

AGENDA

Garden Grove City
Council

Tuesday, June 28, 2016



6:30 PM

Community Meeting
Center, 11300 Stanford
Avenue, Garden Grove,
CA 92840; Council
Member Bui will be
teleconferencing from
Waikiki Beach Marriott,
2552 Kalakaua Avenue,
Honolulu, Hawaii, 96815

Bao Nguyen

Mayor

Steven R. Jones

Mayor Pro Tem

Christopher V. Phan

Council Member

Phat Bui

Council Member

Kris Beard

Council Member

Meeting Assistance: Any person requiring auxiliary aids and services, due to a disability, to address the City Council, should contact the City Clerk's Office 72 hours prior to the meeting to arrange for accommodations. Phone: 714) 741-5040.

Agenda Item Descriptions: Are intended to give a brief, general description of the item. The City Council may take legislative action deemed appropriate with respect to the item and is not limited to the recommended action indicated in staff reports or the agenda.

Documents/Writings: Any revised or additional documents/writings related to an item on the agenda distributed to all or a majority of the Council Members within 72 hours of a meeting, are made available for public inspection at the same time (1) in the City Clerk's Office at 11222 Acacia Parkway, Garden Grove, CA 92840, during normal business hours; (2) on the City's website as an attachment to the City Council meeting agenda; and (3) at the Council Chamber at the time of the meeting.

Public Comments: Members of the public desiring to address the City Council are requested to complete a **pink speaker card** indicating their name and address, and identifying the subject matter they wish to address. This card should be given to the City Clerk prior to the start of the meeting. General comments are made during "Oral Communications" and should be limited to matters under consideration and/or what the City Council has jurisdiction over. Persons wishing to address the City Council regarding a Public Hearing matter will be called to the podium at the time the matter is being considered.

Manner of Addressing the City Council: After being called by the Mayor, you may approach the podium, it is requested that you state your name for the record, and proceed to address the City Council. All remarks and questions should be addressed to the City Council as a whole and not to individual Council Members or staff members. Any person making impertinent, slanderous, or profane remarks or who becomes boisterous while addressing the City Council shall be called to order by the Mayor. If such conduct continues, the Mayor may order the person barred from addressing the City Council any further during that meeting.

Time Limitation: Speakers must limit remarks for a total of (5) five minutes. When any group of persons wishes to address the City Council on the same subject matter, the Mayor may request a spokesperson be chosen to represent the group, so as to avoid unnecessary repetition. At the City Council's discretion, a limit on the total amount of time for public comments during Oral Communications and/or a further limit on the time allotted to each speaker during Oral Communications may be set.

PLEASE SILENCE YOUR CELL PHONES DURING THE MEETING.

AGENDA

Open Session

ROLL CALL: COUNCIL MEMBER BEARD, COUNCIL MEMBER BUI, COUNCIL MEMBER PHAN, MAYOR PRO TEM JONES, MAYOR NGUYEN

INVOCATION

PLEDGE OF ALLEGIANCE TO THE FLAG OF THE UNITED STATES OF AMERICA

1. PRESENTATIONS

1.a. Community Spotlight: Recognition of the Strawberry Festival Association for organizing the 2016 Garden Grove Strawberry Festival.

2. ORAL COMMUNICATIONS (to be held simultaneously with other legislative bodies)

3. WRITTEN COMMUNICATIONS

RECESS

CONDUCT OTHER LEGISLATIVE BODIES' BUSINESS

RECONVENE

4. CONSENT ITEMS

(Consent Items will be acted on simultaneously with one motion unless separate discussion and/or action is requested by a Council Member.)

4.a. Approval to allocate Fiscal Year 2015-16 Supplemental Law Enforcement Services Account (SLESA) funds. *(Action Item)*

4.b. Adoption of a Resolution adding new classifications and salary ranges for Animal Control Officer, Senior Animal Control Officer, and Senior Real Property Agent. *(Action Item)*

4.c. Joint Item with the Housing Authority: Approval of the appropriation of funds for the Garden Grove Housing Authority

Administrative Expenses. (*Action Item*)

- 4.d. Acceptance of Project No. 7394 - Rehabilitation of West Garden Grove Well and Booster Pumping Facility as Complete. (*Action Item*)
- 4.e. Authorize the issuance of purchase orders to Global Collision Center, Big Ron's Auto Body and Paint, and Caliber Collision for the purchase of auto body parts and labor for City vehicles. (Cost: \$150,000 per year) (*Action Item*)
- 4.f. Authorize the issuance of a purchase order to National Auto Fleet Group for the purchase of two (2) Animal Care Services Trucks. (Cost: \$154,442.38) (*Action Item*)
- 4.g. Award of contracts for on-call professional land surveying services to: 1) Bruce Hall Land Surveyor, Inc.; and 2) Penco Engineering, Inc. (Cost: \$200,000 each for three years) (*Action Item*)
- 4.h. Approval of an Amendment to the Agreement among the City of Garden Grove, the Korean American Senior Association, and Orange County Transportation Authority for the Senior Mobility Program. (*Action Item*)
- 4.i. Approval of an Amendment to the Agreement with the Orange County Transportation Authority for grant funding for the Senior Mobility Program. (*Action Item*)
- 4.j. Approval of Amendment No. 2 to the Agreement with Cabco Yellow, Inc., for the Senior Mobility Program. (Cost: \$39,391) (*Action Item*)
- 4.k. Receive and file minutes from the May 24, 2016, meeting. (*Action Item*)
- 4.l. Approval of Warrants. (*Action Item*)
- 4.m. Approval to waive full reading of Ordinances listed. (*Action Item*)

5. PUBLIC HEARINGS

(*Motion to approve will include adoption of each Resolution unless otherwise stated.*)

- 5.a. Adoption of Budget Resolutions and Programs for Fiscal Year 2016-17. (*Action Item*)
- 5.b. Adoption of a Resolution confirming the Garden Grove Tourism Improvement District Advisory Board Report and Levying an Assessment for Fiscal Year 2016-17. (*Action Item*)
- 5.c. Consideration of an Ordinance approving Development Agreement No. DA-002-2016 with Tony Lam and Jennie Do for the construction of a four-story, 10-unit, mixed-use, work-live development at 10641 and 10661 Garden Grove Boulevard and 10662 Pearl Street. (*Action Item*)

6. COMMISSION/COMMITTEE MATTERS

7. ITEMS FOR CONSIDERATION

- 7.a. Approval of Assignment of Grove District Resort Hotel Development Agreement (Site C) From Land & Design, Inc. to Investel Garden Resorts, LLC. (Continued from the June 14, 2016, meeting) (*Action Item*)
- 7.b. Approval of an Agreement with West Coast Arborists, Inc., RFP No. S-1188, for tree maintenance services. (Cost: not to exceed \$290,000 per year) (*Action Item*)
- 7.c. Award of Contract to Penco Engineering, Inc. for on-call Engineering and Engineering Staff Services. (Cost: not to exceed \$500,000) (*Action Item*)
- 7.d. Joint Item with the Garden Grove Sanitary District: Award of Contract to Mamco, Inc. for City Project No. 7405, and Sanitary District Project Nos. 7834 and 7837-East Garden Grove Storm Drain and Sewer Improvements. (Cost: \$1,876,543.21) (*Action Item*)
- 7.e. Consideration of an Ordinance for the Paramedic Tax Override Rate for Fiscal Year 2016-17. (*Action Item*)

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE ESTABLISHING THE AMOUNT OF MONEY FOR PARAMEDIC SERVICES THAT MUST BE RAISED BY AN AD VALOREM TAX OVERRIDE AND THE SETTING OF THE TAX RATE OF SAID OVERRIDE
- 7.f. Consideration of a Resolution appointing Omar Sandoval as City Attorney. (*Action Item*)
- 7.g. Consideration to adopt a Resolution establishing a vehicle stipend for members of the City Council. (*Action Item*)

8. MATTERS FROM THE MAYOR, CITY COUNCIL MEMBERS, AND CITY MANAGER

9. ADJOURNMENT

The next Regular City Council Meeting will be held on Tuesday, July 12, 2016, at 5:30 p.m. at the Community Meeting Center, 11300 Stanford Avenue, Garden Grove, CA.

- Approve the acceptance of FY 2015-16 Supplemental Law Enforcement Service Account (SLESA) funds in the amount of \$273,189; and
- Authorize the allocation of these funds to the Police Department for front-line law enforcement services

aligned with the Senior Program Specialist classification. The current position is better aligned with an advanced journey-level classification with Real Property emphasis. As the City does not have an advanced journey-level within the Real Property family, it is necessary to create a new classification of Senior Real Property Agent.

The Salary Schedule implementing the new classifications and salary ranges effective July 1, 2016, is attached for approval with the resolution adding the three new positions.

The job description for each classification is attached to this report for reference.

FINANCIAL IMPACT

Funds for the two (2) new classifications of Animal Control Officer and Senior Animal Control Officer are included in the proposed Fiscal Year 2016-17 budget.

The Senior Program Specialist position is currently filled. Approval of the new classification of Senior Real Property Agent will result in a reclassification of the current Senior Program Specialist position and would add approximately \$7,032 annually, which will be absorbed in the current budget.

RECOMMENDATION

It is recommended that the City Council:

- Adopt the attached resolution creating the classification of Animal Control Officer at Range E153, Senior Animal Control Officer at Range E163, and Senior Real Property Agent at Range M173 and approving the attached Salary Schedule to be effective July 1, 2016.

ATTACHMENTS:

Description	Upload Date	Type	File Name
Resolution Adding New Classifications and Salary Ranges	6/15/2016	Cover Memo	New_Classifications_and_Salary_Ranges_Resolution.docx
SALARY SCHEDULE	6/13/2016	Cover Memo	PAYMOSAL_07012016.pdf
CLASSIFICATION SPECIFICATION: ANIMAL CONTROL OFFICER	6/13/2016	Cover Memo	Animal_Control_Officer.docx
CLASSIFICATION SPECIFICATION: SENIOR ANIMAL CONTROL OFFICER	6/13/2016	Cover Memo	Senior_Animal_Control_Officer_(1).docx
CLASSIFICATION SPECIFICATION: SENIOR REAL PROPERTY AGENT	6/13/2016	Cover Memo	Senior_Real_Property_Agent.docx

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE, CALIFORNIA, ADDING NEW EMPLOYEE CLASSIFICATIONS AND SALARY RANGES FOR ANIMAL CONTROL OFFICER, SENIOR ANIMAL CONTROL OFFICER, AND SENIOR REAL PROPERTY AGENT.

WHEREAS, the City Council previously approved employee classifications and salary ranges for the different represented and unrepresented employee classifications in the City; and

WHEREAS, three new classes of employment with the City and their appropriate salary ranges are now necessary to be added.

NOW, THEREFORE, the City Council of the City of Garden Grove does hereby resolve as follows:

Section 1. The following employment classifications and salary ranges are hereby established:

<u>Classification</u>	<u>Salary Range</u>
Animal Control Officer	E153
Senior Animal Control Officer	E163
Senior Real Property Agent	M173

Section 2. The attached Salary Schedule to be effective July 1, 2016 is hereby approved.

PASSED, APPROVED AND ADOPTED this 28th day of June, 2016.

BAO NGUYEN, MAYOR

ATTEST:

KATHY BAILOR, CITY CLERK

CITY OF GARDEN GROVE PAY RATES
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CLS#	TITLE	RANGE	STEP	MONTHLY	BI-WEEKLY	HOURLY
053	ACCOUNT SPECIALIST	E112	A	3295.00	1520.77	19.0096
			B	3460.00	1596.92	19.9615
			C	3633.00	1676.77	20.9596
			D	3815.00	1760.77	22.0096
			E	4006.00	1848.92	23.1115
			F	4206.00	1941.23	24.2654
			G	4416.00	2038.15	25.4769
			H			
054	ACCOUNTANT	E160	A	5311.00	2451.23	30.6404
			B	5577.00	2574.00	32.1750
			C	5856.00	2702.77	33.7846
			D	6149.00	2838.00	35.4750
			E	6456.00	2979.69	37.2462
			F	6779.00	3128.77	39.1096
			G	7118.00	3285.23	41.0654
			H			
039	ACCOUNTING MANAGER	M194	A	7306.00	3372.00	42.1500
			B	7671.00	3540.46	44.2558
			C	8055.00	3717.69	46.4712
			D	8458.00	3903.69	48.7962
			E	8881.00	4098.92	51.2365
			F	9325.00	4303.85	53.7981
			G	9791.00	4518.92	56.4865
			H			
015	ACCOUNTING SUPERVISOR	M176	A	6107.00	2818.62	35.2327
			B	6412.00	2959.38	36.9923
			C	6733.00	3107.54	38.8442
			D	7070.00	3263.08	40.7885
			E	7424.00	3426.46	42.8308
			F	7795.00	3597.69	44.9712
			G	8185.00	3777.69	47.2212
			H			
060	ACCOUNTING TECHNICIAN	E152	A	4905.00	2263.85	28.2981
			B	5150.00	2376.92	29.7115
			C	5408.00	2496.00	31.2000
			D	5678.00	2620.62	32.7577
			E	5962.00	2751.69	34.3962
			F	6260.00	2889.23	36.1154
			G	6573.00	3033.69	37.9212
			H			
024	ADM AIDE	E135	A	4143.00	1912.15	23.9019
			B	4350.00	2007.69	25.0962
			C	4568.00	2108.31	26.3538
			D	4796.00	2213.54	27.6692
			E	5036.00	2324.31	29.0538
			F	5288.00	2440.62	30.5077
			G	5552.00	2562.46	32.0308
			H			

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CLS#	TITLE	RANGE	STEP	MONTHLY	BI-WEEKLY	HOURLY
016	ADM ANALYST	M150	A	4716.00	2176.62	27.2077
			B	4952.00	2285.54	28.5692
			C	5200.00	2400.00	30.0000
			D	5460.00	2520.00	31.5000
			E	5733.00	2646.00	33.0750
			F	6020.00	2778.46	34.7308
			G	6321.00	2917.38	36.4673
			H			
063	ADM SECRETARY	M162	A	5312.00	2451.69	30.6462
			B	5578.00	2574.46	32.1808
			C	5857.00	2703.23	33.7904
			D	6150.00	2838.46	35.4808
			E	6458.00	2980.62	37.2577
			F	6781.00	3129.69	39.1212
			G	7120.00	3286.15	41.0769
			H			
202	ANIMAL CONTROL OFFICER	E153	A	4954.00	2286.46	28.5808
			B	5202.00	2400.92	30.0115
			C	5462.00	2520.92	31.5115
			D	5735.00	2646.92	33.0865
			E	6022.00	2779.38	34.7423
			F	6323.00	2918.31	36.4788
			G	6639.00	3064.15	38.3019
			H			
073	ASSIST BUYER	E134	A	4100.00	1892.31	23.6538
			B	4305.00	1986.92	24.8365
			C	4520.00	2086.15	26.0769
			D	4746.00	2190.46	27.3808
			E	4983.00	2299.85	28.7481
			F	5232.00	2414.77	30.1846
			G	5494.00	2535.69	31.6962
			H			
012	ASSIST TO CITY MGR	M186	A	6746.00	3113.54	38.9192
			B	7083.00	3269.08	40.8635
			C	7437.00	3432.46	42.9058
			D	7809.00	3604.15	45.0519
			E	8199.00	3784.15	47.3019
			F	8609.00	3973.38	49.6673
			G	9039.00	4171.85	52.1481
			H			
027	ASSISTANT CITY MGR	C255	A	13407.00	6187.85	77.3481
			B	14077.00	6497.08	81.2135
			C	14781.00	6822.00	85.2750
			D	15520.00	7163.08	89.5385
			E	16296.00	7521.23	94.0154
			F	17111.00	7897.38	98.7173
			G	17967.00	8292.46	103.6558
			H			

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CLS#	TITLE	RANGE	STEP	MONTHLY	BI-WEEKLY	HOURLY
215	ASSOCIATE ENGINEER	E195	A	7525.00	3473.08	43.4135
			B	7901.00	3646.62	45.5827
			C	8296.00	3828.92	47.8615
			D	8711.00	4020.46	50.2558
			E	9147.00	4221.69	52.7712
			F	9604.00	4432.62	55.4077
			G	10084.00	4654.15	58.1769
			H			
272	ASSOCIATE PLANNER	E161	A	5364.00	2475.69	30.9462
			B	5632.00	2599.38	32.4923
			C	5914.00	2729.54	34.1192
			D	6210.00	2866.15	35.8269
			E	6521.00	3009.69	37.6212
			F	6847.00	3160.15	39.5019
			G	7189.00	3318.00	41.4750
			H			
286	ASST COMM SERV SUPV	E150	A	4808.00	2219.08	27.7385
			B	5048.00	2329.85	29.1231
			C	5300.00	2446.15	30.5769
			D	5565.00	2568.46	32.1058
			E	5843.00	2696.77	33.7096
			F	6135.00	2831.54	35.3942
			G	6442.00	2973.23	37.1654
			H			
214	ASST ENGINEER	E175	A	6167.00	2846.31	35.5788
			B	6475.00	2988.46	37.3558
			C	6799.00	3138.00	39.2250
			D	7139.00	3294.92	41.1865
			E	7496.00	3459.69	43.2462
			F	7871.00	3632.77	45.4096
			G	8265.00	3814.62	47.6827
			H			
271	ASST PLANNER	E150	A	4808.00	2219.08	27.7385
			B	5048.00	2329.85	29.1231
			C	5300.00	2446.15	30.5769
			D	5565.00	2568.46	32.1058
			E	5843.00	2696.77	33.7096
			F	6135.00	2831.54	35.3942
			G	6442.00	2973.23	37.1654
			H			
130	BENEFITS SUPERVISOR	M171	A	5811.00	2682.00	33.5250
			B	6102.00	2816.31	35.2038
			C	6407.00	2957.08	36.9635
			D	6727.00	3104.77	38.8096
			E	7063.00	3259.85	40.7481
			F	7416.00	3422.77	42.7846
			G	7787.00	3594.00	44.9250
			H			

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CLS#	TITLE	RANGE	STEP	MONTHLY	BI-WEEKLY	HOURLY
230	BLDG INSPECTOR	E160	A	5311.00	2451.23	30.6404
			B	5577.00	2574.00	32.1750
			C	5856.00	2702.77	33.7846
			D	6149.00	2838.00	35.4750
			E	6456.00	2979.69	37.2462
			F	6779.00	3128.77	39.1096
			G	7118.00	3285.23	41.0654
			H			
031	BUDGET SVCS MGR	M194	A	7306.00	3372.00	42.1500
			B	7671.00	3540.46	44.2558
			C	8055.00	3717.69	46.4712
			D	8458.00	3903.69	48.7962
			E	8881.00	4098.92	51.2365
			F	9325.00	4303.85	53.7981
			G	9791.00	4518.92	56.4865
			H			
238	BUILDING OFFICIAL	M215	A	9003.00	4155.23	51.9404
			B	9453.00	4362.92	54.5365
			C	9926.00	4581.23	57.2654
			D	10422.00	4810.15	60.1269
			E	10943.00	5050.62	63.1327
			F	11490.00	5303.08	66.2885
			G	12065.00	5568.46	69.6058
			H			
241	BUSINESS TAX INSPECTOR	E143	A	4485.00	2070.00	25.8750
			B	4709.00	2173.38	27.1673
			C	4944.00	2281.85	28.5231
			D	5191.00	2395.85	29.9481
			E	5451.00	2515.85	31.4481
			F	5724.00	2641.85	33.0231
			G	6010.00	2773.85	34.6731
			H			
029	BUSINESS TAX SUPV	M166	A	5528.00	2551.38	31.8923
			B	5804.00	2678.77	33.4846
			C	6094.00	2812.62	35.1577
			D	6399.00	2953.38	36.9173
			E	6719.00	3101.08	38.7635
			F	7055.00	3256.15	40.7019
			G	7408.00	3419.08	42.7385
			H			
072	BUYER	E154	A	5003.00	2309.08	28.8635
			B	5253.00	2424.46	30.3058
			C	5516.00	2545.85	31.8231
			D	5792.00	2673.23	33.4154
			E	6082.00	2807.08	35.0885
			F	6386.00	2947.38	36.8423
			G	6705.00	3094.62	38.6827
			H			

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CLS#	TITLE	RANGE	STEP	MONTHLY	BI-WEEKLY	HOURLY
038	CABLE PROD SUPERVISOR	M166	A	5528.00	2551.38	31.8923
			B	5804.00	2678.77	33.4846
			C	6094.00	2812.62	35.1577
			D	6399.00	2953.38	36.9173
			E	6719.00	3101.08	38.7635
			F	7055.00	3256.15	40.7019
			G	7408.00	3419.08	42.7385
			H			
019	CABLE PRODUCTION COORD	E150	A	4808.00	2219.08	27.7385
			B	5048.00	2329.85	29.1231
			C	5300.00	2446.15	30.5769
			D	5565.00	2568.46	32.1058
			E	5843.00	2696.77	33.7096
			F	6135.00	2831.54	35.3942
			G	6442.00	2973.23	37.1654
			H			
240	CHIEF OF COLLECTIONS	M171	A	5811.00	2682.00	33.5250
			B	6102.00	2816.31	35.2038
			C	6407.00	2957.08	36.9635
			D	6727.00	3104.77	38.8096
			E	7063.00	3259.85	40.7481
			F	7416.00	3422.77	42.7846
			G	7787.00	3594.00	44.9250
			H			
125	CITY ATTORNEY	C	A	0.00	0.00	
			B			
			C			
			D			
			E			
			F			
			G			
			H			
020	CITY CLERK	M199	A	7679.00	3544.15	44.3019
			B	8063.00	3721.38	46.5173
			C	8466.00	3907.38	48.8423
			D	8889.00	4102.62	51.2827
			E	9333.00	4307.54	53.8442
			F	9800.00	4523.08	56.5385
			G	10290.00	4749.23	59.3654
			H			
200	CITY ENGINEER	M224	A	9847.00	4544.77	56.8096
			B	10339.00	4771.85	59.6481
			C	10856.00	5010.46	62.6308
			D	11399.00	5261.08	65.7635
			E	11969.00	5524.15	69.0519
			F	12567.00	5800.15	72.5019
			G	13195.00	6090.00	76.1250
			H			

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CLS#	TITLE	RANGE	STEP	MONTHLY	BI-WEEKLY	HOURLY
120	CITY MANAGER	C900	A	0.00	0.00	
			B			
			C			
			D			
			E			
			F			
			G	21333.00	9846.00	123.0750
			H			
058	CLERICAL ASSISTANT	E108	A	3167.00	1461.69	18.2712
			B	3325.00	1534.62	19.1827
			C	3491.00	1611.23	20.1404
			D	3666.00	1692.00	21.1500
			E	3849.00	1776.46	22.2058
			F	4041.00	1865.08	23.3135
			G	4243.00	1958.31	24.4788
			H			
235	CODE ENFORCEMENT OFF	E153	A	4954.00	2286.46	28.5808
			B	5202.00	2400.92	30.0115
			C	5462.00	2520.92	31.5115
			D	5735.00	2646.92	33.0865
			E	6022.00	2779.38	34.7423
			F	6323.00	2918.31	36.4788
			G	6639.00	3064.15	38.3019
			H			
034	COMM DEVELOP DIR	C245	A	12136.00	5601.23	70.0154
			B	12743.00	5881.38	73.5173
			C	13380.00	6175.38	77.1923
			D	14049.00	6484.15	81.0519
			E	14751.00	6808.15	85.1019
			F	15489.00	7148.77	89.3596
			G	16263.00	7506.00	93.8250
			H			
289	COMM SERV COORD	E130	A	3941.00	1818.92	22.7365
			B	4138.00	1909.85	23.8731
			C	4345.00	2005.38	25.0673
			D	4562.00	2105.54	26.3192
			E	4790.00	2210.77	27.6346
			F	5030.00	2321.54	29.0192
			G	5282.00	2437.85	30.4731
			H			
035	COMM SVCS DIRECTOR	C240	A	11547.00	5329.38	66.6173
			B	12124.00	5595.69	69.9462
			C	12730.00	5875.38	73.4423
			D	13367.00	6169.38	77.1173
			E	14035.00	6477.69	80.9712
			F	14737.00	6801.69	85.0212
			G	15474.00	7141.85	89.2731
			H			

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CLS#	TITLE	RANGE	STEP	MONTHLY	BI-WEEKLY	HOURLY
085	COMMUNICATIONS SHIFT SUPER	E160	A	5311.00	2451.23	30.6404
			B	5577.00	2574.00	32.1750
			C	5856.00	2702.77	33.7846
			D	6149.00	2838.00	35.4750
			E	6456.00	2979.69	37.2462
			F	6779.00	3128.77	39.1096
			G	7118.00	3285.23	41.0654
			H			
099	COMMUNITY SERVICE OFFICER	E131	A	3981.00	1837.38	22.9673
			B	4180.00	1929.23	24.1154
			C	4389.00	2025.69	25.3212
			D	4608.00	2126.77	26.5846
			E	4838.00	2232.92	27.9115
			F	5080.00	2344.62	29.3077
			G	5334.00	2461.85	30.7731
			H			
287	COMMUNITY SERVICES SUPER	M176	A	6107.00	2818.62	35.2327
			B	6412.00	2959.38	36.9923
			C	6733.00	3107.54	38.8442
			D	7070.00	3263.08	40.7885
			E	7424.00	3426.46	42.8308
			F	7795.00	3597.69	44.9712
			G	8185.00	3777.69	47.2212
			H			
228	CONSTR INSPECTOR	E161	A	5364.00	2475.69	30.9462
			B	5632.00	2599.38	32.4923
			C	5914.00	2729.54	34.1192
			D	6210.00	2866.15	35.8269
			E	6521.00	3009.69	37.6212
			F	6847.00	3160.15	39.5019
			G	7189.00	3318.00	41.4750
			H			
447	CUSTODIAL SUPERVISOR	M160	A	5208.00	2403.69	30.0462
			B	5468.00	2523.69	31.5462
			C	5741.00	2649.69	33.1212
			D	6028.00	2782.15	34.7769
			E	6329.00	2921.08	36.5135
			F	6645.00	3066.92	38.3365
			G	6977.00	3220.15	40.2519
			H			
445	CUSTODIAN	U108	A	3168.00	1462.15	18.2769
			B	3326.00	1535.08	19.1885
			C	3492.00	1611.69	20.1462
			D	3667.00	1692.46	21.1558
			E	3850.00	1776.92	22.2115
			F	4043.00	1866.00	23.3250
			G	4245.00	1959.23	24.4904
			H			

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CLS#	TITLE	RANGE	STEP	MONTHLY	BI-WEEKLY	HOURLY
062	DEPARTMENT SECRETARY	E143	A	4485.00	2070.00	25.8750
			B	4709.00	2173.38	27.1673
			C	4944.00	2281.85	28.5231
			D	5191.00	2395.85	29.9481
			E	5451.00	2515.85	31.4481
			F	5724.00	2641.85	33.0231
			G	6010.00	2773.85	34.6731
			H			
021	DEPUTY CITY CLERK	M157	A	5054.00	2332.62	29.1577
			B	5307.00	2449.38	30.6173
			C	5572.00	2571.69	32.1462
			D	5851.00	2700.46	33.7558
			E	6144.00	2835.69	35.4462
			F	6451.00	2977.38	37.2173
			G	6774.00	3126.46	39.0808
			H			
037	DEPUTY CITY MANAGER	C240	A	11547.00	5329.38	66.6173
			B	12124.00	5595.69	69.9462
			C	12730.00	5875.38	73.4423
			D	13367.00	6169.38	77.1173
			E	14035.00	6477.69	80.9712
			F	14737.00	6801.69	85.0212
			G	15474.00	7141.85	89.2731
			H			
046	DEPUTY DIRECTOR	M215	A	9003.00	4155.23	51.9404
			B	9453.00	4362.92	54.5365
			C	9926.00	4581.23	57.2654
			D	10422.00	4810.15	60.1269
			E	10943.00	5050.62	63.1327
			F	11490.00	5303.08	66.2885
			G	12065.00	5568.46	69.6058
			H			
049	DIVISION MANAGER	M204	A	8069.00	3724.15	46.5519
			B	8472.00	3910.15	48.8769
			C	8896.00	4105.85	51.3231
			D	9341.00	4311.23	53.8904
			E	9808.00	4526.77	56.5846
			F	10298.00	4752.92	59.4115
			G	10813.00	4990.62	62.3827
			H			
028	ECONOMIC DEV DIRECTOR	C245	A	12136.00	5601.23	70.0154
			B	12743.00	5881.38	73.5173
			C	13380.00	6175.38	77.1923
			D	14049.00	6484.15	81.0519
			E	14751.00	6808.15	85.1019
			F	15489.00	7148.77	89.3596
			G	16263.00	7506.00	93.8250
			H			

