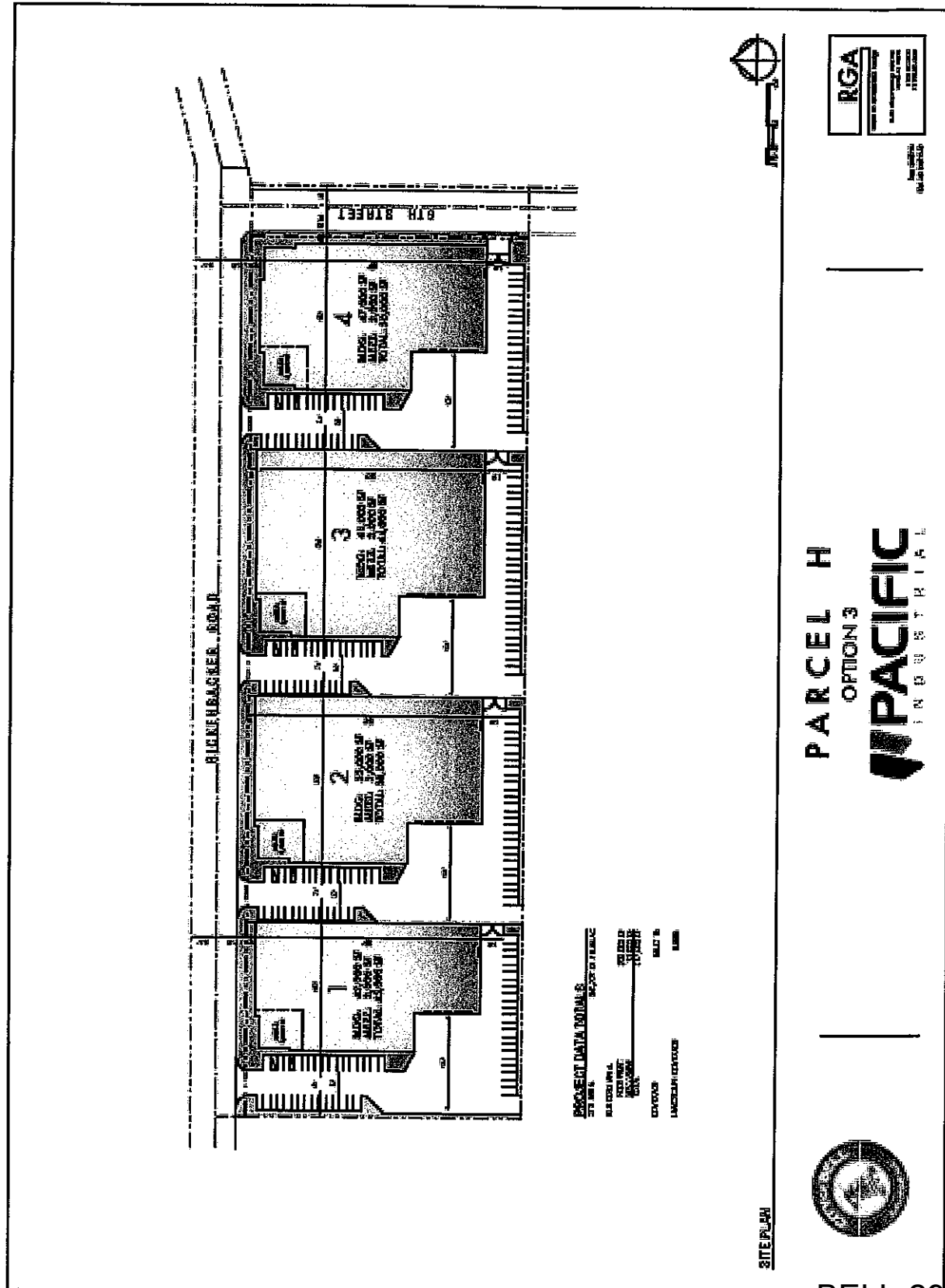


Site Plans

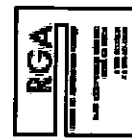


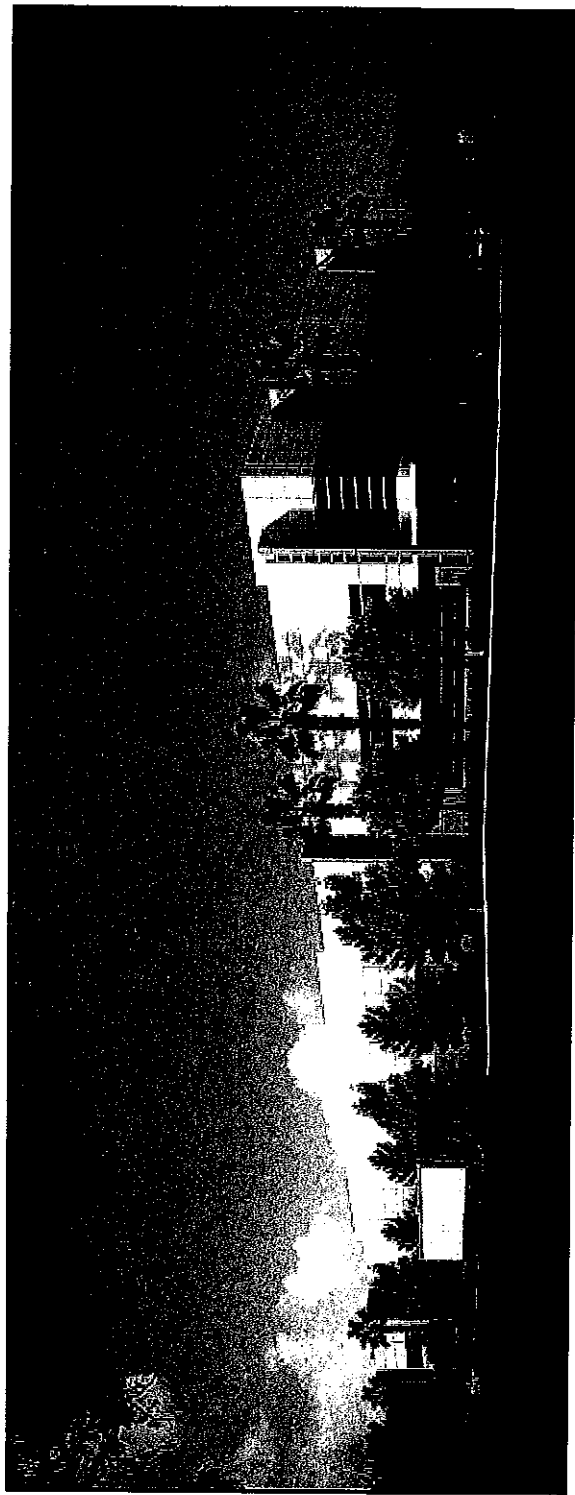






Site Plans





PARCEL F

PACIFIC
INDUSTRIAL

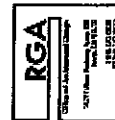


Exhibit C1. Conceptual Landscape Plan

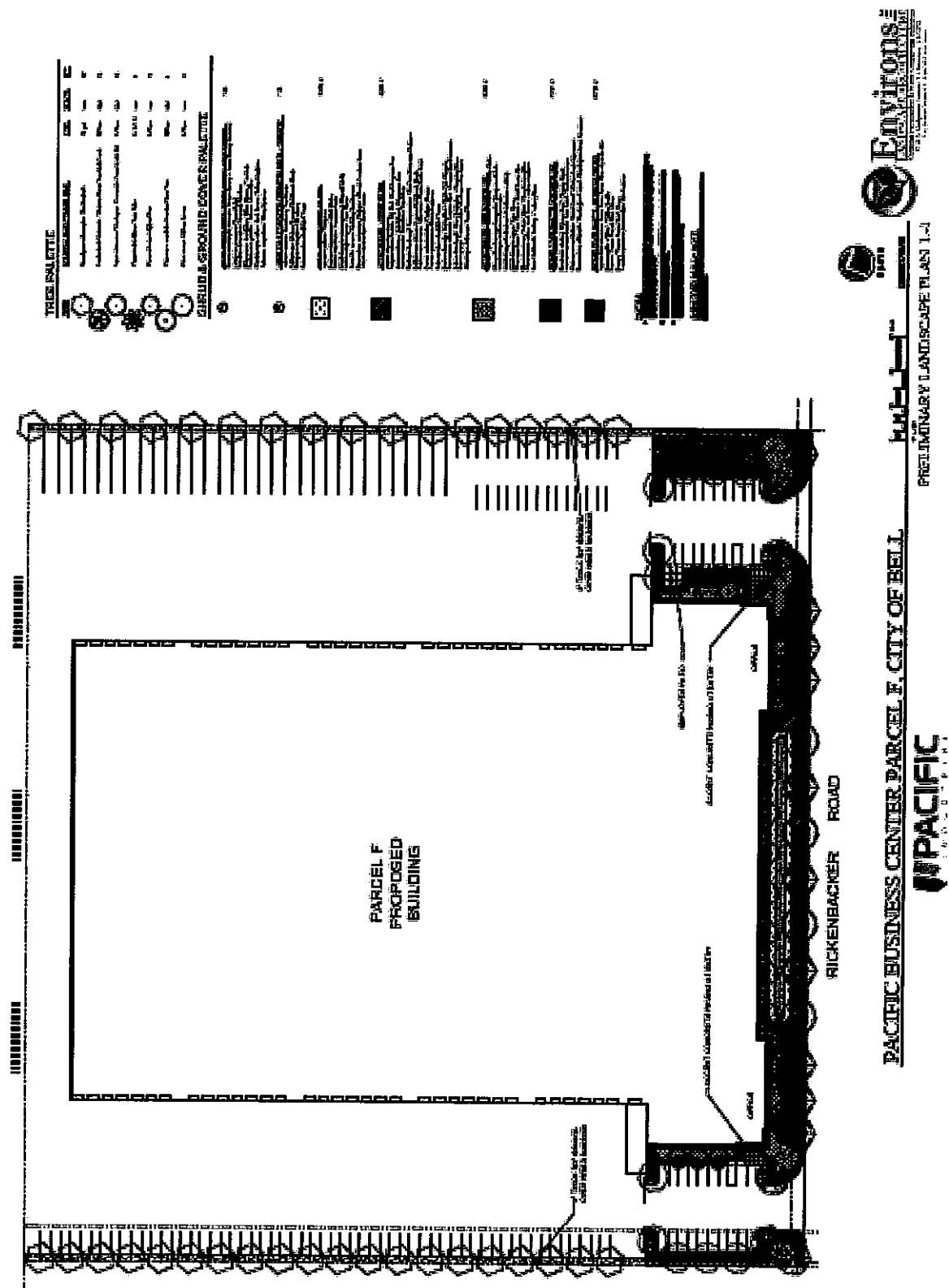


Exhibit C1. Basic Design Concept: Building Materials and Colors

P-1

P-2

P-3

P-4

FINISH SCHEDULE

CODE	NAME	DESCRIPTION
P-1	11000000	WOODSIDE CEMENT BRICK, 2 1/2" x 8"
P-2	20000000	WOODSIDE CEMENT BRICK, 2 1/2" x 8"
P-3	30000000	WOODSIDE CEMENT BRICK, 2 1/2" x 8"
P-4	40000000	WOODSIDE CEMENT BRICK, 2 1/2" x 8"
P-5	50000000	WOODSIDE CEMENT BRICK, 2 1/2" x 8"
P-6	60000000	WOODSIDE CEMENT BRICK, 2 1/2" x 8"

BELL BUSINESS CENTER

RCA

Exhibit C2. Development Standards and Permitted Land Uses ("Development Standards")

DEVELOPMENT STANDARDS

Maximum Building Area				
Parcel	Site Acres	Industrial/ Warehouse Space	Ancillary Office Space	Total Building Size
A	14.5	274,860	20,000	294,860
F	11.6	234,528	10,000	244,528
G	3.6	68,002	4,000	72,002
H	10.5	219,000	10,000	229,000
TOTAL PROJECT AREA	40.2	796,390	44,000	840,390
Projects will be reviewed to ensure that they do not exceed the maximum building area for industrial/warehouse/logistics use, office use or total building size for their parcel. Projects that exceed any of these maximum area standards listed above must demonstrate that it will not result increase impacts or result in new impacts that could require additional environmental review pursuant to Section 15162 of the CEQA Guidelines.				

Site Development Standards	
Lots	
Minimum Area	5,000 square feet
Minimum Width	50 feet
Minimum Depth	50 feet
Yards	
Front	No driveway in front yard: Front yard setback not required
	Driveway: Front yard setback shall have a minimum depth of 25 feet
Side	No driveway in side yard: Side yard setback not required
	Driveway: Side yard setback shall have a minimum depth of 20 feet
Rear	When not adjacent to residentially zoned property: Not required
Buildings	
Maximum Height	When not adjacent to residentially zoned property: 150 feet
	When adjacent to residentially zoned property: 50 feet
Building Mass	100% lot coverage, except for required yard areas, off-street parking and trash enclosures
Number of Required Off-Street Parking Spaces	
Offices Uses	1 per 250 square feet of office use
Industrial Uses	1 per 1,000 square feet for the first 20,000 square feet of warehouse/logistics/industrial use
	1 per 2,000 square feet for the second 20,000 square feet of warehouse/logistics/industrial use
	1 per 4,000 square feet for the warehouse/logistics/industrial use in excess of 40,000 square feet
Other uses	As defined by the Municipal Code.
Size of Off-Street Parking Spaces	
Conventional Spaces	Minimum dimensions: 9 feet by 20 feet
Compact Spaces	Minimum dimensions: 8 feet by 18 feet. The number of compact spaces shall not exceed 20% of required spaces.

Required Walls and Fences	
Parcel A	Masonry walls shall be constructed to enclose all parking, storage and truck loading areas outside of the front yard setback.
Parcel F	Options 1: Masonry walls or fencing as approved by the Director shall be constructed along the north and east property lines.
	Options 2, 3 and 4: Masonry walls or fencing as approved by the Director shall be constructed along the west, the north and east property lines.
Parcel G:	Options 1, 3 and 4: Masonry walls or fencing as approved by the Director shall be constructed along the south and southeast property lines to secure the parking and loading area.
	Option 2: Masonry walls or fencing as approved by the Director shall be constructed along the east, south and west property lines. The Director may require a wrought iron fence or gate to secure the north property line.
Parcel H	Masonry walls or fencing as approved by the Director shall be constructed along the south and west property lines. If the parcel is subdivided, masonry walls and fences will not be required between the new lots
Ground-mounted Machinery and Utilities	
	Shall be enclosed within a permanent noncombustible enclosure.
	Shall be screened from public view.

ELIGIBLE USES

Permitted Uses
Any use currently permitted in the M (Manufacturing) or CM (Commercial Manufacturing) zoning districts
Warehousing
Distribution
Logistics
Loading and Unloading of Parcels and Freight
Truck terminal
Sorting, loading and unloading of parcels and freight
Parcel and freight forwarding
Retail order fulfillment (online or catalog services)
General office uses
Onsite railroad service and transfer facility
Outdoor advertising media
Telecommunications facilities (including monopoles and towers)
Accessory Uses
Any accessory use currently permitted in the M (Manufacturing) or CM (Commercial Manufacturing) zoning districts
Public intake, sales, and showroom facilities in support of a principal use
Onsite, exterior storage of trailers, shipping containers, or other materials used in support of a principal use and subject to adequate screening from public view.
Conditional Uses
Any use not allowed as either a Permitted or Accessory Use may be approved as a Conditional Use Permit through the Conditional Use Permit Process outlined in Zoning Ordinance Sections 17.96.040 through 17.96.160. Except that no conditional shall be approved for a Prohibited Use.
Prohibited Uses
Prohibited Uses are not permitted on the Site or as part of the Project and include such uses as restaurant, gas station, transitional housing, retail alcohol or tobacco sales, and adult-oriented uses.

Exhibit C3. Offsite Improvement Narrative

Pacific Industrial Rickenbacker-Parcels E,F,G, and H

The area of offsite improvements will be limited to approximately 1,700 lineal feet along Rickenbacker between the western edge of the LAUSD parcel and the western edge of Parcels F & G and approximately 400 lineal feet of 6th Street along the eastern edge of Parcel H.

Offsite scope is defined pursuant to the below description and exclusions:

North Side of Rickenbacker (south frontage of Parcel F) will be constructed with a ½ width section of AC pavement and concrete curb and gutter from the western edge of the US Armed Forces Training Center to the eastern edge of Parcel E. No sidewalk is required. The new pavement cross section will match existing Rickenbacker width to the east. No cul-de-sac is required and the street will effectively die into the private entry drive of Parcel E.

South side of Rickenbacker (north frontage of Parcel G) will be constructed with a ½ width section of AC pavement and concrete curb, gutter, and sidewalk from the western edge of the Salvation Army Bell Shelter to the eastern edge of Parcel E. The new pavement cross section will match existing Rickenbacker width to the east. No cul-de-sac is required and the street will effectively die into the private entry drive of Parcel E.

South side of Rickenbacker (north frontage of Bell Shelter Partnership) will be improved with AC curb and sidewalk along the frontage, from the western edge of the LAUSD Bell Education and Career Center to the eastern edge of Parcel G. New street pavement may be required here along the south side of Rickenbacker.

South side of Rickenbacker (north frontage of Parcel H) is currently improved with concrete curb, gutter, and sidewalk. This condition will not be modified. The existing cross section of Rickenbacker will not be widened or otherwise expanded here. Pavement section will not be modified.

West side of 6th Street (east frontage of Parcel H) will not be modified except for the reconstruction of the northeast corner radius (curb, gutter, sidewalk and ADA ramp). The west side of the street will remain edge of pavement only (no curb, gutter, or sidewalk required) to match the east side of 6th Street. Minor cleanup, patching, saw cut, or planing may be required to match the condition on the opposing side of the street relative to the configuration of the new site plan. No new pavement or widening of 6th Street is required.

No additional street improvements or other offsite work will be required along the frontages of the US Armed Forces Training Center or the LAUSD Adult Learning Center except that Rickenbacker will be Slurry Sealed and re-stripped over the existing pavement west of the LAUSD parcel (approximately 8,400 sq feet) upon completion of construction on the last of Parcels F and G.

New street lights will be provided for the frontages of Parcels H, F, and G only.

Overhead power and telecommunications lines along respective project frontages will be allowed to stay in place and will not require undergrounding.

Offsite Sewer will consist of approximately 670 lineal feet of 8" VCP to extend service in the street to allow connection via onsite laterals to the respective parcels.

Water-Hot taps in the street for new fire water and domestic service to the parcels will be considered as onsite work and are not included in this scope.

Storm Drain-Approximately 1,067 Lineal feet of 24" RCP storm drain will be constructed to receive water from the street. Catch basins and manholes will be relocated per the outline in the cost summary.

Permits, Fees, and Design Costs-All costs required for the design, permitting, and construction of the above specified work shall be included in the scope of offsite improvements. Such costs may include, but not be limited to, consultant fees for civil engineering and additional traffic study, agency-issued construction and encroachment permits, public utility company fees/tariffs, and any required bonds or impact fees. These costs will only be for costs associated with the off site improvements identified above and not for any costs associated with on-site requirements such as water line or sewer line connections to the project from the main lines, or dry utility connections from the main lines to the project.

EXHIBIT D
CONDITIONS OF APPROVAL

[See Attached Conditions of Approval]

**CITY OF BELL
COMMUNITY DEVELOPMENT DEPARTMENT
CONDITIONS OF APPROVAL**

PROJECT #: Project Review required by Bell Business Center Development Agreement
SUBJECT: Bell Business Center
DEVELOPER: City of Bell, Property Owner • Contact Person: Joe Perez, Community Development Director
LOCATION: Rickenbacker Road east of Eastern Avenue, Bell CA 90201 • APN: Parcel A: 6332-002-965; Parcel F: 6332-002-948 and 6332-002-945 Parcel G: 6332-002-949 and Parcel H: 6332-002-946, 6332-002-950, 6332-002-952 and 6332-002-954

ALL OF THE FOLLOWING CONDITIONS APPLY TO YOUR PROJECT. DEVELOPER SHALL CONTACT THE PLANNING DIVISION, (323) 588-6211, FOR COMPLIANCE WITH THE FOLLOWING CONDITIONS:

1. General Requirements

1.1	Indemnification. The developer shall indemnify the City and its elected boards, commissions, officers, agents and employees and will hold and save them and each of them harmless from any and all actions, suites, claims, liabilities, losses, damages, penalties, obligations and expenses (including but not limited to attorneys' fees and costs) against the City for any such Claims or Litigation (as defined in the Development Agreement) and shall be responsible for any judgment arising therefrom. The City shall provide the developer with notice of the pendency of such action and shall request that the developer defend such action. The developer may utilize the City Attorney's office or use legal counsel of its choosing, but shall reimburse the City for any necessary legal cost incurred by City. The developer shall provide a deposit in the amount of 150% of the City's estimate, in its sole and absolute discretion, of the cost of litigation, including the cost of any award of attorneys' fees, and shall make additional deposits as requested by City to keep the deposit at such level. The City may ask for further security in the form of a deed of trust to land of equivalent value. If the developer fails to provide or maintain the deposit, the City may abandon the action and the developer shall pay all costs resulting therefrom and City shall have no liability to the developer. The developer's obligation to pay the cost of the action, including judgment, shall extend until judgment. After judgment in a trial court, the parties must mutually agree as to whether any appeal will be taken or defended. The developer shall have the right, within the first 30 days of the service of the complaint or petition on the developer, in its sole and absolute discretion, to determine that it does not want to defend any litigation attacking the Development Agreement	_/_/_
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	<p>or the Development Approvals in which case the City shall allow the developer to settle the litigation on whatever terms the developer determines, in its sole and absolute discretion, but developer shall confer with City before acting and cannot bind City. In that event, the developer shall be liable for any costs incurred by the City up to the date of settlement but shall have no further obligation to the City beyond the payment of those costs. In the event of an appeal, or a settlement offer, the parties shall confer in good faith as to how to proceed. Notwithstanding the developer's indemnity for Claims and Litigation, the City retains the right to settle any litigation brought against it in its sole and absolute discretion and the developer shall remain liable except as follows: (i) the settlement would reduce the scope of the Project by 10% or more, and (ii) the developer opposes the settlement. In such case the City may still settle the litigation but shall then be responsible for its own litigation expense but shall bear no other liability to the Developer. Neither City nor developer shall have any rights or obligations under this condition prior to the Effective Date although developer may, in its sole and unfettered discretion, assume the obligations if it chooses to do so.</p>	
1.2	<p>Precedence of Conditions If any of the Conditions of Approval alter a commitment made by the developer in another document, the conditions enumerated herein shall take precedence unless superseded by a Development Agreement, which shall govern over any conflicting provisions of any other approval.</p>	___/___/___
1.3	<p>Authority to Approve. All approvals by City, unless otherwise specified, shall be by the department head of the department requiring the condition. All agreements, covenants, easements, deposits and other documents required herein where City is a party shall be in a form approved by the City Attorney. The Developer shall pay the cost for review and approval of such agreements and deposit necessary funds pursuant to a deposit agreement.</p>	___/___/___
1.4	<p>Covenants, Conditions, and Restrictions (CC&Rs). In the event that Covenants, Conditions, and Restrictions (CC&Rs) are established for the project, the developer or successor in interest shall pay for the cost of review and approval of the CC&Rs by the City Attorney. The CC&Rs shall provide for proper maintenance of the property and include other necessary conditions to carry out the terms herein, particularly relating to any conditions affecting the on-going use of the property, and shall be enforceable by City, and recorded prior to development of any parcels.</p>	___/___/___
1.5	<p>Trust Deposit Account. A trust deposit account shall be established with the City by the Developer for all deposits and fees required for processing on site work beyond the entitlements phase. The trust account shall include costs associated with the following</p> <ul style="list-style-type: none"> • Administration of any Covenants, Conditions and Restrictions that shall be established for the project; • Enforcement of all applicable conditions of approval of the project including mitigation measures; 	___/___/___

	<ul style="list-style-type: none"> Processing the tentative parcel map. Plan Check services (Including Civil, Water, Sewer, Drainage, Grading, Traffic, Streets, Landscaping, Irrigation, etc. Not limited to these) Mitigation Monitoring of the EIR mitigation measures Inspection (Any civil inspection that is not covered in the City's Building Permit. <p>The trust deposit account shall be maintained and replenished upon demand as provided herein. The trust deposit shall be governed by a deposit agreement. The trust deposit account shall be maintained separate from other City funds and shall be non-interest bearing. City may make demands for additional deposits to cover all expenses projected over a period of 60 days, and funds shall be deposited within 10 days of the request therefore, or work may cease on the Project. An initial deposit of \$50,000 is required to cover processing costs. The developer shall pay the cost for review and approval of such agreements and deposit necessary funds pursuant to a deposit agreement.</p>	
1.6	<p>Fixed Fee Services: City Building and Plan Check Fees.</p> <p>The Developer shall pay all fees associated with Building Plan Check, Building Permits within the Project. In addition, the Developer shall pay all fees associated with tentative parcel map application and the final parcel map. These fees shall not be deducted from the Trust Deposit Account.</p>	
1.7	<p>Other Agency Fees.</p> <p>Fees owed to other agencies, including but not limited to Los Angeles County Fire Department, Los Angeles County Sanitation District, Cal Water and Los Angeles Unified School District, shall be paid by the Developer. These fees shall not be deducted from the Trust Deposit Account.</p>	
1.8	<p>Approvals Required on Plans.</p> <p>Copies of the signed Development Agreement Conditions of Approval; Design Review Conditions of Approval; any subdivision maps if applicable and all environmental mitigations shall be included on the plans (full size). The sheet(s) are for information only to all parties involved in the construction/grading activities and are not required to be wet sealed/stamped by a licensed Engineer/Architect.</p>	___/___/___
1.9	<p>Subject to the Bell Business Center Development Agreement.</p> <p>The site shall be developed and maintained in accordance with the Bell Business Center Development Agreement and subsequent approvals described therein as well as applicable provisions of the Zoning Ordinance and conditions contained herein.</p>	___/___/___
1.10	<p>Plans to Include Conditions.</p> <p>Copies of the signed Development Agreement Conditions of Approval; Project Review Conditions of Approval; any subdivision maps if applicable and all environmental mitigations shall be included on the plans (full size). The sheet(s) are for information only to all parties involved in the construction/grading activities and are not required to be wet sealed/stamped by a licensed Engineer/Architect.</p>	___/___/___

2. Time Limits

2.1	<p>Parcels F, G and H</p> <p>Site plan and design review approvals for Parcels F, G and H adopted in compliance with this Development Agreement shall expire if building permits are not issued or an approved use commenced two years after the transfer of ownership from the City to the Developer. A one-year extension may be granted by the Community Development Director.</p>	___/___/___
2.2	<p>Parcel A</p> <p>Site plan and design approvals shall expire three years after conclusion or termination of the lease between the City or its successor and the lessee.</p>	___/___/___

3. Site Development

3.1

Maximum Building Area. Maximum building area on the four building sites shall not exceed 840,390 sf. Maximum building areas by parcel and land use are presented in the table below. Maximum building areas may be reduced by approval of the Design Review Board. Should the Design Review Board believe such a decision is beyond their discretion, the decision shall be turned over to the Council for approval.

Parcel	Site Acres	Industrial/ Warehouse Space	Ancillary Office Space	Total Building Size
E	14.5	274,860	20,000	294,860
F	11.6	234,528	10,000	244,528
G	3.6	68,002	4,000	72,002
H	10.5	219,000	10,000	229,000
TOTAL PROJECT AREA	40.2	796,390	44,000	840,390

3.2

Land Uses.
The property shall be developed in general compliance with the Scope of Development attached as an Exhibit to the Development Agreement and including allowable land uses and development intensities described therein. Substantial compliance with the Scope of Development shall be determined through the Design Review Process described in this Development Agreement.