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CLS#	TITLE	RANGE	STEP	MONTHLY	BI-WEEKLY	HOURLY
259	ECONOMIC DEV SPEC	E150	A	4808.00	2219.08	27.7385
			B	5048.00	2329.85	29.1231
			C	5300.00	2446.15	30.5769
			D	5565.00	2568.46	32.1058
			E	5843.00	2696.77	33.7096
			F	6135.00	2831.54	35.3942
			G	6442.00	2973.23	37.1654
			H			
269	ECONOMIC DEVELOP MGR	M215	A	9003.00	4155.23	51.9404
			B	9453.00	4362.92	54.5365
			C	9926.00	4581.23	57.2654
			D	10422.00	4810.15	60.1269
			E	10943.00	5050.62	63.1327
			F	11490.00	5303.08	66.2885
			G	12065.00	5568.46	69.6058
			H			
273	ELIGIBILITY TECHNICIAN	E128	A	3863.00	1782.92	22.2865
			B	4056.00	1872.00	23.4000
			C	4259.00	1965.69	24.5712
			D	4472.00	2064.00	25.8000
			E	4696.00	2167.38	27.0923
			F	4931.00	2275.85	28.4481
			G	5178.00	2389.85	29.8731
			H			
042	EMPLOYEE DEVELOPMENT DIR	C240	A	11547.00	5329.38	66.6173
			B	12124.00	5595.69	69.9462
			C	12730.00	5875.38	73.4423
			D	13367.00	6169.38	77.1173
			E	14035.00	6477.69	80.9712
			F	14737.00	6801.69	85.0212
			G	15474.00	7141.85	89.2731
			H			
274	EMPLOYMENT SPECIALIST	E125	A	3750.00	1730.77	21.6346
			B	3938.00	1817.54	22.7192
			C	4135.00	1908.46	23.8558
			D	4342.00	2004.00	25.0500
			E	4559.00	2104.15	26.3019
			F	4787.00	2209.38	27.6173
			G	5026.00	2319.69	28.9962
			H			
211	ENGINEERING TECH	E149	A	4761.00	2197.38	27.4673
			B	4999.00	2307.23	28.8404
			C	5249.00	2422.62	30.2827
			D	5511.00	2543.54	31.7942
			E	5787.00	2670.92	33.3865
			F	6076.00	2804.31	35.0538
			G	6380.00	2944.62	36.8077
			H			

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CLS#	TITLE	RANGE	STEP	MONTHLY	BI-WEEKLY	HOURLY
236	ENVIRONMENTAL SERV SPEC	E143	A	4485.00	2070.00	25.8750
			B	4709.00	2173.38	27.1673
			C	4944.00	2281.85	28.5231
			D	5191.00	2395.85	29.9481
			E	5451.00	2515.85	31.4481
			F	5724.00	2641.85	33.0231
			G	6010.00	2773.85	34.6731
			H			
262	ENVIRONMENTAL SVS MGR	M204	A	8069.00	3724.15	46.5519
			B	8472.00	3910.15	48.8769
			C	8896.00	4105.85	51.3231
			D	9341.00	4311.23	53.8904
			E	9808.00	4526.77	56.5846
			F	10298.00	4752.92	59.4115
			G	10813.00	4990.62	62.3827
			H			
422	EQUIPMENT MECHANIC	U141	A	4399.00	2030.31	25.3788
			B	4619.00	2131.85	26.6481
			C	4850.00	2238.46	27.9808
			D	5093.00	2350.62	29.3827
			E	5348.00	2468.31	30.8538
			F	5615.00	2591.54	32.3942
			G	5896.00	2721.23	34.0154
			H			
421	EQUIPMENT SERV WORKER	U117	A	3465.00	1599.23	19.9904
			B	3638.00	1679.08	20.9885
			C	3820.00	1763.08	22.0385
			D	4011.00	1851.23	23.1404
			E	4212.00	1944.00	24.3000
			F	4423.00	2041.38	25.5173
			G	4644.00	2143.38	26.7923
			H			
041	FINANCE DIRECTOR	C245	A	12136.00	5601.23	70.0154
			B	12743.00	5881.38	73.5173
			C	13380.00	6175.38	77.1923
			D	14049.00	6484.15	81.0519
			E	14751.00	6808.15	85.1019
			F	15489.00	7148.77	89.3596
			G	16263.00	7506.00	93.8250
			H			
030	FINANCE MANAGER	M204	A	8069.00	3724.15	46.5519
			B	8472.00	3910.15	48.8769
			C	8896.00	4105.85	51.3231
			D	9341.00	4311.23	53.8904
			E	9808.00	4526.77	56.5846
			F	10298.00	4752.92	59.4115
			G	10813.00	4990.62	62.3827
			H			

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CLS#	TITLE	RANGE	STEP	MONTHLY	BI-WEEKLY	HOURLY	
423	FIRE APPARATUS MECHANIC	U147	A	4670.00	2155.38	26.9423	
			B	4904.00	2263.38	28.2923	
			C	5149.00	2376.46	29.7058	
			D	5406.00	2495.08	31.1885	
			E	5676.00	2619.69	32.7462	
			F	5960.00	2750.77	34.3846	
			G	6258.00	2888.31	36.1038	
			H				
584	FIRE BATTALION CHIEF	G224	A	9858.00	4549.85	56.8731	
			B	10351.00	4777.38	59.7173	
			C	10869.00	5016.46	62.7058	
			D	11412.00	5267.08	65.8385	
			E	11983.00	5530.62	69.1327	
			F	12582.00	5807.08	72.5885	
			G	13211.00	6097.38	76.2173	
			H				
		FIRE 112 HR SHIFT		A			40.6236
				B			42.6552
				C			44.7898
				D			47.0275
				E			49.3805
				F			51.8489
				G			54.4409
				H			
583	FIRE CAPTAIN	F130	A	6570.00	3032.31	37.9038	
			B	6899.00	3184.15	39.8019	
			C	7244.00	3343.38	41.7923	
			D	7606.00	3510.46	43.8808	
			E	7986.00	3685.85	46.0731	
			F	8385.00	3870.00	48.3750	
			G	8804.00	4063.38	50.7923	
			H	9244.00	4266.46	53.3308	
			I				
		FIRE 112 HR SHIFT		A			27.0742
				B			28.4299
				C			29.8516
				D			31.3434
				E			32.9093
				F			34.5536
				G			36.2802
				H			38.0934
				I			

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CLS#	TITLE	RANGE	STEP	MONTHLY	BI-WEEKLY	HOURLY
586	FIRE CHIEF	C253	A	13143.00	6066.00	75.8250
			B	13800.00	6369.23	79.6154
			C	14490.00	6687.69	83.5962
			D	15215.00	7022.31	87.7788
			E	15976.00	7373.54	92.1692
			F	16775.00	7742.31	96.7788
			G	17614.00	8129.54	101.6192
			H			
	FIRE 112 HR SHIFT	A				54.1607
		B				56.8681
		C				59.7115
		D				62.6992
		E				65.8352
		F				69.1277
		G				72.5852
		H				
	585	FIRE DIVISION CHIEF	G240	A	11434.00	5277.23
B				12006.00	5541.23	69.2654
C				12606.00	5818.15	72.7269
D				13236.00	6108.92	76.3615
E				13898.00	6414.46	80.1808
F				14593.00	6735.23	84.1904
G				15323.00	7072.15	88.4019
H						
FIRE 112 HR SHIFT		A				47.1181
		B				49.4753
		C				51.9478
		D				54.5440
		E				57.2720
		F				60.1360
		G				63.1442
		H				
581		FIRE ENGINEER	F120	A	5547.00	2560.15
	B			5824.00	2688.00	33.6000
	C			6115.00	2822.31	35.2788
	D			6421.00	2963.54	37.0442
	E			6742.00	3111.69	38.8962
	F			7079.00	3267.23	40.8404
	G			7433.00	3430.62	42.8827
	H			7805.00	3602.31	45.0288
	FIRE 112 HR SHIFT	I				
		A				22.8585
		B				24.0000
		C				25.1992
		D				26.4602
		E				27.7830
		F				29.1717
		G				30.6305
		H				32.1635
I						

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CLS#	TITLE	RANGE	STEP	MONTHLY	BI-WEEKLY	HOURLY
590	FIREFIGHTER	F105	A	5229.00	2413.38	30.1673
			B	5490.00	2533.85	31.6731
			C	5765.00	2660.77	33.2596
			D	6053.00	2793.69	34.9212
			E	6356.00	2933.54	36.6692
			F	6674.00	3080.31	38.5038
			G	7008.00	3234.46	40.4308
			H	7358.00	3396.00	42.4500
			I			
	FIRE 112 HR SHIFT	A			21.5481	
		B			22.6236	
		C			23.7569	
		D			24.9437	
		E			26.1923	
		F			27.5027	
		G			28.8791	
		H			30.3214	
		I				
	591	FIREFIGHTER	F110	A	5491.00	2534.31
B				5766.00	2661.23	33.2654
C				6054.00	2794.15	34.9269
D				6357.00	2934.00	36.6750
E				6675.00	3080.77	38.5096
F				7009.00	3234.92	40.4365
G				7359.00	3396.46	42.4558
H				7727.00	3566.31	44.5788
I						
FIRE 112 HR SHIFT		A			22.6277	
		B			23.7610	
		C			24.9478	
		D			26.1964	
		E			27.5069	
		F			28.8832	
		G			30.3255	
		H			31.8420	
		I				

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CLS#	TITLE	RANGE	STEP	MONTHLY	BI-WEEKLY	HOURLY		
592	FIREFIGHTER	F115	A	5765.00	2660.77	33.2596		
			B	6053.00	2793.69	34.9212		
			C	6356.00	2933.54	36.6692		
			D	6674.00	3080.31	38.5038		
			E	7008.00	3234.46	40.4308		
			F	7358.00	3396.00	42.4500		
			G	7726.00	3565.85	44.5731		
			H	8112.00	3744.00	46.8000		
			I					
				FIRE 112 HR SHIFT	A			23.7569
					B			24.9437
					C			26.1923
					D			27.5027
					E			28.8791
					F			30.3214
					G			31.8379
					H			33.4286
					I			
			107	GIS COORDINATOR	E174	A	6106.00	2818.15
B	6411.00	2958.92				36.9865		
C	6732.00	3107.08				38.8385		
D	7069.00	3262.62				40.7827		
E	7422.00	3425.54				42.8192		
F	7793.00	3596.77				44.9596		
G	8183.00	3776.77				47.2096		
H								
088	GRAPHICS ASSISTANT	E115	A	3395.00	1566.92	19.5865		
			B	3565.00	1645.38	20.5673		
			C	3743.00	1727.54	21.5942		
			D	3930.00	1813.85	22.6731		
			E	4127.00	1904.77	23.8096		
			F	4333.00	1999.85	24.9981		
			G	4550.00	2100.00	26.2500		
			H					
089	GRAPHICS DESIGNER	E135	A	4143.00	1912.15	23.9019		
			B	4350.00	2007.69	25.0962		
			C	4568.00	2108.31	26.3538		
			D	4796.00	2213.54	27.6692		
			E	5036.00	2324.31	29.0538		
			F	5288.00	2440.62	30.5077		
			G	5552.00	2562.46	32.0308		
			H					
414	HEAVY EQUIP OPERATOR	U141	A	4399.00	2030.31	25.3788		
			B	4619.00	2131.85	26.6481		
			C	4850.00	2238.46	27.9808		
			D	5093.00	2350.62	29.3827		
			E	5348.00	2468.31	30.8538		
			F	5615.00	2591.54	32.3942		
			G	5896.00	2721.23	34.0154		
			H					

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CLS#	TITLE	RANGE	STEP	MONTHLY	BI-WEEKLY	HOURLY
234	HOUSING ASSISTANT	E135	A	4143.00	1912.15	23.9019
			B	4350.00	2007.69	25.0962
			C	4568.00	2108.31	26.3538
			D	4796.00	2213.54	27.6692
			E	5036.00	2324.31	29.0538
			F	5288.00	2440.62	30.5077
			G	5552.00	2562.46	32.0308
			H			
232	HOUSING SPEC	E140	A	4353.00	2009.08	25.1135
			B	4571.00	2109.69	26.3712
			C	4800.00	2215.38	27.6923
			D	5040.00	2326.15	29.0769
			E	5292.00	2442.46	30.5308
			F	5557.00	2564.77	32.0596
			G	5835.00	2693.08	33.6635
			H			
261	HOUSING SUPERVISOR	M171	A	5811.00	2682.00	33.5250
			B	6102.00	2816.31	35.2038
			C	6407.00	2957.08	36.9635
			D	6727.00	3104.77	38.8096
			E	7063.00	3259.85	40.7481
			F	7416.00	3422.77	42.7846
			G	7787.00	3594.00	44.9250
			H			
026	HUMAN RESOURCES DIR	C240	A	11547.00	5329.38	66.6173
			B	12124.00	5595.69	69.9462
			C	12730.00	5875.38	73.4423
			D	13367.00	6169.38	77.1173
			E	14035.00	6477.69	80.9712
			F	14737.00	6801.69	85.0212
			G	15474.00	7141.85	89.2731
			H			
131	HUMAN RESOURCES MANAGER	M199	A	7679.00	3544.15	44.3019
			B	8063.00	3721.38	46.5173
			C	8466.00	3907.38	48.8423
			D	8889.00	4102.62	51.2827
			E	9333.00	4307.54	53.8442
			F	9800.00	4523.08	56.5385
			G	10290.00	4749.23	59.3654
			H			
105	INFO SYSTEMS MANAGER	M220	A	9463.00	4367.54	54.5942
			B	9936.00	4585.85	57.3231
			C	10433.00	4815.23	60.1904
			D	10955.00	5056.15	63.2019
			E	11503.00	5309.08	66.3635
			F	12078.00	5574.46	69.6808
			G	12682.00	5853.23	73.1654
			H			

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CLS#	TITLE	RANGE	STEP	MONTHLY	BI-WEEKLY	HOURLY
044	INFO TECHNOLOGY DIR	C240	A	11547.00	5329.38	66.6173
			B	12124.00	5595.69	69.9462
			C	12730.00	5875.38	73.4423
			D	13367.00	6169.38	77.1173
			E	14035.00	6477.69	80.9712
			F	14737.00	6801.69	85.0212
			G	15474.00	7141.85	89.2731
			H			
108	INFORMATION TECHNOLOGY PROGRE179		A	6417.00	2961.69	37.0212
			B	6738.00	3109.85	38.8731
			C	7075.00	3265.38	40.8173
			D	7429.00	3428.77	42.8596
			E	7800.00	3600.00	45.0000
			F	8190.00	3780.00	47.2500
			G	8600.00	3969.23	49.6154
			H			
103	INFORMATION TECHNOLOGY TECH E149		A	4761.00	2197.38	27.4673
			B	4999.00	2307.23	28.8404
			C	5249.00	2422.62	30.2827
			D	5511.00	2543.54	31.7942
			E	5787.00	2670.92	33.3865
			F	6076.00	2804.31	35.0538
			G	6380.00	2944.62	36.8077
			H			
081	INSURANCE PROGRAM COORD	E150	A	4808.00	2219.08	27.7385
			B	5048.00	2329.85	29.1231
			C	5300.00	2446.15	30.5769
			D	5565.00	2568.46	32.1058
			E	5843.00	2696.77	33.7096
			F	6135.00	2831.54	35.3942
			G	6442.00	2973.23	37.1654
			H			
061	JAILER/FLEET SUPERVISOR	M171	A	5811.00	2682.00	33.5250
			B	6102.00	2816.31	35.2038
			C	6407.00	2957.08	36.9635
			D	6727.00	3104.77	38.8096
			E	7063.00	3259.85	40.7481
			F	7416.00	3422.77	42.7846
			G	7787.00	3594.00	44.9250
			H			
416	MAINT REPAIR HELPER	U122	A	3641.00	1680.46	21.0058
			B	3823.00	1764.46	22.0558
			C	4014.00	1852.62	23.1577
			D	4215.00	1945.38	24.3173
			E	4426.00	2042.77	25.5346
			F	4647.00	2144.77	26.8096
			G	4879.00	2251.85	28.1481
			H			

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CLS#	TITLE	RANGE	STEP	MONTHLY	BI-WEEKLY	HOURLY
415	MAINT REPAIR WORKER	U138	A	4269.00	1970.31	24.6288
			B	4482.00	2068.62	25.8577
			C	4706.00	2172.00	27.1500
			D	4941.00	2280.46	28.5058
			E	5188.00	2394.46	29.9308
			F	5447.00	2514.00	31.4250
			G	5719.00	2639.54	32.9942
			H			
066	OFFICE ASSISTANT	E113	A	3327.00	1535.54	19.1942
			B	3493.00	1612.15	20.1519
			C	3668.00	1692.92	21.1615
			D	3851.00	1777.38	22.2173
			E	4044.00	1866.46	23.3308
			F	4246.00	1959.69	24.4962
			G	4458.00	2057.54	25.7192
			H			
406	PARK MAINTENANCE WKR	U127	A	3827.00	1766.31	22.0788
			B	4018.00	1854.46	23.1808
			C	4219.00	1947.23	24.3404
			D	4430.00	2044.62	25.5577
			E	4652.00	2147.08	26.8385
			F	4885.00	2254.62	28.1827
			G	5129.00	2367.23	29.5904
			H			
494	PARKING CONTROL SPECIALIST	U111.8	A	3003.00	1386.00	17.3250
			B	3190.00	1472.31	18.4038
			C	3377.00	1558.62	19.4827
			D	3565.00	1645.38	20.5673
			E	3753.00	1732.15	21.6519
			F	3753.00	1732.15	21.6519
			G	3753.00	1732.15	21.6519
			H			
213	PERMIT CENTER SUPERVISOR	M174	A	5987.00	2763.23	34.5404
			B	6286.00	2901.23	36.2654
			C	6600.00	3046.15	38.0769
			D	6930.00	3198.46	39.9808
			E	7277.00	3358.62	41.9827
			F	7641.00	3526.62	44.0827
			G	8023.00	3702.92	46.2865
			H			
210	PERMIT TECHNICIAN	E140	A	4353.00	2009.08	25.1135
			B	4571.00	2109.69	26.3712
			C	4800.00	2215.38	27.6923
			D	5040.00	2326.15	29.0769
			E	5292.00	2442.46	30.5308
			F	5557.00	2564.77	32.0596
			G	5835.00	2693.08	33.6635
			H			

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CLS#	TITLE	RANGE	STEP	MONTHLY	BI-WEEKLY	HOURLY
127	PERSONNEL ANALYST	M150	A	4716.00	2176.62	27.2077
			B	4952.00	2285.54	28.5692
			C	5200.00	2400.00	30.0000
			D	5460.00	2520.00	31.5000
			E	5733.00	2646.00	33.0750
			F	6020.00	2778.46	34.7308
			G	6321.00	2917.38	36.4673
			H			
201	PLAN CHECK ENGINEER	E190	A	7159.00	3304.15	41.3019
			B	7517.00	3469.38	43.3673
			C	7893.00	3642.92	45.5365
			D	8288.00	3825.23	47.8154
			E	8702.00	4016.31	50.2038
			F	9137.00	4217.08	52.7135
			G	9594.00	4428.00	55.3500
			H			
267	PLANNER	E174	A	6106.00	2818.15	35.2269
			B	6411.00	2958.92	36.9865
			C	6732.00	3107.08	38.8385
			D	7069.00	3262.62	40.7827
			E	7422.00	3425.54	42.8192
			F	7793.00	3596.77	44.9596
			G	8183.00	3776.77	47.2096
			H			
263	PLANNING SERVICES MGR	M215	A	9003.00	4155.23	51.9404
			B	9453.00	4362.92	54.5365
			C	9926.00	4581.23	57.2654
			D	10422.00	4810.15	60.1269
			E	10943.00	5050.62	63.1327
			F	11490.00	5303.08	66.2885
			G	12065.00	5568.46	69.6058
			H			
270	PLANS EXAMINER	E160	A	5311.00	2451.23	30.6404
			B	5577.00	2574.00	32.1750
			C	5856.00	2702.77	33.7846
			D	6149.00	2838.00	35.4750
			E	6456.00	2979.69	37.2462
			F	6779.00	3128.77	39.1096
			G	7118.00	3285.23	41.0654
			H			
304	POLICE CAPTAIN	Q232.1	A	11650.00	5376.92	67.2115
			B	12233.00	5646.00	70.5750
			C	12845.00	5928.46	74.1058
			D	13487.00	6224.77	77.8096
			E	14161.00	6535.85	81.6981
			F	14869.00	6862.62	85.7827
			G	15612.00	7205.54	90.0692
			H			

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CLS#	TITLE	RANGE	STEP	MONTHLY	BI-WEEKLY	HOURLY
305	POLICE CHIEF	C258	A	13812.00	6374.77	79.6846
			B	14503.00	6693.69	83.6712
			C	15228.00	7028.31	87.8538
			D	15989.00	7379.54	92.2442
			E	16788.00	7748.31	96.8538
			F	17627.00	8135.54	101.6942
			G	18508.00	8542.15	106.7769
			H			
076	POLICE COMMUNICATIONS MGR	M186	A	6746.00	3113.54	38.9192
			B	7083.00	3269.08	40.8635
			C	7437.00	3432.46	42.9058
			D	7809.00	3604.15	45.0519
			E	8199.00	3784.15	47.3019
			F	8609.00	3973.38	49.6673
			G	9039.00	4171.85	52.1481
			H			
303	POLICE LIEUTENANT	Q220.1	A	10137.00	4678.62	58.4827
			B	10644.00	4912.62	61.4077
			C	11176.00	5158.15	64.4769
			D	11735.00	5416.15	67.7019
			E	12322.00	5687.08	71.0885
			F	12938.00	5971.38	74.6423
			G	13585.00	6270.00	78.3750
			H			
300	POLICE OFFICER	P174	A	6106.00	2818.15	35.2269
			B	6411.00	2958.92	36.9865
			C	6732.00	3107.08	38.8385
			D	7069.00	3262.62	40.7827
			E	7422.00	3425.54	42.8192
			F	7793.00	3596.77	44.9596
			G	8183.00	3776.77	47.2096
306	POLICE OFFICER/CORPORAL	P174	A	6106.00	2818.15	35.2269
			B	6411.00	2958.92	36.9865
			C	6732.00	3107.08	38.8385
			D	7069.00	3262.62	40.7827
			E	7422.00	3425.54	42.8192
			F	7793.00	3596.77	44.9596
			G	8183.00	3776.77	47.2096
301	POLICE OFFICER/MASTER OFFICER	P174	A	6106.00	2818.15	35.2269
			B	6411.00	2958.92	36.9865
			C	6732.00	3107.08	38.8385
			D	7069.00	3262.62	40.7827
			E	7422.00	3425.54	42.8192
			F	7793.00	3596.77	44.9596
			G	8183.00	3776.77	47.2096

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CLS#	TITLE	RANGE	STEP	MONTHLY	BI-WEEKLY	HOURLY
075	POLICE RECORDS MGR	M186	A	6746.00	3113.54	38.9192
			B	7083.00	3269.08	40.8635
			C	7437.00	3432.46	42.9058
			D	7809.00	3604.15	45.0519
			E	8199.00	3784.15	47.3019
			F	8609.00	3973.38	49.6673
			G	9039.00	4171.85	52.1481
			H			
074	POLICE RECORDS SHIFT SUPER	E140	A	4353.00	2009.08	25.1135
			B	4571.00	2109.69	26.3712
			C	4800.00	2215.38	27.6923
			D	5040.00	2326.15	29.0769
			E	5292.00	2442.46	30.5308
			F	5557.00	2564.77	32.0596
			G	5835.00	2693.08	33.6635
			H			
057	POLICE RECORDS SPEC	E125	A	3750.00	1730.77	21.6346
			B	3938.00	1817.54	22.7192
			C	4135.00	1908.46	23.8558
			D	4342.00	2004.00	25.0500
			E	4559.00	2104.15	26.3019
			F	4787.00	2209.38	27.6173
			G	5026.00	2319.69	28.9962
			H			
302	POLICE SERGEANT	P199.2	A	7846.00	3621.23	45.2654
			B	8238.00	3802.15	47.5269
			C	8650.00	3992.31	49.9038
			D	9083.00	4192.15	52.4019
			E	9537.00	4401.69	55.0212
			F	10014.00	4621.85	57.7731
			G	10515.00	4853.08	60.6635
			H			
056	POLICE SERVICES SUPERVISOR	M166	A	5528.00	2551.38	31.8923
			B	5804.00	2678.77	33.4846
			C	6094.00	2812.62	35.1577
			D	6399.00	2953.38	36.9173
			E	6719.00	3101.08	38.7635
			F	7055.00	3256.15	40.7019
			G	7408.00	3419.08	42.7385
			H			
052	PRIN ACCOUNT SPEC	E132	A	4020.00	1855.38	23.1923
			B	4221.00	1948.15	24.3519
			C	4432.00	2045.54	25.5692
			D	4654.00	2148.00	26.8500
			E	4887.00	2255.54	28.1942
			F	5131.00	2368.15	29.6019
			G	5388.00	2486.77	31.0846
			H			

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CLS#	TITLE	RANGE	STEP	MONTHLY	BI-WEEKLY	HOURLY
036	PRIN ADMIN ANALYST	M186	A	6746.00	3113.54	38.9192
			B	7083.00	3269.08	40.8635
			C	7437.00	3432.46	42.9058
			D	7809.00	3604.15	45.0519
			E	8199.00	3784.15	47.3019
			F	8609.00	3973.38	49.6673
			G	9039.00	4171.85	52.1481
			H			
208	PRIN ENGINEERING TECH	E169	A	5809.00	2681.08	33.5135
			B	6099.00	2814.92	35.1865
			C	6404.00	2955.69	36.9462
			D	6724.00	3103.38	38.7923
			E	7060.00	3258.46	40.7308
			F	7413.00	3421.38	42.7673
			G	7784.00	3592.62	44.9077
			H			
064	PRIN OFFICE ASST	E133	A	4062.00	1874.77	23.4346
			B	4265.00	1968.46	24.6058
			C	4478.00	2066.77	25.8346
			D	4702.00	2170.15	27.1269
			E	4937.00	2278.62	28.4827
			F	5184.00	2392.62	29.9077
			G	5443.00	2512.15	31.4019
			H			
129	PRIN PERSONNEL ANALYST	M186	A	6746.00	3113.54	38.9192
			B	7083.00	3269.08	40.8635
			C	7437.00	3432.46	42.9058
			D	7809.00	3604.15	45.0519
			E	8199.00	3784.15	47.3019
			F	8609.00	3973.38	49.6673
			G	9039.00	4171.85	52.1481
			H			
059	PRINCIPAL ACCOUNTANT	M186	A	6746.00	3113.54	38.9192
			B	7083.00	3269.08	40.8635
			C	7437.00	3432.46	42.9058
			D	7809.00	3604.15	45.0519
			E	8199.00	3784.15	47.3019
			F	8609.00	3973.38	49.6673
			G	9039.00	4171.85	52.1481
			H			
023	PROGRAM SPECIALIST	E150	A	4808.00	2219.08	27.7385
			B	5048.00	2329.85	29.1231
			C	5300.00	2446.15	30.5769
			D	5565.00	2568.46	32.1058
			E	5843.00	2696.77	33.7096
			F	6135.00	2831.54	35.3942
			G	6442.00	2973.23	37.1654
			H			

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CLS#	TITLE	RANGE	STEP	MONTHLY	BI-WEEKLY	HOURLY
209	PROJECT ENGINEER	M204	A	8069.00	3724.15	46.5519
			B	8472.00	3910.15	48.8769
			C	8896.00	4105.85	51.3231
			D	9341.00	4311.23	53.8904
			E	9808.00	4526.77	56.5846
			F	10298.00	4752.92	59.4115
			G	10813.00	4990.62	62.3827
			H			
265	PROJECT PLANNER	M186	A	6746.00	3113.54	38.9192
			B	7083.00	3269.08	40.8635
			C	7437.00	3432.46	42.9058
			D	7809.00	3604.15	45.0519
			E	8199.00	3784.15	47.3019
			F	8609.00	3973.38	49.6673
			G	9039.00	4171.85	52.1481
			H			
570	PUB SAFETY ADMN OFFICER	C255	A	13407.00	6187.85	77.3481
			B	14077.00	6497.08	81.2135
			C	14781.00	6822.00	85.2750
			D	15520.00	7163.08	89.5385
			E	16296.00	7521.23	94.0154
			F	17111.00	7897.38	98.7173
			G	17967.00	8292.46	103.6558
			H			
	FIRE 112 HR SHIFT	A			55.2486	
		B			58.0096	
		C			60.9107	
		D			63.9560	
		E			67.1538	
		F			70.5124	
		G			74.0398	
		H				
083	PUB SAFETY DISPATCHR	E150	A	4808.00	2219.08	27.7385
			B	5048.00	2329.85	29.1231
			C	5300.00	2446.15	30.5769
			D	5565.00	2568.46	32.1058
			E	5843.00	2696.77	33.7096
			F	6135.00	2831.54	35.3942
			G	6442.00	2973.23	37.1654
			H			
126	PUBLIC SAFETY FISCAL ANALYSTM171		A	5811.00	2682.00	33.5250
			B	6102.00	2816.31	35.2038
			C	6407.00	2957.08	36.9635
			D	6727.00	3104.77	38.8096
			E	7063.00	3259.85	40.7481
			F	7416.00	3422.77	42.7846
			G	7787.00	3594.00	44.9250
			H			

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CLS#	TITLE	RANGE	STEP	MONTHLY	BI-WEEKLY	HOURLY
033	PUBLIC WORKS DIRECTOR	C245	A	12136.00	5601.23	70.0154
			B	12743.00	5881.38	73.5173
			C	13380.00	6175.38	77.1923
			D	14049.00	6484.15	81.0519
			E	14751.00	6808.15	85.1019
			F	15489.00	7148.77	89.3596
			G	16263.00	7506.00	93.8250
			H			
420	PUBLIC WORKS FOREMAN	M155	A	4955.00	2286.92	28.5865
			B	5203.00	2401.38	30.0173
			C	5463.00	2521.38	31.5173
			D	5736.00	2647.38	33.0923
			E	6023.00	2779.85	34.7481
			F	6324.00	2918.77	36.4846
			G	6640.00	3064.62	38.3077
			H			
204	PUBLIC WORKS SUPV	M176	A	6107.00	2818.62	35.2327
			B	6412.00	2959.38	36.9923
			C	6733.00	3107.54	38.8442
			D	7070.00	3263.08	40.7885
			E	7424.00	3426.46	42.8308
			F	7795.00	3597.69	44.9712
			G	8185.00	3777.69	47.2212
			H			
244	PUBLIC WORKS TECHNICHIAN	E145	A	4576.00	2112.00	26.4000
			B	4805.00	2217.69	27.7212
			C	5045.00	2328.46	29.1058
			D	5297.00	2444.77	30.5596
			E	5562.00	2567.08	32.0885
			F	5840.00	2695.38	33.6923
			G	6132.00	2830.15	35.3769
			H			
402	PUBLIC WORKS TRAINEE	U089	A	2364.00	1091.08	13.6385
			B	2439.00	1125.69	14.0712
			C	2495.00	1151.54	14.3942
			D	2551.00	1177.38	14.7173
			E	2629.00	1213.38	15.1673
			F	2685.00	1239.23	15.4904
			G	2814.00	1298.77	16.2346
			H			
070	PURCHASING AGENT	M191	A	7091.00	3272.77	40.9096
			B	7446.00	3436.62	42.9577
			C	7818.00	3608.31	45.1038
			D	8209.00	3788.77	47.3596
			E	8619.00	3978.00	49.7250
			F	9050.00	4176.92	52.2115
			G	9503.00	4386.00	54.8250
			H			

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CLS#	TITLE	RANGE	STEP	MONTHLY	BI-WEEKLY	HOURLY
222	REAL PROP AGENT	E162	A	5418.00	2500.62	31.2577
			B	5689.00	2625.69	32.8212
			C	5973.00	2756.77	34.4596
			D	6272.00	2894.77	36.1846
			E	6586.00	3039.69	37.9962
			F	6915.00	3191.54	39.8942
			G	7261.00	3351.23	41.8904
			H			
221	REAL PROPERTY MGR	M199	A	7679.00	3544.15	44.3019
			B	8063.00	3721.38	46.5173
			C	8466.00	3907.38	48.8423
			D	8889.00	4102.62	51.2827
			E	9333.00	4307.54	53.8442
			F	9800.00	4523.08	56.5385
			G	10290.00	4749.23	59.3654
			H			
092	REPR EQUIP OPER	E109	A	3197.00	1475.54	18.4442
			B	3357.00	1549.38	19.3673
			C	3525.00	1626.92	20.3365
			D	3701.00	1708.15	21.3519
			E	3886.00	1793.54	22.4192
			F	4080.00	1883.08	23.5385
			G	4284.00	1977.23	24.7154
			H			
032	REVENUE MANAGER	M194	A	7306.00	3372.00	42.1500
			B	7671.00	3540.46	44.2558
			C	8055.00	3717.69	46.4712
			D	8458.00	3903.69	48.7962
			E	8881.00	4098.92	51.2365
			F	9325.00	4303.85	53.7981
			G	9791.00	4518.92	56.4865
			H			
132	RISK MGMT SUPERVISOR	M171	A	5811.00	2682.00	33.5250
			B	6102.00	2816.31	35.2038
			C	6407.00	2957.08	36.9635
			D	6727.00	3104.77	38.8096
			E	7063.00	3259.85	40.7481
			F	7416.00	3422.77	42.7846
			G	7787.00	3594.00	44.9250
			H			
460	SEWER MAINT WORKER	U132	A	4022.00	1856.31	23.2038
			B	4223.00	1949.08	24.3635
			C	4434.00	2046.46	25.5808
			D	4656.00	2148.92	26.8615
			E	4889.00	2256.46	28.2058
			F	5133.00	2369.08	29.6135
			G	5390.00	2487.69	31.0962
			H			

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CLS#	TITLE	RANGE	STEP	MONTHLY	BI-WEEKLY	HOURLY
424	SMALL ENGINES MECHANIC	U127	A	3827.00	1766.31	22.0788
			B	4018.00	1854.46	23.1808
			C	4219.00	1947.23	24.3404
			D	4430.00	2044.62	25.5577
			E	4652.00	2147.08	26.8385
			F	4885.00	2254.62	28.1827
			G	5129.00	2367.23	29.5904
			H			
312	SPECIAL OFFICER	E157	A	5155.00	2379.23	29.7404
			B	5413.00	2498.31	31.2288
			C	5684.00	2623.38	32.7923
			D	5968.00	2754.46	34.4308
			E	6266.00	2892.00	36.1500
			F	6579.00	3036.46	37.9558
			G	6908.00	3188.31	39.8538
			H			
051	SR ACCOUNT SPECIALIST	E122	A	3639.00	1679.54	20.9942
			B	3821.00	1763.54	22.0442
			C	4012.00	1851.69	23.1462
			D	4213.00	1944.46	24.3058
			E	4424.00	2041.85	25.5231
			F	4645.00	2143.85	26.7981
			G	4877.00	2250.92	28.1365
			H			
055	SR ACCOUNTANT	E171	A	5927.00	2735.54	34.1942
			B	6223.00	2872.15	35.9019
			C	6534.00	3015.69	37.6962
			D	6861.00	3166.62	39.5827
			E	7204.00	3324.92	41.5615
			F	7564.00	3491.08	43.6385
			G	7942.00	3665.54	45.8192
			H			
014	SR ADMIN AIDE	E150	A	4808.00	2219.08	27.7385
			B	5048.00	2329.85	29.1231
			C	5300.00	2446.15	30.5769
			D	5565.00	2568.46	32.1058
			E	5843.00	2696.77	33.7096
			F	6135.00	2831.54	35.3942
			G	6442.00	2973.23	37.1654
			H			
017	SR ADMIN ANALYST	M166	A	5528.00	2551.38	31.8923
			B	5804.00	2678.77	33.4846
			C	6094.00	2812.62	35.1577
			D	6399.00	2953.38	36.9173
			E	6719.00	3101.08	38.7635
			F	7055.00	3256.15	40.7019
			G	7408.00	3419.08	42.7385
			H			

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CLS#	TITLE	RANGE	STEP	MONTHLY	BI-WEEKLY	HOURLY
203	SR ANIMAL CONTROL OFFICER	E164	A	5527.00	2550.92	31.8865
			B	5803.00	2678.31	33.4788
			C	6093.00	2812.15	35.1519
			D	6398.00	2952.92	36.9115
			E	6718.00	3100.62	38.7577
			F	7054.00	3255.69	40.6962
			G	7407.00	3418.62	42.7327
			H			
231	SR BLDG INSPECTOR	E170	A	5867.00	2707.85	33.8481
			B	6160.00	2843.08	35.5385
			C	6468.00	2985.23	37.3154
			D	6791.00	3134.31	39.1788
			E	7131.00	3291.23	41.1404
			F	7488.00	3456.00	43.2000
			G	7862.00	3628.62	45.3577
			H			
216	SR CIVIL ENGINEER	M211	A	8652.00	3993.23	49.9154
			B	9085.00	4193.08	52.4135
			C	9539.00	4402.62	55.0327
			D	10016.00	4622.77	57.7846
			E	10517.00	4854.00	60.6750
			F	11043.00	5096.77	63.7096
			G	11595.00	5351.54	66.8942
			H			
242	SR CODE ENFORCEMENT OFFICER	E160	A	5311.00	2451.23	30.6404
			B	5577.00	2574.00	32.1750
			C	5856.00	2702.77	33.7846
			D	6149.00	2838.00	35.4750
			E	6456.00	2979.69	37.2462
			F	6779.00	3128.77	39.1096
			G	7118.00	3285.23	41.0654
			H			
098	SR COMMUNITY SERVICE OFFICER	E136	A	4182.00	1930.15	24.1269
			B	4391.00	2026.62	25.3327
			C	4611.00	2128.15	26.6019
			D	4842.00	2234.77	27.9346
			E	5084.00	2346.46	29.3308
			F	5338.00	2463.69	30.7962
			G	5605.00	2586.92	32.3365
			H			
091	SR ECONOMIC DEV SPEC	E162	A	5418.00	2500.62	31.2577
			B	5689.00	2625.69	32.8212
			C	5973.00	2756.77	34.4596
			D	6272.00	2894.77	36.1846
			E	6586.00	3039.69	37.9962
			F	6915.00	3191.54	39.8942
			G	7261.00	3351.23	41.8904
			H			

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CLS#	TITLE	RANGE	STEP	MONTHLY	BI-WEEKLY	HOURLY
226	SR EMPLOYMENT SPECIALIST	E135	A	4143.00	1912.15	23.9019
			B	4350.00	2007.69	25.0962
			C	4568.00	2108.31	26.3538
			D	4796.00	2213.54	27.6692
			E	5036.00	2324.31	29.0538
			F	5288.00	2440.62	30.5077
			G	5552.00	2562.46	32.0308
			H			
212	SR ENGINEERING TECH	E159	A	5258.00	2426.77	30.3346
			B	5521.00	2548.15	31.8519
			C	5797.00	2675.54	33.4442
			D	6087.00	2809.38	35.1173
			E	6391.00	2949.69	36.8712
			F	6711.00	3097.38	38.7173
			G	7047.00	3252.46	40.6558
			H			
246	SR ENVR SERV SPEC	E153	A	4954.00	2286.46	28.5808
			B	5202.00	2400.92	30.0115
			C	5462.00	2520.92	31.5115
			D	5735.00	2646.92	33.0865
			E	6022.00	2779.38	34.7423
			F	6323.00	2918.31	36.4788
			G	6639.00	3064.15	38.3019
			H			
260	SR FIRE PROTECTION SPEC	E171	A	5927.00	2735.54	34.1942
			B	6223.00	2872.15	35.9019
			C	6534.00	3015.69	37.6962
			D	6861.00	3166.62	39.5827
			E	7204.00	3324.92	41.5615
			F	7564.00	3491.08	43.6385
			G	7942.00	3665.54	45.8192
			H			
294	SR HOUSING SPECIALIST	E150	A	4808.00	2219.08	27.7385
			B	5048.00	2329.85	29.1231
			C	5300.00	2446.15	30.5769
			D	5565.00	2568.46	32.1058
			E	5843.00	2696.77	33.7096
			F	6135.00	2831.54	35.3942
			G	6442.00	2973.23	37.1654
			H			
104	SR INFO TECH ANALYST	M194	A	7306.00	3372.00	42.1500
			B	7671.00	3540.46	44.2558
			C	8055.00	3717.69	46.4712
			D	8458.00	3903.69	48.7962
			E	8881.00	4098.92	51.2365
			F	9325.00	4303.85	53.7981
			G	9791.00	4518.92	56.4865
			H			

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CLS#	TITLE	RANGE	STEP	MONTHLY	BI-WEEKLY	HOURLY
106	SR INFORMATION TECHNOLOGY	TEE159	A	5258.00	2426.77	30.3346
			B	5521.00	2548.15	31.8519
			C	5797.00	2675.54	33.4442
			D	6087.00	2809.38	35.1173
			E	6391.00	2949.69	36.8712
			F	6711.00	3097.38	38.7173
			G	7047.00	3252.46	40.6558
			H			
067	SR OFFICE ASSISTANT	E123	A	3676.00	1696.62	21.2077
			B	3860.00	1781.54	22.2692
			C	4053.00	1870.62	23.3827
			D	4256.00	1964.31	24.5538
			E	4469.00	2062.62	25.7827
			F	4692.00	2165.54	27.0692
			G	4927.00	2274.00	28.4250
			H			
128	SR PERSONNEL ANALYST	M166	A	5528.00	2551.38	31.8923
			B	5804.00	2678.77	33.4846
			C	6094.00	2812.62	35.1577
			D	6399.00	2953.38	36.9173
			E	6719.00	3101.08	38.7635
			F	7055.00	3256.15	40.7019
			G	7408.00	3419.08	42.7385
			H			
407	SR PK MAINTENANCE WKR	U137	A	4227.00	1950.92	24.3865
			B	4438.00	2048.31	25.6038
			C	4660.00	2150.77	26.8846
			D	4893.00	2258.31	28.2288
			E	5138.00	2371.38	29.6423
			F	5395.00	2490.00	31.1250
			G	5665.00	2614.62	32.6827
			H			
266	SR PLANNER	M194	A	7306.00	3372.00	42.1500
			B	7671.00	3540.46	44.2558
			C	8055.00	3717.69	46.4712
			D	8458.00	3903.69	48.7962
			E	8881.00	4098.92	51.2365
			F	9325.00	4303.85	53.7981
			G	9791.00	4518.92	56.4865
			H			
025	SR PROGRAM SPECIALIST	M166	A	5528.00	2551.38	31.8923
			B	5804.00	2678.77	33.4846
			C	6094.00	2812.62	35.1577
			D	6399.00	2953.38	36.9173
			E	6719.00	3101.08	38.7635
			F	7055.00	3256.15	40.7019
			G	7408.00	3419.08	42.7385
			H			

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CLS#	TITLE	RANGE	STEP	MONTHLY	BI-WEEKLY	HOURLY
264	SR PROJECT PLANNER	M194	A	7306.00	3372.00	42.1500
			B	7671.00	3540.46	44.2558
			C	8055.00	3717.69	46.4712
			D	8458.00	3903.69	48.7962
			E	8881.00	4098.92	51.2365
			F	9325.00	4303.85	53.7981
			G	9791.00	4518.92	56.4865
			H			
223	SR REAL PROPERTY AGENT	M173	A	5929.00	2736.46	34.2058
			B	6225.00	2873.08	35.9135
			C	6536.00	3016.62	37.7077
			D	6863.00	3167.54	39.5942
			E	7206.00	3325.85	41.5731
			F	7566.00	3492.00	43.6500
			G	7944.00	3666.46	45.8308
			H			
253	SR RECREATION SPECIALIST	E101	A	2954.00	1363.38	17.0423
			B	3102.00	1431.69	17.8962
			C	3257.00	1503.23	18.7904
			D	3420.00	1578.46	19.7308
			E	3591.00	1657.38	20.7173
			F	3771.00	1740.46	21.7558
			G	3960.00	1827.69	22.8462
			H			
090	SR REPRP EQUIP OPR	E135	A	4143.00	1912.15	23.9019
			B	4350.00	2007.69	25.0962
			C	4568.00	2108.31	26.3538
			D	4796.00	2213.54	27.6692
			E	5036.00	2324.31	29.0538
			F	5288.00	2440.62	30.5077
			G	5552.00	2562.46	32.0308
			H			
462	SR SEWER MAINT WRKR	U137	A	4227.00	1950.92	24.3865
			B	4438.00	2048.31	25.6038
			C	4660.00	2150.77	26.8846
			D	4893.00	2258.31	28.2288
			E	5138.00	2371.38	29.6423
			F	5395.00	2490.00	31.1250
			G	5665.00	2614.62	32.6827
			H			
419	SR ST MAINT WORKER	U137	A	4227.00	1950.92	24.3865
			B	4438.00	2048.31	25.6038
			C	4660.00	2150.77	26.8846
			D	4893.00	2258.31	28.2288
			E	5138.00	2371.38	29.6423
			F	5395.00	2490.00	31.1250
			G	5665.00	2614.62	32.6827
			H			

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CLS#	TITLE	RANGE	STEP	MONTHLY	BI-WEEKLY	HOURLY
412	SR TRAFFIC SIGNAL ELECTR	U163	A	5474.00	2526.46	31.5808
			B	5748.00	2652.92	33.1615
			C	6035.00	2785.38	34.8173
			D	6337.00	2924.77	36.5596
			E	6654.00	3071.08	38.3885
			F	6987.00	3224.77	40.3096
			G	7336.00	3385.85	42.3231
			H			
437	SR WATER PROD OPER	U157	A	5157.00	2380.15	29.7519
			B	5415.00	2499.23	31.2404
			C	5686.00	2624.31	32.8038
			D	5970.00	2755.38	34.4423
			E	6269.00	2893.38	36.1673
			F	6582.00	3037.85	37.9731
			G	6911.00	3189.69	39.8712
			H			
255	SR WATER QUALITY TECH	E165	A	5581.00	2575.85	32.1981
			B	5860.00	2704.62	33.8077
			C	6153.00	2839.85	35.4981
			D	6461.00	2982.00	37.2750
			E	6784.00	3131.08	39.1385
			F	7123.00	3287.54	41.0942
			G	7479.00	3451.85	43.1481
			H			
431	SR WATER SERV WORKER	U146	A	4623.00	2133.69	26.6712
			B	4854.00	2240.31	28.0038
			C	5097.00	2352.46	29.4058
			D	5352.00	2470.15	30.8769
			E	5620.00	2593.85	32.4231
			F	5901.00	2723.54	34.0442
			G	6196.00	2859.69	35.7462
			H			
078	SR WORD PROC OPER	E123	A	3676.00	1696.62	21.2077
			B	3860.00	1781.54	22.2692
			C	4053.00	1870.62	23.3827
			D	4256.00	1964.31	24.5538
			E	4469.00	2062.62	25.7827
			F	4692.00	2165.54	27.0692
			G	4927.00	2274.00	28.4250
			H			
411	ST MAINTENANCE WORKER	U132	A	4022.00	1856.31	23.2038
			B	4223.00	1949.08	24.3635
			C	4434.00	2046.46	25.5808
			D	4656.00	2148.92	26.8615
			E	4889.00	2256.46	28.2058
			F	5133.00	2369.08	29.6135
			G	5390.00	2487.69	31.0962
			H			

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CLS#	TITLE	RANGE	STEP	MONTHLY	BI-WEEKLY	HOURLY
451	STOCK CLERK	E112	A	3295.00	1520.77	19.0096
			B	3460.00	1596.92	19.9615
			C	3633.00	1676.77	20.9596
			D	3815.00	1760.77	22.0096
			E	4006.00	1848.92	23.1115
			F	4206.00	1941.23	24.2654
			G	4416.00	2038.15	25.4769
			H			
450	STOREKEEPER	E135	A	4143.00	1912.15	23.9019
			B	4350.00	2007.69	25.0962
			C	4568.00	2108.31	26.3538
			D	4796.00	2213.54	27.6692
			E	5036.00	2324.31	29.0538
			F	5288.00	2440.62	30.5077
			G	5552.00	2562.46	32.0308
			H			
233	SUPERVISING BLDG INSPCTR	M179	A	6292.00	2904.00	36.3000
			B	6607.00	3049.38	38.1173
			C	6937.00	3201.69	40.0212
			D	7284.00	3361.85	42.0231
			E	7648.00	3529.85	44.1231
			F	8030.00	3706.15	46.3269
			G	8432.00	3891.69	48.6462
			H			
237	TRAFFIC ENGINEER	M211	A	8652.00	3993.23	49.9154
			B	9085.00	4193.08	52.4135
			C	9539.00	4402.62	55.0327
			D	10016.00	4622.77	57.7846
			E	10517.00	4854.00	60.6750
			F	11043.00	5096.77	63.7096
			G	11595.00	5351.54	66.8942
			H			
405	TRAFFIC SIGNAL ELECTRICIAN	U143	A	4488.00	2071.38	25.8923
			B	4712.00	2174.77	27.1846
			C	4948.00	2283.69	28.5462
			D	5195.00	2397.69	29.9712
			E	5455.00	2517.69	31.4712
			F	5728.00	2643.69	33.0462
			G	6014.00	2775.69	34.6962
			H			
040	UTILITIES REVENUE SUPV	M166	A	5528.00	2551.38	31.8923
			B	5804.00	2678.77	33.4846
			C	6094.00	2812.62	35.1577
			D	6399.00	2953.38	36.9173
			E	6719.00	3101.08	38.7635
			F	7055.00	3256.15	40.7019
			G	7408.00	3419.08	42.7385
			H			

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13 Jun 2016

CLS#	TITLE	RANGE	STEP	MONTHLY	BI-WEEKLY	HOURLY
410	UTILITY WORKER	U112	A	3296.00	1521.23	19.0154
			B	3461.00	1597.38	19.9673
			C	3634.00	1677.23	20.9654
			D	3816.00	1761.23	22.0154
			E	4007.00	1849.38	23.1173
			F	4207.00	1941.69	24.2712
			G	4417.00	2038.62	25.4827
			H			
429	WATER CUST SERVICE WRKR	U138	A	4269.00	1970.31	24.6288
			B	4482.00	2068.62	25.8577
			C	4706.00	2172.00	27.1500
			D	4941.00	2280.46	28.5058
			E	5188.00	2394.46	29.9308
			F	5447.00	2514.00	31.4250
			G	5719.00	2639.54	32.9942
			H			
436	WATER PROD OPER	U142	A	4443.00	2050.62	25.6327
			B	4665.00	2153.08	26.9135
			C	4898.00	2260.62	28.2577
			D	5143.00	2373.69	29.6712
			E	5400.00	2492.31	31.1538
			F	5670.00	2616.92	32.7115
			G	5954.00	2748.00	34.3500
			H			
433	WATER PRODUCTION ELECT	U163	A	5474.00	2526.46	31.5808
			B	5748.00	2652.92	33.1615
			C	6035.00	2785.38	34.8173
			D	6337.00	2924.77	36.5596
			E	6654.00	3071.08	38.3885
			F	6987.00	3224.77	40.3096
			G	7336.00	3385.85	42.3231
			H			
438	WATER PRODUCTION MECHANIC	U147	A	4670.00	2155.38	26.9423
			B	4904.00	2263.38	28.2923
			C	5149.00	2376.46	29.7058
			D	5406.00	2495.08	31.1885
			E	5676.00	2619.69	32.7462
			F	5960.00	2750.77	34.3846
			G	6258.00	2888.31	36.1038
			H			
115	WATER QUALITY TECHNICIAN	E150	A	4808.00	2219.08	27.7385
			B	5048.00	2329.85	29.1231
			C	5300.00	2446.15	30.5769
			D	5565.00	2568.46	32.1058
			E	5843.00	2696.77	33.7096
			F	6135.00	2831.54	35.3942
			G	6442.00	2973.23	37.1654
			H			

CITY OF GARDEN GROVE PAY RATES

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13 Jun 2016

CLS#	TITLE	RANGE	STEP	MONTHLY	BI-WEEKLY	HOURLY
430	WATER SERVICE WORKER	U132	A	4022.00	1856.31	23.2038
			B	4223.00	1949.08	24.3635
			C	4434.00	2046.46	25.5808
			D	4656.00	2148.92	26.8615
			E	4889.00	2256.46	28.2058
			F	5133.00	2369.08	29.6135
			G	5390.00	2487.69	31.0962
			H			
409	WATER SERVICES MANAGER	M215	A	9003.00	4155.23	51.9404
			B	9453.00	4362.92	54.5365
			C	9926.00	4581.23	57.2654
			D	10422.00	4810.15	60.1269
			E	10943.00	5050.62	63.1327
			F	11490.00	5303.08	66.2885
			G	12065.00	5568.46	69.6058
			H			
102	WEBMASTER	E174	A	6106.00	2818.15	35.2269
			B	6411.00	2958.92	36.9865
			C	6732.00	3107.08	38.8385
			D	7069.00	3262.62	40.7827
			E	7422.00	3425.54	42.8192
			F	7793.00	3596.77	44.9596
			G	8183.00	3776.77	47.2096
			H			
077	WORD PROC OPERATOR	E113	A	3327.00	1535.54	19.1942
			B	3493.00	1612.15	20.1519
			C	3668.00	1692.92	21.1615
			D	3851.00	1777.38	22.2173
			E	4044.00	1866.46	23.3308
			F	4246.00	1959.69	24.4962
			G	4458.00	2057.54	25.7192
			H			

CITY OF GARDEN GROVE

ANIMAL CONTROL OFFICER

CLASS CODE: 202

RANGE: E153

DEFINITION:

Under general supervision, catches, impounds, and transports domestic and wild animals, and enforces and explains laws regulating animal possession, care, control and ownership.

EXAMPLES OF DUTIES:

Patrol City streets and respond to requests and complaints of loose animals, barking dogs, animal bites, allegations of abuse or neglect, or other animal control related activities;

Remove deceased animals from roadways and dispose of properly;

Catch, confine, and/or transport animals to appropriate facilities;

Quarantine potentially dangerous animals and contact appropriate agencies;

Ensure the well-being of animals during transport and temporary holding on City property by providing food, water, and other basic essentials;

Identify injured or sick animals, administer treatment when possible, and transport to appropriate facilities for further treatment;

Locate, contact, and release animals to owners;

Clean and maintain animal control vehicles, temporary shelters, cages, and other equipment and areas used to transport and hold animals;

Assist in gathering and compiling evidence for animal-related investigations;

Process animal licensing requests and maintain records;

Inspect facilities for compliance and issue permits to animal-related businesses, such as groomers, kennels, pet shops, circuses;

Issue citations for violations to applicable City, County, or State code regulations;

Respond to questions and inform residents of proper procedures, laws, and resources regarding animal control, care and services;

Tranquilize or euthanize animals with appropriate equipment when necessary;

Enter and maintain animal information in database;

Perform other related duties as assigned.

MINIMUM QUALIFICATIONS

Experience:

One year of experience in the care and handling of animals, and 6 months dealing with the public.

Education:

Graduation from an accredited High School or successful completion of the G.E.D. (General Educational Development) exam. Coursework in Animal Science or related field is highly desirable.

Knowledge of:

Common animal and zoonotic diseases; applicable City, County, and State laws, codes, and regulations; safe and humane methods and techniques of animal collection, impoundment, quarantine, and registration; principles of animal behavior; practices in animal care and treatment; methods and procedures of record-keeping and general office practices; safe work and driving practices; procedures on investigations and report-writing; signs of animal cruelty, abuse, and neglect; procedures for proper maintenance and sanitation of equipment and facilities.

Ability to:

Interpret, apply, enforce, and communicate relevant codes laws, regulations, and procedures; operate computer terminal and applicable software; communicate effectively, orally and in writing; quickly exercise independent judgment and initiative within established guidelines and with minimal direction/supervision; deal tactfully with the public and provide good customer service; lift, carry, or move tools, equipment and animals weighing up to 100 lbs; follow oral and written directions; conduct presentations to the community; handle difficult and dangerous individuals, animals, and situations; enter into unsafe, threatening, unsanitary, and/or substandard environments; gather and concisely report information; and be detailed oriented to ensure accurate and concise work products.

Other Requirements:

Must possess a valid California Class "C" driver's license. A DMV 10-year history printout is required at the time of application. The following trainings and certifications are required within one year of appointment: Penal Code 832,

Chemical Immobilization, Euthanasia by Injection, Animal Law Enforcement Training Academy, and a POST certified course in baton training per Penal Code 22295(g).

PHYSICAL DEMANDS

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Incumbents in this classification stand, walk, sit, run, push, pull, lift and carry over 100 lbs, climb stairs, stoop/bend/lean, turn/twist, bend, crouch/kneel/squat, crawl, reach above and below shoulders, use hands and fingers repetitively; use rapid mental and muscular coordination; hear normal voice conversation, distinguish shades of color; see long distances; see small details; use a telephone; work on a computer; and drive a vehicle.

WORK ENVIRONMENT

The work environment described here is representative of those an employee encounters while performing the essential functions of this job. Incumbents in this classification work inside and outside; are exposed to animal dander, fur, and hair; may be exposed to contagious illnesses or diseases; have direct contact with the public who may be upset; work alone; subject to loud noises, such as barking; are exposed to sharp objects, such as animal teeth or claws; subject to odors, such as animal waste; may be exposed to unsanitary or unsafe conditions; and have access to controlled substances. Employees will work in a 24-hour operating temporary holding shelter. Positions in this classification may be scheduled for shift work outside of the normal workweek, and must be available to work overtime, weekends, holidays, and on-call duty.

JOB FAMILY

Animal Control Officer, Senior Animal Control Officer

Adopted: TBD

CITY OF GARDEN GROVE

SENIOR ANIMAL CONTROL OFFICER

CLASS CODE: 203

RANGE: E164

DEFINITION:

Under general supervision, catches, impounds, and transports domestic and wild animals, and enforces and explains laws regulating animal possession, care, control and ownership. Provides supervision and training to animal control officer and clerical staff. Performs administrative tasks to assist in the operations of the Animal Control Office.

EXAMPLES OF DUTIES:

Patrol City streets and respond to requests and complaints of loose animals, barking dogs, animal bites, allegations of abuse or neglect, or other animal control related activities;

Remove deceased animals from roadways and dispose of properly;

Catch, confine, and/or transport animals to appropriate facilities;

Quarantine potentially dangerous animals and contact appropriate agencies;

Ensure the well-being of animals during transport and temporary holding on City property by providing food, water, and other basic essentials;

Identify injured or sick animals, administer treatment when possible, and transport to appropriate facilities for further treatment;

Locate, contact, and release animals to owners;

Clean and maintain animal control vehicles, temporary shelters, cages, and other equipment and areas used to transport and hold animals;

Conduct investigations in animal-related incidents, such as vicious animals or cruelty; testify in court, if necessary; arrest perpetrator(s); prepare cases and present evidence;

Process animal licensing requests and maintain records;

Inspect facilities for compliance and issue permits to animal-related businesses, such as groomers, kennels, pet shops, circuses;

Issue citations for violations to applicable City, County, or State code regulations;

SENIOR ANIMAL CONTROL OFFICER

Page 2

Respond to questions and inform residents of proper procedures, laws, and resources regarding animal control, care and services;

Tranquilize or euthanize animals with appropriate equipment when necessary;

Enter and maintain animal information in database;

Make and file appropriate records and reports on animal control activities;

Conduct presentations to educate community on owner responsibilities, humane animal care, wildlife handling, and shelter operations;

Train and provide work direction to animal control officers and clerical staff;

Perform other related duties as assigned.

MINIMUM QUALIFICATIONS

Experience:

Two years of experience in the care and handling of animals, including one year of field experience as an Animal Control Officer.

Education:

Graduation from an accredited High School or successful completion of the G.E.D. (General Educational Development) exam. Coursework in Animal Science or related field is highly desirable.

Knowledge of:

Common animal and zoonotic diseases; applicable City, County, and State laws, codes, and regulations; safe and humane methods and techniques of animal collection, impoundment, quarantine, and registration; principles of animal behavior; practices in animal care and treatment; methods and procedures of record-keeping and general office practices; safe work and driving practices; procedures on investigations and report-writing; signs of animal cruelty, abuse, and neglect; procedures for proper maintenance and sanitation of equipment and facilities; good practices and principles of supervision and managing performance.