___/___/___

3.3	<p>Site Development and Maintenance</p> <p>The site shall be developed and maintained by developer and its successors and assignees in interest, at developer's or its successors' or assignees in interest's sole cost and expense, in accordance with the approved plans which include tentative map, site plans, architectural elevations, exterior materials and colors, landscaping and grading plans on file in the Community Development Department, the conditions contained herein, the Bell Business Center Development Agreement and the Zoning Code. Modifications shall require additional approval of the Community Development Director and may be referred to the Planning Commission or City Council at the Director's discretion. The City shall have the right to enforce proper maintenance, including by the inclusion of this condition in the recorded covenant agreement for the property if required by the City.</p> <ul style="list-style-type: none"> a. Building Maintenance. All building structures and associated improvements shall be maintained consistent with the approved plans and operated in a manner consistent with the approved use. b. Trash and Litter Free. The entire site shall be kept in good, first class condition, free from trash, debris and litter at all times, and all trash, debris and litter shall be removed as soon as possible but at least within 24 hours. c. Graffiti Removal. Graffiti shall be removed within 24 hours. d. Site and Public Improvements Maintenance. All roadway easements, driveways, parking areas, curbs, gutters, sidewalks, drainage facilities, lighting and other improvements, shall be permanently maintained by the property owner in good condition and repair. e. Yards. All yards and open areas shall be kept in condition in accordance with the Bell Municipal Code, without encroachments. f. Landscaping and Irrigation Systems. All landscaping and irrigation systems shall be continuously maintained in good repair by the property owner. Irrigation systems shall not produce overspray. All landscaping shall be maintained in a healthy condition and dying and dead landscaping shall be promptly replaced with similar plant materials meeting the landscape plan and of a size similar to the plant being replaced. 	<p>____/____/____</p>
3.4	<p>Site Plan: All Parcels</p> <p>Prior to acceptance for plan check, site plans and landscaping plans for individual parcels shall be revised to reflect the conditions of approval listed herein and to include the following. Submittals shall be subject to the review and approval of the Community Development Director or Designee. Modifications shall require additional approval of the Community Development Director and may be referred to the Planning Commission or City Council at the Director's discretion.</p> <ul style="list-style-type: none"> a. Driveway Design. Driveways providing access to a parcel from Rickenbacker or 6th Street shall be designed to include stamped and colored concrete. Color and design shall be approved by the Community Development Director prior to construction. b. Lighting Plan. A lighting plan, including a photometric diagram, shall demonstrate that all on-site lighting will be shielded and that direct light will be confined within site boundaries. Parking lot and security lighting shall be clearly identified and be full cut-off fixtures preventing light above the horizontal plane of the fixture. Direct light spill-off shall not be permitted 	

	<p>onto public rights of way or adjacent properties or be allowed to create a public nuisance.</p> <p>c. Trash Receptacles. These facilities are required and shall meet City standards for access, location and screening. The screening structure and landscaping shall complement the design of the main building and the project landscaping by employing similar materials and colors. Trash enclosures shall include a decorative cover and automatic locking solid metal doors. The design of the decorative cover shall be subject to separate review and approval by the Community Development Department.</p> <p>d. Utilities. All ground-mounted utility appurtenances, including but not limited to transformers, AC condensers, or backflow preventers, shall be located out of public view and adequately screened through the use of a combination of concrete or masonry walls, berming, and/or landscaping. The location shall be approved by the Community Development Department prior to installation.</p> <p>e. Addresses. All building numbers and individual units shall be identified in a clear and concise manner, including proper illumination.</p> <p>f. Security or Privacy Walls and Fences. Walls and fencing shall be designed to complement the main building on the parcel by using similar colors or decorative materials. Masonry walls along the property lines shall be required on the rear and side yard areas as described in the Development Agreement Attachment __ Scope of Development not fronting on Rickenbacker Road. Use of barbed wire or concertina wire is prohibited.</p>	
3.5	<p>Parcel A– 1st Street/Secondary Access Way Abandonment or Relocation. The Developer shall, prior to termination of the lease, notify the City of their intent to either relocate or abandon the 1st Street/Secondary access way on the east property line connecting to K Street to the south and the railroad tracks to the north. Said relocation or abandonment shall be processed as a new entitlement.</p>	

4. Building Design

4.1	<p>Architecture and Building Materials</p> <p>All parcels shall be developed and maintained in accordance with the approved plans which include site plans, landscape plans building floor plans, architectural elevations, list of approved exterior materials and colors on file in the Community Development Department, the Bell Business Center Development Agreement, the conditions contained herein, and the Zoning Code.</p>	
4.2	<p>Energy Efficient and Sustainable Building Design.</p> <p>All buildings developed on Parcels A, F, G and H shall promote sustainable and energy efficient practices and shall be designed so that they can be constructed and operated in a manner that meets or exceeds the standards for a LEED (Leadership in Energy and Environmental Design) GOLD certified building.</p>	___/___/___
4.3	<p>Building Design: All Parcels.</p> <p>Prior to acceptance for plan check, building plans for individual parcels shall be</p>	___/___/___

	<p>revised to reflect the conditions of approval listed herein and to include the following. Submittals shall be subject to the review and approval of the Community Development Director or Designee.</p> <ul style="list-style-type: none"> a. Modification Approval. No exterior structural alterations or building color change, other than those colors or building treatments originally approved by this application, shall be permitted without the prior approval of the Community Development Director. b. Roof-Mounted Equipment and Projections. All roof appurtenances, including air conditioners and other roof mounted equipment and/or projections shall be screened from all sides and the sound shall be buffered from adjacent properties and streets as required by the Planning Division. Such screening shall be architecturally integrated with the building design and constructed to the satisfaction of the Community Development Director. Any roof-mounted mechanical equipment and/or ductwork, that projects vertically more than 18 inches above the roof or roof parapet, shall be screened by an architecturally designed enclosure which exhibits a permanent nature with the building design and is detailed consistent with the building. Any roof-mounted mechanical equipment and/or ductwork, that projects vertically less than 18 inches above the roof or roof parapet shall be painted consistent with the color scheme of the building. Details shall be included in building plans. c. Roll-up Doors. Roll-up doors and service doors shall be painted to match main building colors. d. A color and materials board for all exterior colors shall be submitted to the Community Development Director for approval. All approvals must be obtained prior to installation. Colors and materials shall be approved separately from the working drawings. e. All building drainage shall be interior with no exterior downspouts or gutters. f. The location of all backflow devices shall be approved by the City prior to installation. Backflow devices shall be located the greatest extent possible from the front property line. g. Tarps are prohibited from use as carports, patio covers, shade covers, and covers for outdoor storage in all front and side yard setback areas, rear yard areas and over circulations areas. h. The installation of exterior security doors, gates, and window coverings, including but not limited to bars, grills, and overhead roll down doors, or any exterior mounted covering of any type, shall be prohibited, except that burglar bars shall be allowed on rooftop skylights and roll up dock loading doors shall be allowed in truck courts and loading areas per plan. 	
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5. Parking, Loading and Vehicular Access

5.1	<p>Circulation Plan Prior to precise grading plan and drainage plan, a circulation plan prepared showing on-site circulation and access points shall be approved by the City Engineer.</p>	
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5.2	<p>Parking, Loading, Access and On-Site Circulation Design. Parking and loading facilities, access points and on-site circulation shall be developed in accordance with the approved plans which include tentative map, site plans, landscaping and grading plans on file in the Community Development Department, the conditions contained herein, the Bell Business Center Development Agreement and the Zoning Code. Modifications that are not minor modifications shall require additional approval of the Design Review Board.</p> <ul style="list-style-type: none"> a. Landscape Island Dimensions. All parking lot landscape islands shall have a minimum outside dimension of 6 feet and shall contain a 12-inch walk adjacent to the parking stall (including curb). b. Security Gate Review. Plans for any security gates shall be submitted to the Community Development Director, City Engineer, and County of Los Angeles Fire Department for review and approval prior to issuance of building permits. c. Handicap accessible stalls shall be provided as called for in the Bell Municipal Code. 	
5.3	<p>Number of Parking Spaces Prior to Issuance of Building Permits, the developer shall demonstrate compliance with the parking requirements for the project at the following ratios as specified in the Development Agreement and referenced below:</p> <ul style="list-style-type: none"> a. Office - 1 space per 250 square feet b. Warehousing/Logistics <ul style="list-style-type: none"> 1 space per 1,000 square feet for the first 20,000 square feet; 1 space per 2,000 square feet for the second 20,000 square feet; 1 space per 4,000 square feet for all space in excess of the first 40,000 square feet. 	<p>___/___/___</p>
5.4	<p>Parking Space Size</p> <ul style="list-style-type: none"> a. Conventional Parking Spaces. Minimum dimensions shall be 9 feet by 20 feet. b. Compact Parking Spaces. Minimum dimensions shall be 8 feet by 18 feet. The number of compact space shall not exceed 20% of required spaces. 	<p>___/___/___</p>
5.5	<p>Loading Areas Screened Design of loading areas shall be subject to the review and approval of the Community Development Director or Designee.</p> <ul style="list-style-type: none"> a. Parcels G and H: Loading areas shall be screened from view by the building. No loading facilities shall be located fronting on Rickenbacker Road or 6th Street. b. Parcel F, without railroad spur access (as reflected in EIR site plan Parcels F & G, Option 4): Loading areas shall be screened from view by the building. No loading facilities shall be located fronting on Rickenbacker Road or 6th Street. c. Parcels A and F, without railroad spur access (as reflected in all other 	<p>___/___/___</p>

	EIR site plan options): Loading areas may be permitted fronting on Rickenbacker Road. Location and design will be subject to the review and approval of the Community Development Director. Trucks loading along Rickenbacker shall be screened with decorative walls and/or mounded landscaping.	
5.6	Center Swales Prohibited. Driveway and Parking Areas shall not incorporate center swales. All drainage in common and private use areas shall be underground and shall not incorporate open gutters or swales.	___/___/___

6. Trip Reduction

6.1	<p>Trip Reduction Compliance. The site plan, parking areas and landscape plans for each parcel shall be designed to comply with the following trip reduction standards. Compliance will be subject to the review and approval of the Community Development Director or Designee.</p> <ul style="list-style-type: none"> a. A minimum of 10 bicycle storage spaces shall be provided. The design and location of the spaces shall be shown on the final landscape plans and review and approved by the Community Development Director prior to the issuance of building permit b. Carpool and vanpool designated off-street parking close to the building shall be provided at a rate of 5 percent of the total parking area. c. Category 5 telephone cable or fiber optic cable shall be provided. 	___/___/___
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7. GHG/AQ - Design

7.1	Developer shall ensure provision of preferential parking locations for EVs and CNG/LNG vehicles.	___/___/___
7.2	Developer shall ensure provision of grass paving, tree shading, or reflective surface for unshaded parking lot areas, driveways, or fire lanes that reduce standard black asphalt paving by 10% or more.	___/___/___
7.3	Developer shall ensure electrical outlets shall be installed on the exterior walls of all buildings (and perhaps parking lots) to promote the use of electric landscape maintenance equipment.	
7.4	Developer shall provide secure, weather-protected bicycle parking for employees.	
7.5	Developer shall provide direct, safe, attractive pedestrian access from project to transit stops and adjacent development.	
7.6	Developer shall provide showers and lockers for employees bicycling or walking to work.	
7.7	Developer shall provide short-term bicycle parking for retail customers and other non-commute trips.	
7.8	Developer shall connect bicycle lanes/paths to city-wide network as available.	
7.9	Developer shall design and locate buildings to facilitate transit access, e.g.	

	locate building entrances near transit stops, eliminate building setbacks, etc.	
7.10	To reduce energy demand associated with potable water conveyance, the Project shall implement the following: <ul style="list-style-type: none"> a. Landscaping palette emphasizing drought tolerant plants; b. Use of water-efficient irrigation techniques c. U.S. EPA Certified WaterSense labeled or equivalent faucets, high efficiency toilets (HET's), and water-conserving shower heads. 	
7.11	Project shall comply with applicable provisions of state law, including the California Green Building Standards Code (Part 11 of Title 24 of the California Code of Regulations)(CALGREEN).	
7.12	Developer shall provide a display case or kiosk displaying transportation information in a prominent area accessible to employees or residents.	
7.13	The truck access gates and loading docks within the truck courts on the project Sites shall be posted with signs which state: <ul style="list-style-type: none"> a. Truck drivers shall turn off engines when not in use b. Diesel trucks servicing the project shall not idle for more than 3 minutes c. Telephone numbers of the building facilities manager and the CARB to report violations 	
7.14	The Project will reduce vehicle miles travelled and emissions associated with trucks and vehicles by implementing the following measures: <ul style="list-style-type: none"> a. Pedestrian and bicycle connections shall be provided to surrounding areas consistent with the City's General Plan. b. Preferential parking (striped and signed) shall be provided for carpools and vanpools. 	
7.15	In order to reduce Project-related air pollutant and greenhouse gas (GHG) emissions, and promote sustainability through conservation of energy and other natural resources, building and site plan designs shall ensure that the Project energy efficiencies surpass (exceed) applicable (2008) California Title 24 Energy Efficiency Standards by a minimum of 15 percent. Verification of increased energy efficiencies shall be documented in Title 24 Compliance reports provided by the Applicant, and reviewed and approved by the City prior to the issuance of the first building permit.	

8. Landscaping and Water Supply

8.1	<p>Landscaping Plans</p> <p>For each parcel, detailed landscape and irrigation plans shall be prepared by a licensed landscape architect and submitted for Community Development Director for review and approval prior to the issuance of building permits. The plan shall include:</p> <ul style="list-style-type: none"> a. Final design of the perimeter parkways, walls, landscaping, and sidewalks. b. A minimum of 30% of trees planted within industrial projects shall be specimen size trees - 24-inch box or larger. c. Within parking lots visible to the public, trees shall be planted at a rate of one 15-gallon tree for every five parking stalls. d. Trees planted in the front yard setback shall be a minimum 36" box tree. e. Trees shall be planted in areas of public view adjacent to and along structures at a minimum rate of one tree per 30 linear feet of building. 	<p>____/____/____</p>
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	<p>f. Turf in front setback areas will include mounded sod, foundation planting and shrubs.</p> <p>g. Screening of parking and ground-mounted utilities shall be accomplished through the use of plant materials, walls and mounding.</p> <p>h. All landscaped areas shall be supplied with automatic irrigation systems.</p>	
8.2	<p>Water Conservation Design.</p> <p>Landscaping and irrigation shall be designed to conserve water through the principles of water efficient landscaping and meet all applicable City of Bell standards.</p>	___/___/___
8.3	<p>Water Supply.</p> <p>a. The Developer will install water efficient devices and landscaping according to the requirements of the California Water Company's water use efficiency ordinance(s), if any, at the time of construction of the Project to reduce the impact of this project on regional water supplies.</p> <p>b. Prior to project construction, the Developer is required to meet with California Water Company staff to develop a plan of service. The plan of service will include, but not be limited to, water, wastewater, and recycled water requirements to serve the project.</p> <p>c. The majority of landscaped areas in the project will be designed to use recycled water to the greatest extent possible and to the degree such recycled water service is provided to the site by the California Water Company.</p> <p>d. To reduce demand upon the local water system, the Project shall implement the following:</p> <ul style="list-style-type: none"> • Landscaping palette emphasizing drought tolerant plants; • Use of water-efficient irrigation techniques • U.S. EPA Certified WaterSense labeled or equivalent faucets, high efficiency toilets (HET's), and water-conserving shower heads. 	

9. Signs

9.1	<p>Signs Conceptual</p> <p>The signs indicated on the submitted plans are conceptual only and not a part of this approval. Any signs proposed for this development shall comply with the Sign Ordinance and shall require separate application and approval by the Community Development Director prior to installation of any signs.</p>	___/___/___
9.2	<p>Sign Program.</p> <p>Prior to first building permit submittal for tenant improvements, the developer shall prepare and submit a comprehensive sign program for all four parcels. Subject to review and approval by the Community Development Director, the sign program must include: design, location, size, colors and materials.</p>	___/___/___

BUILDING AND SAFETY CONDITIONS

10. General Requirements

10.1	<p>Planning Approval Required.</p> <p>At the completion of the project, final approval from the Planning Division shall be obtained prior to Building and Safety Division final approval. All conditions of approval shall be met prior to final approval by the Planning Division.</p>	
10.2	<p>Plan Submittals</p> <p>Submit three complete sets of plans including the following:</p> <ul style="list-style-type: none"> a. Site/Plot Plan; b. Foundation Plan; c. Floor Plan; d. Ceiling and Roof Framing Plan; e. Electrical Plans including the size of the main switch, number and size of service entrance conductors, panel schedules, and single line diagrams; f. Plumbing and Sewer Plans, including isometrics, underground diagrams, water and waste diagram, sewer system location, fixture units, and heating and air conditioning; and g. Planning Division Project Number (i.e., CUP#, ARB #) clearly identified on the outside of all plans. 	___/___/___
10.3	<p>Interior Air Quality.</p> <p>The Project specifications shall require a minimum of two interior air changes per hour with active warehouse ventilation. This condition shall be augmented with louvered smoke hatches (skylights) and exterior louvers as necessary to accomplish.</p>	
10.4	<p>Construction Access Plan Required.</p> <p>The developer shall submit a construction access plan and work schedule for the development of the project for Community Development Director and City Engineer approval; including, but not limited to, public notice requirements, special street posting, phone listing for community concerns, hours of construction activity, dust control measures, and security fencing.</p>	
10.5	<p>Calculations.</p> <p>Submit two sets of structural calculations, energy conservation calculations, and a soils report. Architect's/Engineer's stamp and "wet" signature are required prior to plan check submittal.</p>	___/___/___
10.6	<p>Licenses and Workman's Compensation Documentation</p> <p>Contractors must show proof of State and City licenses and Workers' Compensation coverage to the City prior to permit issuance.</p>	___/___/___
10.7	<p>Permits for Fences and Freestanding Walls</p> <p>Walls and fences shall be decorative. Separate permits are required for fencing and/or walls over six feet in height.</p>	___/___/___
10.8	<p>Certificate of Occupancy Required</p> <p>Business shall not open for operation prior to posting the Certificate of</p>	___/___/___

	Occupancy issued by the Building and Safety Division.	
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11. Site Development

11.1	Plan Submittal Plans shall be submitted for plan check and approved prior to construction. All plans shall be marked with the project file number. The developer shall comply with the latest adopted California Codes, and all other applicable codes, ordinances, and regulations in effect at the time of permit application.	___/___/___
11.2	School Fees Prior to issuance of building permits for a new commercial or industrial development project or major addition, the developer shall pay school fees at the established rate. Developer shall provide a copy of the school fees receipt to the Building and Safety Division prior to permits issuance.	
11.3	Construction Hours Unless otherwise permitted, construction activity shall not occur between the hours of 8:00 p.m. and 6:00 a.m. Monday through Saturday, with no construction on Sunday or holidays.	___/___/___
11.4	Construction Traffic Plan Prior to issuance of building permits, the developer shall submit a construction traffic plan. The plan shall address: traffic hours and routes and shall provide mitigation measures if necessary. The plan shall be subject to review and approval by the City Engineer. Developer shall provide temporary traffic controls, such as a flag person, during all phases of construction to maintain smooth traffic flow.	___/___/___
11.5	Noise Control. <ol style="list-style-type: none"> All trucks, tractors, and forklifts shall be operated with proper operating and well maintained mufflers. Maintain quality pavement conditions that are free from bumps to minimize truck noise. The truck access gates and loading docks within the truck courts on the project Sites shall be posted with signs which state: <ul style="list-style-type: none"> Truck drivers shall turn off engines when not in use. Diesel trucks servicing the project shall not idle for more than 3 minutes, which shall be designated on plans, specifications, and contract documents, and shall also be posted on an on-site sign; Telephone numbers of the building facilities manager and the CARB to report violations. 	

12. New Structures

12.1	Tenant Improvement Plan Check Upon tenant improvement plan check submittal, additional requirements may be needed.	___/___/___
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13. Existing Structures

13.1	Remove Existing Slabs Existing slabs shall be removed, the site regraded to the satisfaction of the Engineering Division.	___/___/___
13.2	Remove Existing Sewage Disposal Facilities Existing sewage disposal facilities shall be removed, filled and/or capped to comply with the California Building and Plumbing Codes.	
13.3	Location of Underground Utilities Underground on-site utilities are to be located and shown on building plans submitted for building permit application.	___/___/___
13.4	Asbestos (ACM) and LBP (Lead-Based Paint) Removal and Disposal Prior to the issuance of a grading or building permit, a Certified Environmental Professional shall confirm the presence or absence of ACMs and LBPs prior to structural demolition/renovation activities. Should ACMs or LBPs be present, demolition materials containing ACMs and/or LBPs shall be removed and disposed of at an appropriately permitted facility.	___/___/___

14. Grading

14.1	Grading Plan Requirements Sets of conceptual grading plan that shows APN; area of subject property; building setback lines for front, sides and rear of each lot per the zoning of the site; existing land uses of surrounding properties; existing and proposed topographic contour lines with key elevations; drainage pattern with direction of flow; location of onsite and off-site existing and proposed drainage facilities; existing and proposed right of way including curb, gutter, sidewalk, fire hydrants, water line sewer line and street lights; physical features on the property lines such as fences, walls, power poles building to be demolished, slopes etc.; proposed pad elevations of buildings; cross sections showing the relationship of the proposed grading to that of surrounding grades; typical street cross sections with proposed construction notes for public improvements; existing and proposed onsite and off-site water and sewer systems; location of landscaping areas. The existing improvements shall be depicted using a dashed line, and proposed improvements shall be drawn in a solid line. No alley type gutters shall be permitted in driveway isles between parking lot areas.	___/___/___
14.2	Preliminary Soils Report Sets of preliminary soils report, title report and reference underlying maps or easement documents. The report shall be prepared by a qualified engineer licensed by the State of California to perform such work.	
14.3	Final Grading Plans Grading of the subject property shall be in accordance with California Building Code, City Grading Standards, and accepted grading practices. Prior to issuance of grading permit by the City of Bell, the final grading (precise grading) plan shall be in substantial conformance with the approved grading plan	___/___/___

	showing building footprints, new and revised pads and elevations of finished grades, drainage routes, retaining walls, erosion and sediment control, Best Management Practices (BMPs) conforming to the approved Watershed Management Program accompanying LID and Green Street Policies.	
14.4	<p>GHG/AQ - Construction Phase and SCAQMD Rule 403 and 402 Compliance</p> <p>Prior to issuance of any Grading Permit, the City Engineer and the Chief Building Official shall confirm that the Grading Plan, Building Plans, and specifications stipulate that, in compliance with SCAQMD Rule 403, excessive fugitive dust emissions shall be controlled by regular watering or other dust prevention measures, as specified in the SCAQMD's Rules and Regulations. In addition, SCAQMD Rule 402 requires implementation of dust suppression techniques to prevent fugitive dust from creating a nuisance off-site. Implementation of the following measures will reduce short-term fugitive dust impacts on nearby sensitive receptors and shall be noted on the grading plans:</p> <ol style="list-style-type: none"> Developer shall complete all roadways, driveways, sidewalks etc. as soon as possible, and shall ensure that building pads are laid as soon as possible after grading unless seeding or soil binders are used, and shall ensure all construction access roads are paved at least 100 feet on to the site from the main road; All active portions of the construction site shall be watered every three hours during daily construction activities and when dust is observed migrating from the project site to prevent excessive amounts of dust; All disturbed unpaved roads, stockpiles, and disturbed areas within the project must be watered at least three (3) times daily during dry weather; All streets shall be swept at least once daily using SCAQMD Rule 1186 certified street sweepers, with water trucks if visible soil materials are carried to adjacent streets; Pave or apply water every three hours during daily construction activities or apply non-toxic soil stabilizers on all unpaved access roads, parking areas, and staging areas. More frequent watering shall occur if dust is observed migrating from the site during site disturbance; Developer shall limit fugitive dust sources to 20% opacity; Developer shall require a dust control plan for earthmoving operations; Any on-site stockpiles of debris, dirt, or other dusty material shall be enclosed, covered, or watered twice daily, or non-toxic soil binders shall be applied; Developer shall cease all clearing, grading, earth-moving, or excavation activities when winds exceed 25 miles per hour in order to limit fugitive dust emissions; Disturbed areas shall be replaced with ground cover or paved immediately after construction is completed in the affected area; Gravel bed trackout aprons (3 inches deep, 25 feet long, 12 feet wide per lane and edged by rock-berm or row of stakes), in addition to other trackout control devices including wheel shakers and washers, shall be installed and maintained to reduce mud/dirt trackout from unpaved truck exit routes; Developer shall ensure that traffic speeds on unpaved roads and Project site areas are reduced to 15 miles per hour or less; All on-site roads shall be paved as soon as feasible, watered twice daily, or chemically stabilized; 	—/—/—

	<ul style="list-style-type: none"> n. Visible dust beyond the property line which emanates from the project shall be prevented to the maximum extent feasible; o. All material transported off-site shall be either sufficiently watered or securely covered to prevent excessive amounts of dust prior to departing the job site, and at least six inches of freeboard space from the top of the container shall be maintained; p. Reroute construction trucks away from congested streets or sensitive receptor areas, and shall configure construction parking to minimize traffic interference; q. Developer shall provide dedicated turn lanes for movement of construction trucks and equipment on- and off-site r. All delivery truck tires shall be watered down and/or scraped down prior to departing the job site; s. Developer shall ensure that any site access point within 30 minutes of any visible dirt deposition on any public roadway shall be swept or washed; and t. A person shall be designated to monitor the dust control program and to order increased watering, as necessary, to prevent transport of dust off-site, and developer shall post a publicly visible sign with the telephone number and contact person's name, who can be reached 24 hours a day. u. Developer shall ensure that all construction forklifts shall be electric or natural gas powered, where feasible. Feasibility shall be determined using South Coast Air Quality Management District guidelines and appropriate input from that agency. 	
14.5	<p>GHG/AQ - Further Construction Conditions.</p> <ul style="list-style-type: none"> a. Developer shall ensure that any vegetative cover to be utilized onsite shall be planted as soon as possible to reduce the disturbed area subject to wind erosion. Irrigation systems required for these plants shall be installed as soon as possible to maintain good ground cover and to minimize wind erosion of the soil; b. Developer shall ensure that only "Zero-Volatile Organic Compounds" paints (no more than 150 gram/liter of VOC) and/or High Pressure Low Volume (HPLV) applications consistent with South Coast Air Quality management District Rule 1113 shall be used; c. Developer shall ensure installation of catalytic converters on gasoline-powered equipment; d. Developer shall ensure that all construction forklifts shall be electric or natural gas powered, where feasible. Feasibility shall be determined using South Coast Air Quality Management District guidelines and appropriate input from that agency. e. Developer shall ensure suspension of use of all construction equipment operations during second stage smog alerts. f. To ensure the technology can be employed when it becomes commercially available, the developer(s)/successor(s) shall install electrical infrastructure to accommodate electrical equipment (e.g. appropriately sized panels, conduit runs, etc.) to accommodate electrical charging for long haul trucks. g. Businesses operating on the site shall comply with the Clean Trucks Program for the Ports of LA and Long Beach to the extent permissible 	