Ability to:

Interpret, apply, enforce, and communicate relevant codes laws, regulations, and procedures; operate computer terminal and applicable software; communicate effectively, orally and in writing; quickly exercise independent judgment and initiative within established guidelines and with minimal direction/supervision; deal tactfully with the public and provide good customer service; lift, carry, or move tools, equipment and animals weighing up to 100 lbs; follow oral and written

directions; conduct presentations to the community; handle difficult and dangerous individuals, animals, and situations; enter into unsafe, threatening, unsanitary, and/or substandard environments; gather and concisely report information; and be detailed oriented to ensure accurate and concise work products.

Other Requirements:

Must possess a valid California Class "C" driver's license. A DMV 10-year history printout is required at the time of application. The following trainings and certifications are required: Penal Code 832, Chemical Immobilization, Euthanasia by Injection, and Animal Law Enforcement Training Academy. Completion of a POST certified course in baton training per Penal Code 22295(g) must be done within a year of employment.

PHYSICAL DEMANDS

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Incumbents in this classification stand, walk, sit, run, push, pull, lift and carry over 100 lbs, climb stairs, stoop/bend/lean, turn/twist, bend, crouch/kneel/squat, crawl, reach above and below shoulders, use hands and fingers repetitively; use rapid mental and muscular coordination; hear normal voice conversation, distinguish shades of color; see long distances; see small details; use a telephone; work on a computer; and drive a vehicle.

WORK ENVIRONMENT

The work environment described here is representative of those an employee encounters while performing the essential functions of this job. Incumbents in this classification work inside and outside; are exposed to animal dander, fur, and hair; may be exposed to contagious illnesses or diseases; have direct contact with the public who may be upset; work alone; subject to loud noises, such as barking; are exposed to sharp objects, such as animal teeth or claws; subject to odors, such as animal waste; may be exposed to unsanitary or unsafe conditions; and have access to controlled substances. Employees will work in a 24-hour operating temporary holding shelter. Positions in this classification may be scheduled for shift work outside of the normal workweek, and must be available to work overtime, weekends, holidays, and on-call duty.

JOB FAMILY

Animal Control Officer, **Senior Animal Control Officer**

Adopted: TBD

CITY OF GARDEN GROVE

SENIOR REAL PROPERTY AGENT

Class Code: 223 Range: M173

DEFINITION:

Under administrative direction of a department director, Real Property Manager, or Senior Project Planner, perform advanced technical and professional duties related to the acquisition and sale of real property interests for the City of Garden Grove. May provide work direction to or supervise lower level staff.

EXAMPLE OF DUTIES:

Negotiate for the execution of deeds, quit claims, partial releases, partial reconveyances, and other necessary instruments;

Prepare agreements, verifies deeds, partial releases and other related documents;

Prepare and executes escrow closings;

Prepare correspondence and reports, legal descriptions; process street abandonments and other encumbrances no longer required for public use;

Manage City-owned property, including leasing, rent collections, and property maintenance;

Negotiate and coordinate with property owners the City use of private property;

Secure data and prepares necessary paperwork and supporting documents for the filing of condemnation suits and subsequent proceedings;

Perform field activities including property inspections and prepare field reports and estimates including the verification of land valuation;

Supervise and coordinate relocation assistance activities;

Manage the procuring and oversight of professional consultants;

May oversee and serve as lead worker for the Real Property Agent;

Make presentations to City Council and other public entities;

Perform other related duties as assigned.

MINIMUM REQUIREMENTS:

Experience:

Four years of experience in property management and the acquisition of real property for public purposes including redevelopment uses, or appraisal and evaluation work in connection with the transfer and sale of real property or title examining.

General experience in real estate sales will NOT be considered equivalent to the appraisal and evaluation work referred to in this requirement.

Education:

Bachelor's degree from an accredited college with major coursework in city and regional planning/community development, real estate, redevelopment, business administration, public administration or closely related field. A graduate degree in an applicable field is highly desirable.

Knowledge of:

Legal descriptions of real property; interpretation of title reports and legal descriptions; laws pertaining to the securing of property for redevelopment and other public purposes; principles and techniques of valuation; instruments of real property conveyance; property management and disposition; relocation assistance requirements under Federal and California state law; and effective customer service techniques and principles.

Ability to:

Communicate clearly, concisely and diplomatically, both orally and in writing; tactfully conduct successful negotiations with property owners and tenants; interpret and apply rules and regulations; understand and interpret engineering plans and maps; analyze and solve problems; conduct research; evaluate data and prepare clear and comprehensive reports; accurately complete field reports to prepare property for acquisition and demolition; proficiently use relevant computer applications; and commit to providing quality customer service.

Other Requirements:

Must possess and maintain a valid California driver's license and a good driving record. Real Estate licensure is highly desirable.

PHYSICAL DEMANDS:

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Incumbents in this classification stand, walk, sit, climb stairs, stoop/bend/lean,

turn/twist, speak clearly, hear normal voice conversation, see small details, use a telephone, drive a vehicle, type or use 10-key and work on a personal computer.

WORK ENVIRONMENT:

The work environment described here is representative of those an employee encounters while performing the essential functions of this job. Incumbents in this classification work inside, outside, in direct contact with public and may work overtime beyond regularly scheduled hours.

JOB FAMILY:

Real Property Agent, **Senior Real Property Agent**, Real Property Manager

Adopted: TBD

A portion of the Authority's administration costs attributable to the additional responsibility assumed by the Authority(\$20,065.38) can be paid from balance in Fund 510. There is no impact to the General Fund.

RECOMMENDATION

It is recommended that the City Council:

- Approve and appropriate \$20,065.038 in Fund/Package 510/2535 for Fiscal Year 2015-2016, to cover allocable Garden Grove Housing Authority administrative costs.

It is recommended that the Garden Grove Housing Authority:

- Approve and appropriate \$20,065.38 in Fund/Package 510/2535 for Fiscal Year 2015-2016 to cover allocable portion of Garden Grove Housing Authority administrative costs.

By: Carlos Marquez, Sr. Real Property Agent

It is recommended that the City Council:

- Accept Project No. 7394 – Rehabilitation of West Garden Grove Well and Booster Pumping Facility as complete;
- Authorize the City Manager to execute the Notice of Completion of Public Works Improvement and Work; and
- Authorize the Finance Director to release the retention payment when appropriate to do so.

By: Samuel Kim, Project Engineer

ATTACHMENTS:

Description	Upload Date	Type	File Name
Notice of Completion	6/8/2016	Cover Memo	NOC_6-28-16.pdf

RECORDING REQUESTED BY

When Recorded Mail To:

City Clerk
City of Garden Grove
P. O. Box 3070
Garden Grove, CA 92842

NOTICE OF COMPLETION
OF PUBLIC IMPROVEMENT AND WORK

NOTICE IS HEREBY GIVEN that the City of Garden Grove, Orange County, California, has caused a public improvement, to wit:

PROJECT NO. 7394
REHABILITATION OF WEST GARDEN GROVE WELL AND PUMPING FACILITY

to be constructed upon the property hereinafter described. The contract for furnishing of all plant, labor, services, materials, and equipment, and all utilities and transportation, including power, fuel, and water, and performing all work necessary to construct and complete, in a good and workmanlike manner in strict accordance with the specifications, plans, and drawings therefore on file in the office of the City Clerk of the City of Garden Grove, for the construction, installation and completion of the above-described public improvement and work, was heretofore made and entered into with ARNAZ ENGINEERING CONSTRUCTORS, INC., on the 14TH day of January 2014, and filed for record in the office of the City Clerk of the City of Garden Grove; that the work upon said public improvement has been completed, and that the City Engineer has notified the City Council that he has made and completed a final inspection of the materials furnished and installed and the work performed in the construction, installation, and completion of said public improvement hereinabove more particularly described and set forth, and has certified in writing to the City Council that all the provisions of the contract and contract documents for the furnishing of all plant, labor, services, materials, and equipment, and the performing of all work necessary for the construction, installation, and completion of said public improvement above described have been fully complied with to his satisfaction as required by the contract document; that final acceptance of the construction, installation, and completion of said public improvement above described was made on the 7TH day of June 2016; that the nature of the title to said property of said City of Garden Grove is as follows: That is to say, it owns said public improvement in fee except the right-of-way upon which it is constructed, and that it owns an easement upon, over, and along said right-of-way for the purpose of the construction, installation, and completion of said public improvement hereinabove described and the use thereof after said completion; that the property hereinabove referred to and on which said public improvement is situated is described as follows, to wit:

PROJECT NO. 7394
REHABILITATION OF WEST GARDEN GROVE WELL AND PUMPING FACILITY

NOTICE OF COMPLETION
REHABILITATION OF WEST GARDEN GROVE WELL AND PUMPING FACILITY PROJECT NO. 7394
ACCEPT PROJECT AS COMPLETE
June 28, 2016
Page 2 of 2

NAME OF SURETY on Labor and Material Bond is: Merchants Bonding Company (Mutual)
2100 Fleur Drive
Des Moines, Iowa 50321-1158
Tel No. (515) 243-8171

DATED this _____ day of _____ 20__

CITY OF GARDEN GROVE

By _____
City Manager of the City of Garden Grove

ATTEST:

City Clerk of the City of Garden Grove

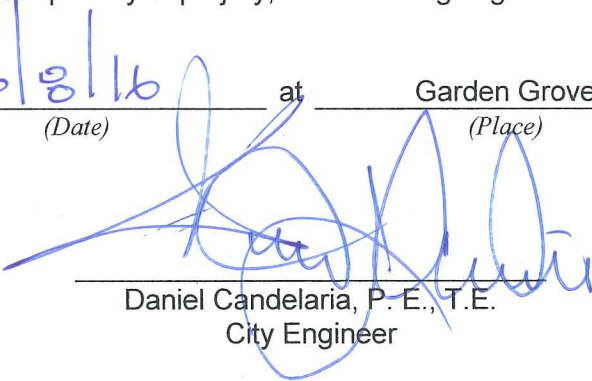
STATE OF CALIFORNIA
COUNTY OF ORANGE

I am the City Engineer of the City of Garden Grove.

I have read the foregoing Notice of Completion of Public Improvement and Work, and know the contents thereof; and I certify that the same is true of my own knowledge, except as to those matters, which are therein stated upon my information or belief, and as to those matters I believe to be true.

I certify (or declare), under penalty of perjury, that the foregoing is true and correct.

Executed on 6/28/16 at Garden Grove, California
(Date) (Place)



Daniel Candelaria, P.-E., T.E.
City Engineer

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Scott C. Stiles From: William E. Murray
 Dept.: City Manager Dept.: Public Works
 Subject: Authorize the issuance of purchase Date: 6/28/2016
 orders to Global Collision Center,
 Big Ron's Auto Body and Paint, and
 Caliber Collision for the purchase
 of auto body parts and labor for
 City vehicles. (Cost: \$150,000 per
 year) (*Action Item*)

OBJECTIVE

To obtain City Council authorization to issue purchase orders to Global Collision Center, Big Ron's Auto Body and Paint, and Caliber Collision for the purchase of various auto body parts and labor for City vehicles.

BACKGROUND

The Public Works Department, Vehicle Maintenance Division is responsible for maintaining the City's fleet of vehicles and equipment. The fleet routinely requires various auto body parts and labor to complete necessary maintenance and repairs. To avoid delays in the purchase and delivery of the required products and to meet the need of our customers in a timely manner, it is essential that Public Works have the ability to purchase these goods and services from more than one vendor.

DISCUSSION

Specifications were prepared and sent to prospective bidders as required. Three bids were received and deemed responsive. The bid results are as follows:

Bidder	Total of Various Labor Rates (Hourly)	Ford Parts Police Explorer	Ford Parts Police Crown Victoria	Total Cost
Global Collision Center	\$188.00	\$2,441.40	\$1,869.99	\$4,499.39
Big Ron's Auto Body & Paint	\$256.00	\$2,419.78	\$2,129.14	\$4,804.92
Caliber Collision	\$265.00	\$3,472.10	\$2,143.64	\$5,880.74

The bid results reflect a sampling of the labor rates and Ford body parts typically used. The lowest bidder, Global Collision Center, will be designated as the primary vendor. Big Ron's Auto Body and Paint, will be the secondary and Caliber Collision will be the third vendor utilized.

FINANCIAL IMPACT

The financial impact to the Fleet Management Fund would be \$150,000. There is no impact to the General Fund.

RECOMMENDATION

It is recommended that City Council:

- Authorize the Finance Director to issue three (3) purchase orders for auto body parts and labor in a fixed amount collectively not to exceed \$150,000 per year, for five (5) years, to be divided amongst Global Collision Center, Big Ron's Auto Body, and Caliber Collision, with the renewal to be reviewed annually by the City Manager.

By: Steve Sudduth, Equipment Maintenance Lead

The total cost for the two (2) vehicles is \$154,442.38. Sufficient funds have been allocated in the Public Works proposed Fiscal Year 16/17 Budget.

RECOMMENDATION

It is recommended that the City Council:

- Authorize the Finance Director to issue a purchase order in the amount of \$154,442.38 to National Auto Fleet Group for the purchase of two (2) new Animal Care Services Trucks.

By: Steve Sudduth, Equipment Maintenance Lead Worker

		Engineering	
RATER A	189	191.25	181
RATER B	199.5	199	193.5
RATER C	178.5	179	177
TOTALS	567	569.25	551.5

FINANCIAL IMPACT

There is no financial impact to the General Fund. The services will be funded by the various projects requiring survey services. Each agreement will be established for a 3-year period in the amount of \$200,000, for a total not to exceed amount of \$400,000 for three years.

RECOMMENDATION

Staff recommends that the City Council:

- Award contracts for on-call land surveying services to: 1) Bruce Hall Land Surveyor, Inc., and 2) Penco Engineering, Inc.
- Authorize the City Manager to execute the three year contracts in the amount for \$200,000 per contract, on behalf of the City.

By: Nick Hsieh
Associate Engineer

ATTACHMENTS:

Description	Upload Date	Type	File Name
BRUCE HALL AGREEMENT	6/15/2016	Cover Memo	6-28-16_BH_AGREEMENT.pdf
PENCO AGREEMENT	6/15/2016	Cover Memo	6-28-16_PENCO_AGRMNT.pdf

CONSULTANT AGREEMENT

Bruce Hall Land Surveyor, Inc.

THIS AGREEMENT is made this **28th** day of **June** 2016, by the CITY OF GARDEN GROVE, a municipal corporation, ("CITY"), and Bruce Hall Land Surveyor, Inc., a California Corporation ("CONSULTANT").

RECITALS

The following recitals are a substantive part of this Agreement:

1. This Agreement is entered into pursuant to Garden Grove Council authorization dated June 28, 2016.
2. CITY desires to utilize the services of CONSULTANT to provide on-call survey services.
3. CONSULTANT is qualified by virtue of experience, training, education and expertise to accomplish services.

AGREEMENT

THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. **Term of Agreement:** This Agreement shall cover services rendered from date of this agreement until (3) three years thereafter unless otherwise terminated.
2. **Services to be Provided:** The services to be preformed by CONSULTANT shall consist of the services as further specified in CONSULTANT'S proposal attached hereto and incorporated herein by reference. CONSULTANT agrees that is provision of Services under this agreement shall be within accepted accordance with customary and usual practices in CONSULTANT'S profession. By executing this Agreement, CONSULTANT warrants that it has carefully considered how the work should be performed and fully understands the facilities, difficulties, and restrictions attending performance of the work under this agreement.
3. **Compensation.** CONSULTANT shall be compensated as follows:
 - 3.1 **Amount.** CONSULTANT shall be compensated in accordance with the rate schedule set forth in Exhibit "A".
 - 3.2 **Not to Exceed.** The Parties agree that CONSULTANT shall bill for the Services provided by CONSULTANT to City on an hourly basis, except where otherwise set forth herein, provided compensation under this Proposal shall not exceed **\$200,000.00**. CONSULTANT warrants that all services will be performed in a competent, professional and satisfactory manner in accordance with the standards prevalent in the industry for such services. CONSULTANT shall not be compensated for any services rendered in connection with its performance of this

Agreement, which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the City Manager. The Proposal and this Agreement do not guarantee any specific amount of work.

- 3.3 Payment. For work under this Agreement, payment shall be made per monthly invoice. For extra work not a part of this Agreement, a written authorization by CITY will be required and payment shall be based on hourly rates as provided in Exhibit "A".
- 3.4 Records of Expenses. CONSULTANT shall keep complete and accurate records of payroll costs, travel and incidental expenses. These records will be made available at reasonable times to CITY.
- 3.5 Termination. CITY and CONSULTANT shall have the right to terminate this Agreement, without cause, by giving thirty (30) days written notice of termination. If the project is terminated by CITY, then the provisions of paragraph 3 would apply to that portion of the work completed.

4. **Insurance Requirements**

- 4.1 Commencement of Work CONSULTANT shall not commence work under this Agreement until all certificates and endorsements have been received and approved by the CITY. All insurance required by this Agreement shall contain a Statement of Obligation on the part of the carrier to notify the CITY of any material change, cancellation, or termination at least thirty (30) days in advance. All contractors and subcontractors shall be responsible to provide the same insurance as required of CONSULTANT. CONSULTANT shall be responsible to collect and maintain all insurance from all contractors and subcontractors and shall provide insurance CITY upon request.
- 4.2 Workers Compensation Insurance For the duration of this Agreement, CONSULTANT and all subcontractors shall maintain Workers Compensation Insurance in the amount and type required by California law, if applicable. The insurer shall waive its rights of subrogation against the CITY, its officers, officials, agents, employees, and volunteers.
- 4.3 Insurance Amounts CONSULTANT shall maintain the following insurance for the duration of this Agreement:
 - (a) Commercial general liability in an amount not less than \$1,000,000 per occurrence; (claims made and modified occurrence policies are not acceptable); Insurance companies must be admitted and licensed in California and have a Best's Guide Rating of A-Class VII or better, as approved by the CITY;

- (b) Automobile liability in an amount not less than \$1,000,000 per occurrence; (claims made and modified occurrence policies are not acceptable) Insurance companies must be admitted and licensed in California and have a Best's Guide Rating of A-Class VII or better, as approved by the CITY.
- (c) Professional liability in an amount not less than \$1,000,000 per occurrence; Insurance companies must be acceptable to CITY and have an AM Best's Guide Rating of A-, Class VII or better, as approved by the CITY. If the policy is written on a "claims made" basis, the policy shall be continued in full force and effect at all times during the term of the agreement, and for a period of three (3) years from the date of the completion of services provided. In the event of termination, cancellation, or material change in the policy, professional/consultant shall obtain continuing insurance coverage for the prior acts or omissions of professional/consultant during the course of performing services under the term of the agreement. The coverage shall be evidenced by either a new policy evidencing no gap in coverage, or by obtaining separate extended "tail" coverage with the present or new carrier.

An Additional Insured Endorsement, **ongoing and completed operations**, for the policy under section 4.3 (a) shall designate CITY, its officers, officials, employees, agents, and volunteers as additional insureds for liability arising out of work or operations performed by or on behalf of the CONSULTANT. CONSULTANT shall provide to CITY proof of insurance and endorsement forms that conform to city's requirements, as approved by the CITY.

An Additional Insured Endorsement for the policy under section 4.3 (b) shall designate CITY, its officers, officials, employees, agents, and volunteers as additional insureds for automobiles owned, lease, hired, or borrowed by CONSULTANT. CONSULTANT shall provide to CITY proof of insurance and endorsement forms that conform to CITY's requirements, as approved by the CITY.

For any claims related to this Agreement, CONSULTANT's insurance coverage shall be primary insurance as respects to CITY, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the CITY, its officers, officials, employees, agents, or volunteers shall be excess of the CONSULTANT's insurance and shall not contribute with it.

If CONSULTANT maintains higher insurance limits than the minimums shown above, CONSULTANT shall provide coverage for the higher insurance limits otherwise maintained by the CONSULTANT.

5. **Non-Liability of Officials and Employees of the CITY.** No official or employee of CITY shall be personally liable to CONSULTANT in the event of any default or breach by CITY, or for any amount, which may become due to CONSULTANT.
6. **Non-Discrimination.** CONSULTANT covenants there shall be no discrimination against any person or group due to race, color, creed, religion, sex, marital status, age, handicap, national origin or ancestry, in any activity pursuant to this Agreement.
7. **Independent Contractor.** It is agreed to that CONSULTANT shall act and be an independent contractor and not an agent or employee of CITY, and shall obtain no rights to any benefits which accrue to CITY'S employees.
8. **Compliance With Law.** CONSULTANT shall comply with all applicable laws, ordinances, codes and regulations of the federal, state and local government.
9. **Disclosure of Documents.** All documents or other information developed or received by CONSULTANT are confidential and shall not be disclosed without authorization by CITY, unless disclosure is required by law.
10. **Ownership of Work Product.** All documents or other information developed or received by CONSULTANT shall be the property of CITY. CONSULTANT shall provide CITY with copies of these items upon demand or upon termination of this Agreement.
11. **Conflict of Interest and Reporting.** CONSULTANT shall at all times avoid conflict of interest or appearance of conflict of interest in performance of this Agreement.
12. **Notices.** All notices shall be personally delivered or mailed to the below listed addresses, or to such other addresses as may be designated by written notice. These addresses shall be used for delivery of service of process.

(a) Address of CONSULTANT is as follows:

Bruce Hall Land Surveyor, Inc
 5732 Middlecoff Dr.
 Huntington Beach, CA 92649

(b) Address of CITY is as follows (with a copy to):

Engineering:
 Nick Hsieh, P.E.
 City of Garden Grove
 P.O. Box 3070
 Garden Grove, CA 92840

City Attorney
 City of Garden Grove
 P.O. Box 3070
 Garden Grove, CA 92840

13. **CONSULTANT'S Proposal.** This Agreement shall include CONSULTANT'S proposal or bid which shall be incorporated herein. In the event of any inconsistency between the terms of the proposal and this Agreement, this Agreement shall govern.
14. **Licenses, Permits and Fees.** At its sole expense, CONSULTANT shall obtain a **Garden Grove Business License**, all permits and licenses as may be required by this Agreement.
15. **Familiarity With Work.** By executing this Agreement, CONSULTANT warrants that: (1) it has investigated the work to be performed; (2) it has investigated the site of the work and is aware of all conditions there; and (3) it understands the facilities, difficulties and restrictions of the work under this Agreement. Should CONSULTANT discover any latent or unknown conditions materially differing from those inherent in the work or as represented by CITY, it shall immediately inform CITY of this and shall not proceed, except at CONSULTANT'S risk, until written instructions are received from CITY.
16. **Time of Essence.** Time is of the essence in the performance of this Agreement.
17. **Limitations Upon Subcontracting and Assignment.** The experience, knowledge, capability and reputation of CONSULTANT, its principals and employees were a substantial inducement for CITY to enter into this Agreement. CONSULTANT shall not contract with any other entity to perform the services required without written approval of the CITY. This Agreement may not be assigned voluntarily or by operation of law, without the prior written approval of CITY. If CONSULTANT is permitted to subcontract any part of this Agreement, CONSULTANT shall be responsible to CITY for the acts and omissions of its subcontractor as it is for persons directly employed. Nothing contained in this Agreement shall create any contractual relationship between any subcontractor and CITY. All persons engaged in the work will be considered employees of CONSULTANT. CITY will deal directly with and will make all payments to CONSULTANT.
18. **Authority to Execute.** The persons executing this Agreement on behalf of the parties warrant that they are duly authorized to execute this Agreement and that by executing this Agreement, the parties are formally bound.
19. **Indemnification.** To the fullest extent permitted by law, CONSULTANT agrees to protect, defend, and hold harmless CITY and its elective or appointive boards, officers, agents, and employees from any and all claims, liabilities, expenses, or damages of any nature, including attorneys' fees, for injury or death of any person, or damages of any nature, including interference with use of property, arising out of, or in any way connected with the negligence, recklessness and/or intentional wrongful conduct of CONSULTANT, CONSULTANT'S agents, officers, employees, subcontractors, or independent contractors hired by CONSULTANT in the performance of the

Agreement. The only exception to CONSULTANT'S responsibility to protect, defend, and hold harmless CITY, is due to the negligence, recklessness and/or wrongful conduct of CITY, or any of its elective or appointive boards, officers, agents, or employees.

This hold harmless agreement shall apply to all liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by CONSULTANT.

20. **Modification.** This Agreement constitutes the entire agreement between the parties and supersedes any previous agreements, oral or written. This Agreement may be modified only by subsequent mutual written agreement executed by CITY and CONSULTANT.
21. **Waiver.** All waivers of the provisions of this Agreement must be in writing by the appropriate authorities of the CITY and CONSULTANT.
22. **California Law.** This Agreement shall be construed in accordance with the laws of the State of California. Any action commenced about this Agreement shall be filed in the central branch of the Orange County Superior Court.
23. **Interpretation.** This Agreement shall be interpreted as though prepared by both parties
24. **Preservation of Agreement.** Should any provision of this Agreement be found invalid or unenforceable, the decision shall affect only the provision interpreted, and all remaining provisions shall remain enforceable.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS THEREOF, these parties hereto have caused this Agreement to be executed as of the date set forth opposite the respective signatures.

**"CITY"
CITY OF GARDEN GROVE**

Dated: _____, 2016

By: _____
City Manager

ATTEST

**"CONSULTANT"
Bruce Hall Land Surveyor, Inc.**

City Clerk

By: _____
Title: _____

Dated: _____, 2016

Dated: _____, 2016

APPROVED AS TO FORM:

If CONSULTANT/CONTRACTOR is a corporation, a Corporate Resolution and/or Corporate Seal is required. If a partnership, Statement of Partnership must be submitted to CITY

Garden Grove City Attorney

Dated: _____, 2016

BRUCE HALL LAND SURVEYOR, INC.

EXHIBIT "B"

RATE SCHEDULE
AS OF 1-01-16

FIELD SURVEY CREW (ONE PERSON)	\$ 174./HR
FIELD SURVEY CREW (TWO PERSON)	\$254./HR
PRINCIPAL'S TIME (other than field crew)	\$ 134./HR
OFFICE TIME	\$ 134./HR

CHARGES ARE COMPUTED PORTAL TO PORTAL.

ALL CONTRACT WORK PAYABLE WITHIN 45 DAYS OF BILLING.

ALL MONEY DUE FOR EXTRA WORK WILL BE PAYABLE WITHIN 45 DAYS
OF DATE OF WORK ORDER/EXTRA TICKET.

IF COLLECTION BECOMES NECESSARY, ALL COLLECTION COSTS,
BUT NOT LIMITED TO ATTORNEY'S FEES AND TIME SPENT BY THIS FIRM,
WILL BE PAYABLE.

5732 Middlecoff Drive, Huntington Beach, California 92649. 714 840 4380 phone/fax
714 310 3763 cell
bhall@mysecuremail.org

CONSULTANT AGREEMENT

Penco Engineering, Inc.

THIS AGREEMENT is made this **28th** day of **June** 2016, by the CITY OF GARDEN GROVE, a municipal corporation, ("CITY"), and Penco Engineering, Inc., a California Corporation ("CONSULTANT").

RECITALS

The following recitals are a substantive part of this Agreement:

1. This Agreement is entered into pursuant to Garden Grove Council authorization dated June 28, 2016.
2. CITY desires to utilize the services of CONSULTANT to provide on-call survey services.
3. CONSULTANT is qualified by virtue of experience, training, education and expertise to accomplish services.

AGREEMENT

THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. **Term of Agreement:** This Agreement shall cover services rendered from date of this agreement until (3) three years thereafter unless otherwise terminated.
2. **Services to be Provided:** The services to be performed by CONSULTANT shall consist of the services as further specified in CONSULTANT'S proposal attached hereto and incorporated herein by reference. CONSULTANT agrees that the provision of Services under this agreement shall be within accepted accordance with customary and usual practices in CONSULTANT'S profession. By executing this Agreement, CONSULTANT warrants that it has carefully considered how the work should be performed and fully understands the facilities, difficulties, and restrictions attending performance of the work under this agreement.
3. **Compensation.** CONSULTANT shall be compensated as follows:
 - 3.1 **Amount.** CONSULTANT shall be compensated in accordance with the rate schedule set forth in Exhibit "A".
 - 3.2 **Not to Exceed.** The Parties agree that CONSULTANT shall bill for the Services provided by CONSULTANT to City on an hourly basis, except where otherwise set forth herein, provided compensation under this Proposal shall not exceed **\$200,000.00**. CONSULTANT warrants that all services will be performed in a competent, professional and satisfactory manner in accordance with the standards prevalent in the industry for such services. CONSULTANT shall not be compensated for any services rendered in connection with its performance of this

Agreement, which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the City Manager. The Proposal and this Agreement do not guarantee any specific amount of work.

- 3.3 Payment. For work under this Agreement, payment shall be made per monthly invoice. For extra work not a part of this Agreement, a written authorization by CITY will be required and payment shall be based on hourly rates as provided in Exhibit "A".
- 3.4 Records of Expenses. CONSULTANT shall keep complete and accurate records of payroll costs, travel and incidental expenses. These records will be made available at reasonable times to CITY.
- 3.5 Termination. CITY and CONSULTANT shall have the right to terminate this Agreement, without cause, by giving thirty (30) days written notice of termination. If the project is terminated by CITY, then the provisions of paragraph 3 would apply to that portion of the work completed.

4. **Insurance Requirements**

- 4.1 Commencement of Work CONSULTANT shall not commence work under this Agreement until all certificates and endorsements have been received and approved by the CITY. All insurance required by this Agreement shall contain a Statement of Obligation on the part of the carrier to notify the CITY of any material change, cancellation, or termination at least thirty (30) days in advance. All contractors and subcontractors shall be responsible to provide the same insurance as required of CONSULTANT. CONSULTANT shall be responsible to collect and maintain all insurance from all contractors and subcontractors and shall provide insurance CITY upon request.
- 4.2 Workers Compensation Insurance For the duration of this Agreement, CONSULTANT and all subcontractors shall maintain Workers Compensation Insurance in the amount and type required by California law, if applicable. The insurer shall waive its rights of subrogation against the CITY, its officers, officials, agents, employees, and volunteers.
- 4.3 Insurance Amounts CONSULTANT shall maintain the following insurance for the duration of this Agreement:
 - (a) Commercial general liability in an amount not less than \$1,000,000 per occurrence; (claims made and modified occurrence policies are not acceptable); Insurance companies must be admitted and licensed in California and have a Best's Guide Rating of A-Class VII or better, as approved by the CITY;

- (b) Automobile liability in an amount not less than \$1,000,000 per occurrence; (claims made and modified occurrence policies are not acceptable) Insurance companies must be admitted and licensed in California and have a Best's Guide Rating of A-Class VII or better, as approved by the CITY.
- (c) Professional liability in an amount not less than \$1,000,000 per occurrence; Insurance companies must be acceptable to CITY and have an AM Best's Guide Rating of A-, Class VII or better, as approved by the CITY. If the policy is written on a "claims made" basis, the policy shall be continued in full force and effect at all times during the term of the agreement, and for a period of three (3) years from the date of the completion of services provided. In the event of termination, cancellation, or material change in the policy, professional/consultant shall obtain continuing insurance coverage for the prior acts or omissions of professional/consultant during the course of performing services under the term of the agreement. The coverage shall be evidenced by either a new policy evidencing no gap in coverage, or by obtaining separate extended "tail" coverage with the present or new carrier.

An Additional Insured Endorsement, **ongoing and completed operations**, for the policy under section 4.3 (a) shall designate CITY, its officers, officials, employees, agents, and volunteers as additional insureds for liability arising out of work or operations performed by or on behalf of the CONSULTANT. CONSULTANT shall provide to CITY proof of insurance and endorsement forms that conform to city's requirements, as approved by the CITY.

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If CONSULTANT maintains higher insurance limits than the minimums shown above, CONSULTANT shall provide coverage for the higher insurance limits otherwise maintained by the CONSULTANT.

5. **Non-Liability of Officials and Employees of the CITY.** No official or employee of CITY shall be personally liable to CONSULTANT in the event of any default or breach by CITY, or for any amount, which may become due to CONSULTANT.
6. **Non-Discrimination.** CONSULTANT covenants there shall be no discrimination against any person or group due to race, color, creed, religion, sex, marital status, age, handicap, national origin or ancestry, in any activity pursuant to this Agreement.
7. **Independent Contractor.** It is agreed to that CONSULTANT shall act and be an independent contractor and not an agent or employee of CITY, and shall obtain no rights to any benefits which accrue to CITY'S employees.
8. **Compliance With Law.** CONSULTANT shall comply with all applicable laws, ordinances, codes and regulations of the federal, state and local government.
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12. **Notices.** All notices shall be personally delivered or mailed to the below listed addresses, or to such other addresses as may be designated by written notice. These addresses shall be used for delivery of service of process.

(a) Address of CONSULTANT is as follows:

Penco Engineering, Inc.
 16842 Von Karman Avenue, Suite 150
 Irvine, CA 92606

(b) Address of CITY is as follows (with a copy to):

Engineering:	City Attorney
Nick Hsieh, P.E.	City of Garden Grove
City of Garden Grove	P.O. Box 3070
P.O. Box 3070	Garden Grove, CA 92840
Garden Grove, CA 92840	

13. **CONSULTANT'S Proposal.** This Agreement shall include CONSULTANT'S proposal or bid which shall be incorporated herein. In the event of any inconsistency between the terms of the proposal and this Agreement, this Agreement shall govern.
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17. **Limitations Upon Subcontracting and Assignment.** The experience, knowledge, capability and reputation of CONSULTANT, its principals and employees were a substantial inducement for CITY to enter into this Agreement. CONSULTANT shall not contract with any other entity to perform the services required without written approval of the CITY. This Agreement may not be assigned voluntarily or by operation of law, without the prior written approval of CITY. If CONSULTANT is permitted to subcontract any part of this Agreement, CONSULTANT shall be responsible to CITY for the acts and omissions of its subcontractor as it is for persons directly employed. Nothing contained in this Agreement shall create any contractual relationship between any subcontractor and CITY. All persons engaged in the work will be considered employees of CONSULTANT. CITY will deal directly with and will make all payments to CONSULTANT.
18. **Authority to Execute.** The persons executing this Agreement on behalf of the parties warrant that they are duly authorized to execute this Agreement and that by executing this Agreement, the parties are formally bound.
19. **Indemnification.** To the fullest extent permitted by law, CONSULTANT agrees to protect, defend, and hold harmless CITY and its elective or appointive boards, officers, agents, and employees from any and all claims, liabilities, expenses, or damages of any nature, including attorneys' fees, for injury or death of any person, or damages of any nature, including interference with use of property, arising out of, or in any way connected with the negligence, recklessness and/or intentional wrongful conduct of CONSULTANT, CONSULTANT'S agents, officers, employees, subcontractors,

or independent contractors hired by CONSULTANT in the performance of the Agreement. The only exception to CONSULTANT'S responsibility to protect, defend, and hold harmless CITY, is due to the negligence, recklessness and/or wrongful conduct of CITY, or any of its elective or appointive boards, officers, agents, or employees.

This hold harmless agreement shall apply to all liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by CONSULTANT.

20. **Modification.** This Agreement constitutes the entire agreement between the parties and supersedes any previous agreements, oral or written. This Agreement may be modified only by subsequent mutual written agreement executed by CITY and CONSULTANT.
21. **Waiver.** All waivers of the provisions of this Agreement must be in writing by the appropriate authorities of the CITY and CONSULTANT.
22. **California Law.** This Agreement shall be construed in accordance with the laws of the State of California. Any action commenced about this Agreement shall be filed in the central branch of the Orange County Superior Court.
23. **Interpretation.** This Agreement shall be interpreted as though prepared by both parties
24. **Preservation of Agreement.** Should any provision of this Agreement be found invalid or unenforceable, the decision shall affect only the provision interpreted, and all remaining provisions shall remain enforceable.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS THEREOF, these parties hereto have caused this Agreement to be executed as of the date set forth opposite the respective signatures.

**"CITY"
CITY OF GARDEN GROVE**

Dated: _____, 2016

By: _____
City Manager

ATTEST

**"CONSULTANT"
Penco Engineering, Inc.**

City Clerk

By: _____
Title: _____

Dated: _____, 2016

Dated: _____, 2016

APPROVED AS TO FORM:

If CONSULTANT/CONTRACTOR is a corporation, a Corporate Resolution and/or Corporate Seal is required. If a partnership, Statement of Partnership must be submitted to CITY

Garden Grove City Attorney

Dated: _____, 2016

5. HOURLY FEE SCHEDULE

<u>PERSONNEL</u>	<u>HOURLY RATE</u>
Principal	\$ 210.00
Engineering Manager	\$ 190.00
Survey Manager	\$ 190.00
Senior Project Manager	\$ 190.00
Project Manager	\$ 170.00
Senior Project Engineer	\$ 160.00
Project Engineer	\$ 145.00
Senior Design Engineer	\$ 130.00
Design Engineer	\$ 115.00
Associate Engineer	\$ 95.00
Engineering Technician	\$ 85.00
Project Assistant	\$ 90.00
Processor	\$ 95.00
Senior Project Surveyor	\$ 148.00
Project Surveyor	\$ 125.00
Senior Survey Technician	\$ 110.00
Survey Technician	\$ 85.00
2-Man Survey Crew	\$ 210.00
2-Man Survey Crew Prevailing Wage	\$ 260.00
1-Man Survey Crew	\$ 165.00

REIMBURSABLE COSTS

- Reproductions; deliveries; travel; meals and lodging; facsimiles; models, renderings and photos; Mylars; and CDs, not included in scope of work.
- All reimbursable costs shall be billed at cost plus 15%
- Mileage shall be billed at the current IRS standard mileage rate
- All accounts are due net 30 days from the date of invoice
- Outstanding accounts shall be charged 1.0% per month
- All required overtime work shall be billed at 150% of the hourly rate

FINANCIAL IMPACT

There will be no direct fiscal impact to the City's General Fund, as the SMP funding will be provided by OCTA, and the City will only pass through funds received by OCTA to the Korean American Senior Association. The annual SMP funding allocation is expected to be approximately \$102,000.

RECOMMENDATION

It is recommended that the City Council:

- Approve the attached Amendment to the Agreement with the Korean American Senior Association and the Orange County Transportation Authority naming the City as the fiscal receiving agent for the Association's Senior Mobility Program; and
- Authorize the City Manager to execute the Amendment to the Agreement on behalf of the City.

ATTACHMENTS:

Description	Upload Date	Type	File Name
Amendment to the Agreement b/w City, KASA, and OCTA	6/15/2016	Cover Memo	Draft_Amendment_to_City__KASA_and_OCTA_Agreement_2016-2021.pdf

For Agencies

1 **AMENDMENT NO. X TO COOPERATIVE AGREEMENT NO. C-X-XXXX**

2 **BETWEEN**

3 **THE ORANGE COUNTY TRANSPORTATION AUTHORITY**

4 **AND**

5 _____
6 **AND**

7 _____
8 **FOR**

9 **SENIOR MOBILITY PROGRAM**

10 **THIS AMENDMENT NO. X** is effective this _____ day of _____, 2016 by and between the
11 Orange County Transportation Authority, a public corporation of the State of California (hereinafter
12 referred to as "AUTHORITY"), the City of _____ (hereinafter referred to as "CITY") and (Agency's
13 Name) (hereinafter referred to as "CONTRACTOR").

14 **RECITALS**

15 **WHEREAS**, by Agreement No. C-X-XXXX dated XXXX, AUTHORITY, CITY and CONTRACTOR
16 are entered into a contract to provide the Senior Mobility Program (SMP) concerning senior transportation
17 services for seniors of City of _____; and

18 **WHEREAS**, AUTHORITY, CITY and CONTRACTOR agree to comply with the SMP Funding and
19 Policy Guidelines ("Guidelines"); and

20 **WHEREAS**, AUTHORITY, CITY and CONTRACTOR agree to extend the term of the Agreement
21 through June 30, 2021;

22 **NOW, THEREFORE**, it is mutually understood and agreed by AUTHORITY, CITY and
23 CONTRACTOR that Amendment No. X to Cooperative Agreement No. C-X-XXXX is hereby amended in
24 the following particulars only:

- 25 1. Amend **ARTICLES 2 and 3**: to delete in their entirety and replace with Attachment No. 1
26 to this Amendment.

AMENDMENT NO. X TO
AGREEMENT NO. C-X-XXXX

1 2. Amend **ARTICLE 4. TERM OF AGREEMENT**: Page 5 of 8, line 16, to delete
2 "June 30, 2016" as the expiration date of the Agreement, and in lieu thereof insert "June 30, 2021".

3 3. Amend **ARTICLE 8. AUDIT AND INSPECTION OF RECORDS**: Page 6 of 8, line 16, to
4 delete "four (4) years" as the period for audit and inspection record, and in lieu thereof insert
5 "five (5) years".

6 The balance of said Agreement remains unchanged.

7 Upon execution by all parties, this Amendment No. X to Cooperative Agreement
8 No. C-X-XXXX shall be made effective on July 1, 2016.

9 **IN WITNESS WHEREOF**, the Parties hereto have caused this Amendment No. X to Cooperative
10 Agreement No. C-X-XXXX to be executed on the date first above written.

11 **CITY**

ORANGE COUNTY TRANSPORTATION AUTHORITY

13 By _____

By _____

Darrell Johnson
Chief Executive Officer

APPROVED AS TO FORM:

18 **CONTRACTOR**

By _____

James M. Donich
General Counsel

APPROVED:

24 By _____

By _____

Beth McCormick
General Manager, Transit

1 **ARTICLE 2. RESPONSIBILITIES OF AUTHORITY**

2 A. AUTHORITY agrees to provide funds in accordance with Article 5 ("Term of
3 Agreement"), for the Senior Mobility Program. Funding levels are determined annually and are
4 calculated using the annual percentage change of AUTHORITY's budget for Transportation
5 Development Act sales tax revenues.

6 B. AUTHORITY will pay to CONTRACTOR the AUTHORITY's annual contribution for the
7 fiscal year by August 31st of each year.

8 C. AUTHORITY agrees that the CONTRACTOR funding allocation shall be expended
9 within three (3) years of receipt. AUTHORITY may grant an extension to the three-year limit, but
10 extensions shall not be granted beyond a total of five (5) years from the date of the initial funding
11 allocation.

12 D. In the event the time limits for use of SMP funds are not satisfied, then any retained
13 funding that was allocated to the CONTRACTOR and interest earned thereon shall be returned to
14 AUTHORITY.

15 E. AUTHORITY may provide, at AUTHORITY's sole discretion, a refurbished surplus
16 paratransit vehicle, at no cost to CONTRACTOR and no further responsibility to AUTHORITY after
17 vehicle donation. CONTRACTOR may purchase additional vehicle(s) in excess of their vehicle
18 allocation, based on availability, for a cost equivalent to the refurbishment costs incurred by
19 AUTHORITY.

20 **ARTICLE 3. RESPONSIBILITIES OF CONTRACTOR**

21 A. CONTRACTOR agrees that all funds received from AUTHORITY as specified in
22 Article 2.A. above will be used exclusively for providing accessible senior transportation services as
23 specified in Exhibit A entitled "Senior Mobility Program Service Plan."

24 B. CONTRACTOR will ensure the SMP Service Plan is adopted by their governing board in
25 accordance with Section 7.0 of the SMP Funding and Policy Guidelines.

26 C. CITY agrees to comply with all provisions of the SMP Guidelines included as Exhibit B.

/

1
2 D. CONTRACTOR agrees that the funding allocation shall be expended within three (3)
3 years of receipt. AUTHORITY may grant an extension to the three-year limit, but extensions shall not
4 be granted beyond a total of five (5) years from the date of the initial funding allocation.

5 E. In the event the time limits for use of SMP funds are not satisfied, any retained funding
6 that was allocated to the CONTRACTOR and interest earned thereon shall be returned to
7 AUTHORITY.

8 F. CONTRACTOR agrees to match a minimum of twenty percent (20%) of the total
9 annual program expenditures. Local match may be made up of cash-subsidies, fare revenues,
10 donations, or in-kind contributions, such as salaries and benefits for the CONTRACTOR employees
11 who perform work on the program.

12 G. CONTRACTOR may contract with a third-party service provider to provide senior
13 transportation services provided that:

- 14 1. Contractor is selected using a competitive procurement process; and
- 15 2. Wheelchair accessible vehicles are available and used when requested.

16 H. CONTRACTOR shall procure and maintain insurance coverage during the entire term
17 of this Agreement. Coverage shall be full coverage or subject to self-insurance provisions.
18 CONTRACTOR shall provide the following insurance coverage:

19 1. Commercial General Liability, to include Products/Completed Operations,
20 Independent Contractors', Contractual Liability, and Personal Injury Liability with a minimum limit of
21 \$1,000,000.00 per occurrence and \$2,000,000.00 general aggregate.

22 2. Automobile Liability Insurance to include owned, hired and non-owned autos with a
23 combined single limit of \$1,000,000.00 each accident;

24 3. Workers' Compensation with limits as required by the State of California
25 including a waiver of subrogation in favor of AUTHORITY, its officers, directors, employees or agents;

26 4. Employers' Liability with minimum limits of \$1,000,000.00; and

1 I. Proof of such coverage, in the form of an insurance company issued policy
2 endorsement and a broker-issued insurance certificate, must be received by AUTHORITY prior to
3 commencement of any work. Proof of insurance coverage must be received by AUTHORITY within ten
4 (10) calendar days from the effective date of this Agreement with AUTHORITY, its officers, directors,
5 employees and agents designated as additional insured on the general and automobile liability. Such
6 insurance shall be primary and non-contributive to any insurance or self-insurance maintained by
7 AUTHORITY.

8 J. CONTRACTOR shall include on the face of the Certificate of Insurance the Cooperative
9 Agreement Number C-X-XXXX; and, the Senior Contract Administrator's Name, Sue Ding.

10 K. CONTRACTOR agrees to provide AUTHORITY with monthly summary reports of
11 CONTRACTOR's Senior Mobility Program. CONTRACTOR shall submit monthly summary report
12 by the end of the following month as specified in Exhibit C "Senior Mobility Program Monthly
13 Reporting Form," included in this Agreement, which is incorporated into and made part of this
14 Agreement.

15 L. In the event CONTRACTOR obtains a retired AUTHORITY vehicle for Senior Mobility
16 Program services, CONTRACTOR agrees to transfer vehicle title and registration within fourteen
17 (14) calendar days from taking possession of the vehicle. CONTRACTOR also agrees to provide
18 documentation to AUTHORITY confirming transfer of vehicle title and registration from AUTHORITY
19 to CONTRACTOR within thirty (30) calendar days from taking possession of the vehicle.

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percent match for Measure M2 funds, a total estimated amount of \$39,391 for the first twelve-month period that can be in-kind or financial. The match will be an in-kind match of \$39,391 in staff salaries budgeted in the General Fund.

RECOMMENDATION

It is recommended that the City Council:

- Approve the attached Amendment to the Agreement with the Orange County Transportation Authority for funding of the City's Senior Mobility Program at the H. Louis Lake Senior Center for an additional five years; and
- Authorize the City Manager to execute the Amendment on behalf of the City.

ATTACHMENTS:

Description	Upload Date	Type	File Name
Amendment to Agreement with OCTA for SMP at Senior Center	6/14/2016	Cover Memo	Draft_Amendment_to_OCTA_Agreement_C-1-2472.pdf

1 **AMENDMENT NO. X TO COOPERATIVE AGREEMENT NO. C-X-XXXX**

2 **BETWEEN**

3 **THE ORANGE COUNTY TRANSPORTATION AUTHORITY**

4 **AND**

5 _____

6 **FOR**

7 **SENIOR MOBILITY PROGRAM**

8 **THIS AMENDMENT NO. X** is made and entered into this _____ day of _____, 2016 by and
9 between the Orange County Transportation Authority, a public corporation of the State of California
10 (hereinafter referred to as "AUTHORITY"), the City of _____ (hereinafter referred to as "CITY").

11 **RECITALS**

12 **WHEREAS**, by Agreement No. C-X-XXXX dated XXXX, AUTHORITY and CITY are entered into
13 a contract to provide the Senior Mobility Program (SMP) concerning senior transportation services; and

14 **WHEREAS**, AUTHORITY and CITY agree to comply with all relevant elements of Orange County
15 Local Transportation Authority Ordinance No. 3; and

16 **WHEREAS**, AUTHORITY and CITY agree to comply with the M2 Project U SMP Funding and
17 Policy Guidelines ("Guidelines"); and

18 **WHEREAS**, AUTHORITY and CITY agree to extend the term of the Agreement through June 30,
19 2021;

20 **NOW, THEREFORE**, it is mutually understood and agreed by AUTHORITY and CITY that
21 Amendment No. X to Cooperative Agreement No. C-X-XXXX is hereby amended in the following
22 particulars only:

- 23 1. Amend **ARTICLES 2 and 3**: to delete in their entirety and replace with Attachment 1 to
24 this Amendment.
- 25 2. Amend **ARTICLE 4. TERM OF AGREEMENT**: Page 5 of 8, line 16, to delete
26 "June 30, 2016" as the expiration date of the Agreement, and in lieu thereof insert "June 30, 2021".

**AMENDMENT NO. X TO
AGREEMENT NO. C-X-XXXX**

1 3. Amend **ARTICLE 8. AUDIT AND INSPECTION OF RECORDS**: Page 6 of 8, line 16, to
2 delete "four (4) years" as the period for audit and inspection record, and in lieu thereof insert
3 "five (5) years".

4 4. Amend **ARTICLE 11. ALCOHOL AND DRUG POLICY**: Page 7 of 9, line 19, to change
5 the Drug Free Workplace Act of 1988 from "Exhibit D" to "Exhibit E".

6 The balance of said Agreement remains unchanged.

7 Upon execution by all parties, this Amendment No. X to Cooperative Agreement
8 No. C-X-XXXX shall be made effective on July 1, 2016.

9 **IN WITNESS WHEREOF**, the Parties hereto have caused this Amendment No. X to Cooperative
10 Agreement No. C-X-XXXX to be executed on the date first above written.

11 **CITY**

ORANGE COUNTY TRANSPORTATION AUTHORITY

12
13 By _____

13 By _____

Darrell Johnson
Chief Executive Officer

16 APPROVED AS TO FORM:

17
18 By _____

James M. Donich
General Counsel

21 APPROVED:

22
23 By _____

23 By _____

Beth McCormick
General Manager, Transit

(For Cities of LW, GG, and SB)

1 **ARTICLE 2. RESPONSIBILITIES OF AUTHORITY**

2 A. AUTHORITY agrees to provide funds per the following:

3 1. Services provided under the Senior Mobility Program are available to individuals
4 60 years of age and older.

5 2. Funds for the program are identified as one percent (1%) of Renewed
6 Measure M (M2) net sales tax revenue and will be allocated to all local jurisdictions based upon the
7 participating entity's respective percentage of the senior population of the entire county.

8 3. Senior population will be determined by using the most current official
9 decennial Census information provided by the U.S. Census Bureau.

10 4. All active participants will receive their portion of funding on a bi-monthly
11 basis.

12 B. In the event that the amount of M2 funding provided for this program is less than the
13 amount allocated for this program in fiscal year (FY 2010-11 as illustrated in Exhibit A, "Senior Mobility
14 Program Allocation," AUTHORITY will allocate funds to CITY in an amount no greater than FY 2010-11
15 funding levels less M2 SMP revenues. Disbursement of supplemental funds will occur upon
16 reconciliation of total M2 funds distributed to CITY during the fiscal year.

17 C. AUTHORITY agrees that Net Revenues allocated shall be expended within three (3)
18 years of receipt. AUTHORITY may grant an extension to the three-year limit, but extensions shall not be
19 granted beyond a total of five (5) years from the date of the initial funding allocation.

20 D. In the event the time limits for use of Net Revenues are not satisfied, then any retained
21 Net Revenues that were allocated to an Eligible Jurisdiction and interest earned thereon shall be
22 returned to AUTHORITY and these Net Revenues and interest earned thereon shall be available for
23 allocation to any project within the same source program at the discretion of AUTHORITY.

24 E. AUTHORITY may provide, at AUTHORITY's sole discretion, a refurbished surplus
25 paratransit vehicle, at no cost to CITY and no further responsibility to AUTHORITY after vehicle
26 donation. CITY may purchase additional vehicle(s) in excess of their vehicle allocation, based on

1 availability, at a cost equivalent to the refurbishment costs incurred by AUTHORITY.

2 **ARTICLE 3. RESPONSIBILITIES OF CITY**

3 A. CITY agrees that all funds received from AUTHORITY as specified in Article 2A
4 above will be used exclusively for providing accessible senior transportation services as specified in
5 Exhibit B, entitled "Senior Mobility Program Service Plan."

6 B. CITY will ensure the Service Plan is adopted by their governing board in accordance
7 with Section 7.0 of the SMP Funding and Policy Guidelines.

8 C. CITY must satisfy all M2 eligibility criteria as specified in Orange County Transportation
9 Authority Ordinance No. 3 Requirements for Eligible Jurisdictions in order to receive their formula
10 allocation for this program.

11 D. CITY agrees to comply with all provisions of the SMP Guidelines included as Exhibit C.

12 E. CITY agrees that Net Revenues allocated shall be expended within three (3) years of
13 receipt. AUTHORITY may grant an extension to the three-year limit, but extensions shall not be
14 granted beyond a total of five (5) years from the date of the initial funding allocation.

15 F. In the event the time limits for use of Net Revenues are not satisfied, any retained Net
16 Revenues that were allocated to an Eligible Jurisdiction and interest earned thereon shall be returned to
17 AUTHORITY and these Net Revenues and interest earned thereon shall be available for allocation to
18 any project within the same source program at the discretion of AUTHORITY.

19 G. CITY agrees to match a minimum of twenty percent (20%) of the total annual program
20 expenditures. Local match may be made up of cash-subsidies, fare revenues, donations, or in-kind
21 contributions, such as salaries and benefits for CITY employees who perform work on the program.

22 H. CITY may contract with a third-party service provider to provide senior transportation
23 services provided that:

- 24 1. Contractor is selected using a competitive procurement process; and
25 2. Wheelchair accessible vehicles are available and used when requested.

26 /

1 I. CITY shall procure and maintain insurance coverage during the entire term of this
2 Agreement. Coverage shall be full coverage or subject to self-insurance provisions. CITY shall
3 provide the following insurance coverage:

4 1. Commercial General Liability, to include Products/Completed Operations,
5 Independent Contractors', Contractual Liability, and Personal Injury Liability with a minimum limit of
6 \$1,000,000.00 per occurrence and \$2,000,000.00 general aggregate.

7 2. Automobile Liability Insurance to include owned, hired and non-owned autos with a
8 combined single limit of \$1,000,000.00 each accident;

9 3. Workers' Compensation with limits as required by the State of California including a
10 waiver of subrogation in favor of AUTHORITY, its officers, directors, employees or
11 agents;

12 4. Employers' Liability with minimum limits of \$1,000,000.00; and

13 J. Proof of such coverage, in the form of an insurance company issued policy
14 endorsement and a broker-issued insurance certificate, must be received by AUTHORITY prior to
15 commencement of any work. Proof of insurance coverage must be received by AUTHORITY within ten
16 (10) calendar days from the effective date of this Agreement with AUTHORITY, its officers, directors,
17 employees and agents designated as additional insured on the general and automobile liability. Such
18 insurance shall be primary and non-contributive to any insurance or self-insurance maintained by
19 AUTHORITY.

20 K. CITY shall include on the face of the Certificate of Insurance the Cooperative Agreement
21 Number C-3-1807; and, the Senior Contract Administrator's Name, Sue Ding.

22 L. CITY agrees to provide AUTHORITY with monthly summary reports of CITY's Senior
23 Mobility Program. CITY shall submit monthly summary report by the end of the following month as
24 specified in Exhibit D, "Senior Mobility Program Monthly Reporting Form," included in this Agreement,
25 which is incorporated into and made part of this Agreement.

26 /

1 M. CITY shall adopt an annual Expenditure Report to account for Net Revenues and
2 funds expended by the Eligible Jurisdiction, which satisfy the Maintenance of Effort requirements.
3 The Expenditure Report shall be submitted by the end of six (6) months following the end of the
4 jurisdiction's fiscal year and include the following:

- 5 1. All Net Revenue fund balances and interest earned.
- 6 2. Expenditures identified by type (i.e. capital, operations, administration, etc.) and
7 program or project.

8 N. In the event CITY obtains a retired AUTHORITY vehicle for Senior Mobility Program
9 services, CITY agrees to transfer vehicle title and registration within fourteen (14) calendar days
10 from taking possession of the vehicle. CITY also agrees to provide documentation to AUTHORITY
11 confirming transfer of vehicle title and registration from AUTHORITY to CITY within thirty (30)
12 calendar days from taking possession of the vehicle.

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Senior Mobility Program Funding Allocation

M2 Contribution Estimate Based Upon Senior Population (60+) and Available Revenues
 City Contribution is set at 20% of Total Program Expenditures

Allocation Summary			
Local Jurisdictions	M2 Contribution (80%)	City Contribution (20%)	Total Program Expenditures
	2017	2017	2017
Aliso Viejo	\$ 25,205	\$ 6,301	\$ 31,506
Anaheim	273,018	68,255	341,273
Brea	42,855	10,714	53,568
Buena Park	73,355	18,339	91,694
Costa Mesa	87,970	21,992	109,962
Cypress	52,260	13,065	65,325
Dana Point	49,889	12,472	62,362
Fountain Valley	80,486	20,121	100,607
Fullerton	131,598	32,900	164,498
Garden Grove	157,564	39,391	196,954
Huntington Beach	233,203	58,301	291,504
Irvine	169,870	42,467	212,337
La Habra	55,261	13,815	69,077
La Palma	-	-	-
Laguna Beach	38,052	9,513	47,564
Laguna Hills	35,514	8,878	44,392
Laguna Niguel	74,736	18,684	93,420
Laguna Woods	86,851	21,713	108,564
Lake Forest	67,677	16,919	84,597
Los Alamitos	12,990	3,247	16,237
Mission Viejo	117,175	29,294	146,469
Newport Beach	133,352	33,338	166,690
Orange	126,662	31,665	158,327
Placentia	54,535	13,634	68,168
Rancho Santa Margarita	26,868	6,717	33,585
San Clemente	72,977	18,244	91,222
San Juan Capistrano	46,563	11,641	58,204
Santa Ana	194,263	48,566	242,828
Seal Beach	67,634	16,909	84,543
Stanton	32,493	8,123	40,617
Tustin	56,666	14,167	70,833
Villa Park	11,140	2,785	13,925
Westminster	106,020	26,505	132,526
Yorba Linda	71,945	17,986	89,931
County Unincorporated			
Coto De Caza	-	-	-
Ladera Ranch	-	-	-
Las Flores	-	-	-
Midway City	-	-	-
North Tustin	-	-	-
Rossmoor	14,486	3,621	18,107
Sunset Beach	-	-	-
Total	\$ 2,881,134	\$ 720,284	\$ 3,601,418



Projected Measure M2 Senior Mobility Program Funding Allocation
Projected Cost to Maintain 2011 Funding Levels (2011 Allocated)
 Cities of Garden Grove, Laguna Woods, and Seal Beach

Allocation Detail						
Local Jurisdictions	2017	2018	2019	2020	2021	Total
	Garden Grove	25,661	17,268	8,906	156	
Laguna Woods	42,147	37,522	32,907	28,088	23,513	164,177
Seal Beach	1,480					1,480
Total	\$ 69,288	\$ 54,790	\$ 41,813	\$ 28,244	\$ 23,513	\$ 217,648



Senior Mobility Program Agency Service Plan

Jurisdictions and agencies participating in the Orange County Transportation Authority (OCTA) Senior Mobility Program (SMP) must complete the following Service Plan in order to receive SMP funding. The Service Plan must be developed in accordance with SMP Guidelines, included as Attachment 1, and submitted to OCTA for review. Upon review from OCTA, the Service Plan must be formally adopted by the agency's council or governing body and approved by the OCTA Board of Directors. Any modifications to SMP services will require submittal of a new Service Plan.