	<p>by law.</p> <p>h. In the event a tenant is secured before construction ("Build to Suit") and the tenant has a specific requirement for on-site electrical vehicle charging or natural gas fuelling facilities, Developer shall coordinate the construction of such facilities to meet this demand.</p> <p>i. Developer will commit \$100,000 as a grant to the Businesses to promote the use of clean fuel heavy-duty trucks. These funds could be utilized in a number of ways (including, but not limited to CNG/LNG fleet conversions, purchase of new (model year 2010 or later) trucks or hostlers, participate in demonstration project with the Port of LA and LB and/or South Coast Air Quality Management District or California EPA, or upgrading facilities to accommodate the infrastructure necessary to support a "clean fuel" fleet component. Such targeted use would be memorialized through the lease or other binding agreement between Developer and the Business. Grant availability is contingent upon success in obtaining New Market Tax Credits (NMTC) with the assistance of the City (such effort being required by the language in the Project Development Agreement). If Businesses on site are unable to comply (within reason) with the Clean Truck Program per the prior condition, the \$100,000 grant will serve as a safe harbor provision to preclude further enforcement action of this requirement. Within reason suggests that the Businesses can prove that there are sufficient barriers, such as an economic burden, the purchase of emergency equipment, and market unavailability, so that it is unable to comply.</p>	
14.6	<p>Grading Plan Approval</p> <p>The final grading plan, appropriate certifications and compaction reports shall be completed, submitted, and approved by the Building and Safety Division prior to the issuance of building permits.</p>	___/___/___
14.7	<p>Grading Plan Check Required</p> <p>A separate grading plan check submittal is required for all new construction projects and for existing buildings where improvements being proposed will generate 50 cubic yards or more of combined cut and fill. The grading plan shall be prepared, stamped, and signed by a California registered Civil Engineer.</p>	___/___/___
14.8	<p>Public Resources Code Compliance</p> <p>The following note shall be placed on the grading plan prior to issuance of grading permit:</p> <p><i>In the event human remains are found during construction, no further excavation or disturbance of the site or any nearby area reasonably suspected to overlie adjacent remains shall occur until the County Coroner has made a determination of origin and disposition pursuant to Public Resources Code Section 5097.98 and California Health and Safety Code Section 7050.5.determined; within two working days of notification of the discovery. If the County Coroner determines that the remains are or believed to be Native American, the County Coroner shall notify the Native American Heritage Commission in Sacramento within 48 hours. In accordance with Section 5097.98 of the California Public Resources Code,</i></p>	___/___/___

	<p><i>the NAHC must immediately notify those persons it believes to be the most likely descended from the deceased Native American. The descendants shall complete their inspection within 48 hours of being granted access to the site. The designated Native American representative would then determine, in consultation with the property owner, the disposition of the human remains.</i></p>	
14.9	<p>Final Grading Plan Compliance with Parcel Map The following note shall be placed on the grading plan prior to issuance of grading permit:</p> <p><i>The final grading plan for this parcel shall be substantially the same, specifically with regard to pad elevations, size, and configuration; as the proposed grading illustrated on the approved Tentative Parcel Map. If there is a significant deviation between the two plans the Community Development Director and the City Engineer will review the plans and determine if a finding of substantial conformance can be made prior to the issuance of a grading permit. The Community Development Director and the City Engineer may refer the matter to the Planning Commission for an opinion before making a decision. Failure to achieve such a finding will require processing a revised Tentative Map; prior to recordation of a Final Parcel Map.</i></p>	___/___/___
14.10	<p>Paleontological Resources Protection The following note shall be placed on the grading plan prior to issuance of grading permit:</p> <p><i>In the event that paleontological resources are unearthed during subsurface construction activities, a Los Angeles County-certified paleontologist shall be retained to evaluate the discovery prior to resuming grading in the immediate vicinity of the find. If the paleontological resources are found to be significant, the paleontologist shall determine appropriate actions, in cooperation with the City of Bell and property owner, which ensure proper exploration and/or salvage. A technical report shall be prepared and include the period of inspection, a catalogue and analysis of the fossils found, and the present repository of the fossils. The Project Developer shall prepare excavated material to the point of identification and shall offer excavated finds for curatorial purposes to the County of Los Angeles, or its designee, on a first refusal basis.</i></p>	___/___/___
14.11	<p>Grading Agreement Required Prior to issuance of a grading permit, the developer shall guarantee completion of grading by posting adequate security and entering into a grading agreement with the City. Surety with an agreement shall be executed guaranteeing completion of all on-site drainage facilities necessary for dewatering all parcels to the satisfaction of the Building and Safety Official prior to the issuance of grading permits.</p>	___/___/___
14.12	<p>Groundcover Required All slope banks in excess of 5 feet in vertical height shall be seeded with native</p>	___/___/___

	grasses or planted with ground cover for erosion control upon completion of grading or some other alternative method of erosion control shall be completed to the satisfaction of the Building and Safety Official. In addition, a permanent landscape irrigation system shall be provided.	
14.13	<p>Environmental Assessment Mitigations Completed</p> <p>The mitigations defined in the Environmental Assessment Phase 1 and 2 shall be completed prior to Site Plan Approval. To the extent that any contamination or other environmental issues are discovered by virtue of such assessments or other environmental reports that require remediation, developer shall be required to remediate such matters prior to issuance of grading permits.</p>	___/___/___

ENGINEERING DEPARTMENT CONDITIONS

15. Traffic

15.1	<p>Sight Distances Maintained</p> <p>All onsite and offsite landscaping, walls, fences, and monument signage shall be subject to the review and approval of the City Engineer to ensure sight distance is not obstructed.</p>	___/___/___
15.2	<p>Traffic Management Plan Required</p> <p>Prior to the issuance of any grading or building permits, the Project Developer shall prepare a Traffic Management Plan (TMP) to address traffic and safety concerns resulting from any lane closure(s) necessary to implement the Conditions of Approval. At a minimum, the TMP shall include measures to accomplish the following:</p> <ol style="list-style-type: none"> Clearly denote lane closures, detours, and turning restrictions, with appropriate signs and other traffic control devices to alert travelers; Ensure vehicular and emergency access to the project area is maintained during construction; and Maintain pedestrian circulation; and Construction equipment traffic shall be controlled by flaggers, as appropriate. 	
15.3	<p>Traffic Management Plan Approval and Implementation</p> <p>The TMP shall be reviewed and approved by the City Engineer for compliance with the California Manual on Uniform Traffic Control Devices. The TMP shall be implemented by a qualified contractor holding a valid C31 license.</p>	___/___/___
15.4	<p>Traffic Controls at Project Entries</p> <p>Prior to issuance of a Certificate of Occupancy by the City of Bell, the project developer shall design and construct, to the satisfaction of the City Engineer, signing, striping, & markings to indicate allowed/prohibited truck movements onsite and at the project entry points identified by the City Engineer</p>	___/___/___
15.5	<p>Driveway Access Required During Business Hours</p> <p>All approved project driveways shall remain open to traffic during business</p>	___/___/___

	hours and all other times when vehicles are expected to enter or exit the site.	
15.6	On-street Parking or Staging of Vehicles Prohibited On-street parking or staging of vehicles will not be permitted to occur in conjunction with operation of the project facility. If actual parking or loading demand exceeds that provided, the project developer shall either reconfigure the site to accommodate the demand or provide additional parking offsite within a reasonable walking distance. The design and construction of any site reconfiguration is subject to City review and approval. The arrangements for offsite parking, as well as any associated design and construction, are subject to City review and approval.	___/___/___

16. Street Improvements

16.1	Rickenbacker Improvements All roadway improvements on Rickenbacker and 6 th Street shall be the responsibility of the Developer, as deemed necessary by the Community Developer Director including but not limited to installation of water, sewer, fire hydrants, street lights, storm drainage, curb and gutter and street pave-out.	
16.2	Rickenbacker Improvements Right of Entry Developer must obtain permission from property owners to make improvements along Rickenbacker to make necessary improvements.	
16.3	Public Improvements Construction Phasing If the developer wishes to phase construction, a phasing program shall be submitted to the City Engineer for review and approval prior to grading.	___/___/___
16.4	Improvement Plan Requirements Improvement plans shall be based upon a centerline profile extending beyond the project boundaries a minimum distance of 150 feet at a grade and alignment approved by the City Engineer.	
16.5	Coordination with Adjacent Improvements The street design and improvement concept of this project shall be coordinated with adjacent improvements.	___/___/___
16.6	Street Improvement Design Standards Street improvement plans shall be submitted to the City Engineer for review and approval prior to issuance of grading or construction permits. The street improvement plans shall comply with the City Engineering Division design standards.	
16.7	Sewer and Water Improvement Plans Approval Water improvement plans including distribution system and appurtenances shall be approved by the County of Los Angeles Fire Department (as applicable), the Water District/Company, and the City Engineer. Sanitary sewer plans shall be approved by the Los Angeles Sanitary Sewer District and the City Engineer.	___/___/___

17. Public Maintenance Areas

17.1	<p>Landscaping and Irrigation Plan Review and Approval A separate set of landscape and irrigation plans per Engineering Public Works Standards shall be submitted to the Engineering Services Division for review prior to final map approval or issuance of building permits, and approval of such plans will be a pre-requisite for issuance of a Certificate of Occupancy.</p>	___/___/___
17.2	<p>Landscaping and Irrigation Maintenance All required public landscaping and irrigation systems shall be continuously maintained by the developer to the satisfaction of the City of Bell.</p>	

18. Drainage and Flood Control

18.1	<p>General Permit for Stormwater Discharge Compliance Required Prior to the issuance of a grading permit, the developer shall demonstrate to the Director of Community Development Department and the City Engineer that coverage has been obtained under California's General Permit for Storm Water Discharge Associated with Industrial Activity by providing a copy of the Notice of Intent (NOI) submitted to the State Water Resources Control Board and a copy of the subsequent notification of the issuance of a Waste Discharge Identification (WDID) Number to the Building Official. Prior to the issuance of a grading permit, the developer shall submit to the Building Official for review and approval a Stormwater Pollution Prevention Plan (SWPPP). A copy of the approved SWPPP shall be kept at the project site and available for review upon request.</p>	
18.2	<p>LID and Green Street Best Management Practices Required Prior to the issuance of a grading permit, the developer shall prepare a Low Impact Development (LID) program and Green Street policy specifically identifying the Best Management Practices (BMP's) that will be used on site to control predictable pollutant runoff. The plan shall identify the types of structural and non-structural measures to be used. The plan shall comply with the City of Bell Watershed Management Program accompanying LID Ordinance and Green Street Policies. The MS4 Permit (Order No. R-2012-0175) was adopted by the California Regional Water Quality Control Board, Los Angeles Region on November 8, 2012 and became effective on December 28, 2012. Particular attention should be addressed to the appendix section "Best Management Practices for Post Development." The LID shall clearly show the locations of structural BMP's, and assignment of long term maintenance responsibilities (which shall also be included in the Maintenance Agreement). The plan shall be prepared to the general form and content shown in the Los Angeles County SUSMP template and shall be submitted to the City Engineer for review and approval.</p>	___/___/___

18.3	<p>LID and Green Street Best Management Practices Compliance</p> <p>Prior to the issuance of a certificate of occupancy, the developer shall demonstrate that all structural Best Management Practices (BMPs) and Green Street policies described in the project's LID have been constructed and installed. In addition, the developer is prepared to implement all non-structural BMP's described in the LID. Two (2) copies of the LID program shall be available on-site. Prior to the issuance of a certificate of occupancy, all equipment shall be in place and in good working order as indicated in the SUSMP.</p>	___/___/___
18.4	<p>Hydrology and Hydraulic Report Required</p> <p>Prior to the issuance of a grading permit, a complete hydrology and hydraulic study (include off-site areas affecting the development) shall be prepared by a qualified engineer and shall be submitted to the City Engineer for review and approval. The report shall include detailed drainage studies indicating how the grading, in conjunction with the drainage conveyance systems including applicable swales, channels, street flows, catch basins, storm drains, and flood water retarding, will allow building pads to be safe from inundation from rainfall runoff which may be expected from all storms up to and including the theoretical 50-year flood per the Los Angeles County Flood Control District Hydrology Manual. The project development shall be designed to accept and properly dispose of all off-site drainage flowing onto or through the site. If the quantities exceed the existing downstream capacity, the developer shall provide adequate drainage facilities to mitigate the impact as approved by the City Engineer.</p>	___/___/___
18.5	<p>Trees Prohibited Near Public Storm Drains</p> <p>Trees are prohibited within 5 feet of the outside diameter of any public storm drain pipe measured from the outer edge of a mature tree trunk.</p>	___/___/___
18.6	<p>Los Angeles County Flood Control District Permit Required</p> <p>A permit from the Los Angeles County (LAC) Flood Control District is required for new connections and work within its right-of-way.</p>	___/___/___
18.7	<p>Drainage Easements on Final Map</p> <p>Drainage easements, when required, shall be shown on all final maps and noted as follows: "Drainage Easement - no buildings, obstructions, or encroachments by landfills are allowed."</p>	___/___/___
18.8	<p>10-Year and 100-Year Storm Flow Containment</p> <p>Prior to the approval of the improvement plans, the hydrology study shall show that the 10-year storm flow will be contained within the street from curb to curb and the 100-year storm flow shall be contained within the street right-of-way. When either of these criteria is exceeded, additional drainage facilities shall be installed. At the same time, drainage facilities with sump conditions shall be designed to convey the tributary 100-year storm flows. Secondary emergency flow bypass shall also be provided as approved by the City Engineer.</p>	___/___/___

18.9	Drainage Design All parcels shall drain toward the street unless otherwise approved by the City Engineer. The drainage to the street shall be by side yard swales independent of adjacent lots or by an underground piping system in accordance with City standards.	___/___/___
18.10	Off-Site Drainage Disposal. The project shall be designed to accept and properly dispose of all off-site drainage flowing onto or through the site. The storm drain design and improvements shall be subject to review and approval of the City Engineer. The City does allow use of streets for drainage purposes in most instances. Should the quantities exceed the street capacity or if the use of streets is prohibited for drainage purposes, the developer shall provide adequate facilities as approved by the City Engineer.	___/___/___
18.11	Fire Access Roadway Plan Required The fire access roadway plan shall be submitted to the County of Los Angeles Fire Department and the City Engineer for approval.	___/___/___
18.12	Notice of Termination Submitted to State Prior to issuance of Certificate of Occupancy, the project developer shall submit a Notice of Termination (NOT) to the State Water Resources Quality Control Board (SWRCB) to indicate that construction is completed.	___/___/___
18.13	Drainage Easements Recorded Drainage easements for safe disposal of surface water that are conducted onto or over adjacent properties are to be delineated and recorded to the satisfaction of the Building and Safety Official prior to the issuance of grading and building permits.	___/___/___
18.14	On-site Drainage Improvements Installed Prior to Certificate of Occupancy On-site drainage improvements, necessary for dewatering and protecting the subdivided properties, are to be installed prior to issuance of Certificate of Occupancy permit for construction upon any parcel that may be subject to drainage flows entering, leaving, or within a parcel relative to which a building permit is requested.	___/___/___

19. Final Parcel Map

19.1	Certificate/Condition Certificate of Compliance Required Prior to approval of Final Parcel Map, the developer shall process and record a Certificate of Compliance or Conditional Certificate of Compliance in accordance with the provisions of Section 664989.35 of Subdivision Map Act.	
19.2	Property Owner Association Established If there are any common improvements to be maintained, the developer shall ensure that the Association is established for the purpose of maintaining all private common areas and utilities. The Association documents including any necessary Covenant Conditions and Restrictions	___/___/___

	(CC & Rs) shall be subject to the review and approval of the Planning and Engineering Services Division and the City Attorney. If no map is proposed for the project, a draft CC & Rs shall be submitted to the Planning and Engineering Services Division and the City Attorney for review and approval prior to issuance of building permit, and shall be recorded prior to receiving a Certificate of Occupancy.	
19.3	Reciprocal Access Easements If needed, reciprocal access easements shall be provided ensuring access to all parcels by CC&Rs or by deeds and shall be recorded concurrently with the map or prior to the issuance of building permits, where no map is involved.	___/___/___
19.4	Quitclaims or Relocation of Easements. Developer shall provide quitclaims or relocation of any easement as applicable prior to approval of final map by the City Engineer.	___/___/___
19.5	Private Drainage Easements Noted on Final Map If private drainage easements for accommodating cross-lot drainage shall be provided, the final map shall delineate with proper note for private drainage easement.	___/___/___
19.6	Title Report Required Developer shall provide to the City Engineer for review a preliminary Title Report no older than 60 days from the Final Parcel Map submittal date.	___/___/___
19.7	As-Built Improvement Plans Required Prior to the exoneration of any security, the developer shall submit one (1) duplicate Mylar of the Final Parcel Map and well as all as built public improvements constructed for this project. The plans shall be prepared, in a manner acceptable to the City Engineer.	___/___/___

20. Utilities

20.1	On-site Underground Utilities Provide on-site underground utility services including sanitary sewerage system, water, and gas (optional), electric power, telephone, and cable TV (optional) in accordance with the Utility Standards. Easements shall be provided as required.	___/___/___
20.2	Compliance with Other Utility and Public Service Agency Requirements Water and sewer plans shall be designed and constructed to meet the requirements of the Los Angeles County Sanitation District (Sanitation District), California Water Service Company (Cal Water), and the County of Los Angeles Fire Department (Fire Department). Letters of compliance from the Sanitation District, Cal Water, and the Fire Department are required prior to final map approval or issuance of permits, whichever occurs first.	___/___/___
20.3	Improvement Plan.	___/___/___

	Approvals have not been secured from all utilities and other interested agencies involved. Approval of the final parcel map, building plan approval and improvement plan approval will be subject to any requirements that may be received from those utilities. No permits will be issued until the plans have been approved, except with respect to parcels which will be subdivided, no permits will be issued until both the plans and the subdivisions maps are approved.	
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POLICE DEPARTMENT

21. Security Lighting

21.1	Minimum Foot Candle Power and Timing All parking, common, and storage areas shall be lighted to maintain a minimum of 1-foot candle power. These areas should be lighted from sunset to sunrise and be on photo sensed cell.	___/___/___
21.2	Lighting Goals All buildings shall have minimal security lighting to eliminate dark areas around the buildings, with direct lighting to be provided by all entryways. Lighting shall be consistent around the entire development.	
21.3	Vandal-resistant Fixtures Lighting in exterior areas shall be in vandal-resistant fixtures.	___/___/___

22. Security Gates

22.1	Police Keypad Access to Security Gates Prior to Certificate of Occupancy, All businesses with security fencing and gates will provide the police with a keypad access and a unique code or other universal key access as is acceptable to the Police Department. The initial code is to be submitted to the Police Department along with plans for the site and structure. If this code is changed due to a change in personnel or for any other reason, the new code must be supplied to the Police within 24-hours.	___/___/___
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23. Building Numbering

23.1	Building Numbering Prior to Certificate of Occupancy, numbers and the backgrounds shall be of contrasting color and shall be reflective for nighttime visibility.	
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24. County Fire

24.1	Los Angeles County Fire Department Plan Check Developer shall contact the Los Angeles County Fire Department, for compliance with fire regulations. Prior to issuance of building permit, proof of plan check including fire sprinkler plan approval is required.	___/___/___
24.2	Fire Access Roadway Plan Required The fire access roadway plan shall be submitted to the County of Los Angeles Fire Department and the City Engineer for approval.	___/___/___

25. Cultural Resources

25.1	The Developer shall establish a historical marker and/or a permanent public art display which illustrates the cultural and historical significance of the Sleepy Lagoon in the surrounding community and Greater LA Basin. The design of the display, which will be intended to recognize both the cultural significance of Sleepy Lagoon as a meeting place as well as it's historical role in the incident and trial of 1942, shall be subject to review by City staff with input from designated local groups.	
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26. Job Creation

26.1	Job Quality Developer shall use best efforts to make sure that future tenants and businesses utilizing the Site (each a "Business") shall provide full time and permanent employment, and shall include language in all leases and sales documents to Businesses that will include the following process, subject to the exemptions described below in Section 26.4 herein: <ul style="list-style-type: none"> • The Business shall maintain a work force complement of which no more than 40% of the jobs are assigned to temporary employees, unless the Business can demonstrate severe economic hardship or documentation that an industry standard of a different percentage prevails, and to adhere to this standard would cause serious competitive disadvantage to the company. • Exemptions shall be allowed for seasonal business peaks up to three times a year for periods not to exceed 90 days. • Such notification shall pass through to future Businesses or purchasers. 	
26.2	Local and Disadvantaged Hiring Developer shall use best efforts to make sure that future tenants and businesses utilizing the Site (each a "Business") shall provide local and disadvantaged hiring opportunities, and shall include language in all leases and sales documents to Businesses that will include the following process, subject to the exemptions described below in Section 26.4 herein: <ul style="list-style-type: none"> • The Business shall make best efforts to assure that no less than 30% of the full time work force is composed of local and disadvantaged employees, in the following order of preference: <ul style="list-style-type: none"> ○ A target of no less than 30% who resides within a 5-7 mile radius of the work site and whose household income is at or below 50% of the area's median income. 	

	<ul style="list-style-type: none"> ○ A target of no less than 10% hiring of individuals who are considered difficult to employ because of homelessness, being a single custodial parent, is on public assistance, has a language barrier, lacks a high school diploma, GED or equivalent, has a mental or physical disability, has been chronically unemployed or has a criminal record or other involvement with the judicial system that hinders employment. • Such notification shall pass through to future Businesses or purchasers. 	
26.3	<p>Developer will provide marketing and other materials that describe and provide linkage to the job source, job training and job placement centers to make that connection as easy as possible for the prospective employer. Developer shall use best efforts to include language in all lease and sale documents to Businesses, subject to the exemptions set forth below in Section 26.4 herein:</p> <ul style="list-style-type: none"> • Business will engage with a job source, job training or job placement center(s) of its choice to provide qualified applicants. Business will define basic job skills needed for each position. • Such job centers will make available and provide training for potential applicants that meet the local and disadvantaged standards set forth in Sections 26.1-26.2 herein, including tailoring training programs to meet business job needs. • Business will advise job center(s) as soon as possible but not less than 10 business days in advance of need/desire to fill positions. Job center will arrange to provide qualified candidates. During the first 5 days of hiring, the business shall select only from the pool of pre-qualified and referred workers, assuming qualified candidates are provided subject to verification by business. • Business has ultimate authority to select its workers. • Business shall attempt to fill positions from job center referrals. If unable to do so in timely fashion (the first five days as referenced above), business may hire in any method but shall still give priority to local and disadvantaged workers. • Business shall not be constrained from moving full time employees from another location to comparable or better jobs at the new location. • The lease or sale agreement shall indicate that this hiring process applies to all initial hires (not transfers and relocation of current workers) and to all subsequent hires for one (1) year. • Business shall provide a yearly update to City personnel to confirm ongoing efforts to comply with this process. Efforts in good faith following the steps in the process shall preclude a failure to comply which could lead to enforcement by the City (e.g. termination of the Development Agreement). • Business shall use best efforts to work with City, local groups, and the job centers in developing a marketing plan to reach out to potential job seekers and enroll them into appropriate training. 	

26.4	<p>Exemptions</p> <p>The following exemptions shall apply to the requirements set forth in Sections 26.1-26.3:</p> <ul style="list-style-type: none"> • For a family business, there shall be no constraint on hiring family members, the above notwithstanding. • An emergency replacement of a worker whose job is vacated suddenly and whose absence may cause a hardship is exempt. • Executive and management level positions are exempt. • None of the aforementioned targets or hiring process will require the Business to alleviate their minimum employment criteria (education, prior experience, etc.) as published in employment policies. 	
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EXHIBIT E
PURCHASE AND SALE AGREEMENT
[See Attached Purchase and Sale Agreement]

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

THIS AGREEMENT FOR PURCHASE AND SALE OF REAL PROPERTY AND JOINT ESCROW INSTRUCTIONS ("**Agreement**") is entered into as of August __, 2013 ("**Effective Date**"), by and between PI Bell LLC, a Delaware limited liability company ("**Buyer**" or "**Developer**"), THE CITY OF BELL, a California Charter City (the "**City**") and THE BELL PUBLIC FINANCING AUTHORITY, a California Joint Powers Authority, as sellers of parcel F, G, H, and A (collectively, jointly and severally, "**Sellers**" or "**City Parties**"), with reference to the Recitals set forth below, and is a part of that certain "Development Agreement" entered into concurrently herewith and authorized pursuant to the Government Code Section 65864 *et seq.* This Agreement shall also constitute the joint escrow instructions of Buyer and Sellers to Chicago Title Company at 700 South Flower Street, Suite 800, Los Angeles, CA 90017, Attention: Mike Slinger ("**Escrow Holder**"). Seller and Buyer are sometimes hereinafter referred to individually as a "**Party**" and collectively as the "**Parties**".

RECITALS

A. Sellers are the owners of four (4) parcels of land located at 5600 Rickenbacker Road, City of Bell, California, 90201: Parcel A, comprising approximately 14.5 net acres, Parcel F, comprising approximately 11.6 net acres, Parcel G, comprising approximately 3.6 net acres, and Parcel H, comprising approximately 10.5 net acres (collectively, the "**Property**", as further defined below in Section 1 of this Agreement.)

B. Parcel A is currently subject to a lease with BNSF Railway Company ("**BNSF**" and the "**BNSF Lease**"), which is set to expire on July 31, 2018. Further, Dexia has a deed of trust on Parcel A which can be re-conveyed.

C. The Property is currently undeveloped and is centrally located between downtown Los Angeles and the Long Beach Ports. As such, this Agreement is being executed concurrently with the execution of a Development Agreement to ensure use of the Property in a way that will generate tax revenue and create employment opportunities for Bell's residents, while providing mutual benefits to Buyer.

D. Portions of the Property previously served as security for certain bonds, issued by the Authority and purchased by Dexia Credit Local ("**Dexia**"). The Bonds were secured by revenue from certain leases, which were invalidated based on a lawsuit challenging the Project (as hereinafter defined) approvals. The Bonds are currently in default, and on October 14, 2011, Dexia sued the City Parties to foreclose the Property and recover any deficiencies against the City Parties. The Property, or portions thereof, is now being sold in accordance with the terms of a Stipulation for Settlement with Dexia (the "**Stipulation**", the terms of which are incorporated herein by this reference), which requires a purchase offer to meet the following conditions (a "**Qualifying Offer**"): (i) the Property must be purchased with all cash, (ii) the closing must occur prior to December 1, 2013, subject to extension under limited circumstances as provided for in the Stipulation, (iii) the per square foot value of the offer exceeds Twenty Nine Dollars and Ninety Cents per square foot (\$29.90/sq. ft.); (iv) there are no contingencies beyond normal and

customary contingencies, (v) Buyer will use the Property in compliance with relevant legal and environmental requirements, including City code requirements and zoning requirements, (vi) the terms of the offer must satisfy Dexia's credit criteria, and (vii) Buyer assumes the risks and obligations of environmental review and approval of the results thereof.

E. To that end, on April 5, 2013, Buyer submitted an offer to purchase the Property, and has confirmed with Dexia that such offer is a Qualifying Offer. The Stipulation further contemplated that the City would undertake a process with the Developer to obtain approvals (the "**Entitlements**") of a development project (the "**Project**"), and that such an entitled Project would enhance the value of the Property sufficiently so that Dexia would forego its claim against the City Parties for recovery of any deficiency.

F. This Agreement is being entered into pursuant to the terms of an Exclusive Negotiation Agreement by and between Buyer and Sellers (the "**ENA**", the terms of which are incorporated herein by this reference), whereby (i) the Parties would pursue the Entitlements to develop a Project producing an adequate financial return to Buyer, and (ii) Buyer has had the opportunity to conduct due diligence and title review of the Property. As used herein, "Entitlements" shall mean receipt by Buyer of all final Project entitlements, including without limitation all necessary governmental approvals, consents and permits to develop its Project (other than building permits) with any necessary appeals periods and statutes of limitation relating thereto having expired without challenge, all to Buyer's satisfaction and approval, except that should such periods extend beyond December 1, 2013, this Agreement shall be subject to termination unless extensions are granted to Sellers by Dexia.

G. Pursuant to the ENA, Buyer has completed its due diligence review and title review of the Property, and has approved the condition of title and of the Property (subject to obtaining the Entitlements). Buyer has further paid two good-faith deposits (the "**Deposits**"), totaling One Million Dollars (\$1,000,000.00), which will be applied toward the balance of the Purchase Price owed hereunder.

H. Pursuant to the ENA and Buyer's offer, Buyer will apply for New Market Tax Credits (the "**NMTCs**") and consider using the same for the purpose of developing the Property. Buyer has agreed to pay fifty percent (50%) of all tax credits received by Buyer obtained through New Market Tax Credits to Sellers in addition to the Purchase Price, in addition to developing a community benefit package which will not be required to exceed \$25,000 in value.

I. Furthermore, Buyer and Sellers are obtaining approval of a Development Agreement (the "**DA**"), the terms of which are consistent with the ENA and which will govern the use and development of the Property. This Agreement is an element of the DA and is attached thereto and is incorporated in the terms of the DA.

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

AGREEMENT

1. PURCHASE AND SALE OF PROPERTY.

1.1. Purchase and Sale of Parcels F, G, H, and A.

Sellers are the owners of Parcels A, F, G and H, comprising that certain real property located at 5600 Rickenbacker Road, City of Bell, County of Los Angeles, State of California, 90201, more particularly described in Exhibit "A", attached hereto and by this reference incorporated herein, together with all improvements thereon (the "**Property**"). Buyer hereby agrees to purchase from Sellers, and Sellers agree to sell to Buyer the Property, together with (i) all privileges, rights, easements, appurtenances belonging to the real property (excluding all rights belonging to third parties); (ii) all development rights, air rights, utility capacity rights, water rights and water stock relating to the real property; (iii) all right, title, and interest of Seller in and to any streets, alleys, passages, other easements, and rights-of-way or appurtenances included in, adjacent to or used in connection with the Property; (iv) all permanent improvements which pursuant to applicable law belong to the Sellers and are a part of the Property; and (v) any other property not expressly reserved by Sellers.

1.2. Sale of Property and Parcel A Together or Separately.

Parcels F, G and H may be sold together with Parcel A, or separate from Parcel A, pursuant to this Agreement, provided that the sale of Parcels F, G and H without Parcel A is sufficient to satisfy all obligations existing pursuant to the Stipulation. Notwithstanding this provision, the sale of the Parcels F, G and H, whether sold apart or together with Parcel A, must comply with the Stipulation, including without limitation any provisions on minimum price, closing deadlines, or otherwise. Buyer shall have the right, pursuant to this Agreement, to purchase Parcel A regardless of whether Parcel A is sold together with, or apart from, the remaining Parcels. However, the sale of Parcels F, G and H shall be a condition precedent to the sale of Parcel A.

2. OPENING OF ESCROW.

2.1. Project Entitlements; Development Agreement.

This Agreement shall be executed by Buyer and submitted to Sellers prior to the hearings by the City Council on the Project Entitlements, and by Sellers following approval of the Project Entitlements.

2.2. Opening of Escrow.

Within one (1) business day after the full execution of this Agreement the parties shall open an escrow ("**Escrow**") with Chicago Title Company (the "**Escrow Holder**") by causing an executed copy of this Agreement to be deposited with Escrow Holder, together with deposit of good funds, which shall include a wire transfer of funds, cashier's or certified check drawn on or issued by the offices of a financial institution located in the State of California, or cash ("**Good Funds**"), by the Buyer, having been deposited by the Buyer pursuant to the ENA (with such funds under the ENA being transferred into the Escrow referred to above), of One Million

Dollars (\$1,000,000) (the “**Good Faith Deposit**”). Escrow shall be deemed open on the date that a fully executed copy of this Agreement and the Good Faith Deposit are delivered to Escrow Holder (“**Opening of Escrow**”). The Good Faith Deposit shall be applied to the purchase price of the Property at Closing (as defined below), or otherwise disbursed as provided herein. Buyer and Sellers hereby agree to execute such additional instructions not inconsistent with this Agreement as may be reasonably required by Escrow Holder, including without limitation to provide instruction regarding a phased sale of the Property followed by Parcel A.

2.3. Closing Date.

Escrow shall close within 10 business days after the Parties have each certified in writing the satisfactory completion of the following: (i) the Project Entitlements have been approved, and (ii) the period for which any legal challenge may be made has expired without such challenge, but under no circumstances later than December 1, 2013 (the “**Closing Date**”), unless otherwise extended as memorialized in a writing signed by the Parties and subject to the terms of the Stipulation. The terms “Close of Escrow” and/or “Closing” are used herein to mean the time Seller’s Grant Deed is filed for recording by the Escrow Holder in the Office of the County Recorder of Los Angeles County, California.

To the extent Parcel A is sold after and apart from sale of the Property pursuant to this Agreement, upon sale of the Property, Escrow shall remain open only as to those conditions and obligations relating to Parcel A.

3. **PURCHASE PRICE.**

3.1. Amount of Purchase Price.

The total purchase price for the Property shall be Forty Four Million, Five Hundred Thousand Dollars (\$44,500,000) (the “**Purchase Price**”). Buyer’s Good Faith Deposits paid to Escrow Holder as provided above shall be credited against the amount owed for the Purchase Price. The Purchase Price comprises the following amounts per parcel:

(a) Parcel A: \$15,500,000

(b) Parcel F, G, H: \$29,000,000

Buyer may elect not to acquire Parcel A in which case Buyer will only pay the portion of the Purchase Price allocable to Parcels F, G and H.

3.2. Payment of Purchase Price.

On the Close of Escrow, Buyer shall deposit the balance of the Purchase Price for the Property and Parcel A, together with the Entitlement Expenses, with Escrow Holder in Good Funds. Escrow Holder shall disburse the cash amount of the Purchase Price to Sellers after recordation of the grant deed transferring title to the Property and Parcel A to Buyer.

4. **ADDITIONAL FUNDS AND DOCUMENTS REQUIRED FROM BUYER AND SELLER.**

4.1. Buyer.

Buyer agrees that on or before 12:00 noon on the Closing Date, Buyer will deposit with Escrow Holder all additional funds and/or documents (executed and acknowledged, if appropriate) which are necessary to comply with the terms of this Agreement, including, without limitation, the following:

- (a) A Preliminary Change of Ownership Statement completed in the manner required in Los Angeles County; and
- (b) Such funds and other items and instruments as may be necessary in order for Escrow Holder to comply with this Agreement.

4.2. Sellers.

Sellers agree that on or before 12:00 noon on the Closing Date, Seller will deposit with Escrow Holder such funds and other items and instruments (executed and acknowledged, if appropriate) as may be necessary in order for the Escrow Holder to comply with this Agreement, including, without limitation, the following:

- (a) Executed and recordable grant deeds ("**Grant Deed**"), substantially in the form attached hereto as Exhibits "B" and "C" as appropriate, conveying the parcels of the Property to Buyer.
- (b) An assignment of lease ("**Assignment**"), substantially in the form attached hereto as Exhibit "D", and a notice to the tenant thereunder notifying of the assignment.
- (c) Two duplicate originals of a Non-Foreign Affidavit in the form attached hereto as Exhibit "E" ("**Non-foreign Affidavit**").
- (d) Such funds and other items and instruments as may be necessary in order for Escrow Holder to comply with this Agreement.

4.3. Recordation, Completion and Distribution of Documents.

Escrow Holder will cause the Grant Deed to be recorded when (but in no event after the date specified in Section 2.3 above) Escrow Holder can issue the Title Policy, in the form described in Section 5 below, and holds for the account of Sellers the items described above to be delivered to Sellers through Escrow, less costs, expenses and disbursements chargeable to Sellers pursuant to the terms hereof.

5. TITLE MATTERS.

5.1. Approval of Title.

- (a) The Parties hereby acknowledge and agree that pursuant to the ENA, Sellers have provided Buyer with a preliminary title report

issued through Chicago Title Company describing the state of title to the Property, together with copies of all exceptions specified therein and a map plotting all easements specified therein (collectively, the “**Preliminary Title Report**”).

- (b) The Parties further agree and acknowledge that Buyer has reviewed the Preliminary Title Report, and has either (i) approved the condition of the title of the Property as is, or (ii) approved the condition of the title subject to certain exceptions within the Preliminary Title Report.

5.2. Title Policy.

When Escrow Holder holds for Buyer the Grant Deed in favor of Buyer executed and acknowledged by Sellers covering the Property, Escrow Holder shall cause to be issued and delivered to Buyer and Sellers as of the Close of Escrow a CLTA standard coverage owner’s policy of title insurance (“**Title Policy**”), or, upon Buyer’s request therefor, an ALTA extended coverage owner’s policy of title insurance, issued by Title Company, with liability in the amount of the Purchase Price, covering the Property and showing title vested in Buyer free of encumbrances, except:

- (a) All non-delinquent general and special real property taxes and assessments for the current fiscal year;
- (b) Those easements, encumbrances, covenants, conditions, restrictions, reservations, rights-of-way and other matters of record shown on the Preliminary Title Report and not objected to by Buyer as provided herein;
- (c) The standard printed exceptions and exclusions contained in the CLTA or ALTA form policy;
- (d) Any exceptions created or consented to by Buyer, including, without limitation, any exceptions arising by reason of Buyer’s possession of or entry on the Property.

Notwithstanding the foregoing, Sellers shall (i) pay-off or discharge any mortgage, judgment or lien created by or resulting from any act or omission of Sellers, including matters relating to Dexia, (ii) pay-off, bond or otherwise cause to be discharged of record in a manner reasonably satisfactory to Purchaser any mechanic’s lien resulting from any act or omission of Sellers (subsections (i) through (ii) are collectively referred to as the “**Mandatory Cure Exceptions**”).

6. DUE DILIGENCE.

6.1. Due Diligence Period.

The Parties hereby acknowledge and agree that, pursuant to the terms of the ENA, Buyer has conducted a due diligence review of (i) all documents concerning the Property, (ii) soils conditions from a geotechnical and environmental aspect, (iii) the physical condition of the Property, and all improvements thereon, (iv) the condition of the title (except for the Mandatory Cure Exceptions), and (v) the zoning and governmental regulations concerning the Property (except for receipt of the Entitlements). The Parties acknowledge and agree that Buyer has completed its review of the following:

(a) Copies of all engineering reports, soils studies, soils compaction reports, grading plans, geologic studies, drainage plans or reports, tentative parcel maps, development agreements, governmental permits and approvals and any conditions thereto, environmental audits and reports, environmental remediation plans (and all correspondence and documents related thereto), environmental impact reports, permits, inspections, reports, notices and/or correspondence regarding governmental agency review and approval respecting fire, building, health, zoning and use compliance, if any.

(b) The most recently available survey of the Property, if any, showing all Improvements and things located on the Property and within ten (10) feet of the outside property line of the Property.

Notwithstanding the foregoing, the City has not provided any of the following confidential and proprietary materials (collectively, the “**Excluded Materials**”), which the City is under no obligation to provide: (i) information contained in City’s credit reports, credit authorization, credit for financial analyses or projections, account summaries, or other internal documents relating to the Property, including any valuations documents and the book value of the Property; (ii) material which is subject to attorney-client privilege or which is attorney work product; (iii) appraisal reports or letters; and (iv) material which City is legally required not to disclose.

The Parties acknowledge and agree that Buyer has completed its investigation, examination, and inspection of all matters pertaining to its acquisition of the Property, including all financial, physical, environmental and compliance matters, entitlement and other conditions respecting the Property (except as it relates to the Entitlements), and has, or had the opportunity to, enter the Property for purposes of performing a survey, feasibility studies and such other examination as Buyer reasonably deemed necessary.

The Parties acknowledge and agree that Buyer has approved all due diligence matters, and has notified Seller in writing to that effect, and that no further due diligence is required hereunder (other than as it relates to the Entitlements).

7. CONDITIONS PRECEDENT TO CLOSE OF ESCROW.

7.1. Conditions to Buyer’s Obligations.

The obligations of Buyer under this Agreement shall be subject to the satisfaction or written waiver, in whole or in part, by Buyer of each of the following conditions precedent (and if the same are not so satisfied, then Buyer may terminate this Agreement and, should failure to

satisfy such condition constitute a Default hereunder, or with respect to subsection (a) below, receive a return of all Good Faith Deposits):

- (a) All Entitlements have been approved in accordance with the terms of the ENA and DA, and the period for which any legal challenge to the Entitlements or environmental review has passed.
- (b) Title Company will issue the Title Policy as required by Section 6 of this Agreement insuring title to the Property vested in Buyer, with Sellers having cured any Mandatory Cure Exceptions.
- (c) The Parties have negotiated and are concurrently executing and entering into the DA with this Agreement.
- (d) Sellers have deposited the executed Grant Deeds into Escrow.
- (e) All representations and warranties specified in Section 9 are true and correct.
- (f) Since completion of review of the Preliminary Title Report conducted pursuant to the ENA, there has been no material adverse change to the condition of title to the Property.
- (g) Since completion of due diligence review of the Property under the ENA, there has been no material adverse change to the condition of the Property.
- (h) Seller has delivered to Escrow Holder an executed Assignment of the BNSF Lease to the Buyer, or such Lease shall have expired.
- (i) Escrow Holder holds and will deliver to Buyer the instruments and funds, if any, accruing to Buyer pursuant to this Agreement.
- (j) Buyer will have received satisfactory estoppel documents from BNSF.

7.2. Condition to Seller's Obligations.

The obligations of Sellers under this Agreement shall be subject to the satisfaction or written waiver, in whole or in part, by Sellers of the following condition precedent:

- (a) Escrow Holder holds and will deliver to Sellers the instruments and funds accruing to Sellers pursuant to this Agreement.
- (b) Should the Closing Date extend beyond December 1, 2013, Dexia has not validly exercised any rights it may have under the Stipulation to either (i) terminate the Stipulation, or (ii) terminate the sale of the Property contemplated by this Agreement

(including, without limitation, any rights Dexia may have under Section 15 of the Stipulation).

(c) The DA is executed concurrently with this Agreement.

7.3. Covenant of Seller and Buyer.

Buyer and Sellers agree to cooperate with one another, at no cost or expense to the cooperating party, in satisfying the conditions precedent to Close of Escrow. Buyer shall be responsible for proceeding with diligence and in good faith to satisfy the conditions to Buyer's performance set forth in Section 7.1 and Sellers shall be responsible for proceeding with diligence and in good faith to satisfy the conditions to Sellers' performance set forth in Section 7.2.

8. CONDITION OF THE PROPERTY.

8.1. Disclaimer of Warranties. Upon the Closing of Escrow, Buyer shall acquire the Property in its "AS-IS" condition and Buyer shall be responsible for any defects in the Property, whether patent or latent, including, without limitation, the physical, environmental and geotechnical condition of the Property, and the existence of any contamination, Hazardous Materials (as hereinafter defined), vaults, debris, pipelines, or other structures located on, under or about the Property, and Sellers make no other representation or warranty concerning the physical, environmental, geotechnical or other condition of the Property, and Sellers, including the Authority and City, specifically disclaim all representations or warranties of any nature concerning the Property made by them and their respective employees, agents and representatives, except as expressly provided herein or in the ENA. The foregoing disclaimer includes, without limitation, topography, climate, air, water rights, utilities, soil, subsoil, existence of Hazardous Materials or similar substances, the purpose for which the Property is suited, or drainage.

8.2. Hazardous Materials. Buyer understands and agrees that, in the event Buyer incurs any loss or liability concerning Hazardous Materials (as hereinafter defined) and/or underground storage tanks whether attributable to events occurring before or following the Closing, then Buyer may look to current or prior owners of the Property, but in no event shall Buyer look to Sellers, including the Authority and City, for any liability or indemnification regarding Hazardous Materials and/or underground storage tanks. Buyer, and each of the entities constituting Buyer, if any, from and after the Closing, hereby waives, releases, remises, acquits and forever discharges Sellers, including the Authority and City, their directors, officers, shareholders, employees, and agents, and their heirs, successors, personal representatives and assigns, of and from any and all Environmental Claims, Environmental Cleanup Liability and Environmental Compliance Costs, as those terms are defined below, and from any and all actions, suits, legal or administrative orders or proceedings, demands, actual damages, punitive damages, loss, costs, liabilities and expenses, which concern or in any way relate to the physical or environmental conditions of the Property, the existence of any Hazardous Material thereon, or the release or threatened release of Hazardous Materials there from after the Closing. It is the intention of the parties pursuant to this release that any and all responsibilities and obligations of Sellers, including the Authority and City, and any and all rights, claims, rights of action, causes

of action, demands or legal rights of any kind of Buyer, its successors, assigns or any affiliated entity of Buyer, against the Sellers, including the Authority and City, arising by virtue of the physical or environmental condition of the Property, the existence of any Hazardous Materials thereon, or any release or threatened release of Hazardous Material there from after the Closing, are by this release provision declared null and void and of no present or future force and effect as to the parties; provided, however, that no parties other than the Indemnified Parties (defined below) shall be deemed third party beneficiaries of such release.

In connection therewith, Buyer and each of the entities constituting Buyer, expressly agree to waive any and all rights which said party may have with respect to such released claims under Section 1542 of the California Civil Code which provides as follows:

“A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.”

BUYER'S INITIALS: _____ SELLERS' INITIALS: _____ and _____

Buyer shall, from and after the Closing, defend, indemnify and hold harmless Sellers, including the Authority and City, and their officers, directors, employees, agents and representatives (collectively, the “**Indemnified Parties**”) from and against any and all Environmental Claims, Environmental Cleanup Liability, Environmental Compliance Costs, and any other claims, actions, suits, legal or administrative orders or proceedings, demands or other liabilities resulting from the physical and/or environmental conditions of the Property solely occurring after Closing (but not for periods of time before Closing) or from the existence of any Hazardous Materials or the release or threatened release of any Hazardous Materials of any kind whatsoever, in, on or under the Property solely occurring after Closing (but not for periods of time before Closing), including, but not limited to, all foreseeable and unforeseeable damages, fees, costs, losses and expenses, including any and all reasonable attorneys' fees and environmental consultant fees and investigation costs and expenses, directly or indirectly arising there from, and including fines and penalties of any nature whatsoever, assessed, levied or asserted against any Indemnified Parties to the extent that the fines and/or penalties are the result of a violation or an alleged violation of any Environmental Law. Buyer further agrees that in the event Buyer obtains, from former or present owners of the Property or any other persons or entities, releases from liability, indemnities, or other forms of hold harmless relating to the subject matter of this Section, Buyer shall use its diligent efforts to obtain for Sellers, including the Authority and City, the same releases, indemnities and other comparable provisions.

For purposes of this Section, the following terms shall have the following meanings:

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

“*Environmental Cleanup Liability*” means any cost or expense of any nature whatsoever incurred to contain, remove, remedy, clean up, or abate any contamination or any Hazardous

Materials on or under all or any part of the Property, including the ground water hereunder, including, without limitation, (i) any direct costs or expenses for investigation, study, assessment, legal representation, cost recovery by governmental agencies, or ongoing monitoring in connection therewith and (ii) any cost, expense, loss or damage incurred with respect to the Property or its operation as a result of actions or measures necessary to implement or effectuate any such containment, removal, remediation, treatment, cleanup or abatement.

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

“Environmental Law” means any federal, state or local statute, ordinance, rule, regulation, order, consent decree, judgment or common-law doctrine, and provisions and conditions of permits, licenses and other operating authorizations relating to (i) pollution or protection of the environment, including natural resources, (ii) exposure of persons, including employees, to Hazardous Materials or other products, raw materials, chemicals or other substances, (iii) protection of the public health or welfare from the effects of by-products, wastes, emissions, discharges or releases of chemical substances from industrial or commercial activities, or (iv) regulation of the manufacture, use or introduction into commerce of chemical substances, including, without limitation, their manufacture, formulation, labeling, distribution, transportation, handling, storage and disposal.

“Hazardous Material” is defined to include any hazardous or toxic substance, material or waste which is or becomes regulated by any local governmental authority, the State of California, or the United States Government. The term *“Hazardous Material”* includes, without limitation, any material or substance which is: (i) petroleum or oil or gas or any direct or derivate product or byproduct thereof; (ii) defined as a *“hazardous waste,”* *“extremely hazardous waste”* or *“restricted hazardous waste”* under Sections 25115, 25117 or 25122.7, or listed pursuant to Section 25140, of the California Health and Safety Code; (iii) defined as a *“hazardous substance”* under Section 25316 of the California Health and Safety Code; (iv) defined as a *“hazardous material,”* *“hazardous substance,”* or *“hazardous waste”* under Sections 25501(o) and (p) and 25501.1 of the California Health and Safety Code (Hazardous Materials Release Response Plans and Inventory); (v) defined as a *“hazardous substance”* under Section 25281 of the California Health and Safety Code (Underground Storage of Hazardous Substances); (vi) *“used oil”* as defined under Section 25250.1 of the California Health and Safety Code; (vii) asbestos; (viii) listed under Article 9 or defined as hazardous or extremely hazardous pursuant to Article 1 of Title 22 of the California Code of Regulations, Division 4, Chapter 30; (ix) defined as *“waste”* or a *“hazardous substance”* pursuant to the Porter-Cologne Act, Section 13050 of the California Water Code; (x) designated as a *“toxic pollutant”* pursuant to the Federal Water Pollution Control Act, 33 U.S.C. § 1317; (xi) defined as a *“hazardous waste”* pursuant to the Federal Resource Conservation and Recovery Act, 42 U.S.C. § 6901, et seq. (42 U.S.C. § 6903); (xii) defined as a *“hazardous substance”* pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601, et seq. (42 App. U.S.C. § 9601); (xiii) defined as *“Hazardous Material”* or a *“Hazardous Substance”* pursuant to the Hazardous Materials Transportation Act, 49 U.S.C. § 1801, et seq.; or (xiv) defined as such or regulated by any *“Superfund”* or *“Superlien”* law, or any other federal, state or local law, statute,

ordinance, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning Hazardous Materials, oil wells, underground storage tanks, and/or pipelines, as now, or at any time hereafter, in effect.

Notwithstanding any other provision of this Agreement, Buyer's release and indemnification as set forth in the provisions of this Section, as well as all other provisions of this Section, shall survive the termination of this Agreement and shall continue following Project completion upon the entire Property (including Parcel A), as such completion is demonstrated by the issuance of a certificate of occupancy for all Project improvements on each Parcel as further described in the DA. Such indemnification and release shall be set forth in the covenants, conditions and restrictions relating to the Site, and shall run with the land.

Notwithstanding anything to the contrary in this Section, Buyer's release and indemnification of the Indemnified Parties from liability pursuant to this Section shall not extend to Hazardous Materials brought onto the Property or released on the Property by Sellers or City or their respective contractors, tenants (excluding BNSF and/or its successors and assigns in connection with the BNSF Lease), agents or employees, or claims that relate to fraud, willful misconduct, or gross negligence of City or its contractors, tenants, agents, or employees.

9. REPRESENTATIONS AND WARRANTIES.

9.1. Representations and Warranties. Sellers hereby make the following representations and warranties to Buyer, each of which (i) is material and relied upon by Buyer in making its determination to enter into this Agreement; (ii) to Sellers' actual knowledge, is true in all respects as of the date hereof and shall be true in all respects on the date of Close of Escrow on the Property; and (iii) shall survive the Close of Escrow of the purchase and sale of the Property, as well as any future transfer of the Property to Buyer or any transferee, successor or assignee of Buyer. Notwithstanding the foregoing, Sellers make no representation as to the accuracy of completeness of any report or information supplied by any third party nor shall Sellers be bound in any manner by any verbal or written statements, representations, appraisals, environmental assessment reports, or other information pertaining to the Property or the operation thereof, furnished by any third party. Sellers shall not be liable for any failure to investigate the Property.

- (a) Except as provided in the materials provided under the ENA for the purpose of conducting due diligence (the "**Due Diligence Materials**"), there are no pending litigation, allegations, lawsuits or claims, whether for personal injury, property damage, property taxes, contractual disputes or otherwise, which do or may affect the Property or the operation or value thereof, and there are no actions or proceedings pending or, to the best of Sellers' knowledge, threatened against Sellers before any court or administrative agency in any way connected with the Property and neither the entering into of this Agreement nor the consummation of the transactions contemplated hereby will constitute or result in a violation or breach by Sellers of any judgment, order, writ, injunction or decree issued against or imposed upon it. There is no

action, suit, proceeding or investigation pending against Sellers which would become a cloud on Buyer's title to or have a material adverse impact upon the Property or any portion thereof or which questions the validity or enforceability of the transaction contemplated by this Agreement or any action taken pursuant hereto in any court or before or by any federal, district, county, or municipal department, commission, board, bureau, agency or other governmental instrumentality.

- (b) Except as provided in the Due Diligence Materials, including the BNSF Lease and the Stipulation, there are no contracts, leases, claims or rights affecting the Property and no agreements entered into by or under Sellers shall survive the Close of Escrow that would adversely affect Buyer's rights with respect to the Property, except as heretofore disclosed in writing by Sellers to Buyer pursuant to this Agreement and the ENA. Copies of the currently in force leases have been delivered to Buyer concurrent with delivery of this signed Agreement.

Until the Closing, Sellers shall not do anything which would impair Sellers' title to any of the Property or create any new encumbrance to title. Sellers have no knowledge that anyone will, at the Closing, have any right to possession of the Property, except as disclosed by this Agreement or otherwise in writing to Buyer.

- (c) Sellers have delivered true, correct and complete copies of all the documents and other information specified in Section 6 herein and Section 1(E) of the ENA in Sellers' custody.
- (d) Except for the Stipulation, there are no executory contracts, options or agreements existing (other than this Agreement and the DA) relating to the purchase of all or any portion of the Property. The Property was not owned previously by any redevelopment agency.
- (e) All federal, state, municipal, county and local taxes, the nonpayment of which might become a lien on or affect all or part of the Property, which are due and payable prior to the Closing have been paid, or on the Closing Date will have been paid in full.
- (f) Sellers are the fee owner of record of the Property and has obtained, or will obtain before the Close of Escrow, all required consents, releases and permissions in order to vest good and marketable title in Buyer.
- (g) The closing of the various transactions contemplated by this Agreement will not constitute or result in any default or event that

with the notice or lapse of time, or both, would be a default, breach or violation of any lease, mortgage, deed of trust or other agreement, instrument or arrangement by which Sellers or the Property are bound. Subject to the consent of Dexia pursuant to the Stipulation, the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby will not violate any provision of, or require any consent, authorization or approval under any law or administrative regulation or any order, award, judgment, writ, injunction or decree applicable to, or any governmental permit or license issued to Sellers relating to the Property.

- (h) Other than those conditions or encumbrances expressly identified in the Preliminary Title Report which have been approved by Buyer pursuant to Section 5.1 above and the Due Diligence Materials, to the best of Sellers' knowledge, there are no defects or conditions of the Property which may impair the use of the Property.

All representations and warranties made hereunder are in addition to any representations and warranties implied by law and in no event shall this Section be construed to limit, diminish or reduce any obligation of disclosure implied upon Sellers by law. All representations and warranties made hereunder "to the best of Sellers' knowledge," or similar phrases, mean the current actual conscious awareness of facts by Sellers or any current officer or director of the Sellers without any duty of investigation or inquiry; and shall not mean that any Sellers' Party is charged with knowledge of the acts, omissions and/or knowledge of Sellers' predecessors in title to the Property.