Participant Information:

Agency City of Garden Grove Date March 29, 2016
Program Contact Janet Pelayo Phone (714) 741-5215
Email janetp@garden-grove.org

Service Description:

1. Program goals and objectives:

The H. Louis Lake Senior Mobility Program will promote the continuation of an independent lifestyle for individuals age 60 and older through the provision of dependable door-to-door transportation services for residents of the City of Garden Grove.

The Senior Mobility Program (SMP) will operate weekdays from 7:30 a.m. to 6:00 p.m. Other trips will be provided in response to rider request on a first-come, first-served basis as funding allows. Trips will also be provided on holidays and for special events on weekends.

2. Indicate how SMP service will be operated: *(Please check all that apply)*

- | | |
|---|--|
| <input type="checkbox"/> Directly-Operated | <input type="checkbox"/> Subsidized Taxi Program |
| <input checked="" type="checkbox"/> Contract Service Provider | <input type="checkbox"/> Other (Please Describe) |
| <input type="checkbox"/> Volunteers | |

3. Eligible trips provided under the SMP are limited to the following categories. Please indicate the categories of service to be provided by your program: *(Please check all that apply)*

- | | |
|---|---|
| <input checked="" type="checkbox"/> Senior Center | <input checked="" type="checkbox"/> Personal Care |
| <input checked="" type="checkbox"/> Nutrition | <input checked="" type="checkbox"/> Shopping |
| <input checked="" type="checkbox"/> Medical | <input checked="" type="checkbox"/> Social / Recreation (Please Describe) |

City Concert in Parks, whale watching, site visits to other Senior Centers, Medieval Times, Orange County Fair, museum exhibits, concert venues, theaters, beach, and local farmers markets.

4. SMP Guidelines restricts trips outside of Orange County to medical trips within approximately 10 miles of the Orange County border. Do you intend to provide medical trips outside of Orange County?

Yes No

If yes, please list the trip purpose and destinations: *(e.g., medical trips to the VA Hospital in Long Beach)*

5. Fare structure:

The SMP fare structure is based on a per trip charge, which is \$12.00 for a one-way trip within the City of Garden Grove. For one-way trips outside of City limits there is an additional charge of \$2.50 per mile.

6. Number of vehicles:

6

7. Projected annual ridership:

12,739 one-way trips

8. Source(s) of 20 percent match funding:

In-Kind Staff Services

Program Requirements:

1. Jurisdiction/Agency shall follow competitive procurement practices in selection of vendors for all services which it does not provide using its own work force. Any Request for Proposals (RFP) for services shall specify the use of vehicles meeting Americans with Disabilities Act (ADA) accessibility standards.
2. Jurisdiction/Agency will perform, or ensure that a contracted vendor performs, maintenance of all vehicles used in the Senior Mobility program, including, at a minimum:
 - a) Daily Pre-Trip Inspections that meet or exceed the guidelines provided in the attached Pre-Trip Inspection Checklist (Attachment 2)
 - b) Scheduled preventative maintenance that meets or exceeds the guidelines provided in the attached PM Checklist, including the maintenance of all accessibility features of the vehicles.
 - c) Maintain maintenance records for each vehicle for five (5) years and, if required, cooperate fully in annual motor coach carrier terminal inspections conducted by the California Highway Patrol.
3. Jurisdiction/Agency will ensure that its operators, or its contracted vendor's operators, are properly licensed and trained to proficiency to perform duties safely, and in a manner which treats its riders with respect and dignity. Disability awareness and passenger assistance will be included in this training.
4. Jurisdiction/Agency will establish and implement an alcohol and drug program that complies with 41 U.S.C. sections 701-707, (the Drug Free Workplace Act of 1988), and will produce any documentation necessary to establish its compliance with sections 701-707.
5. Jurisdiction/Agency will submit a monthly report to OCTA's Community Transportation Services Department as illustrated in Attachment 3.
6. Jurisdiction/Agency will participate in OCTA marketing and outreach efforts to encourage use of fixed route transit service by older adults.
7. Jurisdiction/Agency will note OCTA sponsorship in any promotional material for service funded under this agreement and will display an OCTA Senior Mobility Program logo on vehicles used in this program (excluding taxis).
8. Jurisdiction/Agency will ensure that it maintains adequate oversight and control over all aspects of services that are provided by a contracted vendor.


IN WITNESS WHEREOF, has formally adopted the Senior Mobility Program Scope of Work as written above.

AGENCY REPRESENTATIVE

Name: _____

Title: _____

OCTA REPRESENTATIVE



Name: Beth McCormick

Title: General Manager, Transit

*As amended



Measure M2 Project U
Senior Non-Emergency Medical Transportation Funding Guidelines
May 2016

1.0 Overview

The Measure M2 (M2) Project U – Senior Non-Emergency Medical Transportation (SNEMT) Program provides funding to support the Orange County (County) Office on Aging (OoA) program which provides non-emergency medical transportation service for seniors such as trips to doctor and dental appointments, therapy, dialysis, and pharmacy visits. M2 Project U SNEMT funding was established to continue and expand the existing program which has been funded with Tobacco Settlement Revenue (TSR) funds since 2003. The County OoA administers the program which is operated through contract service providers.

The purpose of these guidelines is to provide procedures that assist in the administration of funding for the SNEMT program. The Orange County Transportation Authority (OCTA) shall enforce the provisions spelled out in these guidelines.

2.0 Objectives

- To enhance the existing Orange County SNEMT program.
- To sustain the SNEMT program by providing funds which augment declining TSR revenue.
- To provide non-emergency medical transportation for seniors as an alternative to OCTA ACCESS paratransit service.

3.0 Eligibility Requirements and Maintenance of Effort

The County must satisfy all M2 eligibility criteria to receive the formula allocation for this program.

The Maintenance of Effort requirement, as specified in the M2 Ordinance, indicates that the County shall continue to fund SNEMT program services in an annual amount equal to the same percentage of the total annual TSR funds received by the County as of November 2006. In Fiscal Year (FY) 2006-07, the TSR percentage allocated to the SNEMT program was 5.27 percent of the overall TSR received by the County.

The County is required to enter into a cooperative funding agreement with OCTA and adherence to strict funding guidelines is required by the M2 Ordinance.

4.0 Annual Maintenance of Effort Verification

The County must submit to OCTA an annual verification of the SNEMT program budget with supporting documentation to confirm the allocation of at least 5.27 percent of TSR funding to the SNEMT program as required by the M2 Ordinance.

Annual documentation submitted to OCTA should confirm budgeted TSR funding for the current FY and actual TSR funding for the prior FY. Verification documentation should be submitted to OCTA no later than December 31 of each calendar year.

5.0 Funding Allocation Method and Distribution

Funding for the program is identified as no less than the TSR funds annually expended and no greater than one percent of M2 net sales tax revenues plus accrued interest. Funding allocations are based on actual sales tax receipts. Funding will be distributed on a bi-monthly basis and must be expended within three years of receipt. OCTA may grant an extension beyond the three-year limitation; however, an extension may not exceed five years from the date of the initial funding allocation. The County must submit a justification letter requesting an extension beyond the three-year limitation for review and approval by OCTA at least 90 days prior to the end of the third year from the date of receipt of funds. Requests for an extension must include a plan of expenditure.

SNEMT earned interest must be spent on transportation activities consistent with SNEMT eligible expenses. Interest revenues must be expended within three years of receipt.

In the event the time limits for use of SNEMT funds are not satisfied, any retained SNEMT funds, including interest, shall be returned to OCTA.

6.0 Service Guidelines

SNEMT services are limited to non-emergency medical trips available to individuals 60 years of age and older.

The County is responsible for establishing program guidelines, operational policies, and administering and monitoring the provision of program services.

The County may initiate trip prioritization if actual expenditures exceed, or are within 25 percent of, the amount of TSR and M2 funding dedicated to the program

7.0 Eligible Expenses

The County shall ensure M2 funds and earned interest are used exclusively for eligible direct program-related expenses which may include contract service providers, staff time, program supplies and materials, marketing materials and community outreach. The County shall ensure all program costs are fair and reasonable. Administrative costs are allowed and considered eligible program expenses consistent with the County's approved cost allocation plan. All program expenses are subject to audit.

8.0 Program Revenue

The County must ensure their service contractors maintain adequate procedures for collecting and reporting program revenue, including fees, donations, and cash fares.

9.0 Reporting

The County is required to submit quarterly reports using a reporting template provided by OCTA. The County shall also be required to maintain supporting documentation, as specified by OCTA, to substantiate quarterly reporting data. Required reporting data may include, but is not limited to, the following:

- Quarterly TSR-Funded Trips
- Quarterly M2-Funded Trips
- Total Quarterly Trips
- Cumulative Total Trips
- Quarterly Program Operating Cost
- Quarterly OCTA Contribution
- Quarterly County Contribution
- Cumulative OCTA Contribution
- Cumulative County Contribution
- Program Monitoring Activities

Reports are due within 45 days from the end of each quarter. Failure to meet the established reporting deadline for two consecutive quarters during the fiscal year may result in a reduction of funding and/or other sanctions to be determined.

10.0 Audits and Inspection of Records

M2 funding is subject to audit. The County shall maintain program documentation and records for a period of no less than five years, including documentation evidencing the County's oversight and monitoring of contractors providing services under the Program. Program documents and records, including but not limited to contractor invoices, payroll records, trip sheets, and other program-related expenses, shall be available for review by OCTA SNEMT funding administrators, auditors, and authorized agents upon request. The County must follow established accounting requirements and applicable laws regarding the use of public funds. Failure to submit to an audit in a timely manner may result in loss of future funding. Misuse or misrepresentation of M2 funding will require remediation which may include repayment, reduction in overall allocation, and/or other sanctions to be determined by the OCTA Board of Directors. Audits shall be conducted by the OCTA Internal Audit Department, or other authorized agent, as determined by OCTA.



Senior Mobility Program

Monthly Reporting Form

DRAFT

Program Information

Service for the - Month of: July Year of: 2016
 Program Name: _____
 Participating Agency: _____
 Agency Contact: _____
 Contact Number: _____

Trip Detail

Trip Category	One-Way Trips		Service Hours		Service Miles	
	Jul 2016	FYTD	Jul 2016	FYTD	Jul 2016	FYTD
Senior Center	-	-	-	-	-	-
Medical	-	-	-	-	-	-
Shopping	-	-	-	-	-	-
Personal Care	-	-	-	-	-	-
Social / Recreational	-	-	-	-	-	-
Total	-	-	-	-	-	-

Cost Summaries

Cost Category	Jul 2016		FYTD	
	Cost	% of Total	Cost	% of Total
Direct Cost: Contracted Services	\$ -	0.0%	\$ -	0.0%
Direct Cost: In-House Labor	\$ -	0.0%	\$ -	0.0%
Direct Cost: Vehicle Expenses	\$ -	0.0%	\$ -	0.0%
Direct Cost: Marketing & Outreach	\$ -	0.0%	\$ -	0.0%
Indirect Cost: Administrative Costs	\$ -	0.0%	\$ -	0.0%
Total Expenses	\$ -	0.0%	\$ -	0.0%

Above Total Expenses Paid By...	Jul 2016	% of Total	FYTD	% of Total
OCTA Contribution	\$ -	0.0%	\$ -	0.0%
Agency Contribution	\$ -	0.0%	\$ -	0.0%

Above Agency Contribution Sources	Jul 2016	% of Total	FYTD	% of Total
General Fund	\$ -	0.0%	\$ -	0.0%
General Donations	\$ -	0.0%	\$ -	0.0%
Transportation Fees or Rider Fares	\$ -	0.0%	\$ -	0.0%
Title IIIB Funds	\$ -	0.0%	\$ -	0.0%
Other:	\$ -	0.0%	\$ -	0.0%
Other:	\$ -	0.0%	\$ -	0.0%
Other:	\$ -	0.0%	\$ -	0.0%

Declaration and Submission Confirmation



Senior Mobility Program

DRAFT

Monthly Reporting Form

Program Information

Service for the - Month of: July Year of: 2016
 Program Name: _____
 Participating Agency: _____
 Agency Contact: _____
 Contact Number: _____

Agency hereby certifies that this report is a true, complete and correct statement of program costs and revenues, and operating data.

Submitted By: _____

Signature: _____ Date: _____

! THIS REPORT IS DUE BY THE LAST DAY OF THE MONTH FOLLOWING THE REPORTING MONTH !

Please send this report by email to **CTSPROGRAMS@OCTA.NET** or by fax to **714-560-5927**.
 If there are any questions, please contact **JOANNE JACOBSEN** by email at **JJACOBSEN@OCTA.NET**
 or **JP GONZALEZ** by email at **JGONZALEZ1@OCTA.NET**.

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Scott C. Stiles From: Kimberly Huy
Dept.: City Manager Dept.: Community Services
Subject: Approval of Amendment No. 2 to the Agreement with Cabco Yellow, Inc., for the Senior Mobility Program. (Cost: \$39,391) (Action Item) Date: 6/28/2016

OBJECTIVE

To request City Council authorization to amend the Agreement with Cabco Yellow, Inc., for transportation services for the H. Louis Lake Senior Center Senior Mobility Program (SMP).

BACKGROUND

In July 2014, City Council approved a two-year Agreement with Cabco Yellow, Inc., to provide transportation services for the SMP at the H. Louis Lake Senior Center. The transportation services were split funded through the Orange County Transportation Authority, SeniorServ, and the City of Garden Grove for two (2) twelve-month periods beginning July 1, 2014, and ending June 30, 2016.

DISCUSSION

Funding for transportation services for the City’s SMP at the H. Louis Lake Senior Center will expire on June 30, 2016. On June 28, 2016, City Council will consider an Amendment to the Agreement with the Orange County Transportation Authority (OCTA) for additional grant funding for the City’s SMP for the H. Louis Lake Senior Center for an additional five (5) twelve-month periods beginning July 2016 through June 2021. The total grant funding provided by OCTA for each year is \$183,225. Additionally, staff anticipates receiving an additional \$21,000 in grant funding from SeniorServ for transportation services during fiscal year 2016-2017.

The current Agreement between the City and Cabco Yellow, Inc., provides the City with the option to extend the agreement for an additional three years, one year at a time. Staff would like to request that City Council approve Amendment No. 2 to the Agreement with Cabco Yellow, Inc., which will extend the term of the agreement for the first option year, beginning July 1, 2016 through June 30, 2017, and include the

new funding amounts for the City to compensate Cabco Yellow, Inc. an amount not to exceed \$204,225.

FINANCIAL IMPACT

Funding for transportation services for the City's SMP will continue to be split among the City, OCTA, and SeniorServ. OCTA will provide grant funding for the City's SMP through June 2021, while SeniorServ will provide annual grant funding. During Fiscal Year 2016-17, OCTA will provide \$183,225 for the twelve-month period; SeniorServ will provide approximately \$21,000. The City is required to provide a 20 percent match for the OCTA grant funding a total of \$39,391, which can be in-kind or financial. The match will consist of an in-kind match of staff services with a value of \$39,391 that is budgeted in the General Fund. Total available funding for the SMP during Fiscal Year 2016-17 will be \$204,225.

RECOMMENDATION

It is recommended that the City Council:

- Approve the attached Amendment No. 2 to the Agreement with the Cabco Yellow, Inc., for transportation services for the City's Senior Mobility Program at the H. Louis Lake Senior Center, in the amount not to exceed \$204,225 for Fiscal Year 2016-2017; and
- Authorize the City Manager to execute Amendment No. 2 on behalf of the City, including making minor modifications as appropriate and necessary.

ATTACHMENTS:

Description	Upload Date	Type	File Name
Agreement	6/16/2016	Backup Material	Cabco_Agreement.pdf
Exhibits	6/16/2016	Exhibit	Cabco_Exhibits.pdf

CITY OF GARDEN GROVE

AMENDMENT NO. 2

To: Provide Transportation Services for the City of Garden Grove's Senior Mobility Program.

This Amendment No. **2** to the Agreement to Provide Transportation Services for the City of Garden Grove's Senior Mobility Program is made and entered into this ____ day of ____ 2016, by and between the **CITY OF GARDEN GROVE**, hereinafter referred to as "CITY", and **Cabco Yellow, Inc.**, hereinafter referred to as "CONTRACTOR".

WHEREAS, CONTRACTOR and CITY entered into Contract No. **152152** effective July 8, 2014 through June 30, 2016, with an option to extend the term for an additional three years, one year at a time (the "Agreement").

WHEREAS, CONTRACTOR and CITY desire to amend the Agreement as provided herein.

Now, therefore, it is mutually agreed, by and between the parties as follows:

Section 1. TERM and TERMINATION, shall be revised as follows:

The term of the Agreement shall be extended for the first option year through June 30, 2017, unless earlier terminated pursuant to Section 3.4 of the Agreement.

Section 2. SERVICES TO BE PROVIDED, shall be revised to add services as follows:

In addition to the services outlined in this section and on the original Scope of Work and Proposal attached to the Agreement as Attachments "A" and "B", the CONTRACTOR must also comply with the following:

CONTRACTOR agrees that all services provided to CITY will be exclusively for providing accessible senior transportation services as specified in Exhibit A to this Amendment No. 2, entitled "Senior Mobility Program Service Plan".

CONTRACTOR agrees to comply with the M2 Project SMP Funding and Policy Guidelines as specified in Exhibit B to this Amendment No. 2, entitled "M2 Project SMP Funding and Policy Guidelines".

CONTRACTOR agrees to provide CITY with monthly summary reports of the City's SMP, and shall submit the monthly summary report as specified in Exhibit C to this Amendment No. 2, entitled "Senior Mobility Program Monthly Reporting Form".

CONTRACTOR agrees to comply with the Drug Free Workplace Act of 1988 as specified in Exhibit D to this Amendment No. 2, entitled "Drug Free Workplace Act

of 1988”.

CONTRACTOR will perform maintenance of all vehicles used in the Senior Mobility Program, including the Daily Pre-Operation inspections that meet or exceed the guidelines provided in Exhibit E to this Amendment No. 2, entitled “Pre-Operation Inspection & Defect Report”, and the Schedule preventative maintenance that meets or exceeds the guidelines provided in the Senior Mobility P.M. Check List provided in Exhibit F to this Amendment No. 2, entitled “Senior Mobility P.M. Check List”.

CONTRACTOR shall keep maintenance records for each vehicle for five years and shall cooperate fully in annual motor coach carrier terminal inspections conducted by the California Highway Patrol.

Section 3.1 AMOUNT, shall be revised as follows:

Total Compensation under this Amendment No. 2 shall not exceed (NTE) the amount of Two Hundred Four Thousand Two Hundred Twenty Five Dollars (\$204,225.00), for the period of July 1, 2016 through June 30, 2017.

Section 3.3 RECORDS OF EXPENSES, shall be revised as follows:

CONTRACTOR shall keep complete and accurate records of all costs and expenses incidental to services covered by the Contract, including Attachment A, Attachment B, and all other records required pursuant to this Amendment No. 2, including Exhibits A through F. These records will be made available at reasonable times to CITY.

Except as expressly amended herein and in Amendment No. 1, the all other terms of the Agreement shall remain in full force and effect as originally executed.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have caused this Amendment No. 2 to the Agreement to be executed by their respective officers duly authorized as of the date first written above.

Date: _____

"CITY"
CITY OF GARDEN GROVE

By: _____
City Manager

ATTESTED:

City Clerk

Date: _____

"CONTRACTOR"
Cabco Yellow, Inc.

By: _____

Name: _____

Title: _____

Date: _____

If CONTRACTOR is a corporation, a Corporate Resolution and/or Corporate Seal is required. If a partnership, Statement of Partnership must be submitted to CITY.

APPROVED AS TO FORM:

Garden Grove City Attorney

Date



Senior Mobility Program

Agency Service Plan

Jurisdictions and agencies participating in the Orange County Transportation Authority (OCTA) Senior Mobility Program (SMP) must complete the following Service Plan in order to receive SMP funding. The Service Plan must be developed in accordance with SMP Guidelines, included as Attachment 1, and submitted to OCTA for review. Upon review from OCTA, the Service Plan must be formally adopted by the agency's council or governing body and approved by the OCTA Board of Directors. Any modifications to SMP services will require submittal of a new Service Plan.

Participant Information:

Agency City of Garden Grove Date March 29, 2016
 Program Contact Janet Pelayo Phone (714) 741-5215
 Email janetp@garden-grove.org

Service Description:

1. Program goals and objectives:

The H. Louis Lake Senior Mobility Program will promote the continuation of an independent lifestyle for individuals age 60 and older through the provision of dependable door-to-door transportation services for residents of the City of Garden Grove.

The Senior Mobility Program (SMP) will operate weekdays from 7:30 a.m. to 6:00 p.m. Other trips will be provided in response to rider request on a first-come, first-served basis as funding allows. Trips will also be provided on holidays and for special events on weekends.

2. Indicate how SMP service will be operated: *(Please check all that apply)*

- | | |
|---|--|
| <input type="checkbox"/> Directly-Operated | <input type="checkbox"/> Subsidized Taxi Program |
| <input checked="" type="checkbox"/> Contract Service Provider | <input type="checkbox"/> Other (Please Describe) |
| <input type="checkbox"/> Volunteers | |

3. Eligible trips provided under the SMP are limited to the following categories. Please indicate the categories of service to be provided by your program: *(Please check all that apply)*

- | | |
|---|---|
| <input checked="" type="checkbox"/> Senior Center | <input checked="" type="checkbox"/> Personal Care |
| <input checked="" type="checkbox"/> Nutrition | <input checked="" type="checkbox"/> Shopping |
| <input checked="" type="checkbox"/> Medical | <input checked="" type="checkbox"/> Social / Recreation (Please Describe) |

City Concert in Parks, whale watching, site visits to other Senior Centers, Medieval Times, Orange County Fair, museum exhibits, concert venues, theaters, beach, and local farmers markets.

4. SMP Guidelines restricts trips outside of Orange County to medical trips within approximately 10 miles of the Orange County border. Do you intend to provide medical trips outside of Orange County?

Yes No

If yes, please list the trip purpose and destinations: *(e.g., medical trips to the VA Hospital in Long Beach)*

5. Fare structure:

The SMP fare structure is based on a per trip charge, which is \$12.00 for a one-way trip within the City of Garden Grove. For one-way trips outside of City limits there is an additional charge of \$2.50 per mile.

6. Number of vehicles:

6

7. Projected annual ridership:

12,739 one-way trips

8. Source(s) of 20 percent match funding:

In-Kind Staff Services

Program Requirements:

1. Jurisdiction/Agency shall follow competitive procurement practices in selection of vendors for all services which it does not provide using its own work force. Any Request for Proposals (RFP) for services shall specify the use of vehicles meeting Americans with Disabilities Act (ADA) accessibility standards.
2. Jurisdiction/Agency will perform, or ensure that a contracted vendor performs, maintenance of all vehicles used in the Senior Mobility program, including, at a minimum:
 - a) Daily Pre-Trip Inspections that meet or exceed the guidelines provided in the attached Pre-Trip Inspection Checklist (Attachment 2)
 - b) Scheduled preventative maintenance that meets or exceeds the guidelines provided in the attached PM Checklist, including the maintenance of all accessibility features of the vehicles.
 - c) Maintain maintenance records for each vehicle for five (5) years and, if required, cooperate fully in annual motor coach carrier terminal inspections conducted by the California Highway Patrol.
3. Jurisdiction/Agency will ensure that its operators, or its contracted vendor's operators, are properly licensed and trained to proficiency to perform duties safely, and in a manner which treats its riders with respect and dignity. Disability awareness and passenger assistance will be included in this training.
4. Jurisdiction/Agency will establish and implement an alcohol and drug program that complies with 41 U.S.C. sections 701-707, (the Drug Free Workplace Act of 1988), and will produce any documentation necessary to establish its compliance with sections 701-707.
5. Jurisdiction/Agency will submit a monthly report to OCTA's Community Transportation Services Department as illustrated in Attachment 3.
6. Jurisdiction/Agency will participate in OCTA marketing and outreach efforts to encourage use of fixed route transit service by older adults.
7. Jurisdiction/Agency will note OCTA sponsorship in any promotional material for service funded under this agreement and will display an OCTA Senior Mobility Program logo on vehicles used in this program (excluding taxis).
8. Jurisdiction/Agency will ensure that it maintains adequate oversight and control over all aspects of services that are provided by a contracted vendor.

IN WITNESS WHEREOF, has formally adopted the Senior Mobility Program Scope of Work as written above.


AGENCY REPRESENTATIVE

Name: _____

Title: _____

*As amended

OCTA REPRESENTATIVE



Name: Beth McCormick

Title: General Manager, Transit



Measure M2 Project U
Senior Non-Emergency Medical Transportation Funding Guidelines
May 2016

1.0 Overview

The Measure M2 (M2) Project U – Senior Non-Emergency Medical Transportation (SNEMT) Program provides funding to support the Orange County (County) Office on Aging (OoA) program which provides non-emergency medical transportation service for seniors such as trips to doctor and dental appointments, therapy, dialysis, and pharmacy visits. M2 Project U SNEMT funding was established to continue and expand the existing program which has been funded with Tobacco Settlement Revenue (TSR) funds since 2003. The County OoA administers the program which is operated through contract service providers.

The purpose of these guidelines is to provide procedures that assist in the administration of funding for the SNEMT program. The Orange County Transportation Authority (OCTA) shall enforce the provisions spelled out in these guidelines.

2.0 Objectives

- To enhance the existing Orange County SNEMT program.
- To sustain the SNEMT program by providing funds which augment declining TSR revenue.
- To provide non-emergency medical transportation for seniors as an alternative to OCTA ACCESS paratransit service.

3.0 Eligibility Requirements and Maintenance of Effort

The County must satisfy all M2 eligibility criteria to receive the formula allocation for this program.

The Maintenance of Effort requirement, as specified in the M2 Ordinance, indicates that the County shall continue to fund SNEMT program services in an annual amount equal to the same percentage of the total annual TSR funds received by the County as of November 2006. In Fiscal Year (FY) 2006-07, the TSR percentage allocated to the SNEMT program was 5.27 percent of the overall TSR received by the County.

The County is required to enter into a cooperative funding agreement with OCTA and adherence to strict funding guidelines is required by the M2 Ordinance.

4.0 Annual Maintenance of Effort Verification

The County must submit to OCTA an annual verification of the SNEMT program budget with supporting documentation to confirm the allocation of at least 5.27 percent of TSR funding to the SNEMT program as required by the M2 Ordinance.

Annual documentation submitted to OCTA should confirm budgeted TSR funding for the current FY and actual TSR funding for the prior FY. Verification documentation should be submitted to OCTA no later than December 31 of each calendar year.

5.0 Funding Allocation Method and Distribution

Funding for the program is identified as no less than the TSR funds annually expended and no greater than one percent of M2 net sales tax revenues plus accrued interest. Funding allocations are based on actual sales tax receipts. Funding will be distributed on a bi-monthly basis and must be expended within three years of receipt. OCTA may grant an extension beyond the three-year limitation; however, an extension may not exceed five years from the date of the initial funding allocation. The County must submit a justification letter requesting an extension beyond the three-year limitation for review and approval by OCTA at least 90 days prior to the end of the third year from the date of receipt of funds. Requests for an extension must include a plan of expenditure.

SNEMT earned interest must be spent on transportation activities consistent with SNEMT eligible expenses. Interest revenues must be expended within three years of receipt.

In the event the time limits for use of SNEMT funds are not satisfied, any retained SNEMT funds, including interest, shall be returned to OCTA.

6.0 Service Guidelines

SNEMT services are limited to non-emergency medical trips available to individuals 60 years of age and older.

The County is responsible for establishing program guidelines, operational policies, and administering and monitoring the provision of program services.

The County may initiate trip prioritization if actual expenditures exceed, or are within 25 percent of, the amount of TSR and M2 funding dedicated to the program

7.0 Eligible Expenses

The County shall ensure M2 funds and earned interest are used exclusively for eligible direct program-related expenses which may include contract service providers, staff time, program supplies and materials, marketing materials and community outreach. The County shall ensure all program costs are fair and reasonable. Administrative costs are allowed and considered eligible program expenses consistent with the County's approved cost allocation plan. All program expenses are subject to audit.

8.0 Program Revenue

The County must ensure their service contractors maintain adequate procedures for collecting and reporting program revenue, including fees, donations, and cash fares.

9.0 Reporting

The County is required to submit quarterly reports using a reporting template provided by OCTA. The County shall also be required to maintain supporting documentation, as specified by OCTA, to substantiate quarterly reporting data. Required reporting data may include, but is not limited to, the following:

- Quarterly TSR-Funded Trips
- Quarterly M2-Funded Trips
- Total Quarterly Trips
- Cumulative Total Trips
- Quarterly Program Operating Cost
- Quarterly OCTA Contribution
- Quarterly County Contribution
- Cumulative OCTA Contribution
- Cumulative County Contribution
- Program Monitoring Activities

Reports are due within 45 days from the end of each quarter. Failure to meet the established reporting deadline for two consecutive quarters during the fiscal year may result in a reduction of funding and/or other sanctions to be determined.