9.2. Release.

Buyer releases Sellers from all claims which Buyer or any party related to or affiliated with Buyer (each a "**Buyer Related Party**") has or may have arising from or related to any matter or thing related to or in connection with the Property, including the documents and information referred to herein, any construction, soils or grading defects, engineering defects, errors or omissions in the design, construction or grading and any environmental conditions, except for the violation of any representation or warranty in accordance with the express provisions of Article 8 and the terms of Section 12, and Buyer shall not look to Sellers in connection with the foregoing for any redress or relief. This release shall be given full force and effect according to each of its expressed terms and provisions, including those relating to unknown and unsuspected claims, damages and causes of action, and, in that regard, Buyer hereby expressly waives all rights and benefits it may now have or hereafter acquire under California Civil Code Section 1542 which provides:

“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.”

This Section shall survive the termination of this Agreement and the Closing Date and shall not be deemed to have merged into any of the documents executed or delivered at the Closing. To the extent required to be operative, the disclaimers or warranties contained herein are “conspicuous” disclaimers for purposes of any applicable law, rule, regulation or order.

10. BNSF LEASE.

Prior to Closing, Seller shall deliver to Escrow Holder an executed Assignment of that certain Lease, dated August 8, 2000, between the Bell Public Financing Authority, a joint exercise of powers agency, and the Burlington Northern Santa Fe Railway Company, a Delaware corporation, and all amendments thereto, transferring all of Seller’s interests, rights, and obligations which exist or arise out of the BNSF Lease to the Buyer, substantially in the form attached hereto as Exhibit “D”, and all rents thereunder shall be prorated at Closing and any security deposit thereunder shall be assigned to Buyer at Closing. After the date hereof, Sellers shall not modify or amend the BNSF Lease, or enter into any other lease or contract affecting any of the Property, except with Buyer approval.

11. ESCROW PROVISIONS.

11.1. Escrow Instructions.

This Agreement, when signed by Buyer and Sellers, shall also constitute escrow instructions to Escrow Holder. If required by Escrow Holder, Buyer and Sellers agree to execute Escrow Holder’s standard escrow instructions, provided that the same are consistent with and do not conflict with the provisions of this Agreement. In the event of any such conflict, the provisions of this Agreement shall prevail.

11.2. General Escrow Provisions.

Escrow Holder shall deliver the Title Policy to the Buyer and instruct the Los Angeles County Recorder to mail the Grant Deed to Buyer at the address set forth in Section 17 after recordation. All funds received in this Escrow shall be deposited in one or more general escrow accounts of the Escrow Holder with any bank doing business in Los Angeles County, California, and may be disbursed to any other general escrow account or accounts. All disbursements shall be made by Escrow Holder’s check or wire transfer. This Agreement and any modifications, amendments, or supplements thereto may be executed in counterparts and shall be valid and binding as if all of the parties’ signatures were on one document.

11.3. Proration of Real Property Taxes.

- (a) All non-delinquent general and special real property taxes shall be prorated to the Close of Escrow on the basis of a thirty (30) day month and a three hundred sixty (360) day year. Sellers acknowledge that Buyer is a governmental agency, not subject to

payment of taxes. Accordingly, Sellers shall be solely responsible for seeking a refund of any overpayment of taxes from the appropriate taxing agencies.

- (b) Utilities and other expenses of the Property which are payable by or to the owner of the Property shall be prorated to the Close of Escrow on the basis of a thirty (30) day month and a three hundred sixty (360) day year. Any party who is obligated to pay net amounts based on said final proration shall reimburse the other party said amount within five (5) business days after completion of the final proration.
- (c) Sellers shall receive a credit for any refundable utility or governmental deposits made by Sellers with respect to the Property and shall assign Buyer all rights to refund of same.

11.4. Payment of Costs.

Buyer shall pay for the following: 100% of the charges for the additional portion of the Title Policy premium which is attributable to any requested title endorsements for Buyer and 50% of Escrow fees. Sellers shall pay for the following: one hundred percent (100%) of the documentary stamp and transfer taxes and recording fees and the Title Policy premiums, and 50% of Escrow fees. Sellers and Buyer shall each be responsible for their respective attorneys' fees and costs. All other costs of Escrow not otherwise specifically allocated by this Section shall be apportioned between the parties in a manner consistent with the custom and usage of Escrow Holder in Los Angeles County.

11.5. Termination and Cancellation of Escrow.

If Escrow fails to close as provided above, Escrow shall terminate automatically without further action by Escrow Holder or any party, and Escrow Holder is instructed to return all funds and documents then in Escrow to the respective depositor of the same with Escrow Holder. Cancellation of Escrow, as provided herein, shall be without prejudice to whatever legal rights Buyer or Sellers may have against each other arising from the Escrow or this Agreement. Notwithstanding the above, if Escrow fails to close after Buyer's approval of the condition of the Property pursuant to Section 7.3, and Buyer is not otherwise entitled to terminate this Agreement or receive a return of the Good Faith Deposit hereunder, Sellers shall be entitled to retain the Good Faith Deposit as an offset to its costs.

11.6. Distribution of Funds and Documents.

- (a) Except as provided herein, cash received by Escrow Holder will be kept on deposit in an interest-bearing account with interest accruing to Buyer's benefit.
- (b) Escrow Holder will pay interest on cash received by it.

- (c) All disbursements by Escrow Holder will be by its checks or wire transfer pursuant to instructions by the Parties hereto.
- (d) Escrow Holder will, at Close of Escrow, pay, from funds to which Sellers will be entitled and from funds, if any, deposited by Sellers with Escrow Holder, to the appropriate obligees, all monetary encumbrances caused, permitted or suffered by Sellers, other than those permitted by Section 5.2 hereof.
- (e) Escrow Holder will cause the County Recorder to mail the Grant Deed (and each instrument which is recorded) after recordation, to Buyer.
- (f) Escrow Holder will, at close of Escrow, deliver by United States mail (or hold for personal pickup, if requested) each non-recorded instrument received by Escrow Holder to payee or person (i) acquiring rights under the instrument or (ii) for whose benefit the instrument was obtained.
- (g) Escrow Holder will, at close of Escrow, send by United States mail or wire transfer (or hold for personal pickup), as requested, (i) to Sellers, or order, the balance of the cash portion of the Total Price to which Sellers will be entitled and (ii) to Buyer, or order, any excess funds delivered to Escrow Holder by Buyer.
- (h) Escrow Holder will, at close of Escrow, send by United States mail (or hold for personal pickup, if requested) to Buyer and Sellers a copy of each document caused to be recorded by Escrow Holder (conformed to show recording data).
- (i) Escrow Holder will report the transaction to the Internal Revenue Service as required by Section 6045 of the Internal Revenue Code. The Parties will provide Escrow Agent with all documents needed to satisfy this reporting requirement.

11.7. Information Report.

Escrow Holder shall file and Buyer and Sellers agree to cooperate with Escrow Holder and with each other in completing any report ("**Information Report**") and/or other information required to be delivered to the Internal Revenue Service pursuant to Internal Revenue Code Section 6045(e) regarding the real estate sales transaction contemplated by this Agreement, including without limitation, Internal Revenue Service Form 1099-B as such may be hereinafter modified or amended by the Internal Revenue Service, or as may be required pursuant to any regulation now or hereinafter promulgated by the Treasury Department with respect thereto. Buyer and Sellers also agree that Buyer and Sellers, their respective employees and attorneys, and escrow Holder and its employees, may disclose to the Internal Revenue Service, whether pursuant to such Information Report or otherwise, any information regarding this Agreement or the transactions contemplated herein as such party reasonably deems to be required to be

disclosed to the Internal Revenue Service by such party pursuant to Internal Revenue Code Section 6045(e), and further agree that neither Buyer nor Sellers shall seek to hold any such party liable for the disclosure to the Internal Revenue Service of any such information.

11.8. Brokerage Commissions.

Buyer represents that it is solely responsible for payment of the Buyer's Broker commission (if Buyer has engaged any such broker on its behalf) and shall hold Sellers harmless for any claim for payment of commission made by Buyer's Broker. Sellers represent that they are solely responsible for payment of the Seller's Broker commission (including any commission to CBRE resulting from Sellers' employment of CBRE as Sellers' Broker) and shall hold Buyer harmless for any claim for payment of commission made by Seller's Broker. No other consultant, broker, salesman or finder has been engaged by it in connection with any of the transactions contemplated by this Agreement or, to its knowledge, is in any way connected with any of such transactions. In the event of any other claim for broker's, consultant's or finder's fees or commissions in connection with the negotiation, execution or consummation of this Agreement, then Buyer shall indemnify, save harmless and defend Seller from and against such claim if it shall be based upon any statement, representation or agreement made by Buyer, and Sellers shall indemnify, save harmless and defend Buyer from and against such claim if it shall be based upon any statement, representation or agreement made by Sellers.

12. TERMINATION AND CANCELLATION OF ESCROW,

12.1. Automatic Termination. Time is of the essence in this Agreement. If Escrow fails to close as provided above, Escrow shall terminate automatically without further action by Escrow Holder or any party, and Escrow Holder is instructed to return all funds and documents then in Escrow to the respective depositor of the same with Escrow Holder, subject to Section 15 herein. Cancellation of Escrow, as provided herein, shall be without prejudice to whatever legal rights Buyer or Sellers may have against each other arising from the Escrow or this Agreement.

12.2. Right to Terminate. The closing shall occur on the Closing Date, or as soon thereafter as the Escrow is in condition for Closing; provided, however, that if the Closing does not occur by the Closing Date and said date is not extended by mutual instructions of the Parties and with the consent of Dexia, the Escrow shall be deemed terminated without further notice or instructions.

12.3. Delivery of Documents. If this sale of the Property is not consummated for any reason other than Sellers' breach or default, then at Sellers' request, Buyer shall within five (5) days after written request deliver to Sellers, at no charge, copies of all surveys, engineering studies, soil reports, maps, master plans, feasibility studies and other similar items prepared by or for Buyer that pertain to the Property (without any representation or warranty as to the accuracy or completeness thereof). Provided, however, that Buyer shall not be required to deliver any such report if the written contract which Buyer entered into with the consultant who prepared such report specifically forbids the dissemination of the report to others.

12.4. Breach/Termination. If either party fails to perform any of its obligations herein before the Closing, then the non-breaching party may elect the applicable remedies set forth

herein and in Section 15 of this Agreement, which remedies will be the sole and exclusive remedies of the non-breaching party with respect to a default by the other party. If this transaction is terminated as a result of Buyer's breach of this Agreement then Buyer shall pay Title Company and Escrow Holder cancellation fees and costs. In addition, Buyer's failure to cause Closing to occur timely and/or Buyer's election not to perform under the Agreement will constitute Buyer's agreement to bear the cost of any escrow cancellation, title cancellation and other cancellation charges pursuant to the terms herein. If this transaction is terminated as a result of Sellers' breach of this Agreement then Sellers shall pay the Title Company and Escrow Holder cancellation fees and costs. If this Agreement shall be terminated for failure to satisfy a condition of Closing, then each party shall be responsible for one-half of Escrow fees and costs incurred to the date of such termination.

12.5. Remedies. Notwithstanding anything to the contrary herein, if either party commits a material breach of any covenants, representations, warranties or other agreements set forth herein, the non-defaulting party may either (i) proceed with the transaction, or (ii) terminate Escrow and pursue those remedies available in Section 15 herein. Nothing herein prevents the non-defaulting party from filing a Los Angeles County Superior Court action for specific performance if there is a material default by defaulting party.

13. RISK OF PHYSICAL LOSS.

Risk of physical loss to the Property shall be borne by Sellers prior to the Close of Escrow and by Buyer thereafter. In the event that the Property shall be damaged by fire, flood, earthquake, environmental contamination or other casualty Buyer shall have the option to terminate this Agreement, provided that (i) notice of such termination is delivered to Sellers within ten (10) days following the date Buyer learns of the occurrence of such casualty, provided such date is prior to the Closing Date, or (ii) Dexia has consented to an extension of the Closing in accordance with the Stipulation should Buyer require further time to evaluate and consider a casualty. If Buyer fails to terminate this Agreement pursuant to the foregoing sentence within said ten (10) day period, Buyer shall complete the acquisition of the Property, in which case Sellers shall assign to Buyer the interest of Sellers in all insurance proceeds relating to such damage (subject to the rights of tenants under leases of the Property). Sellers shall consult with Buyer regarding any proposed settlement with the insurer and Buyer shall have the reasonable right of approval thereof. Sellers shall hold such proceeds until the Close of Escrow. In the event this Agreement is terminated for any reason, Buyer shall have no right to any insurance proceeds.

14. EXTENSION.

The Closing Date may not be extended under any circumstance, except with the express consent of Dexia pursuant to the Stipulation. In the event that Dexia agrees to an extension, such extension shall be granted if requested by Buyer and/or Sellers.

15. DEFAULTS; ENFORCEMENT.

15.1. Defaults and Right to Cure. Either party may terminate this Agreement if the other party should fail to comply with and perform in a timely manner any material obligation to

be performed by such other party under this Agreement, provided the party seeking to terminate this Agreement shall provide at least ten (10) days written notice to the other party of such failure or nonperformance and such other party shall have a ten (10) day period within which to cure such failure or nonperformance (or such longer period as may be reasonably necessary to cure such failure or nonperformance if such failure or nonperformance cannot reasonably be cured with such 10-day period).

15.2. Seller's Remedies. Termination shall be the sole remedy for uncured default by Buyer, provided that Sellers shall be permitted to keep the Good Faith Deposit in the event of Buyer's uncured default. Notwithstanding the foregoing, in no event shall any cure period hereunder extend the term of this Agreement.

15.3. Buyer's Remedies. In the event of an uncured default by the Sellers, Buyer's sole remedy shall be to terminate this Agreement and seek return of the Good Faith Deposit, or to seek specific performance of this Agreement. Seller's failure to avoid foreclosure by Dexia shall not constitute a default by Sellers (but shall permit Buyer to terminate this Agreement and recover all the Good-Faith Deposit).

Notwithstanding the foregoing, if the Sellers, in bad faith, or in breach of this Agreement, (i) enters into a Conveyance Instrument for the Property with any other person or entity during the term of this Agreement, except where that other person is a Back-Up Developer, and Sellers have the option of entering into a Conveyance Instrument pursuant to the terms of the ENA, or (ii) fails to execute the documents called for herein once they have been approved, in breach of this Agreement, then upon termination of this Agreement, Buyer may seek injunctive relief to prohibit the City from selling or using the Property and seek specific performance.

15.4. Limitation on Remedies. Except as expressly provided in this Agreement, neither party shall have any liability to the other for damages or otherwise for any default, nor shall either Party have any other claims with respect to performance under this Agreement. Each Party specifically waives and releases any such rights or claims it may otherwise have at law to in equity and expressly waives any rights to special or consequential damages or specific performance from the other Party under this Agreement, except as expressly provided for above. Notwithstanding the generality of the foregoing, Buyer specifically acknowledges that (i) the Stipulation requires that Buyer waive any right or cause of action against Dexia for Dexia's exercise of its rights under the Stipulation and (ii) neither the Stipulation nor this Agreement requires any party, whether Dexia, Sellers or Buyer, to defend the project Entitlements in the event of a legal challenge, and accordingly Buyer shall not have any right or cause of action against Sellers (or Dexia) should Sellers (or Dexia) elect not to defend the project Entitlements.

16. NON COLLUSION.

No official, officer, or employee of the Sellers has any financial interest, direct or indirect, in this Agreement, nor shall any official, officer, or employee of the Sellers participate in any decision relating to this Agreement which may affect his/her financial interest or the financial interest of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any interest of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any State or municipal statute

or regulation. The determination of "financial interest" shall be consistent with State law and shall not include interest found to be "remote" or "non interest" pursuant to California Government Code Sections 1091 and 1091.5. Buyer warrants and represents that (s)he/it has not paid or given, and will not pay or give, to any third party including, but not limited to, a Seller official, officer, or employee, any money, consideration, or other thing of value as a result or consequence of obtaining or being awarded this Agreement. Buyer further warrants and represents that (s)he/it has not engaged in any act(s), omission(s), or other conduct or collusion that would result in the payment of any money, consideration, or other thing of value to any third party including, but not limited to, any Seller official, officer, or employee, as a result or consequence of obtaining or being awarded any agreement. Buyer is aware of and understands that any such act(s), omission(s) or other conduct resulting in the payment of money, consideration, or other thing of value will render this Agreement void and of no force or effect.

Buyer Initials _____

17. ASSIGNMENT.

Neither party shall have the right to assign this Agreement or any interest or right hereunder or under the Escrow without the prior written consent of the other party; however, notwithstanding the above, the Buyer's assignment of its rights and obligations under this Agreement to another entity which is owned or controlled (directly or indirectly) by Buyer which assignee shall own, develop and operate the Property pursuant to the conditions, covenants, restrictions, and provisions of the DA, is permitted without Sellers' approval. Subject to the foregoing, this Agreement shall be binding upon and shall inure to the benefit of Buyer and Sellers and their respective heirs, personal representatives, successors and assigns.

18. ATTORNEYS' FEES.

In any action between the parties hereto seeking enforcement of any of the terms and provisions of this Agreement or the Escrow, or otherwise in connection with the Property, the prevailing party in such action shall be entitled, to have and to recover from the other party its reasonable attorneys' fees and other reasonable expenses in connection with such action or proceeding, in addition to its recoverable court costs.

19. NOTICES.

Any notice which either party may desire to give to the other party or to the Escrow Holder must be in writing and may be given by personal delivery or by mailing the same by registered or certified mail, return receipt requested, to the party to whom the notice is directed at the address of such party hereinafter set forth, or such other address and to such other persons as the parties may hereafter designate:

To City: City of Bell
 6330 Pine Avenue
 Bell, California 90201
 Attention: City Manager

To Authority: Bell Public Financing Authority

6330 Pine Avenue
Bell, California 90201
Attention: Executive Director

Copy To: Aleshire & Wynder, LLP
18881 Von Karman Avenue, Suite 1700
Irvine, California 92612
Attention: David J. Aleshire, Esq.

To Buyer: PI Bell, LLC
6272 Pacific Coast Highway, Suite #E
Long Beach, California 90803
Attention: Neil Mishurda

Copy To: DLA Piper US, LLP
1717 Main Street, Suite 75201
Dallas, Texas 75201
Attention: Craig Anderson

To Escrow Holder: Chicago Title Company, at the address provided on Page 1.

To Title Company: Chicago Title Company, at the address provided on Page 1

20. INTERPRETATION; GOVERNING LAW.

This Agreement shall be construed according to its fair meaning and as if prepared by both parties hereto. This Agreement shall be construed in accordance with the laws of the State of California in effect at the time of the execution of this Agreement. Titles and captions are for convenience only and shall not constitute a portion of this Agreement. As used in this Agreement, masculine, feminine or neuter gender and the singular or plural number shall each be deemed to include the others wherever and whenever the context so dictates.

21. NO WAIVER.

No delay or omission by either party in exercising any right or power accruing upon the compliance or failure of performance by the other party under the provisions of this Agreement shall impair any such right or power or be construed to be a waiver thereof. A waiver by either party of a breach of any of the covenants, conditions or agreements hereof to be performed by the other party shall not be construed as a waiver of any succeeding breach of the same or other covenants, agreements, restrictions or conditions hereof.

22. MODIFICATIONS.

Any alteration, change or modification of or to this Agreement, in order to become effective, shall be made by written instrument or endorsement thereon and in each such instance executed on behalf of each party hereto.

23. SEVERABILITY.

If any term, provision, condition or covenant of this Agreement or the application thereof to any party or circumstances shall, to any extent, be held invalid or unenforceable, the remainder of this instrument, or the application of such term, provisions, condition or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

24. MERGER OF PRIOR AGREEMENTS AND UNDERSTANDINGS.

This Agreement and other documents incorporated herein by reference contain the entire understanding between the parties relating to the transaction contemplated hereby and all prior to contemporaneous agreements, understandings, representations and statements, oral or written, are merged herein and shall be of no further force or effect.

25. CONSENT OF PARTIES.

Whenever by the terms of this Agreement the consent or approval of Buyer or Sellers is to be given, such consent or approval shall be evidenced by the signature of one person designated for such purpose. Initially such person for Sellers shall be Doug Willmore and such person for Buyer shall be Neil Mishurda. Such designated persons may be changed by the party so designating at any time by the delivery of a written notice to the other party.

26. NO WITHHOLDING BECAUSE NON-FOREIGN SELLER.

Sellers represent and warrant to Buyer that Sellers are not, and as of the Close of Escrow will not be, a foreign person within the meaning of Internal Revenue Code Section 1445 or an out-of-state seller under California Revenue and Tax Code Section 18805 and that it will deliver to Buyer on or before the Close of Escrow a non-foreign affidavit on Escrow Holder's standard form pursuant to Internal Revenue Code Section 1445(b)(2) and the Regulations promulgated thereunder and a California Form 590-RE.

27. EXECUTION IN COUNTERPARTS.

This Agreement may be executed in several counterparts, and all so executed shall constitute one agreement binding on all parties hereto, notwithstanding that all parties are not signatories to the original or the same counterpart.

28. EXHIBITS.

Exhibits "A" through "D", inclusive, attached hereto, are incorporated herein by this reference, and shall consist of:

Exhibit A: Legal Description of Property

Exhibit B: Form of Grant Deed - City of Bell

Exhibit C: Form of Grant Deed - Bell Public Financing Authority

Exhibit D: Form of Lease Assignment

Exhibit E: Non-foreign Affidavit

[END - SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement for Purchase and Sale of Real Property and Escrow Instructions as of the date set forth above.

“SELLERS”

CITY OF BELL, a California Charter City

By: _____
Mayor Violeta Alvarez

ATTEST:

City Clerk

APPROVED AS TO FORM:

Aleshire & Wynder, LLP

City Attorney

BELL PUBLIC FINANCING AUTHORITY, a
California Joint Powers Authority

By: _____
Executive Director

ATTEST:

Secretary

APPROVED AS TO FORM:

Aleshire & Wynder, LLP

Authority Attorney

“BUYER”

PI Bell, LLC

By: _____
Neil Mishurda, authorized agent

EXHIBIT "A"

LEGAL DESCRIPTION OF PROPERTY

Parcel A

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

PARCEL I:

THOSE PORTIONS OF LOTS 109 AND 115 IN THE RANCHO LAGUNA, IN THE CITY OF BELL, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED AS EXHIBIT "A" IN THE FINAL DECREE OF PARTITION AS CASE NO. B25296 IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA, A CERTIFIED COPY OF SAID DECREE BEING RECORDED IN BOOK 6387 PAGE 1 OF DEEDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF PARCEL 14 OF PARCEL MAP NO. 11282, FILED IN BOOK 120 PAGES 56 THROUGH 60 INCLUSIVE OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, SAID POINT BEING ON A CURVE CONCAVE TO THE SOUTH AND HAVING A RADIUS OF 501.34 FEET, A RADIAL LINE THROUGH SAID POINT BEARS SOUTH 17° 51' 36" WEST; THENCE SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 4° 25' 39" AN ARC DISTANCE OF 38.74 FEET TO A POINT ON THE NORTHEAST LINE OF THE 33 FOOT WIDE STRIP OF LAND DESCRIBED IN DEED TO CENTRAL MANUFACTURING DISTRICT, INC., RECORDED IN BOOK 7471 PAGE 45 OF OFFICIAL RECORDS; THENCE SOUTH 22° 17' 15" WEST 33.00 FEET TO THE TRUE POINT OF BEGINNING; SAID TRUE POINT OF BEGINNING BEING A POINT ON THE SOUTHWEST LINE OF SAID 33-FOOT WIDE STRIP, AND SAID POINT ALSO BEING THE BEGINNING OF A CONCENTRIC CURVE CONCAVE TO THE SOUTH AND HAVING A RADIUS OF 468.34 FEET; THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 3° 10' 35" AN ARC DISTANCE OF 25.96 FEET TO A POINT ON THE EASTERLY LINE OF THE LONG BEACH FREEWAY, STATE ROUTE 710, AS DESCRIBED IN DEED TO THE STATE OF CALIFORNIA, RECORDED JANUARY 24, 1957 IN BOOK 53458 PAGE 311 OF OFFICIAL RECORDS; THENCE SOUTH 0° 43' 26" WEST 111.19 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 720.00 FEET; THENCE ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 12° 56' 00" AN ARC DISTANCE OF 162.53 FEET; THENCE TANGENT TO SAID LAST CURVE, SOUTH 12° 12' 34" EAST, 226.85 FEET; THENCE SOUTH 26° 17' 36" EAST 658.27 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 1,910.00 FEET, A RADIAL LINE THROUGH SAID POINT BEARS NORTH 50° 55' 38" EAST; THENCE SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 7° 42' 48", AN ARC DISTANCE OF 257.13 FEET; THENCE NORTH 22° 17' 15" EAST 977.43 FEET TO POINT ON SAID SOUTHWEST LINE OF CENTRAL MANUFACTURING DISTRICT, INC.; THENCE NORTH 67° 42' 45" WEST ALONG SAID SOUTHWEST LINE 946.51 FEET TO THE TRUE POINT OF BEGINNING.

EXCEPT ALL MINERALS, PETROLEUM, GASES AND OTHER HYDROCARBON SUBSTANCES EXISTING IN AND UNDER SAID LAND, WITHOUT THE RIGHT TO ENTER UPON OR USE THE SURFACE OF SAID LAND FOR THE EXTRACTION AND REMOVAL OF SUCH RESERVED SUBSTANCES, OR FOR ANY OTHER PURPOSE OR PURPOSES, AS RESERVED IN THE DEED RECORDED JULY 18, 1944 AS INSTRUMENT NO. 913, IN BOOK 21013 PAGE 131 OFFICIAL RECORDS.

PARCEL II:

THOSE PORTIONS OF LOTS 109, 115, 116, 117, 118 AND A PORTION OF CAMFIELD AVENUE, (VACATED) IN THE RANCHO LAGUNA, IN THE CITY OF BELL, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED AS EXHIBIT "A" IN THE FINAL DECREE OF PARTITION AS CASE NO. B25296 IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA, A CERTIFIED COPY OF SAID DECREE BEING RECORDED IN BOOK 6387 PAGE 1 OF DEEDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BEING A STRIP OF LAND 22 FEET WIDE, THE CENTERLINE OF WHICH IS DESCRIBED AS FOLLOWS:

COMMENCING AT THE WESTERLY TERMINUS OF THE CENTERLINE OF MANSFIELD WAY AS SHOWN ON PARCEL MAP NO. 11282 RECORDED IN BOOK 120, PAGES 56 THROUGH 60 INCLUSIVE OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, SAID CENTERLINE HAVING A BEARING OF

NORTH 82° 57' 31" WEST; THENCE CONTINUING ON LAST MENTIONED BEARING A DISTANCE OF 174.62 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTH, HAVING A RADIUS OF 922 FEET; THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 15° 13' 15" AN ARC LENGTH OF 244.93 FEET; THENCE NORTH 67° 44' 16" WEST, 1,792.98 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTH HAVING A RADIUS OF 372 FEET; THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 27° 06' 40" AN ARC LENGTH OF 176.02 FEET; THENCE TANGENT TO SAID CURVE, NORTH 40° 37' 36" WEST, 211.33 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTH, HAVING A RADIUS OF 1,522 FEET; THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 6° 25' 30" AN ARC LENGTH OF 170.67 FEET; THENCE NORTH 47° 03' 06" WEST, 796.19 FEET.

THE SIDELINES OF SAID STRIP TO BE LENGTHENED OR SHORTENED SO AS TO TERMINATE AT THE WESTERLY LINE OF MANSFIELD WAY AND THE WESTERLY LINE OF FIRST STREET, ALSO KNOWN AS THE EASTERLY LINE OF PARCEL I ABOVE.

EXCEPT ALL MINERALS, PETROLEUM, GASES AND OTHER HYDROCARBON SUBSTANCES EXISTING IN AND UNDER SAID LAND, WITHOUT THE RIGHT TO ENTER UPON OR USE THE SURFACE OF SAID LAND FOR THE EXTRACTION AND REMOVAL OF SUCH RESERVED SUBSTANCES, OR FOR ANY OTHER PURPOSE OR PURPOSES, AS RESERVED IN THE DEED RECORDED JULY 18, 1944 AS INSTRUMENT NO. 913, IN BOOK 21013 PAGE 131 OFFICIAL RECORDS.

PARCEL III:

THOSE PORTIONS OF LOTS 109 & 115 IN THE RANCHO LAGUNA, IN THE CITY OF BELL, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED AS EXHIBIT "A" IN THE FINAL DECREE OF PARTITION, AS CASE NO. B25296 IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA, A CERTIFIED COPY OF SAID DECREE BEING RECORDED IN BOOK 6387 PAGE 1 OF DEEDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BEING 30 FEET WIDE, THE CENTERLINE OF WHICH BEING DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF PARCEL 14 OF PARCEL MAP NO. 11282, RECORDED IN BOOK 120, PAGES 56 THROUGH 60 INCLUSIVE OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, SAID POINT BEING ON A CURVE CONCAVE TO THE SOUTH AND HAVING A RADIUS OF 501.34 FEET, A RADIAL LINE THROUGH SAID POINT BEARS SOUTH 17° 51' 36" WEST; THENCE EASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 4° 25' 39", AN ARC LENGTH OF 38.74 FEET; THENCE RADIAL TO SAID CURVE, SOUTH 22° 17' 15" WEST, 33.00 FEET TO A POINT ON THE SOUTHERLY LINE OF THAT 33.00 FOOT WIDE STRIP OF LAND DESCRIBED IN DEED TO CENTRAL MANUFACTURING DISTRICT, INC., RECORDED IN BOOK 7471, PAGE 45 OF OFFICIAL RECORDS; THENCE SOUTH 67° 42' 45" EAST ALONG SAID SOUTHERLY LINE 961.51 FEET TO THE TRUE POINT OF BEGINNING; THENCE SOUTH 22° 17' 15" WEST 983.17 FEET, MORE OR LESS, TO A POINT ON THE EASTERLY LINE OF STATE ROUTE 710, AS DESCRIBED IN DEED TO THE STATE OF CALIFORNIA, RECORDED JANUARY 24, 1957 IN BOOK 53458 PAGE 311 OF OFFICIAL RECORDS.

THE SIDELINES OF SAID STRIP TO BE LENGTHENED OR SHORTENED TO TERMINATE AT THE SOUTHERLY LINE OF SAID 33 FOOT WIDE STRIP AND SAID EASTERLY LINE OF STATE ROUTE 710.

EXCEPT ALL MINERALS, PETROLEUM, GASES AND OTHER HYDROCARBON SUBSTANCES EXISTING IN AND UNDER SAID LAND, WITHOUT THE RIGHT TO ENTER UPON OR USE THE SURFACE OF SAID LAND FOR THE EXTRACTION AND REMOVAL OF SUCH RESERVED SUBSTANCES, OR FOR ANY OTHER PURPOSE OR PURPOSES, AS RESERVED IN THE DEED RECORDED JULY 18, 1944 AS INSTRUMENT NO. 913, IN BOOK 21013 PAGE 131 OFFICIAL RECORDS.

Parcel F, G and H

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

PARCEL 1:

THE FOLLOWING PARCELS OF LAND IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, INCLUDING PORTIONS OF LOTS 106 TO 109 INCLUSIVE, AND LOTS 115 TO 118 INCLUSIVE, AND THAT PORTION OF CAMFIELD AVENUE, ADJOINING LOTS 106, 107, 117 AND 118 VACATED BY AN ORDER OF THE BOARD OF SUPERVISORS OF SAID COUNTY, RECORDED IN BOOK 10430 PAGE 32, OF OFFICIAL RECORDS OF SAID COUNTY, ALL IN RANCHO LAGUNA AS SHOWN MAP FILED AS EXHIBIT "A" IN CASE NO. B-25296 OF SUPERIOR COURT OF THE STATE OF CALIFORNIA, LOS ANGELES COUNTY, AND ALSO A PORTION OF THE RANCHO SAN ANTONIO, AS PER MAP RECORDED IN BOOK 1 PAGE 389 OF PATENTS, RECORDS OF SAID LOS ANGELES COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

PARCEL "F"

COMMENCING AT A FOUND CONCRETE MONUMENT WITH BRASS PLATE STAMPED "LS 2348" MARKING THE MOST NORTHERLY CORNER OF PARCEL 10 OF PARCEL MAP NO. 11282, AS PER MAP FILED IN BOOK 120 PAGES 56 THROUGH 60 INCLUSIVE OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY SAID POINT ALSO BEING A POINT ON THE SOUTHERLY LINE OF 33 FOOT WIDE STRIP DESCRIBED AS PARCEL 2 IN DEED RECORDED IN BOOK 7471 PAGE 45 OF OFFICIAL RECORDS; THENCE ALONG SAID SOUTHERLY LINE NORTH 67° 48' 18" WEST, 2711.76 FEET TO THE POINT OF BEGINNING; THENCE LEAVING SAID SOUTHERLY LINE SOUTH 22° 11' 36" WEST, 722.40 FEET; THENCE NORTH 67° 48' 18" WEST, 696.32 FEET TO A POINT HEREINAFTER REFERRED TO AS POINT "A" SAID POINT ALSO BEING A POINT ON THE EASTERLY LINE OF LAND DESCRIBED IN EXCEPTION TO TITLE IN FAVOR OF THE BELL PUBLIC FINANCING AUTHORITY PER INSTRUMENT NO. 92-306752 RECORDED FEBRUARY 25, 1992 OF OFFICIAL RECORDS; THENCE ALONG SAID EASTERLY LINE NORTH 22° 11' 36" EAST, 722.40 FEET TO A POINT ON SAID SOUTHERLY LINE; THENCE LEAVING SAID EASTERLY LINE ALONG SAID SOUTHERLY LINE SOUTH 67° 48' 18" EAST, 696.32 FEET TO THE POINT OF BEGINNING.

PARCEL "G"

BEGINNING AT POINT "A" DESCRIBED IN THE AFOREMENTIONED PARCEL "F"; THENCE SOUTH 67° 48' 18" EAST, 443.52 FEET; THENCE SOUTH 22° 11' 36" WEST, 401.80 FEET TO A POINT HEREINAFTER REFERRED TO AS POINT "B" SAID POINT ALSO BEING A POINT ON THE NORTHERLY LINE OF "K" STREET DESCRIBED IN EXCEPTION TO TITLE IN FAVOR OF THE BELL PUBLIC FINANCING AUTHORITY PER INSTRUMENT NO. 92-306752 RECORDED FEBRUARY 25, 1992; THENCE ALONG SAID NORTHERLY LINE NORTH 46° 53' 58" WEST, 474.78 FEET TO A POINT ON THE EASTERLY LINE OF LAND DESCRIBED IN EXCEPTION TO TITLE IN FAVOR OF THE BELL PUBLIC FINANCING AUTHORITY PER INSTRUMENT NO. 92-306752 RECORDED FEBRUARY 25, 1992 OF OFFICIAL RECORDS; THENCE LEAVING SAID NORTHERLY LINE ALONG SAID EASTERLY LINE NORTH 22° 11' 36" EAST, 232.38 FEET TO THE POINT OF BEGINNING.

THENCE COMMENCING AT POINT "B" DESCRIBED ABOVE; THENCE SOUTH 22° 11' 36" WEST, 23.55 FEET TO THE POINT OF BEGINNING AND A POINT ON THE SOUTHERLY LINE OF "K" STREET DESCRIBED IN EXCEPTION TO TITLE IN FAVOR OF THE BELL PUBLIC FINANCING AUTHORITY PER INSTRUMENT NO. 92-306752 RECORDED FEBRUARY 25, 1992; THENCE SOUTH 22° 11' 36" WEST, 10.83 FEET TO A POINT ON THE NORTHEASTERLY RIGHT-OF-WAY OF INTERSTATE 710 AS SHOWN ON CALTRANS RIGHT-OF-WAY MAP NO. S.F. 1524-3-6; THENCE ALONG SAID NORTHEASTERLY RIGHT-OF-WAY NORTH 46° 52' 58" WEST, 474.84 FEET TO A POINT ON THE EASTERLY LINE OF LAND DESCRIBED IN EXCEPTION TO TITLE IN FAVOR OF THE BELL PUBLIC FINANCING AUTHORITY PER INSTRUMENT NO. 92-306752 RECORDED FEBRUARY 25, 1992 OF OFFICIAL RECORDS; THENCE ALONG SAID EASTERLY LINE NORTH 22° 11' 36" EAST, 10.68 FEET TO SAID SOUTHERLY LINE; THENCE SOUTH 46° 53' 58" EAST, 474.78 FEET TO THE POINT OF BEGINNING.

PARCEL "H"

COMMENCING AT A FOUND CONCRETE MONUMENT WITH BRASS PLATE STAMPED "LS 2348" MARKING THE MOST NORTHERLY CORNER OF PARCEL 10 OF PARCEL MAP NO. 11282, AS PER MAP FILED IN BOOK 120 PAGES 56 THROUGH 60 INCLUSIVE OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE ALONG THE WESTERLY LINE OF SAID PARCEL MAP THE FOLLOWING COURSES: SOUTH 22° 11' 36" WEST, 662.47 FEET; THENCE SOUTH 82° 43' 02" EAST, 19.98 FEET; THENCE SOUTH 22° 12' 11" WEST, 65.07 FEET TO THE CENTERLINE OF EXISTING RICKENBACKER ROAD PER SAID PARCEL MAP NO. 11282 AND THE POINT OF BEGINNING; THENCE SOUTH 22° 12' 11" WEST, 32.57 FEET; THENCE NORTH 82° 49' 45" WEST, 20.00 FEET; THENCE SOUTH 22° 11' 58" WEST, 356.23 FEET; THENCE LEAVING SAID WESTERLY LINE NORTH 67° 48' 18" WEST, 1159.02 FEET; THENCE NORTH 22° 11' 36" EAST, 394.23 FEET; THENCE SOUTH 67° 48' 18" EAST, 1178.38 FEET TO THE POINT OF BEGINNING.

PARCEL 2:

NON-EXCLUSIVE EASEMENTS FOR RIGHT OF WAY AND UTILITY, AS RESERVED IN THAT CERTAIN "QUITCLAIM DEED AND EASEMENTS", EXECUTED BY UNITED STATES OF AMERICA, AS GRANTOR DATED AS OF DECEMBER 15, 2006 AND RECORDED DECEMBER 18, 2006 AS INSTRUMENT NO. 06-2807198, OVER THOSE PORTIONS OF THE LAND DEPICTED AS "EASEMENT F" AND "EASEMENT K", ATTACHED TO AND MADE A PART OF THE AFOREMENTIONED DOCUMENT.

EXHIBIT "B"

**GRANT DEED
CITY OF BELL**

FREE RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

City of Bell
6330 Pine Avenue
Bell, CA 90201
(323) 588-6211
Attn: City Manager

(Space Above Line for Recorder's Use Only)
Exempt from filing Fees per Govt. Code § 6103

GRANT DEED

FOR VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, the CITY OF BELL, a California Charter City, herein called "Grantor," hereby grants to PI BELL LLC, a Delaware limited liability company herein called "Grantee," the real property referred to as Assessor's Parcel Nos. _____, hereinafter referred to as the "Site," in the City of Bell, County of Los Angeles, State of California, more particularly described in Attachment No. 1 attached hereto and incorporated herein by this reference.

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

1. Non-Discrimination.

Grantee covenants that there shall be no discrimination against, or segregation of, any persons, or group of persons, on account of race, color, creed, religion, sex, marital status, age, physical or mental disability, ancestry, or national origin in the rental, sale, lease, sublease, transfer, use, occupancy, or enjoyment of the Site, or any portion thereof, nor shall Grantee, or any person claiming under or through Grantee, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of purchasers, tenants, lessees, subtenants, sublessees, or vendees of the Site or any portion thereof. The nondiscrimination and nonsegregation covenants contained herein shall remain in effect in perpetuity.

2. Form of Nondiscrimination Clauses in Agreements.

Grantee shall refrain from restricting the rental, sale, or lease of any portion of the Site on the basis of race, color, creed, religion, sex, marital status, age, physical or mental disability, 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:

(a) **Deeds:** In deeds the following language shall appear: "The grantee herein covenants by and for itself, 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, age, physical or mental disability, ancestry, or national origin in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises herein conveyed, nor shall the grantee or any person claiming under or through him or her, establish or permit any 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."

(b) **Leases:** In leases the following language shall appear: "The lessee herein covenants by and for itself, 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, age, physical or mental disability, ancestry, or national origin in the leasing, subleasing, renting, 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) **Contracts:** In contracts the following language shall appear: "The transferee herein covenants by and for itself, 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: "There shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, age, physical or mental disability, ancestry, or national origin in the sale, lease, rental, 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, subtenants, sublessees, or vendees of the land."

3. Covenants to Run With the Land.

The covenants contained in this Deed shall be construed as covenants running with the land and not as conditions which might result in forfeiture of title, and shall be binding upon

Grantee, its heirs, successors and assigns to the Site, whether their interest shall be fee, easement, leasehold, beneficial or otherwise. The foregoing covenants shall remain in effect in perpetuity.

IN WITNESS WHEREOF, Grantor has caused this instrument to be executed on its behalf by its officers or agents hereunto as of the ____ day of _____, 2013.

“GRANTOR”

CITY OF BELL, a California Charter City

By: _____
Mayor Violeta Alvarez

ATTEST:

City Clerk

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the grant deed dated on or about _____, 2013 from the City of Bell is hereby accepted by the undersigned officer on behalf of the Grantee, and the Grantee consents to recordation thereof by its duly authorized officer.

Dated: _____, 2013

GRANTEE:

PI BELL LLC, a Delaware limited liability
company

Neil Mishurda

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss.

On _____, 20____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted executed the instrument.

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

WITNESS my hand and official seal.

Signature _____ (Seal)

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

On _____, 20____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted executed the instrument.

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

WITNESS my hand and official seal.

Signature _____
(Seal)

Attachment 1
Legal Description

EXHIBIT "C"

**GRANT DEED
BELL PUBLIC FINANCING AUTHORITY**

FREE RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

Bell Public Financing Authority
6330 Pine Avenue
Bell, CA 90201
(323) 588-6211
Attn: City Manager

(Space Above Line for Recorder's Use Only)
Exempt from filing Fees per Govt. Code § 6103

GRANT DEED

FOR VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, the CITY OF BELL, a California Charter City, herein called "Grantor," hereby grants to PI BELL LLC, a Delaware limited liability company herein called "Grantee," the real property referred to as Assessor's Parcel Nos. _____, hereinafter referred to as the "Site," in the City of Bell, County of Los Angeles, State of California, more particularly described in Attachment No. 1 attached hereto and incorporated herein by this reference.

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

4. Non-Discrimination.

Grantee covenants that there shall be no discrimination against, or segregation of, any persons, or group of persons, on account of race, color, creed, religion, sex, marital status, age, physical or mental disability, ancestry, or national origin in the rental, sale, lease, sublease, transfer, use, occupancy, or enjoyment of the Site, or any portion thereof, nor shall Grantee, or any person claiming under or through Grantee, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of purchasers, tenants, lessees, subtenants, sublessees, or vendees of the Site or any portion thereof. The nondiscrimination and nonsegregation covenants contained herein shall remain in effect in perpetuity.

5. Form of Nondiscrimination Clauses in Agreements.

Grantee shall refrain from restricting the rental, sale, or lease of any portion of the Site on the basis of race, color, creed, religion, sex, marital status, age, physical or mental disability, 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:

(a) **Deeds**: In deeds the following language shall appear: "The grantee herein covenants by and for itself, 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, age, physical or mental disability, ancestry, or national origin in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises herein conveyed, nor shall the grantee or any person claiming under or through him or her, establish or permit any 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."

(b) **Leases**: In leases the following language shall appear: "The lessee herein covenants by and for itself, 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, age, physical or mental disability, ancestry, or national origin in the leasing, subleasing, renting, 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) **Contracts**: In contracts the following language shall appear: "The transferee herein covenants by and for itself, 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: "There shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, age, physical or mental disability, ancestry, or national origin in the sale, lease, rental, 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, subtenants, sublessees, or vendees of the land."

6. Covenants to Run With the Land.

The covenants contained in this Deed shall be construed as covenants running with the land and not as conditions which might result in forfeiture of title, and shall be binding upon

Grantee, its heirs, successors and assigns to the Site, whether their interest shall be fee, easement, leasehold, beneficial or otherwise. The foregoing covenants shall remain in effect in perpetuity.

IN WITNESS WHEREOF, Grantor has caused this instrument to be executed on its behalf by its officers or agents hereunto as of the ____ day of _____, 2013.

“GRANTOR”

BELL PUBLIC FINANCING AUTHORITY, a
California Joint Powers Authority

By: _____
Executive Director

ATTEST:

City Clerk

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the grant deed dated on or about _____, 2013 from the City of Bell is hereby accepted by the undersigned officer on behalf of the Grantee, and the Grantee consents to recordation thereof by its duly authorized officer.

Dated: _____, 2013

GRANTEE:

PI BELL LLC, a Delaware limited liability
company

Neil Mishurda

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

On _____, 20__, before me, _____, a
Notary Public, personally appeared _____, who
proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same
in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument
the person(s), or the entity upon behalf of which the person(s) acted executed the instrument.

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

WITNESS my hand and official seal.

Signature _____
(Seal)

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

On _____, 20__, before me, _____, a
Notary Public, personally appeared _____, who
proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same
in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument
the person(s), or the entity upon behalf of which the person(s) acted executed the instrument.

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

WITNESS my hand and official seal.

Signature _____
(Seal)

Attachment 1
Legal Description

C-6

EXHIBIT "D"

FORM OF LEASE ASSIGNMENT

ASSIGNMENT AND ASSUMPTION OF LEASES

THIS ASSIGNMENT AND ASSUMPTION OF LEASES (this "Assignment") dated as of _____, 2013, is made and entered into by and between the BELL PUBLIC FINANCING AUTHORITY, a California Joint Powers Authority ("Assignor"), to PI Bell LLC, a Delaware limited liability company ("Assignee").

WITNESSETH:

WHEREAS, Assignor is the lessor under the lease contained in Schedule 1 attached hereto (the "Leases"), executed with respect to that certain real property located in the City of Bell, County of Los Angeles, State of California (the "Property"), more particularly described on Schedule 2 attached hereto;

WHEREAS, Assignor is contemporaneously herewith selling the Property to Assignee, pursuant to the Agreement for Purchase and Sale of Real Property between Assignor as the "Seller" and Assignee as the "Buyer" dated as of _____, 2013, as the same has been or may be amended (the "Purchase Agreement"); and

WHEREAS, Assignor desires to assign its interest in and to the Leases to Assignee as of the date on which title to the Property is vested in Assignee (the "Transfer Date"), and Assignee desires to accept the assignment thereof and assume Assignor's obligations thereunder with respect to the period from and after the Transfer Date. Capitalized terms used herein that are not otherwise defined herein shall have the meanings ascribed to such terms in the Purchase Agreement.

NOW, THEREFORE, in consideration of the covenants and agreements contained herein, the Parties hereby agree as follows:

1. As of the Transfer Date, Assignor hereby assigns to Assignee all of its right, title and interest in and to the Leases.

2. Assignor hereby agrees to indemnify, defend and hold harmless Assignee from and against any and all costs, claims, liability, loss, damage or expense, including, without limitation, reasonable attorneys' fees and expenses (collectively, "Losses and Liabilities"), arising out of or in any way related to the landlord's obligations under the Leases with respect to the period prior to the Transfer Date or which arise out of or are in any way related to the landlord's obligations under the Leases after the Transfer Date on account of any fact or circumstance occurring or existing prior to the Transfer Date.

Further, Assignor and each of the entities constituting or related to Assignor, if any, shall, from and after the Transfer Date, release, discharge, defend, indemnify and hold harmless Assignee, the Bell Public Financing Authority and their officers, directors, employees, agents and representatives (collectively, the "Indemnified Parties") from and against any and all claims,

actions, suits, legal or administrative orders or proceedings, costs (including costs of environmental compliance), demands or other liabilities resulting from the acts or omissions of Assignor or any tenants under the Leases with respect to any Environmental Laws affecting the Property or the existence of any Hazardous Materials brought onto the Property by Assignor, by tenants under the Leases, or in the course of the operation of Assignor or tenants businesses and activities on the Property, or the release or threatened release of any such Hazardous Materials of any kind whatsoever, in, on or under the Property occurring at any time before the Transfer Date, including, but not limited to, all foreseeable and unforeseeable damages, fees, costs, losses and expenses, including any and all attorneys' fees and environmental consultant fees and investigation costs and expenses, directly or indirectly arising therefrom, and including fines and penalties of any nature whatsoever, assessed, levied or asserted against any Indemnified Parties to the extent that the fines and/or penalties are the result of a violation or an alleged violation of any Environmental Law.

"Environmental Law" means any federal, state or local statute, ordinance, rule, regulation, order, consent decree, judgment or common-law doctrine, and provisions and conditions of permits, licenses and other operating authorizations relating to (A) pollution or protection of the environment, including natural resources, (B) exposure of persons, including employees, to Hazardous Materials or other products, raw materials, chemicals or other substances, (C) protection of the public health or welfare from the effects of by-products, wastes, emissions, discharges or releases of chemical substances from industrial or commercial activities, or (D) regulation of the manufacture, use or introduction into commerce of chemical substances, including, without limitation, their manufacture, formulation, labeling, distribution, transportation, handling, storage and disposal. "Environmental Law" includes, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, as amended; the Hazardous Materials Transportation Act, as amended; the Resource Conservation and Recovery Act, as amended; the Toxic Substances Control Act, as amended; the Federal Water Pollution Control Act, as amended; or any other Federal, state or local statute, law, ordinance, code, rule, regulation, order or decree, regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect, asbestos, or any other hazardous, toxic, or dangerous, waste, substance or material; and similar laws of the State of California. Further, Seller will not, between the Effective Date hereof and the Close of Escrow, place, locate or dispose of on, under or at the Property any Hazardous Material or violate any Environmental Law, nor will Seller knowingly permit or cause any other person to do any of the aforesaid during such period.

"Hazardous Material" means any hazardous or toxic substance, material or waste which is or becomes regulated by any local governmental authority (other than the City or Authority), the State of California, or the United States Government. The term "Hazardous Material" includes, without limitation, any material or substance which is: (A) petroleum or oil or gas or any direct or derivate product or byproduct thereof; (B) defined as a "hazardous waste," "extremely hazardous waste" or "restricted hazardous waste" under Sections 25115, 25117 or 25122.7, or listed pursuant to Section 25140, of the California Health and Safety Code, Division 20, Chapter 6.5 (Hazardous Waste Control Law); (C) defined as a "hazardous substance" under Section 25316 of the California Health and Safety Code, Division 20, Chapter 6.8 (Carpenter-Presley-Tanner Hazardous Substance Account Act); (D) defined as a "hazardous material," "hazardous substance," or "hazardous waste" under Sections 25501(j) and (k) and 25501.1 of the California

Health and Safety Code, Division 20, Chapter 6.95 (Hazardous Materials Release Response Plans and Inventory); (E) defined as a "hazardous substance" under Section 25281 of the California Health and Safety Code, Division 20, Chapter 6.7 (Underground Storage of Hazardous Substances); (F) "used oil" as defined under Section 25250.1 of the California Health and Safety Code; (G) asbestos; (H) listed under Chapter 11 of Division 4.5 of Title 22 of the California Code of Regulations, or defined as hazardous or extremely hazardous pursuant to Chapter 10 of Division 4.5 of Title 22 of the California Code of Regulations; (I) defined as waste or a hazardous substance pursuant to the Porter-Cologne Act, Section 13050 of the California Water Code; (J) designated as a "toxic pollutant" pursuant to the Federal Water Pollution Control Act, 33 U.S.C. § 1317; (K) defined as a "hazardous waste" pursuant to the Federal Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq. (42 U.S.C. § 6903); (L) defined as a "hazardous substance" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq. (42 U.S.C. § 9601); (M) defined as "Hazardous Material" pursuant to the Hazardous Materials Transportation Act, 49 U.S.C. § 5101 et seq.; or (N) defined as such or regulated by any "Superfund" or "Superlien" law, or any other federal, state or local law, statute, ordinance, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning Hazardous Materials and/or underground storage tanks, as now, or at any time hereafter, in effect.

3. Assignee, as of the Transfer Date, hereby accepts the foregoing assignment and assumes all of the landlord's obligations under the Leases with respect to the period from and after the Transfer Date. Assignee hereby agrees to indemnify, defend and hold harmless Assignor from and against any and all Losses and Liabilities arising out of the landlord's obligations under the Leases with respect to the period from and after the Transfer Date, except for Losses and Liabilities on account of any fact or circumstance occurring or existing prior to the Transfer Date.

4. In the event of any litigation between Assignor and Assignee arising out of the obligations of the Parties under this Assignment or concerning the meaning or interpretation of any provision contained herein, the losing Party shall pay the prevailing Party's costs and expenses in such litigation, including, without limitation, reasonable attorneys' fees and expenses. In addition to the foregoing award of attorneys' fees and expenses to the prevailing Party, the prevailing Party in any lawsuit on this Assignment shall be entitled to its reasonable attorneys' fees and expenses incurred in any post judgment proceedings to collect or enforce the judgment. This provision is separate and several and shall survive the merger of this Assignment into any judgment on this Assignment.

5. This Assignment shall be binding on and inure to the benefit of the Parties herein, their heirs, executors, administrators, successors-in-interest and assigns.

6. This Assignment may be executed in any number of counterparts, each of which shall be deemed an original and all of which taken together shall constitute one and the same agreement.

7. Assignor hereby covenants that it will, at any time and from time to time upon written request therefor, execute and deliver to Assignee, and/or its successors and assigns, any new or confirmatory instruments and take such further acts as Assignee may reasonably request

to fully evidence the assignment contained herein and to enable Assignee, and/or its successors and assigns, to fully realize and enjoy the rights and interests assigned hereby.

8. Nothing contained herein shall be deemed or construed as relieving the Assignor or Assignee of their respective duties and obligations under the Purchase Agreement.

IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment as of the date first above written.

“ASSIGNOR”

BELL PUBLIC FINANCING AUTHORITY

“ASSIGNEE”

PI BELL LLC

Executive Director

Neil Mishurda

ATTEST:

Secretary

APPROVED AS TO FORM
ALESHIRE & WYNDER, LLP

Dave Aleshire, Authority Counsel

EXHIBIT "E"

NON-FOREIGN AFFIDAVIT

Section 1445 of the Internal Revenue Code provides that a transferee of a U.S. real property interest must withhold tax if the transferor is a foreign person. To inform the transferee that withholding of tax is not required upon disposition of a U.S. real property interest by _____ ("Transferor"), the undersigned hereby certifies the following on behalf of Transferor:

1. Transferor is not a foreign corporation, foreign partnership, foreign trust or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations);
2. Transferor's taxpayer identification number is _____; and
3. Transferor's address is _____.

The undersigned understands that this certification may be disclosed to the Internal Revenue Service by the transferee and that any false statement contained herein could be punished by fine, imprisonment, or both.

Under penalties of perjury, I declare that I have examined this certification and to the best of my knowledge and belief, it is true, correct, and complete, and I further declare that I have authority to sign this document on behalf of Transferor.