10.0 Audits and Inspection of Records

M2 funding is subject to audit. The County shall maintain program documentation and records for a period of no less than five years, including documentation evidencing the County's oversight and monitoring of contractors providing services under the Program. Program documents and records, including but not limited to contractor invoices, payroll records, trip sheets, and other program-related expenses, shall be available for review by OCTA SNEMT funding administrators, auditors, and authorized agents upon request. The County must follow established accounting requirements and applicable laws regarding the use of public funds. Failure to submit to an audit in a timely manner may result in loss of future funding. Misuse or misrepresentation of M2 funding will require remediation which may include repayment, reduction in overall allocation, and/or other sanctions to be determined by the OCTA Board of Directors. Audits shall be conducted by the OCTA Internal Audit Department, or other authorized agent, as determined by OCTA.



Senior Mobility Program

Monthly Reporting Form

EXHIBIT C

Program Information

Service for the - Month of: July Year of: 2016
 Program Name: _____
 Participating Agency: _____
 Agency Contact: _____
 Contact Number: _____

Trip Detail

Trip Category	One-Way Trips		Service Hours		Service Miles	
	Jul 2016	FYTD	Jul 2016	FYTD	Jul 2016	FYTD
Senior Center	-	-	-	-	-	-
Medical	-	-	-	-	-	-
Shopping	-	-	-	-	-	-
Personal Care	-	-	-	-	-	-
Social / Recreational	-	-	-	-	-	-
Total	-	-	-	-	-	-

Cost Summaries

Cost Category	Jul 2016		FYTD	
	Cost	% of Total	Cost	% of Total
Direct Cost: Contracted Services	\$ -	0.0%	\$ -	0.0%
Direct Cost: In-House Labor	\$ -	0.0%	\$ -	0.0%
Direct Cost: Vehicle Expenses	\$ -	0.0%	\$ -	0.0%
Direct Cost: Marketing & Outreach	\$ -	0.0%	\$ -	0.0%
Indirect Cost: Administrative Costs	\$ -	0.0%	\$ -	0.0%
Total Expenses	\$ -	0.0%	\$ -	0.0%

Above Total Expenses Paid By...	Jul 2016	% of Total	FYTD	% of Total
OCTA Contribution	\$ -	0.0%	\$ -	0.0%
Agency Contribution	\$ -	0.0%	\$ -	0.0%

Above Agency Contribution Sources	Jul 2016	% of Total	FYTD	% of Total
General Fund	\$ -	0.0%	\$ -	0.0%
General Donations	\$ -	0.0%	\$ -	0.0%
Transportation Fees or Rider Fares	\$ -	0.0%	\$ -	0.0%
Title IIIB Funds	\$ -	0.0%	\$ -	0.0%
Other:	\$ -	0.0%	\$ -	0.0%
Other:	\$ -	0.0%	\$ -	0.0%
Other:	\$ -	0.0%	\$ -	0.0%

Declaration and Submission Confirmation



Senior Mobility Program

DRAFT

Monthly Reporting Form

Program Information

Service for the - Month of: July Year of: 2016
 Program Name: _____
 Participating Agency: _____
 Agency Contact: _____
 Contact Number: _____

Agency hereby certifies that this report is a true, complete and correct statement of program costs and revenues, and operating data.

Submitted By: _____

Signature: _____ Date: _____

! THIS REPORT IS DUE BY THE LAST DAY OF THE MONTH FOLLOWING THE REPORTING MONTH !

Please send this report by email to CTSPROGRAMS@OCTA.NET or by fax to 714-560-5927.
 If there are any questions, please contact **JOANNE JACOBSEN** by email at JJACOBSEN@OCTA.NET
 or **JP GONZALEZ** by email at JGONZALEZ1@OCTA.NET.



DRUG-FREE WORKPLACE ACT OF 1988

THE FEDERAL LAW

This law, enacted November 1988, with subsequent modification in 1994 by the Federal Acquisition Streamlining Act, (*raising the contractor amount from \$25,000 to \$100,000*), requires compliance by all organizations contracting with any U. S. Federal agency in the amount of \$100,000 or more that does not involve the acquisition of commercial goods via a procurement contract or purchase order, and is performed in whole in the United States. It also requires that *all* organizations receiving federal grants, regardless of amount granted, maintain a drug-free workplace in compliance with the Drug-Free Workplace Act of 1988. The Law further requires that all *individual* contractors and grant recipients, regardless of dollar amount/value of the contract or grant, comply with the Law.

Certification that this requirement is being met must be done in the following manner:

By publishing a statement informing all covered employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the covered workplace, and what actions will be taken against employees in the event of violations of such statement.

By providing **ALL** covered employees with a copy of the above-described statement, including the information that as a condition of employment on the Federal contract or grant, the employee must abide by the terms and conditions of the policy statement.

For Federal contractors this encompasses employees involved in the performance of the contract. For Federal grantees all employees must come under this requirement as the act includes all "direct charge" employees (those whose services are directly & explicitly paid for by grant funds), and "indirect charge" employees (members of grantee's organization who perform support or overhead functions related to the grant and for which the Federal Government pays its share of expenses under the grant program).

Among "indirect charge" employees, those whose impact or involvement is insignificant to the performance of the grant are exempted from coverage. Any other person, who is on the grantee's payroll and works in any activity under the grant, even if not paid from grant funds, is also considered to be an employee.

AGREEMENT NO. C-1-2472
EXHIBIT D

Temporary personnel and consultants who are on the grantee's payroll are covered. Similar workers, who are not on the grantee's payroll, but on the payroll of contractors working for the grantee, are not covered even if physical place of employment is in the grantee's workplace.

By establishing a continuing, drug-free awareness program to inform employees of the dangers of drug abuse; the company's drug-free workplace policy; the penalties for drug abuse violations occurring in the workplace; the availability of any drug counseling, rehabilitation, and/or employee assistance plans offered through the employer.

By requiring each employee directly involved in the work of the contract or grant to notify the employer of any criminal drug statute conviction for a violation occurring in the workplace not less than five (5) calendar days after such conviction.

By notifying the Federal agency with which the employer has the contract or grant of any such conviction within ten (10) days after being notified by an employee or any other person with knowledge of a conviction.

By requiring the imposition of sanctions or remedial measures, including termination, for an employee convicted of a drug abuse violation in the workplace. These sanctions may be participation in a drug rehabilitation program if so stated in the company policy.

By continuing to make a "good-faith" effort to comply with all of the requirements as set forth in the Drug-Free Workplace Act.

All employers covered by the law are subject to suspension of payments, termination of the contract or grant, suspension or debarment if the head of the contracting or granting organization determines that the employer has made any type of false certification to the contracting or grant office, has not fulfilled the requirements of the law, or has excessive drug violation convictions in the workplace. Penalties may also be imposed upon those employing a number of individuals convicted of criminal drug offenses as this demonstrates a lack of good faith effort to provide a drug-free workplace. The contract or grant officer may determine the number on a case-by-case basis. Employers who are debarred are ineligible for other Federal contracts or grants for up to five (5) years. Compliance may be audited by the Federal agency administering the contract or grant.

The Drug-free Workplace Act does not require employers to establish an employee assistance program (EAP) or to implement drug testing as a part of the program.

Source: Federal Registers April 11, 1988 & May 25, 1990 & the Federal Acquisition Streamlining Act of 1994 (FASA).

EXHIBIT E

Pre- Operation Inspection & Defect Report

Bus/Van No. _____ Date: _____

Federal Regulations state that no motor vehicle carrying passengers for hire shall be driven unless the driver has determined that the following parts and accessories are in good working order. Each driver is required to submit a signed written report daily for each coach driven.

1st Driver: _____

Miles Finish: _____ Miles Start: _____ Miles Elapsed: _____

No Defects: Defects: Signature: _____

2nd Driver: _____

Miles Finish: _____ Miles Start: _____ Miles Elapsed: _____

No Defects: Defects: Signature: _____

3rd Driver: _____

Miles Finish: _____ Miles Start: _____ Miles Elapsed: _____

No Defects: Defects: Signature: _____

PREOPERATIONS INSPECTIONS

Indicate with an (x) that each item has been checked:

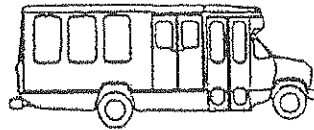
<input type="checkbox"/> AM/PM	<input type="checkbox"/> Tires/Lug Nuts (wheels & rims)	<input type="checkbox"/> AM/PM	<input type="checkbox"/> Emergency Reflectors
<input type="checkbox"/>	<input type="checkbox"/> Motor-Guard	<input type="checkbox"/>	<input type="checkbox"/> Turn Signal Switch/Horn
<input type="checkbox"/>	<input type="checkbox"/> Air System	<input type="checkbox"/>	<input type="checkbox"/> First Aid Kit
<input type="checkbox"/>	<input type="checkbox"/> Lights/Reflectors	<input type="checkbox"/>	<input type="checkbox"/> Radio
<input type="checkbox"/>	<input type="checkbox"/> Wheelchair Lift	<input type="checkbox"/>	<input type="checkbox"/> Driver's Seat/Belt
<input type="checkbox"/>	<input type="checkbox"/> Wheelchair Lift Cover	<input type="checkbox"/>	<input type="checkbox"/> Door Interlock
<input type="checkbox"/>	<input type="checkbox"/> Mirrors	<input type="checkbox"/>	<input type="checkbox"/> W/C Tie Down Straps
<input type="checkbox"/>	<input type="checkbox"/> Windshield Wipers/Washers	<input type="checkbox"/>	<input type="checkbox"/> Manual Lift Bar
<input type="checkbox"/>	<input type="checkbox"/> Fire Extinguisher	<input type="checkbox"/>	<input type="checkbox"/> Conduct Walk Around
<input type="checkbox"/>	<input type="checkbox"/> Steering Mechanism	<input type="checkbox"/>	<input type="checkbox"/> Parking/Brakes/Service Brakes

DEFECTS: Indicate with an (x) defective items only: (Explain in Detail)

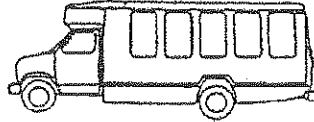
BRAKES	RETARDER	ENGINE
<input type="checkbox"/> Brake Fluid Leaks	<input type="checkbox"/> Light On:	<input type="checkbox"/> Hot Engine/Water Leaks
<input type="checkbox"/> Soft/Hard	<input type="checkbox"/> Brakes Not Applied	<input type="checkbox"/> Low Oil/Oil Leaks
<input type="checkbox"/> Pull to L/R	<input type="checkbox"/> Light On:	<input type="checkbox"/> Starts Hard
<input type="checkbox"/> Dragging	<input type="checkbox"/> Brakes Applied,	<input type="checkbox"/> No Power/Eng. Ck. Light
<input type="checkbox"/> Smoking	<input type="checkbox"/> Bus Stopped	<input type="checkbox"/> Smokes
<input type="checkbox"/> Emergency Brake	<input type="checkbox"/> Light Not On:	<input type="checkbox"/> Idies Rough/Vibration
<input type="checkbox"/> Other - explain	<input type="checkbox"/> Brakes Applied,	<input type="checkbox"/> Exhaust, Vacuum Leaks
	<input type="checkbox"/> Bus Moving	<input type="checkbox"/> Fuel Leaks/LPG/Gas
TIRES/WHEELS	A/C & HEATING	<input type="checkbox"/> Other - explain
<input type="checkbox"/> Flat	<input type="checkbox"/> Off	TRANSMISSION
<input type="checkbox"/> Embedded Object	<input type="checkbox"/> Too Cold/Hot	<input type="checkbox"/> Won't Go Into Gear
<input type="checkbox"/> Cut	<input type="checkbox"/> Defroster Defect	<input type="checkbox"/> Slips/Grinds/Lurches
<input type="checkbox"/> Smooth/Cord	<input type="checkbox"/> Ventilation (Blowers)	<input type="checkbox"/> Excessive Noise
<input type="checkbox"/> LF RF RRI RRO LRI LRG	<input type="checkbox"/> Fumes	<input type="checkbox"/> Leaks
<input type="checkbox"/> Loose Missing Lugs	<input type="checkbox"/> Other - explain	<input type="checkbox"/> Drive Line Vibration
<input type="checkbox"/> Other - explain	ENTRANCE/EXIT DOORS/	<input type="checkbox"/> Rear End Noise
LIGHTS	WINDOWS	STEERING
<input type="checkbox"/> Interior	<input type="checkbox"/> Slow	<input type="checkbox"/> Hard/Binds
<input type="checkbox"/> Exterior	<input type="checkbox"/> Inoperative	<input type="checkbox"/> Shimmy
<input type="checkbox"/> Location: _____	<input type="checkbox"/> Leaks Air	<input type="checkbox"/> Excessive Play
	<input type="checkbox"/> Excessive Play	<input type="checkbox"/> Other - explain
	<input type="checkbox"/> Other - explain	ELECTRICAL EQUIPMENT
VEHICLE CLEANLINESS	<input type="checkbox"/> Emergency Releases	<input type="checkbox"/> Generator/Starter
<input type="checkbox"/> Interior	WHEEL CHAIR LIFT	<input type="checkbox"/> Turn Signals/Flashers
<input type="checkbox"/> Exterior	<input type="checkbox"/> Will Not Fold Out	<input type="checkbox"/> Horn
<input type="checkbox"/> Floor	<input type="checkbox"/> Will Not Lower/Raise	<input type="checkbox"/> Fare Box
<input type="checkbox"/> Windows	<input type="checkbox"/> No Restraint Down/Up	<input type="checkbox"/> Instruments/Gauges
<input type="checkbox"/> Seat Condition	<input type="checkbox"/> Lift Will Not Fold Into Bus	<input type="checkbox"/> Fuel, Oil, Amp Meter
Explain: _____		
RADIO	<input type="checkbox"/> Seats	<input type="checkbox"/> Handrails
		<input type="checkbox"/> Modesty Panels

BODY DAMAGE:

Circle and describe any damage to a bus on diagram of front/rear and two side views



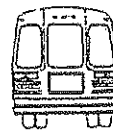
Description: _____



Description: _____



Description: _____



Description: _____

OPERATOR(S):

IMPORTANT! Help expedite repairs by providing necessary information regarding defects! Please print.

REPAIRS MADE:

ALL ITEMS COMPLETED - BUS SERVICED AND RELEASED:

Supervisor's Signature _____

Date _____

Senior Mobility P.M. Check List

Date	Bus#	TERMINAL	workorder#	Current Mileage
				Last Inspection miles
				Miles between

- A. Employee must check off all boxes/ Note all discrepancies on reverse side
- B. Check files and open workorders

C. Interior

		ok	rep req.
1	Entry door operation and seals		
2	Temperature and oil warning devices		
3	Neutral safety system		
4	Horn, gauges and dash lights		
5	Heater, defroster and fan		
6	Windshield wipers and washer		
7	Indicator lights		
8	Throttle operation		
9	Steering free play _____ In.		
10	Applied and unapplied brake test for vacuum loss		
11	Interior lights		
12	Windshield and window glass condition		
13	Window mechanism and seals		
14	Seat condition		
15	Interior body, floor and stanlions		
16	Fire extinguisher date and bracket		
17	Road warning devices		
18	First aid kits		
19	Emergency exits operation, warning devices and signs		
20	Interior clean		
21	Back up alarm		

E. Under hood

		ok	rep req.
1	Check for visible leakage		
2	Engine oil level		
3	Transmission fluid level and condition		
4	Brake fluid		
5	Power steering fluid		
6	Check all belts		
7	Component and accessory mounting		
8	Check all hoses and routing		
9	Coolant level and protection _____ off _____ ph		
10	Pressure test cooling system		
11	Water pump and fan clutch play		
12	Air filter condition - check restriction gauge		
13	Check exhaust system		
14	Battery fluid level and mounting		
15	Clean battery and connections		
16	Drain fuel/water separator		

D. Exterior

		ok	rep req.
1	All exterior lights and signals		
2	Mirror condition and mounting		
3	Record body damage		
4	Bumper bolts		
5	Paint lettering and appearance		
6	Emergency exits		
7	Axle flange and lug nuts, oil hubs		
8	Tire side wall condition, cracked wheels, valve stem Valve stem cap, alignment of rear duels		
9	Tread depth		
	LF _____ RF _____ LRO _____		
	LRI _____ RRO _____ RRI _____		
10	Tire inflation: Record and inflate		
	LF _____ RF _____ LRO _____		
	LRI _____ RRO _____ RRI _____		

F. Under Bus

		ok	rep req.
1	Kingpin and wheel bearing play		
2	Tire wear, condition and matching		
3	Leakage at backing plates and wheel seals		
4	Steering box, mounting, leakage, looseness and leaks		
5	Front shocks and mounting		
6	Front springs, bushings		
7	Engine leaks, lines, filters, hoses and engine mounts		
8	Starter and connections		
9	Exhaust system and mounting		
10	Transmission mounted parking brake		
11	Transmission leaks		
12	Output shaft play		
13	Driveshaft guard, U joints and retarder		
14	Body hold downs and insulators		
15	Wiring along frame		
16	Differential leaks, fluid level		
17	Pinion play		
18	Breather vent		
19	Rear shocks and mounting		
20	Rear springs, bushings and U bolts		
21	Leakage at backing plates and wheel seals		
22	Fuel tank straps and lines		
23	Tail pipe hangers		
24	Lube entire chassis		
25	Check drag link, tie rods and idler arms		

Senior Mobility P.M. Check List

D. Brakes

		ok	rep req.
1	Visible and audible leaks		
2	Check all lines along chassis		
3	Check brake booster and hoses		
4	Hydraulic lines		
	Remove wheels and check the following items		
5	Pads and rotors		
6	Check pins and caliber's		

D. Lift Inspection

		ok	rep req.
1	Check lift for proper operations		
2	Inspect for stress, cracks, mounting and alignment		
3	Check pins		
4	Check the complete hydraulic system		
5	Check micro switches and electrical wiring		
6	Check all system covers and warning signs		
7	Check safety barrier		
8	Lube complete lift		
9	Check wheelchair securements, proper amount and operation		
10	Lift door warning device		
11	Lift cover in place		

H. Roadtest

I. Note repairs needed

Signature of Inspecting Mechanic

Signature of Supervisor

- 6,000 miles- inspection/oil change
- 30,000 Transmission service
- 60,000 Differential service

RECONVENE

At 6:47 p.m., Mayor Nguyen reconvened the meeting with all Council Members present.

ORAL COMMUNICATIONS CONTINUED

RECESS

At 7:51 p.m., Mayor Nguyen recessed the meeting.

RECONVENE

At 7:52 p.m., Mayor Nguyen reconvened the meeting with all Council Members present.

ORAL COMMUNICATIONS CONTINUED

RECESS

At 8:12 p.m., Mayor Nguyen recessed the meeting.

RECONVENE

At 8:23 p.m., Mayor Nguyen reconvened the meeting with all Council Members present.

ISSUANCE OF A PURCHASE ORDER TO NATIONAL AUTO FLEET GROUP FOR ONE (1) JEEP SPRAY TRUCK (F: 60.4)

It was moved by Council Member Beard, seconded by Council Member Phan that:

The Finance Director be authorized to issue a purchase order, in the amount of \$35,820.80, to National Auto Fleet Group for the purchase of one new Jeep Spray Truck.

The motion carried by a 5-0 vote as follows:

Ayes: (5) Beard, Bui, Nguyen, Jones, Phan
Noes: (0) None

WEST ORANGE COUNTY WATER BOARD PROPOSED BUDGET FISCAL YEAR 2016-17
(F: 112.9)

It was moved by Council Member Beard, seconded by Council Member Phan that:

The West Orange County Water Board Fiscal Year 2016-17 proposed budget, in the amount of \$12,327, be approved.

The motion carried by a 5-0 vote as follows:

Ayes: (5) Beard, Bui, Nguyen, Jones, Phan
Noes: (0) None

FINAL PARCEL MAP NO. 2013-158 FOR THE PROPERTY LOCATED AT 9882 BELFAST DRIVE, GARDEN GROVE (F: 118.2013-158)

It was moved by Council Member Beard, seconded by Council Member Phan that:

Final Parcel Map No. 2013-158 be approved.

The motion carried by a 5-0 vote as follows:

Ayes: (5) Beard, Bui, Nguyen, Jones, Phan
Noes: (0) None

ISSUANCE OF A PURCHASE ORDER TO THEODORE ROBBINS FORD FOR ONE (1) UTILITY TRUCK (F: 60.4)

It was moved by Council Member Beard, seconded by Council Member Phan that:

The Finance Director be authorized to issue a purchase order, in the amount of \$81,693.38, to Theodore Robbins Ford for the purchase of one utility truck.

The motion carried by a 5-0 vote as follows:

Ayes: (5) Beard, Bui, Nguyen, Jones, Phan
Noes: (0) None

INITIATING PROCEEDINGS FOR THE LEVYING OF FISCAL YEAR 2016-17 ASSESSMENTS FOR THE STREET LIGHTING DISTRICTS AND PARK MAINTENANCE DISTRICT (F: 69.2)

It was moved by Council Member Beard, seconded by Council Member Phan that:

Resolution No. 9355-16 entitled A Resolution of the City Council of the City of Garden Grove pursuant to the Landscaping and Lighting Act of 1972 (Sections

22500 et seq. of the California Streets and Highways Code) initiating proceedings to levy annual assessments for the 2016-17 Fiscal Year for the City of Garden Grove Street Lighting District and ordering the City Engineer to prepare and file a report in accordance with Article 4 of Chapter 1 of said Act, be adopted;

Resolution No. 9356-16 entitled A Resolution of the City Council of the City of Garden Grove pursuant to the Landscaping and Lighting Act of 1972 (Sections 22500 et seq. of the California Streets and Highways Code) initiating proceedings to levy annual assessments for the 2016-17 Fiscal Year for the City of Garden Grove Street Lighting District No. 99-1 and ordering the City Engineer to prepare and file a report in accordance with Article 4 of Chapter 1 of said Act, be adopted;

Resolution No. 9357-16 entitled A Resolution of the City Council of the City of Garden Grove pursuant to the Landscaping and Lighting Act of 1972 (Sections 22500 et seq. of the California Streets and Highways Code) initiating proceedings to levy annual assessments for the 2016-17 Fiscal Year for the City of Garden Grove Street Lighting Park Maintenance District and ordering the City Engineer to prepare and file a report in accordance with Article 4 of Chapter 1 of said Act, be adopted;

Resolution No. 9358-16 entitled A Resolution of the City Council of the City of Garden Grove approving the City Engineer's Report regarding the levy of an annual assessment within the City of Garden Grove Street Lighting District, City of Garden Grove Street Lighting District No. 99-1 and the City of Garden Grove Park Maintenance District for Fiscal Year 2016-17, be adopted;

Resolution No. 9359-16 entitled A Resolution of the City Council of the City of Garden Grove pursuant to the Landscaping and Lighting Act of 1972 (Sections 22500 et seq. of the California Streets and Highways Code) declaring its intention to levy and collect assessments within the City of Garden Grove Street Lighting District for Fiscal Year 2016-17, and setting a time and place for a Public Hearing on the levy of the proposed assessments, be adopted;

Resolution No. 9360-16 entitled A Resolution of the City Council of the City of Garden Grove pursuant to the Landscaping and Lighting Act of 1972 (Sections 22500 et seq. of the California Streets and Highways Code) declaring its intention to levy and collect assessments within the City of Garden Grove Street Lighting District No. 99-1 for Fiscal Year 2016-17, and setting a time and place for a Public Hearing on the levy of the proposed assessments, be adopted; and

Resolution No. 9361-16 entitled A Resolution of the City Council of the City of Garden Grove pursuant to the Landscaping and Lighting Act of 1972 (Sections 22500 et seq. of the California Streets and Highways Code) declaring its intention to levy and collect assessments within the City of Garden Grove Park Maintenance District for Fiscal Year 2016-17, and setting a time and place for a Public Hearing on the levy of the proposed assessments, be adopted.

The motion carried by a 5-0 vote as follows:

Ayes: (5) Beard, Bui, Nguyen, Jones, Phan
Noes: (0) None

TRANSFER CITY SUPPORT COST REIMBURSEMENTS FROM DEPOSIT TRUST
ACCOUNT TO THE GENERAL FUND (F: 34.1)

It was moved by Council Member Beard, seconded by Council Member Phan that:

The transfer of \$183,000 from the City's Deposit Trust Account to the General Fund, be approved; and

\$183,000 be appropriated in the FY 2015-16 General Fund budget to be used for City facility needs.

The motion carried by a 5-0 vote as follows:

Ayes: (5) Beard, Bui, Nguyen, Jones, Phan
Noes: (0) None

2015 ANNUAL REPORT ON THE STATUS OF THE CITY'S GENERAL PLAN (F: 20.2)

It was moved by Council Member Beard, seconded by Council Member Phan that:

The 2015 Annual Report on the Status of the General Plan be received; and

Staff be authorized to transmit the Annual Report to the Governor's Office of Planning and Research, and the Housing Community Development.

The motion carried by a 5-0 vote as follows:

Ayes: (5) Beard, Bui, Nguyen, Jones, Phan
Noes: (0) None

MINUTES (F: Vault)

It was moved by Council Member Beard, seconded by Council Member Phan that:

The minutes from the March 11, 2016, meeting be received and filed.

The motion carried by a 5-0 vote as follows:

Ayes: (5) Beard, Bui, Nguyen, Jones, Phan
Noes: (0) None

WARRANTS (F: 60.5)

It was moved by Council Member Beard, seconded by Council Member Phan that:

Regular Warrants 605049 through 605543; and Wire W1576; be approved as presented in the payroll register submitted, and have audited for accuracy and funds are available for payment thereof by the Finance Director.

Payroll Warrants 179682 through 179737; Direct Deposits D293422 through D294104; and Wires W2234 through W2237; be approved as presented in the payroll register submitted, and have been audited for accuracy and funds are available for payment thereof by the Finance Director.

The motion carried by a 5-0 vote as follows:

Ayes: (5) Beard, Bui, Nguyen, Jones, Phan
Noes: (0) None

ABATEMENT ACTION FOR THE LOTUS PLAZA PROJECT (GALLERIA PROJECT) 10080 AND 10189 GARDEN GROVE BOULEVARD, GARDEN GROVE (F: 20.GPA-2-05(A))

Following staff's presentation and City Council discussion, it was moved by Mayor Nguyen, seconded by Council Member Phan that:

The Acting City Attorney be authorized to commence an action to enforce the Notice and Order to have a court order the abatement of the nuisance and appoint a receiver to ensure removal of the unfinished structures on the site.

Mayor Nguyen and Council Member Phan spoke on the issues of the unfinished structure, and that there has been an abatement order since June 2013 and there should not be any more delays.

Because the two parties are in litigation and will be in court in July, Council Members Beard, Bui, and Jones expressed their desire that the City allow more time for the parties to come to a consensus.

After further discussion a substitute motion was moved by Council Member Bui, seconded by Council Member Jones that:

Consideration of this matter be continued until after August 30, 2016.

The motion carried by a 3-2 vote as follows:

Ayes: (3) Beard, Bui, Jones
Noes: (2) Nguyen, Phan

PUBLIC HEARING – ISSUANCE OF BONDS BY THE CALIFORNIA PUBLIC FINANCE AUTHORITY (CALPFA) FOR THE BENEFIT OF 10632 BOLSA AVENUE, LP TO ASSIST WITH FINANCING FOR THE HOUSING PROJECT LOCATED AT 10632 BOLSA AVENUE, GARDEN GROVE (F: 60.1)

Following staff's presentation, Mayor Nguyen declared the Public Hearing open and asked if anyone wished to address the City Council on the matter.

Speakers: None

There being no response from the audience, the Public Hearing was declared closed.

It was moved by Council Member Jones, seconded by Council Member Phan that:

Resolution No. 9362-16 entitled A Resolution of the City Council of the City of Garden Grove approving the issuance by the California Public Finance Authority of Multifamily Housing Revenue Bonds in an aggregate principal amount not to exceed \$15,000,000 for the purpose of financing or refinancing the acquisition, rehabilitation, improvement and equipping of the Sycamore Court project and certain other matters relating thereto, be adopted.

The motion carried by a 5-0 vote as follows:

Ayes: (5) Beard, Bui, Nguyen, Jones, Phan
Noes: (0) None

MAIN STREET ASSESSMENT DISTRICT NO. 1 (F: 31.4)

Following staff's presentation, it was moved by Council Member Beard, seconded by Council Member Jones that:

The proposed budget for the Main Street Assessment District No. 1 for Fiscal Year 2016-17 be adopted;

Resolution No. 9363-16 entitled A Resolution of the City Council of the City of Garden Grove pursuant to the Landscaping and Lighting Act of 1972 (Sections 22500 et seq. of the California Streets and Highway Code) initiating proceedings to levy annual assessments for the 2016-17 Fiscal Year for the City of Garden Grove Main Street Assessment District No. 1, and ordering the City Engineer to prepare and file a report in accordance with Article 4 of Chapter 1 of the Act, be adopted;

Resolution No. 9364-16 entitled A Resolution of the City Council of the City of Garden Grove approving the City Engineer's Report regarding the levy of an annual assessment within the City of Garden Grove Assessment District No. 1, for Fiscal Year 2016-17, be adopted; and

Resolution No. 9365-16 entitled A Resolution of the City Council of the City of Garden Grove, declaring its intention to order the maintenance of certain improvements in the Main Street Assessment District No. 1 in the City of Garden Grove; describing the District to be benefited, declaring its intention to levy an assessment to pay the cost and expenses thereof; and setting the time and place for the Public Hearing on the question of the levy of the proposed assessment for Tuesday, June 14, 2016, at 6:30 p.m., be adopted.