Dated: _____, 2013 _____

Address of Property for Sale:

See legal description attached as Exhibit "1"

EXHIBIT "1" TO NON-FOREIGN AFFIDAVIT
LEGAL DESCRIPTION OF LAND

[INSERT LEGAL DESCRIPTION]

(End of Legal Description)

EXHIBIT F

EIR MITIGATION MEASURES

1 INTRODUCTION

This document is the Mitigation Monitoring and Reporting Program (MMRP) for the **Bell Business Center Project**. This MMRP has been prepared pursuant to Section 21081.6 of the California Public Resources Code, which requires public agencies to “adopt a reporting and monitoring program for the changes made to the project or conditions of project approval, adopted in order to mitigate or avoid significant effects on the environment.” An MMRP is required for the proposed project because the EIR has identified significant adverse impacts, and measures have been identified to mitigate those impacts.

2 MITIGATION MONITORING AND REPORTING PROGRAM

As the lead agency, the City of Bell will be responsible for monitoring compliance with all mitigation measures. Different departments within the City are responsible for various aspects of the project. The MMRP identifies the department with the responsibility for ensuring the measure is completed; however, it is expected that one or more departments will coordinate efforts to ensure compliance.

The MMRP is presented in tabular form on the following pages. The components of the MMRP are described briefly below.

- **Mitigation Measure:** The mitigation measures are taken from the Environmental Impact Report (EIR), in the same order they appear in the EIR.
- **Timing:** Identifies at which stage of the project the mitigation must be completed.
- **Monitoring Responsibility:** Identifies the department within the City with responsibility for mitigation monitoring.
- **Verification (Date and Initials):** Provides a contact who reviewed the mitigation measure and the date the measure was determined complete.

As the project is of statewide, regional, or area-wide importance, any transportation information generated by this monitoring or reporting program will be submitted to the California Department of Transportation (Caltrans).

MITIGATION MONITORING AND REPORTING PROGRAM

Mitigation Measure	Timing	Monitoring Responsibility	Verification (Date and Initials)
3.1 Air Quality			
<p>MM 3.1.3a Mobile and Other Area Source Emissions Reduction. The developer/successor-in-charge shall ensure the following design measures be implemented to reduce impacts associated with operational emissions from other area sources:</p> <ol style="list-style-type: none"> 1. In order to promote alternative fuels and help support "clean" truck fleets, the developer/successor-in-interest shall provide building occupants with information related to the SCAQMD's Carl Moyer Program or other such programs that promote truck retrofits or clean vehicles and information including, but not limited to, the health effects of diesel particulate matter, the benefits of reduced idling time, CARB regulations, and the importance of not parking in residential areas. If trucks older than the 2007 model year will be used at the project facilities, the developer/successor-in-interest shall require, within one year of signing a lease or purchasing the property, future tenants to apply in good faith for funding for diesel truck replacement/retrofit through grant programs such as the Carl Moyer Program or others, as identified by the SCAQMD. Tenants shall be required to use those funds, if awarded. 2. All building rooftops on-site shall be designed to accommodate solar power and the use of solar energy (i.e., solar panels). 3. All roofing shall be constructed of light-colored roofing materials. 4. All lighting fixtures, including signage, shall be state of the art and energy efficient, and light fixtures energy efficient compact fluorescent and/or LED light bulbs. Where feasible, the use of solar powered lighting be implemented. 5. Parking lots shall be constructed with cool pavement technologies (i.e., 100 percent concrete) as opposed to conventional paving materials. 6. Trees shall be planted to shade parking areas. 7. Where feasible, Energy Star heating, cooling, and lighting devices and 	Ongoing	City of Bell Planning Division	

Mitigation Measure	Timing	Monitoring Responsibility	Verification (Date and Initials)
<p>appliances shall be used.</p> <p>8. All outdoor lighting shall be limited to only those needed for safety and security purposes.</p>			
<p>MM 3.1.3b Signs. Signage shall be posted stating the State-mandated prohibition of all on-site trucks idling in excess of 5 minutes under the Heavy-Duty Vehicle Idling Emission Reduction Program. Additionally, to prevent trucks from entering into residential areas, truck routes shall be marked with trailblazer signs.</p>	Ongoing	City of Bell Planning Division	
<p>MM 3.1.3c Electrical Hookups/Electrically Powered Equipment.</p> <ol style="list-style-type: none"> 1. To ensure the technology can be employed when it becomes commercially available, the developer(s)/successor(s)-in-charge shall install electrical infrastructure to accommodate various electrical equipment needed during the operational phase of the proposed project. 2. Where transport refrigeration units (TRUs) are in use, electrical hookups shall be installed at all loading docks in order to allow TRUs with electric standby capabilities to use them. Trucks incapable of utilizing the electrical hookups shall be prohibited from accessing the site as set forth. Idling in excess of 5 minutes shall be prohibited, subject to on-site verification. Quarterly inspection reports shall be available on-site at all times. 3. Service equipment (i.e., forklifts and yard hostlers) shall be electrically powered, where feasible. 4. The developer/successor-in-charge shall ensure the installation of a minimum of one electric vehicle charging station per site. 	Ongoing	City of Bell Planning Division	
3.2 Biological Resources			
<p>MM 3.2.2a Burrowing Owl. If clearing and construction activities occur during the nesting period for burrowing owls (February 1–August 31), a qualified biologist shall conduct focused surveys for burrowing owls on and adjacent to the project site. Surveys shall be conducted in accordance with the California Department of Fish and Game's (CDFG) <i>Staff Report on Burrowing Owl Mitigation</i>, published</p>	Prior to construction activities	City of Bell Planning Division	

Mitigation Measure	Timing	Monitoring Responsibility	Verification (Date and Initials)
<p>March 7, 2012. Surveys shall be repeated if project activities are suspended or delayed for more than 15 days during nesting season.</p> <p>If no burrowing owls are detected, no further mitigation is required. If active burrowing owl nest sites are detected, the project applicant shall implement the avoidance, minimization, and mitigation methodologies outlined in the CDFG's <i>Staff Report on Burrowing Owl Mitigation</i> prior to initiating project-related activities that may impact burrowing owls.</p>			
<p>MM 3.2.2b Migratory Birds and Raptors. If vegetation removal or ground surface disturbance (any form of grading) is to occur during migratory bird and raptor nesting season (January 15–August 15), the project applicant shall retain a qualified biologist to conduct a focused survey for active nests within 14 days prior to the disturbance of the construction area. Nesting surveys for small birds are only fully effective if carried out between dawn and 11 A.M., as many species become inactive during the middle of the day. If active nests are found, trees/shrubs with nesting birds shall not be disturbed until abandoned by the birds or a qualified biologist deems disturbance potential to be minimal (in consultation with the USFWS and/or the CDFW, where appropriate). If applicable, tree removal and grading shall be restricted to a period following fledging of chicks, which typically occurs between late July and early August. If an active nest is located within 50 feet (250 feet for raptors) of construction activities, other restrictions may include establishment of exclusion zones (no ingress of personnel or equipment at a minimum radius of 50 feet or 250 feet, as appropriate, around the nest as confirmed by the appropriate resource agency) or alteration of the construction schedule. If construction activities or tree removal are proposed to occur during the non-breeding season, a survey is not required, no further studies are necessary, and no mitigation is required.</p>	<p>Reference to this requirement and to the MBTA shall be included in the construction specifications. Pre-construction nest surveys will be conducted prior to the initiation of construction activities, as applicable.</p>	<p>City of Bell Planning Division</p>	
<p>MM 3.2.2c Surveys of Potential Bat Roosts. Demolition of abandoned structures will be preceded by a survey for bat presence. Structures being used by bats will not be removed until it has been determined that bats are no longer using the site or until demolition can be carried out without</p>	<p>Pre-construction bat surveys will be conducted prior to the initiation of construction activities, as applicable.</p>	<p>City of Bell Planning Division</p>	

Mitigation Measure	Timing	Monitoring Responsibility	Verification (Date and Initials)
harming any bats.			
3.3 Cultural Resources – None required	N/A	N/A	N/A
3.4 Climate Change and Greenhouse Gases			
MM 3.4.1a Applicants of development projects located within the Bell Business Center shall implement the following measures to reduce long-term emissions of greenhouse gases associated with the proposed project: <ol style="list-style-type: none"> 1. Indoor water conservation measures shall be incorporated, such as use of low-flow toilets and faucets (bathrooms). 2. The proposed project shall be designed to exceed state energy efficiency standards by 15 percent (to Tier 1 Title 24 Standards) as directed by Appendix A5 of the 2010 California Green Building Standards (CBSC 2011). This measure helps to reduce emissions associated with energy consumption. 3. The project will be required to install Energy Star appliances in all buildings. The types of Energy Star appliances that will be installed include fans and refrigerators. 4. All loading docks shall be designed to accommodate SmartWay¹ trucks. 5. The project shall be required, prior to building permit issuance, to install rooftop solar panels or solar-panel-ready rooftops to allow for easy, cost-effective installation of solar energy systems in the future, using such solar-ready features as: <ul style="list-style-type: none"> • Designing the building to include optimal roof orientation (between 20 to 55 degrees from the horizontal), with sufficient south-sloped roof surface. • Providing clear access without obstructions (chimneys, heating and plumbing vents, etc.) on the south-sloped roof. • Designing the roof framing to support the addition of solar panels. • Installing electrical conduit to accept solar electric system wiring. 	Prior to the issuance of occupancy permits	City of Bell Planning Division	

¹ For example, the aerodynamic equipment for trailers may include use of "boat tails" that attach to the end of the trailer and may potentially be incompatible with loading bays designed with certain dock shelters. (<http://www.epa.gov/smartway/technology/designated-tractors-trailers.htm>).

Mitigation Measure	Timing	Monitoring Responsibility	Verification (Date and Initials)
<p>MM 3.4.1b The project is required to reduce waste by 3 percent through a waste diversion program that requires recycling from all uses on the project site. Prior to issuance of occupancy permits, the applicant will complete the following measures:</p> <ol style="list-style-type: none"> 1. All businesses will subscribe to waste collection and recycling services provided by the City's franchised waste collection company. 2. All businesses will participate in the recycling program offered through the City's franchised waste collection company. Businesses will recycle all items available through the company's program, or an equivalent method, which ensures that the waste is diverted away from landfill disposal. 3. Adequate space for waste and recycling containers will be constructed at the complex to ensure ease of collection by the City's franchised waste collection company. The units housing the containers shall be constructed to allow sufficient space for the quantity of containers needed to ensure that the waste and recyclables can be collected in an efficient manner. The franchised waste collection company will be consulted to ensure that sufficient space is available for recycling and trash containers. 	Prior to the issuance of occupancy permits	City of Bell Planning Division	
3.5 Geology and Soils			
<p>MM 3.5.2 Prior to the issuance of building permits for each building on the project site, the project applicant shall submit a design-level geotechnical study and building plans to the City of Bell for review and approval. The design-level geotechnical study shall be prepared by a qualified engineer and identify grading and building practices necessary to ensure stable building conditions. The project applicant shall incorporate the recommendations of the approved project-level geotechnical study into project plans. The project's building plans shall demonstrate that they incorporate all applicable recommendations of the design-level geotechnical study and comply with all applicable requirements of the latest adopted version of the California Building Standards Code. A licensed professional engineer shall prepare the plans, including those that pertain to soil engineering, structural foundations, pipeline excavation, and installation. All on-site soil engineering</p>	Prior to grading	City of Bell Planning Division	

Mitigation Measure	Timing	Monitoring Responsibility	Verification (Date and Initials)
activities shall be conducted under the supervision of a licensed geotechnical engineer or certified engineering geologist.			
3.6 Hazards and Hazardous Materials – None required	N/A	N/A	N/A
3.7 Hydrology and Water Quality			
MM 3.7.1a Prior to grading permit issuance and as part of the project's compliance with the NPDES requirements, a Notice of Intent (NOI) shall be prepared and submitted to the State Water Resources Quality Control Board (SWRCB), providing notification and intent to comply with the State of California General Permit.	Prior to grading	City of Bell Planning Division	
MM 3.7.1b The proposed project shall conform to the requirements of an approved stormwater pollution prevention plan (SWPPP) (to be applied for during the grading plan process) and the NPDES Permit for General Construction Activities No. CAS000002, Order No. 2009-0009-DWQ, including implementation of all recommended best management practices (BMPs), as approved by the State Water Resources Quality Control Board.	Prior to grading	City of Bell Planning Division	
MM 3.7.1c As part of the plan review process, the City of Bell shall ensure that project plans identify a suite of stormwater quality BMPs that are designed to address the most likely sources of stormwater pollutants resulting from operation of the proposed project, consistent with the Low Impact Development program. Pollutant sources to be addressed by these BMPs include, but are not necessarily limited to, parking lots, landscaped areas, trash storage locations, and storm drain inlets. The design and location of these BMPs will be subject to review and comment by the City but shall generally adhere to the standards associated with the Phase II NPDES stormwater permit program. Prior to the issuance of a certificate of occupancy, the developer shall demonstrate that all structural BMPs described in the project's LID have been constructed and installed. In addition, the developer/successor in charge is prepared to implement all non-structural BMPs described in the LID.	Prior to the issuance of a certificate of occupancy	City of Bell Planning Division	
MM 3.7.1d Upon completion of project construction, the project applicant shall submit a Notice of Termination (NOT) to the State Water Resources Quality Control Board to indicate that construction is complete.	Completion of project construction	State Water Resources Quality Control Board	

Mitigation Measure	Timing	Monitoring Responsibility	Verification (Date and Initials)
3.8 Land Use and Planning – None required	N/A	N/A	N/A
3.9 Noise			
MM 3.9.4 The project contractor shall implement the following mitigation to reduce construction-related noise impacts associated with the project: <ol style="list-style-type: none"> 1) Equip all construction equipment, fixed or mobile, with properly operating and maintained mufflers consistent with manufacturers' standards. 2) Place all stationary construction equipment on the west side of the project so that emitted noise is directed away from sensitive receptors. 3) Locate equipment staging in areas that will create the greatest distance between construction-related noise sources and noise-sensitive receptors to the south of the site during all project construction. 4) Limit all construction, maintenance, or demolition activities within the City of Bell's boundary to the hours between 7:00 a.m. and 6:00 p.m. 	During project construction	City of Bell Planning Division	
3.10 Population, Housing, and Employment – None required	N/A	N/A	N/A
3.11 Public Services and Utilities – None required	N/A	N/A	N/A
3.12 Transportation and Circulation			
MM 3.12.1a Atlantic Boulevard/Bandini Boulevard. (Intersection #3) The developer/successor-in-interest shall participate in an interim regional solution for improvements to the Atlantic Boulevard/Bandini Boulevard intersection in consultation with Caltrans and/or Los Angeles County Metropolitan Transportation Authority, such as the planned Bandini Boulevard corridor signal coordination project in the vicinity of the intersection. The project shall also make a fair share payment to contribute to potential upgrades and improvements to the signal timing and the signal control equipment at this location, if necessary. The project shall also renew the existing striping in the vicinity of the intersection. This intersection is in the Caltrans right-of-way, and all improvements must be approved by Caltrans.	Prior to occupancy	City of Bell Planning Division	
MM 3.12.1b Eastern Avenue/Bandini Boulevard. (Intersection #7) The developer/successor-in-interest shall make a fair-share contribution to change	Prior to occupancy	City of Bell Planning Division	

Mitigation Measure	Timing	Monitoring Responsibility	Verification (Date and Initials)
the northbound Eastern Avenue approach from two left turn lanes, one through lane, and one shared through/right-turn lane to consist of three left-turn lanes, one through lane, and one shared through/right turn lane. As this intersection is shared with the City of Commerce, the extent of improvements must be coordinated with the City of Commerce.			
MM 3.12.1c Eastern Avenue/Rickenbacker Road. (Intersection #8) The developer/successor-in-interest shall restripe the eastbound Rickenbacker Road approach from one shared left-turn/through lane and one shared through/right-turn lane to consist of one left-turn lane and one shared left-turn/through/right-turn lane. Restripe the westbound Rickenbacker Road approach from one shared left-turn/through lane and one shared through/right-turn lane to consist of one shared left-turn/through lane and one right-turn lane with right-turn overlap phasing (adding a westbound right-turn overlap phase). Modify the Eastern Avenue/Rickenbacker Road traffic signal by changing the eastbound and westbound Rickenbacker Road approach signal phasing from permitted-phase to split-phase. As this intersection is shared with the City of Commerce, the extent of improvements must be coordinated with the City of Commerce.	Prior to occupancy	City of Bell Planning Division	
MM 3.12.1d Atlantic Boulevard/I-710 Northbound Off-Ramp. (Intersection #11) The developer/successor-in-interest shall prepare a I-710 corridor interim improvement traffic study for the I-710 Freeway between and including the Florence Avenue and Washington Boulevard interchanges to assist Caltrans in evaluating potential interim solutions to improve the operations at the Atlantic Boulevard/I-710 Northbound Off-Ramp State-controlled study intersection. The study will evaluate solutions such as transportation system management (TSM) measures through consideration of potential installation and placement of a changeable message sign (CMS) along the freeway. The project shall also improve and renew the existing signing and striping along the northbound off-ramp. This intersection is in the Caltrans right-of-way, and all improvements must be approved by Caltrans.	Prior to occupancy	City of Bell Planning Division	
MM 3.12.6a I-710 Southbound Off-Ramp/Atlantic Boulevard. (Intersection #1) The	Prior to	City of Bell	

Mitigation Measure	Timing	Monitoring Responsibility	Verification (Date and Initials)
<p>developer/successor-in-interest shall participate in an interim regional solution for improvements to the I-710 Southbound Off-Ramp/Atlantic Boulevard intersection, in consultation with Caltrans and/or the Los Angeles County Metropolitan Transportation Authority. Additionally, the project shall prepare a I-710 corridor interim improvement traffic study for the I-710 Freeway between and including the Florence Avenue and Washington Boulevard interchanges to assist Caltrans in evaluating potential interim solutions to improve the operations at the I-710 South Off-Ramp/Atlantic Boulevard State-controlled study intersection. The study will evaluate solutions such as transportation system management (TSM) measures through consideration of potential installation and placement of a changeable message sign (CMS) along the freeway. The project shall also make a fair share payment to contribute to potential upgrades and improvements to the signal timing and progression at this location, if necessary.</p>	occupancy	Planning Division	
<p>MM 3.12.6b Eastern Avenue/Bandini Boulevard. (Intersection #7) The developer/successor-in-interest shall make a fair-share contribution to change the northbound Eastern Avenue approach from two left turn lanes, one through lane, and one shared through/right-turn lane to consist of three left-turn lanes, one through lane, and one shared through/right turn lane. Widen the eastbound Bandini Boulevard approach from one left turn lane, three through lanes, and one right turn lane with right turn overlap phasing to consist of one left turn lane, three through lanes, and two right turn lanes with right turn overlap phasing. As this intersection is shared with the City of Commerce, the extent of improvements must be coordinated with the City of Commerce.</p>	Prior to occupancy	City of Bell Planning Division	
<p>MM 3.12.6c Eastern Avenue/Rickenbacker Road. (Intersection #8) The developer/successor-in-interest shall make a fair share contribution to restripe the eastbound Rickenbacker Road approach from one shared left-turn/through lane and one shared through/right-turn lane to consist of one left-turn lane and one shared left turn/through/right-turn lane. The project shall make a fair share contribution to restripe the westbound Rickenbacker Road approach from one</p>	Prior to occupancy	City of Bell Planning Division	

Mitigation Measure	Timing	Monitoring Responsibility	Verification (Date and Initials)
<p>shared left turn/through lane and one shared through/right-turn lane to consist of one shared left-turn/through lane and one right turn lane with right-turn overlap phasing (adding a westbound right-turn overlap phase). The project shall make a fair share contribution to modify the Eastern Avenue/Rickenbacker Road traffic signal by changing the eastbound and westbound Rickenbacker Road approach signal phasing from permitted phase to split phase. The project shall make a fair share contribution to widen the southbound Eastern Avenue approach from one left-turn lane, one through lane, and one shared through/right-turn lane to consist of one left-turn lane, two through lanes, and one right-turn lane. As this intersection is shared with the City of Commerce, the extent of improvements must be coordinated with the City of Commerce.</p>			

EXHIBIT G
LIST OF EXISTING DEVELOPMENT APPROVALS

1. Development Agreement No. DA 2013-13
2. Tentative Parcel Map No. 72328
3. Site Plan Review and Approval of Specific Development Proposals Pursuant to the Review Process Described in the Development Agreement.

EXHIBIT H
OFF-SITE IMPROVEMENTS BUDGET

Off-Site Improvement Budget
RICKENBACKER/6th Street Costs
Exhibit H

Rickenbacker & 6th Improvements	UNIT	QTY	UNIT \$	TOTAL COSTS
Remove Existing Pavement	SF	22100	\$ 2.25	\$ 49,725.00
Sawcut AC pavement	LF	472	\$ 1.20	\$ 566.40
Install Full Depth AC 5"/12"	SF			\$ -
Asphaltic Concrete 145 lb/cf	Ton	1442	\$ 90.00	\$ 129,780.00
CL-II Base	CY	1767	\$ 30.00	\$ 53,010.00
Road Overexcavation - Re compact	CY	1767	\$ 2.25	\$ 3,975.75
Grind 2" Max Outside South and North Lane 5' max(Variable)	SF	2360	\$ 2.00	\$ 4,720.00
8" C&G	LF	1451	\$ 18.00	\$ 26,118.00
Fine Grade Street Section	SF	47723	\$ 0.20	\$ 9,544.60
Sidewalk Prep & Finish Grade	SF	10540	\$ 0.20	\$ 2,108.00
4" PCC Sidewalk	SF	10540	\$ 4.75	\$ 50,065.00
Back Fill C & G or AC Dike	LF	2108	\$ 0.75	\$ 1,581.00
Mass Grading	CY	1767	\$ 15.00	\$ 26,505.00
Driveway	SF	2000	\$ 8.00	\$ 16,000.00
Striping-Requires 2 Trips	EA	1	\$ 8,500.00	\$ 8,500.00
Slurry Seal	SF	8400	\$ 0.75	\$ 6,300.00
Handicap Ramp	EA	8	\$ 1,200.00	\$ 9,600.00
Traffic Sign Removal	EA	5	\$ 175.00	\$ 875.00
New Signs	EA	8	\$ 250.00	\$ 2,000.00
Raise to Grade	EA	12	\$ 500.00	\$ 6,000.00
Bollard Removal	LS	12	\$ 175.00	\$ 2,100.00
Hydrant removal	EA	1	\$ 1,500.00	\$ 1,500.00
Remove Existing lights	EA	7	\$ 800.00	\$ 5,600.00
Erosion Control	LS	1	\$ 8,000.00	\$ 8,000.00
Mobilization	LS	1	\$ 12,000.00	\$ 12,000.00
Install 21 catch basin	EA	1	\$ 7,500.00	\$ 7,500.00
Install 24" RCP	LF	39	\$ 75.00	\$ 2,925.00
Join to existing RCP	EA	1	\$ 1,200.00	\$ 1,200.00
Remove EX CB	EA	1	\$ 1,500.00	\$ 1,500.00
SD Manholes	EA	4	\$ 3,500.00	\$ 14,000.00

Local Depressions	EA	3	\$	1,500.00	\$	4,500.00
7' Catch basins	EA	3	\$	3,500.00	\$	10,500.00
24" RCP	EA	1067	\$	75.00	\$	80,025.00
AC Dike	LF	657	\$	8.00	\$	5,256.00
Subtotal Street Improvements				TOTAL	\$	563,579.75
Off-Site Sewer						
8" VCP	LF	670	\$	65.00	\$	43,550.00
Standard Manholes 4' Dia.	EA	3	\$	4,500.00	\$	13,500.00
Cap and Abandon existing lat	EA	3	\$	750.00	\$	2,250.00
Clean and Pressure Test	LF	670	\$	2.00	\$	1,340.00
Connect to Existing	EA	1	\$	2,500.00	\$	2,500.00
Subtotal Off-Site Sewer Improvements				TOTAL	\$	63,140.00
Off-Site Water						
Adjust EX FH to finish grade from bury up	EA	3	\$	1,500.00	\$	4,500.00
Remove Existing DDCA	EA	2	\$	600.00	\$	1,200.00
12" Fittings	EA	2	\$	500.00	\$	1,000.00
12" RWGV	EA	2	\$	1,200.00	\$	2,400.00
12" DI Water Line	LF	25	\$	62.00	\$	1,550.00
Fire Hydrant with Bury	EA	2	\$	4,500.00	\$	9,000.00
Join to Existing	EA	4	\$	500.00	\$	2,000.00
Cap and Abandon Existing services	EA	2	\$	1,200.00	\$	2,400.00
Subtotal Off-Site Water					\$	24,050.00
Soft Costs						
Engineering Fees	LS					
Permits	LS				\$	30,000.00
Plan Check/City Fees	LS				\$	45,000.00
SCE Fees	LS				\$	16,900.00
Dry Utility Fees	LS				\$	120,000.00
Cal Water Fees	LS				\$	25,000.00
Subtotal Soft Costs					\$	50,000.00
Project Totals					\$	286,900.00
Hard Cost Subtotal					\$	937,669.75
Contingency - 20% of Hard Costs					\$	130,153.95
Total Project Cost					\$	1,067,823.70

EXHIBIT I
PRELIMINARY ESTIMATE OF CITY'S COSTS

Preliminary Estimate of City Costs

Exhibit I

Item	Cost Estimate
Rickenbacker Extension	\$ 1,067,824
Shared Intersections	
Eastern/Bandini	
1. Project Specific	\$ 439,646
2. Cumulative	\$ 115,689
Eastern/Rickenbacker	
1. Project Specific	\$ 45,500
2. Cumulative	\$ 68,341
Subtotal Shared Intersections	\$ 669,176
Other Mitigation	
Additional Traffic Study	\$ 25,000
Atlantic Bandini Striping	\$ 30,000
Striping per Caltrans	\$ 20,000
Subtotal Other Mitigation	\$ 75,000
Entitlement Costs	
Consulting Costs	\$ 428,000
Legal Costs	\$ 100,000
Subtotal Entitlement Costs	\$ 528,000
Grand Total	\$ 2,340,000

EXHIBIT J
ESTOPPEL CERTIFICATE FORM

Date Requested: _____

Date of Certificate: _____

On _____, 2013, the City of Bell and the Bell Public Financing Authority approved the Development Agreement between PI Bell LLC, a Delaware limited liability company, the City of Bell, and the Bell Public Financing Authority (the "Development Agreement").

This Estoppel Certificate certifies that, as of the Date of Certificate set forth above:

[CHECK WHERE APPLICABLE]

- ___ 1. The Development Agreement remains binding and effective.
- ___ 2. The Development has not been amended.
- ___ 3. The Development Agreement has been amended in the following aspects: _____
_____.
- ___ 4. To the best of our knowledge, neither Developer nor any of its successors is in default under the Development Agreement.
- ___ 5. The following defaults exist under the Development Agreement: _____
_____.

This Estoppel Certificate may be relied upon by an transferee or mortgagee of any interest in the property which is the subject of the Development Agreement.

CITY OF BELL

BY: _____
COMMUNITY DEVELOPMENT DIRECTOR

ATTACHMENT 3

AUGUST 7, 2013 AGENDA REPORT

**City of Bell Joint Agenda Report
City Council, Public Financing Authority
and Planning Commission**

DATE: August 7, 2013

TO: Mayor and Members of the City Council
Members of the Bell Public Financing Authority
Members of the Bell Planning Commission

FROM: Joe Perez, Community Development Director

APPROVED BY: 
Doug Willmore, City Manager

SUBJECT: Bell Business Center Project Development Agreement, Environmental Impact Report (EIR) and Agreement for Purchase and Sale

RECOMMENDATION

Planning Commission Action:

Adopt Planning Commission Resolution No. 2013-31-PC on the Bell Business Center Project Entitlements and the Bell Business Center Project EIR (Attachment A)

- Adopting a Finding stating that pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15025(c) the Planning Commission has considered in its deliberations the Bell Business Center EIR and recommends the approval thereof
- Adopting a Finding of General Plan Consistency for Sale of Property pursuant to Government Code Section 65402
- Recommending approval of the Bell Business Center Development Agreement DA 2013-01 and Ordinance No. 1195

City Council Action:

Adopt Resolution No. 2013-32-CC on the Bell Business Center EIR (Attachment B).

- Certifying, pursuant to CEQA Guidelines Section 15090(a), the Bell Business Center Project EIR
- Adopting the Bell Business Center Project Mitigation Monitoring and Reporting Program
- Adopting a Findings of Fact and a Statement of Overriding Considerations for the Bell Business Center Project

Approve by Minute Order first reading of Ordinance No. 1195, approving a Development Agreement DA 2013-01 between the City of Bell, the Bell Financing Authority and PI Bell LLC.

Adopt Resolution No. 2013-33-CC on the Agreement for Purchase and Sale (Attachment C).

- Approving the Agreement for Purchase and Sale for the Bell Business Center property
- Authorizing the City of Bell Chief Administrative Officer to act on behalf of the City in the execution of same

Bell Public Financing Authority Action:

Adopt Resolution No. 2013-34-PFA on the Bell Business Center Project EIR (Attachment D). Certifying, as a Responsible Agency pursuant to CEQA Guidelines Section 15050(b), that the Bell Public Financing Authority has reviewed and considered the Bell Business Center Project EIR prior to taking any action

Minute Order: Approving Participation in Development Agreement DA 2013-01

- Approve participation of the Bell Public Financing Authority, an entity with a legal or equitable interest in the property, in Development Agreement DA 2013-01 between the City of Bell, the Bell Public Financing Authority and PI Bell LLC
- Authorize the Executive Director to act on behalf of the Bell Public Financing Authority in the execution of Development Agreement DA 2013-01 between the City of Bell, the Bell Public Financing Authority and PI Bell LLC

Adopt Resolution No. 2013-35-PFA on the Agreement for Purchase and Sale (Attachment E).

- Approving the Agreement for Purchase and Sale for the Bell Business Center property
- Authorizing the Executive Director to act on behalf of the City in the execution of same

BACKGROUND

Dexia Settlement

This Development project concerns property which has been a part of extensive litigation by Dexia Credit Local ("Dexia") filed by Dexia against the City and Finance Authority ("Authority") on October 14, 2011 (Dexia Credit Local v. City of Bell, et al, LASC Case NO.: BC471478. This action sought to foreclose on three vacant parcels consisting of approximately 26 acres of land ("Property" - Parcels F, G and H) at 5600 Rickenbacker Road. The suit not only sought to foreclose on the Property but sought to recover up to \$35M from the City for any deficiency in value. The Litigation came about due to the Authority's failure to make payments on the \$35M Bond issue when the Authority's lease of the property to BNSF was blocked by a successful CEQA lawsuit filed by East Yard Communities and resulted in a malpractice lawsuit against the City Attorney, Best Best & Kreieger, and potential claims against the bond finance team.

The parties over 18 months engaged in an extensive mediation process which resulted in a negotiated settlement by Stipulation. At its April 3, 2013 meeting, the City Council approved the Stipulation for Settlement with Dexia Under the terms of the Stipulation for Settlement, the City has until December 1, 2013 to sell the Property for a minimum price of \$28.7 million and deliver this amount to Dexia, which is seeking to foreclose upon the Property. If the City pays Dexia \$28.7 million by December 1, 2013, the City owes nothing further to Dexia. Furthermore, any sales proceeds in excess of \$28.7 million will be paid to Dexia, less up to \$1.2 million for the City's public improvement, closing and entitlement costs. If the entitlement process is delayed past December 1, 2013, Dexia retains the right to commence foreclosure of the Property and collect on the deficiency for up to \$2 million against Bell (though there is a provision permitting a 90-day extension of the deadline under specified circumstances).

The City also owns approximately 15 acres of land (Parcel A) on an adjacent site, which is leased to BNSF Railway Company and subleased to JB Hunt Transport for storage of intermodal containers and tractor trailers. The Dexia related properties (Parcels F, G and H) and Parcel A are located in the Bell Industrial Area and, together, comprise the "Bell Business Center."

The City is selling these properties (including Parcel A) as entitled because buyers are willing to pay more since development risks are minimized. The City listed the Property with CB Richard Ellis (CBRE), which marketed the Property to over 300 potential buyers, including Parcel A, for sale (with entitlements). Twelve offers were received and the offer submitted by industrial developer, Pacific Industrial was selected as the best potential buyer based on several factors, including: ability to meet the basic terms of the Dexia settlement; strength of their financial backing; knowledge of the properties; expected uses and users; commitment to the community; and ability to go through the extensive entitlement process. On May 29, 2013, the City entered into an Exclusive Negotiating Agreement with Pacific Industrial (PI Bell LLC).

Entitlement Process

Concurrent with the sale of the property, the City began the preparation of the Bell Business Center Project EIR which analyzes the impacts of developing up to 840,390 sf of building area to accommodate warehouse, distribution, logistics and light industrial uses with ancillary offices on the approximately 40.2 acre project site. Since that time, the Development Agreement and Conditions of Approval were prepared to reflect the project proposed by Pacific Industrial.

Pacific Industrial filed an application for a Tentative Parcel Map subdividing Parcel H into four legal lots in July 2013. The application will be considered at the August 21st City Council meeting.

DISCUSSION

The City Council, Planning Commission and Bell Public Financing Authority are being asked to consider entitlements for the Bell Business Center Project. The following discussion is divided into the following topics: Project Description, Bell Business Center Project EIR, and Development Agreement DA 2013-01. The report also discusses the following components of the Development Agreement: Agreement for Purchase and Sale, Development Standards and Eligible Uses, Basic Design Concepts, and Project Specific Conditions of Approval.

PROJECT DESCRIPTION

At buildout, Bell Business Center Project could provide up to 840,390 sf of warehousing, distribution, logistics and light industrial uses with ancillary offices on four separate building sites within an existing industrial area. The project also includes any adjacent roadway easements in Rickenbacker Road and 6th Street. Consistent with the proposed land uses, the sites are designated Industrial (I) on the City of Bell General Plan Land Use Map and zoned Commercial Manufacturing (CM) on the Zoning Map. Three of the sites are vacant. The fourth site, located at the terminus of Rickenbacker Road, is leased to Burlington Northern Santa Fe Railway Company (BNSF) and currently used for outdoor storage. Surrounding land uses also reflect the industrial nature of the area and include: US Armed Forces Reserve Center, Richard N. Slawson Southeast Occupational Center (Vocation School), Shelter Partnership Warehouse for

Household Goods, Salvation Army Warehousing, Homeless Shelter/Clinic and Transitional Housing, Industrial/Warehouse Uses, 710 freeway and vacant industrial land.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) requires the preparation of an Environmental Impact Report (EIR) prior to approving any project that may have a significant effect on the environment. Recognizing that the significant environmental impacts might occur as a result of the project, the *Bell Business Center Project Environmental Draft Environmental Impact Report (State Clearinghouse Number 2013041025)* was prepared. The Final EIR, and all technical appendices are included as a separate document submitted with this staff report.

Summary of EIR Process

The following table summarizes the timeline for preparation of key milestones in the preparation of the Draft EIR.

Milestone	Date(s)
Notice of Preparation (NOP)	April 8, 2013
NOP Comment Period	April 8 through May 8, 2013
Scoping Meeting	April 25, 2013
Notice of Availability (NOA) for the Draft EIR	May 21, 2013
Public Comment Period for Draft EIR	May 21 through July 5, 2013
Response to Comments Sent to Agencies	July 26, 2013
Final EIR for Public Review	August 2, 2013

Environmental Impact Report

The purpose of an EIR is to provide decision-makers with the information they need to make informed decisions on projects that could potentially impact the environment. Potential impacts are evaluated and mitigation measures identified that could reduce or eliminate the impact. However, in some cases, impacts still remain significant even after mitigation measures are adopted. These impacts are considered **significant and unavoidable**. The EIR found that the following impacts were significant and unavoidable after mitigation:

- Impact 3.1.1** Subsequent land use activities associated with implementation of the proposed project would conflict with or obstruct implementation of the 2012 Air Quality Management Plan.
- Impact 3.1.3** Project-generated operational emissions would exceed applicable significance thresholds and could contribute to regional nonattainment conditions.
- Impact 3.1.8** Implementation of the proposed project, in combination with cumulative development in the South Coast Air Basin (SoCAB), would result in a cumulatively considerable net increase of criteria air pollutants for which the SoCAB is designated nonattainment.

- Impact 3.4.1** Implementation of the proposed project will result in greenhouse gas emissions that would further contribute to significant impacts on the environment.
- Impact 3.12.1** The proposed project could result in an increase in traffic under the Existing Plus Project scenario that is substantial in relation to the existing traffic load and capacity of the street system or exceeds an established level of service standard (i.e., result in a substantial increase in either the volume-to-capacity ratio and/or the level of service at intersections).
- Impact 3.12.6** Implementation of the proposed project, along with other traffic generated by existing and future development in the project area in Year 2025, would increase traffic in the project area.

During the public review process the City received comments from the following:

Letter	Agency/Organization	Date
1	California Department of Transportation (Caltrans) – District 7	June 28, 2013
2	City of Commerce	July 3, 2013
3	Citizens Advocating Rational Development (CARD)	July 5, 2013
4	East Yard Communities for Environmental Justice	July 5, 2013
5	Southern California Association of Governments (SCAG)	July 5, 2013
6	South Coast Air Quality Management District (SCAQMD)	July 11, 2013
7	Los Angeles County Department of Public Works (DPW)	July 8, 2013
8	Los Angeles County Fire Department (LACFD)	June 25, 2013

These comment letters as well as the City's responses were included in the EIR. As required by CEQA, the public agency responses were sent to the agencies on July 26, 2013. Some of the comments resulted in modifications to mitigation measures or other changes to the documents. None of the commenters raised new environmental issues or proposed changes to the Draft EIR that would require recirculation of the document.

Statement of Overriding Considerations

In reviewing a project, CEQA requires decision makers to balance a project's economic, social and technological benefits against its significant and unavoidable environmental impacts. If a project's benefits, including its region-wide or statewide environmental benefits, outweigh its significant and unavoidable impacts, decision makers may find the significant and unavoidable impacts "acceptable" and approve the proposed project.

Sale and development of the property is important to the City, both economically and socially. Development will generate 453 to 542 employees and result in the development of 840,390 square feet of warehouse and industrial space. With the sale and development of the property, land that was previously publicly owned will be generating tax revenues.

Perhaps most importantly, the successful sale of the properties is critical for the City to meet the terms of the Stipulation for Settlement with Dexia; eliminate a potential deficiency of \$12 million - \$15 million to Dexia; and ensure that a high quality project is developed on the properties. If the project is not approved, the City of Bell faces the potential of being forced into bankruptcy which would jeopardize the ability of the City to provide basic services to its residents and negatively impact neighboring communities.

EIR Certification Process

The Planning Commission, City Council and Bell Public Financing Authority each have a separate role in the environmental review process.

- The Planning Commission must consider the conclusions of the EIR in their review of the project. To document their deliberations, the Planning Commission will include a finding in their resolution.
- As the Lead Agency, the City Council is responsible for certifying the EIR. The City Council action must include adoption of the mitigation monitoring and reporting program, as well as adoption of a statement of overriding considerations and findings of fact supporting their decision. The findings of fact summarize the impacts found in the EIR and contain statements of overriding considerations for all impacts found to be significant and unavoidable. The City Council certification of the EIR is adopted by resolution.
- The Bell Public Finance Authority is a Responsible Agency and must adopt a specific findings on the EIR. Their findings will also be documented in a resolution.

DEVELOPMENT AGREEMENT

Recognizing that uncertainties associated with development can increase costs and discourage investment, a Development Agreement was prepared pursuant to California Government Code Section 65864-65869.5 for the Bell Business Center Project. The draft Development Agreement DA 2013-01 establishes a framework for site development: creating timeframes for specific tasks, assigning responsibility for construction of required public improvements, and outlining a project review process.

Timeframes for Project Development

- The 15-year term of the Development Agreement will start once the agreement is fully executed, escrow concluded and the project is free from judicial review and concludes once a Certificate of Occupancy has been issued for the last building on the Property.
- Construction on Parcels F, G and H shall begin within a year from the start of Development Agreement term.
- Construction on Parcel A shall begin within one year from the expiration of the BNSF lease. The term of the Development Agreement may be reduced if the construction deadlines are not met.

Off-site Improvements

- Off-site Improvements on Rickenbacker Road and 6th Street include construction roadway, lighting, curb gutter and sidewalk as well as extension or replacement of sewer lines, water lines, storm drain facilities or other utilities.
- Pacific Industrial shall contribute \$1,340,000 for construction of these improvements.
- The City shall be responsible for
- intersection and traffic improvements and other off-site improvements not associated with Rickenbacker Road or 6th Street.

Project Review Process

- Prior to issuance of grading or building permits, a project must be reviewed and approved by the Bell Business Center Design Review Board (DRB).
- Consisting of one City Councilmember, one Planning Commissioner, the Community Development Director and the City Engineer, the DRB shall review site plans, landscape plans, building elevation and illustrative drawings, building colors and materials for conformance with the Scope of Development, Basic Design Concepts, and Conditions of Approval.

Other Provisions

- The DA supersedes zoning and other provisions and freezes taxes and development fees except for processing fees and regulations with a City-side impact.
- The DA provides for CC&Rs governing project operations and maintenance
- The DA provides for local employment, energy efficient construction and operations
- The DA includes other community benefits including the potential for tax credits

Development Agreement Adoption Process

The Government Code establishes the review and adoption procedure for Development Agreements and outlines the responsibility of the planning and legislative agencies.

- As the planning agency, the Planning Commission must, pursuant to Government Code Section 65867, conduct a public hearing on the proposed Development Agreement. Pursuant to Government Code Section 65867.5(a), a Development Agreement is a legislative act adopted by ordinance.
- The City Council, as the legislative body, must therefore conduct a public hearing and is required to approve the first reading of the ordinance and then hold a second reading of the ordinance to adopt the Development Agreement.
- As an owner of the property the Bell Public Financing Authority must also participate in the Development Agreement by approving adoption and authorizing the Executive Director to act on their behalf in the execution of the Development Agreement.

AGREEMENT FOR PURCHASE AND SALE (PSA)

The PSA defines the rights and responsibilities of all parties in the purchase and sale of real property.

General Provisions of the Agreement for Purchase and Sale

Included as Exhibit E of the Development Agreement, the Agreement for Purchase and Sale establishes a cash price of \$44.5 million dollars (\$29M for Parcels F, G and H; and \$15.5M for Parcel A) with payment due at Close of Escrow. Price will be adjusted to reflect only those sites purchased should the Developer decide to purchase some, but not all of the parcels. Closing is intended to occur between August 25, 2013 and December 1, 2013

Pacific Industrial will be responsible for constructing up to \$1,340,000 for necessary off-site improvements for the project. The City will be responsible for remaining off-site improvements totaling up to \$1M above the \$1,340,000 covered by Pacific Industrial. Pacific Industrial will also construct buildings that equal LEED Gold standards. The City can terminate if it is required to pay more than the \$2.34M Cost Cap.

Pacific Industrial will apply for New Market Tax Credits to develop the Property and will pay 50% of all tax credits it receives to the City. In addition, Pacific Industrial will provide \$25,000 to the City as a community benefit package.

Agreement for Purchase and Sale Adoption Process

As an exhibit of the Development Agreement, the Agreement for Purchase and Sale will be approved by the City Council and Bell Public Financing Authority. However, the Planning Commission, as planning agency for the City of Bell, must adopt a finding of general plan consistency for sale of property pursuant to Government Code Section 65402. In addition, as property owner, both the City Council and the Bell Public Financing Authority must authorize the Chief Administrative Officer and Executive Director to execute the PSA on their behalf.

SCOPE OF DEVELOPMENT

The Scope of Development, included as Exhibit C to the Development Agreement, defines the specific characteristics required to create a signature industrial/warehousing/logistics project combining high quality architectural design with sustainable building technologies. Specifically, it addresses Development Standards, Permitted Land Uses, and Basic Design Concepts.

Development Standards

The following tables list the development standards defined for the Bell Business Center Project: Maximum Building Area and Site Development Standards. Where the standards vary from the Bell Municipal Code, the standards listed below will apply.

MAXIMUM BUILDING AREA				
Parcel	Site Acres	Industrial/Warehouse Space	Ancillary Office Space	Total Building Size
A	14.5	274,860	20,000	294,860
F	11.6	234,528	10,000	244,528
G	3.6	68,002	4,000	72,002
H	10.5	219,000	10,000	229,000
TOTAL PROJECT AREA	40.2	796,390	44,000	840,390
Projects will be reviewed to ensure that they do not exceed the maximum building area for industrial/warehouse/logistics use, office use or total building size for their parcel. Projects that exceed any of these maximum area standards listed above must demonstrate that it will not result increase impacts or result in new impacts that could require additional environmental review pursuant to Section 15162 of the CEQA Guidelines.				

SITE DEVELOPMENT STANDARDS	
Lots	
Minimum Area	5,000 square feet
Minimum Width	50 feet
Minimum Depth	50 feet

SITE DEVELOPMENT STANDARDS	
Yards	
Front	No driveway in front yard: Front yard setback not required
	Driveway: Front yard setback shall have a minimum depth of 25 feet
Side	No driveway in side yard: Side yard setback not required
	Driveway: Side yard setback shall have a minimum depth of 20 feet
Rear	When not adjacent to residentially zoned property: Not required
Buildings	
Maximum Height	When not adjacent to residentially zoned property: 150 feet
	When adjacent to residentially zoned property: 50 feet
Building Mass	100% lot coverage, except for required yard areas, off-street parking and trash enclosures
Number of Required Off-Street Parking Spaces	
Offices Uses	1 per 250 square feet of office use
Industrial Uses	1 per 1,000 square feet for the first 20,000 square feet of warehouse/logistics/industrial use
	1 per 2,000 square feet for the second 20,000 square feet of warehouse/logistics/industrial use
	1 per 4,000 square feet for the warehouse/logistics/industrial use in excess of 40,000 square feet
Other uses	As defined by the Municipal Code.
Size of Off-Street Parking Spaces	
Conventional Spaces	Minimum dimensions: 9 feet by 20 feet
Compact Spaces	Minimum dimensions: 8 feet by 18 feet. The number of compact spaces shall not exceed 20% of required spaces.
Required Walls & Fences	
Parcel A	Masonry walls shall be constructed to enclose all parking, storage and truck loading areas outside of the front yard setback.
Parcel F	Options 1: Masonry walls or fencing as approved by the Director shall be constructed along the north and east property lines.
	Options 2, 3 and 4: Masonry walls or fencing as approved by the Director shall be constructed along the west, the north and east property lines.
Parcel G:	Options 1, 3 and 4: Masonry walls or fencing as approved by the Director shall be constructed along the south and southeast property lines to secure the parking and loading area.
	Option 2: Masonry walls shall be constructed along the east, south and west property lines. The Director may require a wrought iron fence or gate to secure the north property line.
Parcel H	Masonry walls or fencing as approved by the Director shall be constructed along the south property line. If the parcel is subdivided, masonry walls and fencing will not be required between the new lots
Ground-mounted Machinery and Utilities	
	Shall be enclosed within a permanent noncombustible enclosure.
	Shall be screened from public view.

Project Specific Conditions of Approval

The conditions of approval set forth in detail the responsibilities and obligations of the developer in planning, constructing and operating the project. Some of the Bell Business Center conditions of approval are global in nature while others address specific parcels. Examples of general conditions include: a requirement that all buildings be constructed to LEED (Leadership in Energy and Environmental Design) Gold Standard certification or equivalent, development of a master sign program for the project area and efforts to encourage employers to hire locally. Project specific requirements address fencing on individual parcels, 6th Street improvements, and establishing a historical marker or public art display illustrating the cultural and historical significance of the Sleepy Lagoon.

Scope of Development Adoption Process

As an exhibit of the Development Agreement, the Scope of Development will be adopted by ordinance with adoption of DA 2013-01.

- Consistent with that process the Planning Commission will review the document for consistency with the general plan.
- The City Council will adopt the Scope of Development by legislative act.
- The Bell Public Financing Authority is not required to act independently on this document.

SUMMARY

This is potentially a \$100M project and the largest and most complex development ever constructed in Bell, and shows that even with all the turmoil of the last several years, the city of Bell can deliver an iconic development project on a scale comparable to any in California. The successful sale and development of the Property is critical for the City to meet the terms of the Stipulation for Settlement with Dexia; eliminate a potential deficiency of \$12 million - \$15 million to Dexia; increase property values with a state-of-the-art industrial development; and create hundreds of new jobs.

ATTACHMENTS (To Be Provided)

- A Bell Planning Commission Resolution No. 2013-31-PC** Bell Business Center Project Entitlements and the Bell Business Center Project EIR
- B Bell City Council Resolution No. 2013-32-CC** certifying, pursuant the Bell Business Center Project EIR, adopting the Bell Business Center Project Mitigation Monitoring and Reporting Program and adopting a Findings of Fact and a Statement of Overriding Considerations for the Bell Business Center Project
- C Bell City Council Resolution No. 2013-33-CC** approving the Agreement for Purchase and Sale for the Bell Business Center property and authorizing the City of Bell Chief Administrative Officer to act on behalf of the City in the execution of same.
- D Bell Public Financing Authority Resolution No. 2013-34-PFA** certifying that the Bell Public Financing Authority has reviewed and considered the Bell Business Center Project EIR prior to taking any action.

- E Bell Public Financing Authority Resolution No. 2013-35-PFA approving the Agreement for Purchase and Sale for the Bell Business Center property and authorizing the Executive Director to execute the Agreement for Purchase and Sale for the Bell Business Center property**

ATTACHMENTS (Included)

Bell Business Center Project FEIR (including DEIR)

Ordinance No. 1195

Development Agreement DA 2013-01 (including Exhibits)



Community Development Department
Derek R. Hull, Director

Development Review Committee (DRC)

September 7, 2016

11:00 a.m. – 12:30 p.m.

- Welcome/Introductions:
- Overview of Agenda Items:
- Review of Projects:
 1. ARB 2016-85 BNSF Transfer Station 5091 Rickenbacker Road
Construction of a structure and office to operate a transfer station on a vacant parcel that was sold to Applicant by the City. **11:00 a.m.**
 2. CUP 2016-04 Sports Camp 4570 E. Gage Avenue
Redevelopment of existing site into a retail shop and three (3) futsal courts **11:30 a.m.**
 3. CUP 2016-05 Greenhouse 5600 Rickenbacker Road
Development of a greenhouse across from the Salvation Army facility. **12:00 p.m.**

www.cityofbell.org
6330 Pine Avenue
Bell, California 90201
323-588-6211

BELL-3043



AGENDA

SPECIAL MEETING OF THE BELL PLANNING COMMISSION

Monday, November 21, 2016

7:00 p.m.

Bell Community Center

6250 Pine Avenue Bell, CA 90201

I. Call to Order:

II. Roll Call of the Planning Commission:

Commissioner Trina Mackin

Commissioner Daisy Ramirez

Commissioner Rodrigo Rodarte

Commissioner Nora Saenz

Commissioner Jocelyn Salgado

III. Communications from the Public:

This is the time for members of the public to address the Planning Commission on items that are listed ONLY on the agenda other than Public Hearing items. (Each speaker is limited to 3 minutes)

IV. Planning Commissioner Announcements; Request for Future Agenda Items; Conference/Meeting Reports:

V. Discussion and Election of Chair and Vice Chair:

VI. Public Hearings:

Item 1. Conditional Use Permit No. 2016-05

Applicant: Brad Pregerson

Project: GrowGood GreenHouse located at 5600 Rickenbacker Road, Bell, CA.
Applicant is proposing to construct a 30 feet by 48 feet prefabricated greenhouse,

constructed of galvanized steel with a concrete base and to permit an existing garden area located on a 1.5 acre site on the south side of K Street.

General Plan Land Use Designation is I (Industrial)

Zoning Designation is CM (Commercial Manufacturing)

CEQA Determination: Categorical Exemption under CEQA Guidelines Sections 15332 In-fill Development.

Recommended Action: Approval- Subject to the Attached Conditions

END OF PUBLIC HEARINGS

VII. Business Session:

Item 2. Consideration to permit Barber Shop located at 4847 ½ Florence Avenue Bell, CA (Other similar uses which the Commission finds, pursuant to Section 17.04.090 of this title, to be of a comparable nature and class of those enumerated.)

Applicant: Jose Frank De La Piedra

General Plan Land Use Designation is C (Commercial)

Zoning Designation is C-3 R (General Commercial)

CEQA Determination: Categorical Exemption under CEQA Guidelines Sections 15301 Existing Facilities.

Recommended Action: Approval

Item 3. Presentation on Zoning Map Designations Throughout the City of Bell

General Plan Land Use Designation Various

Zoning Designation Various

Recommended Action: No Action Required

Item 4. Pacific Industrial BNSF Project Update

Recommended Action: No Action Required

VIII. Consent Calendar Items:

IX. Staff Member Comments:

- X. Adjournment:** *Next Regular Planning Commission Meeting, scheduled for Wednesday, December 7, 2016.*

ADA Compliance Statement

In compliance with the Americans with Disabilities Act (ADA), if you need special assistance to participate in this meeting, please contact the Community Development Department at (323) 588-6211, Ext. 2623, at least 8 hours prior to the scheduled meeting in order for the City to make reasonable arrangements to ensure accessibility to this meeting.

I, Derek Hull, Community Development Director of the City of Bell, certify that a true, accurate copy of the foregoing agenda was posted on November 18, 2016 at least twenty-four (24) hours prior to the meeting as required by law.

Derek Hull,
Community Development Director



AGENDA
DESIGN REVIEW BOARD MEETING
Thursday, January 24, 2019 at 6:00 p.m.
Bell Community Center
6250 Pine Avenue Bell, CA 90201

1. Call to Order

2. Roll Call of the Design Review Board

Chair Fidencio Joel Gallardo (City Council Representative)
Board Member Trina Mackin (Planning Commission Representative)
Board Member Bill Pagett (City Engineer)
Board Member Gustavo Romo (Community Development Director)

3. Pledge of Allegiance

4. Communications from the Public

This is the time for members of the public to address the Design Review Board on matters that are listed on the agenda and non-agenda items that are under the subject matter jurisdiction of the Design Review Board. (Each speaker is limited to 3 minutes)

5. Regular Session

- A. Request from Applicants, Cemex & PI Bell, for the approval of DRB# 2018-01 pertaining to the site and building design of an aggregate transfer/storage facility located at 5091 Rickenbacker Road (APN 6332-002-815) in the Commercial Manufacturing (CM) zone with a General Plan land use designation of Industrial.

Recommendation: *It is recommended that the Design Review Board APPROVE DRB# 2018-01 subject to the recommended conditions of approval.*

6. Adjournment

ADA Compliance Statement

In compliance with the Americans with Disabilities Act (ADA), if you need special assistance to participate in this meeting, please contact the Office of the City Clerk at (323) 588-6211, Ext. 2615, at least 48 hours prior to the scheduled meeting in order for the City to make reasonable arrangements to ensure accessibility to this meeting.