The motion carried by a 5-0 vote as follows:

Ayes: (5) Beard, Bui, Nguyen, Jones, Phan
Noes: (0) None

LETTER OF RESIGNATION FROM CHAN CHUNG, PARKS, RECREATION AND ARTS COMMISSIONER (F: 122.70A)

It was moved by Mayor Nguyen, seconded by Council Member Jones that:

Parks, Recreation and Arts Commissioner Chan Chung's resignation be received and filed, and that the City Clerk advertise for applications to fill the vacancy.

The motion carried by a 5-0 vote as follows:

Ayes: (5) Beard, Bui, Nguyen, Jones, Phan
Noes: (0) None

CONTRACT WITH CJ CONCRETE CONSTRUCTION, INC. FOR ON-CALL CONCRETE CONSTRUCTION, IFB NO. S-1189 (F: 55-CJ Concrete Construction, Inc.)

Following staff's presentation, it was moved by Council Member Beard, seconded by Council Member Phan that:

A contract be awarded to the lowest responsible bidder, CJ Concrete Construction, Inc., in the amount of \$450,000 for the first year, and four options years at \$450,000 per year, for on-call concrete construction; and

The City Manager be authorized to execute the agreement on behalf of the City and make minor modifications as appropriate.

The motion carried by a 5-0 vote as follows:

Ayes: (5) Beard, Bui, Nguyen, Jones, Phan
Noes: (0) None

MEDICAL MARIJUANA REGULATIONS AND RELATED MATTERS (F: 115.A-15.2015)

Following staff's presentation and discussion by the City Council no action was taken.

COMMUNITY EVENT SPONSORSHIP POLICY (F: 127.1)

Following staff's presentation and discussion by the City Council, no action was taken.

CONTRACT WITH KATO LANDSCAPE, INC., FOR PROJECT NO. 7279 – IRRIGATION INSTALLATION ON MAGNOLIA STREET, GARDEN GROVE (F: 92.PROJ.7279)

Following staff's presentation, it was moved by Council Member Phan, seconded by Council Member Jones that:

A contract be awarded to Kato Landscape, Inc., in the amount of \$374,510, for Project No. 7279 – Irrigation Installation on Magnolia Street, Garden Grove; and

The City Manager be authorized to execute the agreement, and make modifications as appropriate thereto, on behalf of the City.

The motion carried by a 5-0 vote as follows:

Ayes: (5) Beard, Bui, Nguyen, Jones, Phan
Noes: (0) None

ABATEMENT ACTION FOR THE LOTUS PLAZA PROJECT (GALLERIA PROJECT) 10080 AND 10189 GARDEN GROVE BOULEVARD, GARDEN GROVE (F: 20.GPA-2-05(A))

This matter was considered earlier in the meeting.

DISCUSSION REGARDING BUDGET STUDY SESSION ON JUNE 8, 2016, AS REQUESTED BY CITY MANAGER STILES (F: 34.1)

RECESS

At 10:26 p.m., Mayor Nguyen recessed the meeting.

RECONVENE

At 10:29 p.m., Mayor Nguyen reconvened the meeting with all Council Members present.

MATTERS FROM THE MAYOR, CITY COUNCIL MEMBERS, AND CITY MANAGER

Council Member Beard reported on the International Conference of Shopping Centers (ICSC) that he recently attended in Las Vegas.

Council Member Jones recollected his experience at past ICSC's and the benefits that the City has gained from its participation.

Council Member Phan announced the Strawberry Festival being held this weekend; and expressed his appreciation for Veterans with the upcoming Memorial Day.

City Manager Stiles reported on the International Conference of Shopping Centers (ICSC) that he recently attended in Las Vegas.

ADJOURN TO CLOSED SESSION

At 10:38 p.m. Mayor Nguyen announced that the City Council was going into Closed Session in the Founders Room to discuss the following matters:

Conference with Legal Counsel – Anticipated Litigation
Pursuant to Government Code Section 54956.9(d)(4)
Initiation of Litigation: Five potential cases

ADJOURNMENT OF CLOSED SESSION

At 11:20 p.m., Mayor Nguyen adjourned the Closed Session.

CLOSED SESSION REPORT

Acting City Attorney Sandoval announced that the City Council unanimously authorized litigation on two cases.

ADJOURNMENT

At 11:21 p.m., Mayor Nguyen adjourned the meeting in memory of Admin David and Jerry McCloskey. The next City Council Meeting will be held on Tuesday, June 14, 2016, at 5:30 p.m. at the Community Meeting Center, 11300 Stanford Avenue, Garden Grove, California.

Kathleen Bailor, CMC
City Clerk

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Scott C. Stiles From: Kathy Bailor
Dept.: City Manager Dept.: City Clerk
Subject: Approval of Warrants. Date: 6/28/2016
 (*Action Item*)

Attached are the City Council warrants for approval.

ATTACHMENTS:

Description	Upload Date	Type	File Name
Warrants	6/22/2016	Backup Material	CC_Warrants_6-28-16.pdf

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 06/28/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
604242	GREAT REUNIONS	REV & VOID	-345.67 *
605174	MONTES, JULIO	REV & VOID	-6,615.00 *
605889	HARA, CHIZUKO	REV & VOID	-1,000.00 *
605896	HERITAGE VILLAS SENIOR APTS	REV & VOID	-1,042.00 *
606197	PP TT, LLC	REV & VOID	-1,882.00 *
606449	GARDEN GROVE SECURED STORAGE	REV & VOID	-2,524.40 *
606504	AMERICAN LEAK DETECTION	REV & VOID	-707.75 *
606562	MAULE, CHEYNE	REV & VOID	-897.00 *
606722	ZUMASYS, INC.	MAINT-SERV CONTRACTS	4,085.95 *
606723	STATE OF CALIF-FRANCHISE TAX BOARD	WAGE ATTACHMENT	1,680.47 *
606724	CHANG, ELLIS	MED TRUST REIMB	1,409.90 *
606725	LEE, GRACE	DEP CARE REIMB	192.30 *
606726	MARYLAND CHILD SUPPORT ACCOUNT	WAGE ATTACHMENT	343.38 *
606727	MEROLA*, MILLIE	MED TRUST REIMB	377.42 *
606728	O'CADIZ-HERNANDEZ*, GABRIELA	MED TRUST REIMB	273.00 *
606729	PHI, THYANA	DEP CARE REIMB	24.70 *
606730	RAO*, ANAND V.	MED TRUST REIMB	567.96 *
606731	CO. OF ORANGE	WAGE ATTACHMENT	461.54 *

PAGE TOTAL FOR "*" LINES = -5,597.20

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 06/28/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
606732	RUITENSCHILD, LES	DEP CARE REIMB	192.30 *
606733	SARVER, * ALAN D.	MED TRUST REIMB	685.45 *
606734	SPARGUR *, JEFFREY T	MED TRUST REIMB	302.20 *
606735	CO. OF ORANGE	WAGE ATTACHMENT	134.31 *
606736	WEISS, MARK S	MED TRUST REIMB	203.19 *
606737	WILDER, CANDY	MED TRUST REIMB	53.85 *
606738	HODSON, AARON	DEP CARE REIMB	138.46 *
606739	JOHNSON, CHRISTIAN	WAGE ATTACHMENT	276.92 *
606740	INTERNAL REVENUE SERVICE	WAGE ATTACHMENT	37.50 *
606741	KOSKY, BEN	DEP CARE REIMB	221.00 *
606742	NGUYEN, KIM HONG	TENANT UTILITY REIMB	300.00 *
606743	HANES*, CARRIE	MED TRUST REIMB	30.00 *
606744	UNITED STATES TREASURY	WAGE ATTACHMENT	130.00 *
606745	LIZ VASQUEZ	DEP CARE REIMB	96.23 *
606746	CO. OF ORANGE	WAGE ATTACHMENT	831.00 *
606747	WEISER, IRVING	RENT SUBSIDY	1,057.00 *
606748	ABU-HAMDIYYAH, AMEENAH	TUITION REIMB	512.00 *
606749	DELTA DENTAL OF CALIFORNIA	SELF-INS ADMN	2,844.84 *
606750	HARTWIG, TODD	TUITION REIMB	350.94 *
606751	LINCOLN FINANCIAL GROUP	LIFE INS PREMIUM	7,755.05 *
606752	MAGIC JUMP RENTALS OC LLC	OTHER PROF SERV	3,072.75 *
606753	SAUCEDO, DANA	OTHER FOOD ITEMS	54.32 *

PAGE TOTAL FOR "*" LINES = 19,279.31

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 06/28/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
606754	SCHAEFER, NICK	L/S/A TRANSPORTATION	32.75 *
606755	VELOTTA, KEITH	EMPL COMPUTER PURCH	1,655.99 *
606756	SPARTAN MEDIA GROUP DBA SGX MEDIA/SGX PRINT	PAPER/ENVELOPES	1,944.00 *
606757	STANDARD INSURANCE COMPANY	DISABILITY INSURANCE	26,157.66 *
606758	ACA COMPLIANCE SERVICES INC DBA CIMPLX COMPLIANCE SERVICES	OTHER PROF SERV	2,647.50 *
606759	AT&T U-VERSE	TELEPHONE	85.00 *
606760	MICROCEPTION, INC.	TRUST FUND EXPEND FURN/MACH/EQ ADDS	15,100.00 30,976.65 46,076.65 *
606761	SCWUA SO CALIF WATER UTILITIES ASSOC	TUITION/TRAINING	180.00 *
606762	RECREATION BY DESIGN, INC.	OTHER MAINT ITEMS	1,246.15 *
606763	MCMASTER-CARR SUPPLY CO.	HARDWARE	140.39 *
606764	NGUOI VIET DAILY NEWS	ADVERTISING	340.00 *
606765	JESSE QUINALTY DBA RED HELMET TRAINING	TUITION/TRAINING	400.00 *
606766	CITY OF GARDEN GROVE	CITY WATER SERVICES	70.75 *
606767	OVERLAND, PACIFIC & CUTLER INC.	RELOCATION SERVICES	100.00 *
606768	GARDEN GROVE DOWNTOWN BUSINESS ASSOCIATION	TRUST FUND EXP COMMUNITY RELATIONS	5,000.00 5,000.00 10,000.00 *
606769	MONTES, JULIO	RELOCATION PAYMENTS	6,615.00 *
606770	COSTCO C/O CAPITAL ONE COMMERCIAL	TRUST FUND EXPEND FaCT:YTH ENRCH FOOD BOTTLED WATER OTHER FOOD ITEMS	54.94 37.86 1,341.04 5.29 835.21

PAGE TOTAL FOR "*" LINES = 97,691.84

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 06/28/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
		DATA PROCESSING SUPP	136.07
		OFFICE SUPPLIES/EXP	10.79
		MINOR FURN/EQUIP	863.96
			3,285.16 *
606771	SMART & FINAL	TRUST FUND EXPEND	376.32
		FOOD SERV SUPPL	135.25
		OTHER FOOD ITEMS	642.20
			1,153.77 *
606772	*WILSON, EDWIN P	ACCOUNTS RECEIVABLE	2,247.68 *
606773	HIGGINS, KEITH	ACCOUNTS RECEIVABLE	1,953.73 *
606774-606777	VOID WARRANTS		
606778	AT&T	TELEPHONE	20,381.14 *
606779	AT&T	TELEPHONE	153.84 *
606780	SPOK, INC.	TELEPHONES/BEEPERS	191.83 *
606781	FRONTIER COMMUNICATIONS	TELEPHONE/BEEPERS	1,140.84 *
606782	CITY OF GARDEN GROVE	WATER	160.60 *
606783-606785	VOID WARRANTS		
606786	SO CALIF EDISON CO	ELECTRICITY	143,289.65 *
606787	SO CALIF GAS CO	NATURAL GAS	7,830.95 *
606788	TIME WARNER CABLE	CABLE	915.63 *
606789	VERIZON WIRELESS-LA	TELEPHONE/BEEPERS	16,249.62 *

PAGE TOTAL FOR "*" LINES = 198,954.44

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 06/28/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
606790	VOID WARRANT		
606791	VOID WARRANT		
606792	FIRST BANKCARD UNION BANK OF CALIFORNIA	OTHER RENTALS	497.83
		DUES/MEMBERSHIPS	29.99
		TAXES/LICENSES	104.99
		OTHER MINOR TOOLS/EQ	798.90
		AUDIO/VISUAL SUPP	18.29
			1,450.00 *

PAGE TOTAL FOR "*" LINES = 1,450.00

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 06/28/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
606793	FIRST BANKCARD UNION BANK OF CALIFORNIA	L/S/A TRANSPORTATION	771.12
		LODGING	3,693.16
		OTHER CONF/MTG EXP	505.26
		TUITION/TRAINING	2,043.80
			7,013.34 *
606794	FIRST BANKCARD UNION BANK OF CALIFORNIA	L/S/A TRANSPORTATION	218.84
		SUBSISTENCE	67.08
		OTHER CONF/MTG EXP	103.03
		REGISTRATION FEES	720.00
			1,108.95 *
606795	FIRST BANKCARD UNION BANK OF CALIFORNIA	NETWORKING SERVICES	100.36
		REPRO SUPPLIES	142.87
		OFFICE SUPPLIES/EXP	195.41
			438.64 *
606796	FIRST BANKCARD UNION BANK OF CALIFORNIA	MV GAS/DIESEL FUEL	115.18
		OFFICE SUPPLIES/EXP	207.33
			322.51 *
606797	FIRST BANKCARD UNION BANK OF CALIFORNIA	REGISTRATION FEES	30.60
		FOOD SERV SUPPL	-17.47
		OTHER FOOD ITEMS	-89.94
		PINS/MENTOS	173.15
			96.34 *
606798	FIRST BANKCARD UNION BANK OF CALIFORNIA	FOOD	126.33
		PAPER/ENVELOPES	75.80
			202.13 *
606799	FIRST BANKCARD UNION BANK OF CALIFORNIA	TRUST FUND EXPEND	597.64
		OTHER RENTALS	143.64
		FOOD	179.27
		FOOD SERV SUPPL	285.11
		OTHER FOOD ITEMS	488.10
		BOOKS/SUBS/CASSETTES	15.00
		OTHER PROF SUPPLIES	37.59
		OFFICE SUPPLIES/EXP	22.77
		OTHER MINOR TOOLS/EQ	126.56
		OTHER REC/CULT SUPP	120.77
			2,016.45 *

PAGE TOTAL FOR "*" LINES = 11,198.36

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 06/28/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
606800	GARCIA, PETE	TRAVEL ADVANCE-P.D.	241.36 *
606801	CITY OF GARDEN GROVE-WORK COMP ACCT	SELF-INS CLAIMS	114,891.75 *
606802	HOOPITUP	OTHER PROF SERV	986.00 *
606803	KIM, LISA	L/S/A TRANSPORTATION LODGING	265.96 314.72 580.68 *
606804	LORD, MARK A.	TRAVEL ADVANCE-P.D.	138.00 *
606805	MAULE, CHEYNE	L/S/A TRANSPORTATION	46.50 *
606806	PATH PRECISION ENTERPRISES	OTHER PROF SERV	999.00 *
606807	RUITENSCHILD, LES	EMPL COMPUTER PURCH	2,000.00 *
606808	SAFEWAY INC	OTHER FOOD ITEMS	121.91 *
606809	STOVER, LAURA	DEP CARE REIMB	1,415.00 *
606810	SUSKIE III, ANTHONY C	OTHER PROF SERV	500.00 *
606811	WIN NGUYEN CONSTRUCTION	SEWER FEES	620.35 *
606812	MARTINEZ, MARIO	TRAVEL ADVANCE-P.D.	256.34 *
606813	ALLSPACE- GARDEN GROVE	LAND/BLDG/ROOM RENT	152.00 *
606814	JENSEN, NICKOLAS	TRAVEL ADVANCE-P.D.	138.00 *
606815	OCSF FINANCIAL MNGNT DIV	SEWER FEES	3,268.00 *
606816	STILES, SCOTT C.	OTHER CONF/MTG EXP	111.92 *
606817	GARDNER, CANDYCE CHRISTINE	DEPOSIT REFUND	11,920.67 *
606818	SWEETIE BUNCH LLC DBA SWEETS FROM HEAVEN	OTHER FOOD ITEMS	1,850.00 *
606819	SUNDIAL APARTMENTS	RENT SUBSIDY	1,185.00 *

PAGE TOTAL FOR "*" LINES = 141,422.48

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 06/28/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
606820	CEDAR CREEK APARTMENT HOMES	RENT SUBSIDY	553.00 *
606821	i.i. FUELS, INC	MV GAS/DIESEL FUEL	21,165.18 *
606822	S.C. YAMAMOTO, INC.	MAINT OF REAL PROP	10,206.16 *
606823	FIRST BANKCARD UNION BANK OF CALIFORNIA	OTHER CONF/MTG EXP	292.68 *
606824	FIRST BANKCARD UNION BANK OF CALIFORNIA	PINS/MEMENTOS	558.18 *
606825	FIRST BANKCARD UNION BANK OF CALIFORNIA	OFFICE SUPPLIES/EXP	97.01 *
606826	FIRST BANKCARD UNION BANK OF CALIFORNIA	BOTTLED WATER	116.96 *
606827	FIRST BANKCARD UNION BANK OF CALIFORNIA	POSTAGE	189.76 *
606828	FIRST BANKCARD UNION BANK OF CALIFORNIA	FOOD	100.00 *
606829	FIRST BANKCARD UNION BANK OF CALIFORNIA	TUITION/TRAINING	75.00 *
606830	U.S. POSTAL SERVICE (HASLER)	POSTAGE	20,000.00 *
606831	KATELLA ANIMAL CLINIC	STR PERMIT REFUND	2,000.00
		FEE REFUND	1,648.99
		TRAF MITIGATION FEE	693.00
		FEE REFUND	225.00
		SEWER FEES	1,061.34
			5,628.33 *
606832	FRONTIER FORD	MOTOR VEHICLE REPL	27,162.84 *
606833	COUNTY OF ORANGE DA'S OFFICE, ASSET FORFEITURE	PROP/EV REFUND	5,135.00
		INTEREST	13.35
			5,148.35 *
606834	FIRST BANKCARD UNION BANK OF CALIFORNIA	SEEDS/PLANTS	96.96
		FOOD SERV SUPPL	116.91
		OTHER FOOD ITEMS	55.00
		OFFICE SUPPLIES/EXP	7.55
		MINOR FURN/EQUIP	401.21
		AWARDS/TROPHIES	728.55
		OTHER REC/CULT SUPP	685.71
		SIGNS/FLAGS/BANNERS	145.80

PAGE TOTAL FOR "*" LINES = 91,293.45

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 06/28/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
			2,237.69 *
606835	FIRST BANKCARD UNION BANK OF CALIFORNIA	LODGING	390.24
		TUITION/TRAINING	150.00
		FOOD	44.85
		BOOKS/SUBS/CASSETTES	225.00
		OTHER PROF SUPPLIES	39.88
		OTHER MOTOR VEH SUPP	21.60
		ELECTRICAL SUPPLIES	813.63
		OFFICE SUPPLIES/EXP	263.36
		SAFETY EQ/SUPPLIES	33.21
		PINS/MENTOS	25.13
		HARDWARE	15.08
			2,021.98 *
606836-606837	VOID WARRANTS		
606838	HOME DEPOT CREDIT SERVICES	SEEDS/PLANTS	142.39
		OTHER PROF SUPPLIES	107.17
		MOTOR VEH PARTS	307.80
		PAINT/DYE/LUBRICANTS	1,232.46
		JANITORIAL SUPPLIES	32.37
		ELECTRICAL SUPPLIES	599.28
		HSHLD EQUIP/SUPPLIES	744.12
		PIPES/APPURTENANCES	116.50
		MAINT SUPP-TRAFF SIG	196.94
		OTHER MAINT ITEMS	1,001.69
		GEN PURPOSE TOOLS	4.26
		OTHER MINOR TOOLS/EQ	548.91
		LUMBER	137.18
		HARDWARE	201.72
		AGGREGATES/MASONRY	51.32
		OTHER CONST SUPPLIES	176.97
			5,601.08 *
606839	AKM CONSULTING ENGINEERS	ENGINEERING SERVICES	5,470.00 *
606840	ADAMSON POLICE PRODUCTS	MOTOR VEH PARTS	1,222.81 *
606841	ALAN'S LAWN AND GARDEN CENTER INC.	MOTOR VEH PARTS	5,179.84
		OTHER MINOR TOOLS/EQ	48.44
			5,228.28 *

PAGE TOTAL FOR "*" LINES = 21,781.84

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 06/28/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
606842	ALL AMERICAN ASPHALT	ASPHALT PRODUCTS	781.41 *
606843	ALL CITY MANAGEMENT SERVICES, INC.	CROSSING GUARD SERV	9,686.80 *
606844	ALLEY KAT MUSIC CENTER	INSTRUCTOR SERVICES	246.40 *
606845	ALLSTAR FIRE EQUIPMENT INC.	WILDLAND/SAFETY AIRPAKS SAFETY EQ/SUPPLIES	1,025.33 24,825.53 951.88 26,802.74 *
606846	AMTECH ELEVATOR SERVICES	MAINT-SERV CONTRACTS	707.75 *
606847	ANAHEIM HOUSING AUTHORITY COMMUNITY DEV.	MOBILITY INSP FEE	975.00 *
606848	ANAHEIM REGIONAL MEDICAL CENTER	MEDICAL SERVICES	750.00 *
606849	ANGELUS QUARRIES, INC.	AGGREGATES/MASONRY	48.43 *
606850	ATHENS TECHNICAL SPECIALISTS, INC.	TRAFFIC SIGNAL MAINT	680.76 *
606851	AUTO PARTS DISTRIBUTOR	MOTOR VEH PARTS	5,685.18 *
606852	BAY ALARM COMPANY	OTHER MAINT ITEMS	250.00 *
606853	BISHOP CO.	WHSE INVENTORY	372.34 *
606854	BLODGETT, GREG	SUBSISTENCE LODGING	12.00 677.60 689.60 *
606855	BOLSA NURSERY	SEEDS/PLANTS TREES	159.30 103.68 262.98 *
606856	BOUND TREE MEDICAL LLC	MEDICAL SUPPLIES	7,849.55 *
606857	BROCO, INC.	RIOT EQUIPMENT	1,535.77 *
606858	BROWNELLS, INC.	OTHER MINOR TOOLS/EQ	688.90 *
606859	RUSSELL SIGLER INC.	AIR COND SUPPLIES	839.98 *

PAGE TOTAL FOR "*" LINES = 58,853.59

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 06/28/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
606860	CDW-GOVERNMENT INC	SOFTWARE 14/15 SLESF	247.50 850.00 1,097.50 *
606861	CSG CONSULTANTS, INC.	OTHER PROF SERV	16,570.55 *
606862	C.WELLS PIPELINE MATERIALS INC.	WHSE INVENTORY	2,697.92 *
606863	CALIF FORENSIC PHLEBOTOMY INC	MEDICAL SERVICES	4,367.00 *
606864	CAMERON WELDING SUPPLY	FaCT:PROGRAM EXP MOTOR VEH PARTS OTHER MAINT ITEMS OTHER REC/CULT SUPP	38.94 48.23 42.41 42.41 171.99 *
606865	CIVILTEC ENGINEERING INC	ENGINEERING SERVICES	204.60 *
606866	CLASSIC PRESS	WHSE INVENTORY	972.00 *
606867	SUPPLYWORKS	WHSE INVENTORY JANITORIAL SUPPLIES	6,326.10 84.11 6,410.21 *
606868	COMLINK LASERCARE	OFFICE SUPPLIES/EXP	275.95 *
606869	CONTINENTAL CONCRETE CUTTING	OTHER MAINT ITEMS GEN PURPOSE TOOLS	1,562.00 503.00 2,065.00 *
606870	COUNTRY CITY TOWING	TOWING SERVICES	375.00 *
606871	CRON & ASSOCIATES TRANSCRIPTION, INC.	OTHER PROF SERV	3,997.83 *
606872	WM CURBSIDE, LLC AT YOUR DOOR	OTHER PROF SERV	350.00 *
606873	L.N.CURTIS & SONS	OTHER MINOR TOOLS/EQ	1,346.98 *
606874	CUTTERS EDGE	GEN PURPOSE TOOLS	319.41 *
606875	DLT SOLUTIONS, LLC	SOFTWARE	6,192.35 *
606876	DEKRA-LITE INDUSTRIES INC.	OTHER PROF SERV	664.00 *

PAGE TOTAL FOR "*" LINES = 48,078.29

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 06/28/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
606877	DENNIS GRUBB & ASSOCIATES, LLC	OTHER PROF SERV	1,050.00 *
606878	DIAMOND ENVIRONMENTAL SERVICES	OTHER PROF SERV	786.40
		NON-SPEC CONTR SERV	483.98
		OTHER MAINT ITEMS	303.47
			1,573.85 *
606879	DOOLEY ENTERPRISES, INC.	GUNS/AMMUNITION	10,932.84 *
606880	DUNN-EDWARDS CORPORATION	PAINT/DYE/LUBRICANTS	134.68 *
606881	EDWARD MEDICAL GROUP	MEDICAL SERVICES	888.00 *
606882	EWING IRRIGATION PRODUCTS, INC.	ELECTRICAL SUPPLIES	734.77
		PIPES/APPURTENANCES	1,176.47
		OTHER MAINT ITEMS	57.88
			1,969.12 *
606883	EXCLUSIVE AUTO DETAIL	MOTOR VEHICLE MAINT	1,468.00 *
606884	FEDERAL EXPRESS CORP	DELIVERY SERVICES	205.69 *
606885	FLOWERS BY CINA, INC.	OTHER AGR SUPPLIES	118.80 *
606886	FORD OF ORANGE	MOTOR VEH PARTS	385.06 *
606887	THE SHERWIN-WILLIAMS CO DBA FRAZEE PAINTS	PAINT/DYE/LUBRICANTS	387.72 *
606888	FRYE SIGN CO	MOTOR VEHICLE MAINT	875.00 *
606889	GBS LINENS	TRUST FUND EXPEND	110.23 *
606890	GANAHL LUMBER COMPANY	LUMBER	154.78 *
606891	REPUBLIC SERVICES #676	TRASH/CLEANING SERV	10.28 *
606892	GARDEN GROVE SECURED STORAGE	LAND/BLDG/ROOM RENT	230.00 *
606893	HAAKER EQUIPMENT COMPANY	MOTOR VEHICLE REPL	450,646.20 *
606894	HILLCO FASTENER WAREHOUSE	MOTOR VEH PARTS	124.66 *
606895	HILL'S BROS LOCK & SAFE INC	MAINT OF REAL PROP	177.98

PAGE TOTAL FOR "*" LINES = 471,264.91

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 06/28/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
		OTHER MAINT ITEMS	5.40
		HARDWARE	84.00
			267.38 *
606896	APPLE ONE EMPLOYMENT SVS	TEMP AIDE SERVICES	5,933.95 *
606897	iWATER, INC.	OTHER MAINT ITEMS	26,000.00 *
606898	JIG CONSULTANTS	ENGINEERING SERVICES	1,965.00 *
606899	KAWELL*, RHONDA C.	TUITION REIMB	672.53 *
606900	KELLY PAPER	WHSE INVENTORY	427.19
		PAPER/ENVELOPES	487.62
		REPRO SUPPLIES	153.36
			1,068.17 *
606901	KLEINFELDER WEST, INC	ENGINEERING SERVICES	13,778.75 *
606902	KNORR SYSTEMS, INC.	MAINT OF REAL PROP	1,492.62 *
606903	KOA CORPORATION	ENGINEERING SERVICES	12,694.36 *
606904	L-3 COMMUNICATIONS MOBILE-VISION, INC	REPAIRS-FURN/MACH/EQ	165.56
		MOTOR VEH PARTS	252.73
			418.29 *
606905	LANGUAGE LINE SERVICES	TELEPHONE	560.24 *
606906	LAWSON PRODUCTS, INC.	MOTOR VEH PARTS	241.74 *
606907	LEE, GRACE	MILEAGE REIMB	34.02
		CATERING SERVICES	13.97
			47.99 *
606908	LIFECOM SAFETY SERVICE & SUPPLY	GEN PURPOSE TOOLS	356.00 *
606909	GALLS, LLC GALLS/QUARTERMASTER/ROY TAILORS	UNIFORMS	1,487.61 *
606910	LORRAINE MENDEZ & ASSOCIATES, LLC	OTHER PROF SERV	510.00 *
606911	LOS ANGELES TIMES	BOOKS/SUBS/CASSETTES	181.76 *

PAGE TOTAL FOR "*" LINES = 67,676.39

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 06/28/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
606912	MAGIC JUMP RENTALS OC LLC	OTHER PROF SERV	782.00 *
606913	MAULE, CHEYNE	L/S/A TRANSPORTATION	31.00 *
606914	MC MASTER-CARR SUPPLY CO	HARDWARE	15.79 *
606915	MERCHANTS BLDG MAINT LLC	MAINT-SERV CONTRACTS	5,473.97 *
606916	FIS ACCOUNTING DEPT	BANK FEES-CRDT CD	33,342.45 *
606917	MOVING FWRD PSYCHOLOGICAL INST	OTHER PROF SERV	400.00 *
606918	MR. D'S AUTOMOTIVE	MOTOR VEHICLE MAINT	195.00 *
606919	NATIONAL CONSTRUCTION RENTALS	OTHER RENTALS	169.66 *
606920	NESTLE WATERS NORTH AMERICA DBA READYREFRESH BY NESTLE	BOTTLED WATER	21.93 *
606921	NEW IMAGE COMMERCIAL FLOORING	MAINT-SERV CONTRACTS OTHER CONST SUPPLIES	300.00 1,818.25 2,118.25 *
606922	NIAGARA PLUMBING	PIPES/APPURTENANCES OTHER MAINT ITEMS	154.59 28.51 183.10 *
606923	ARC	DUPLICATING	248.96 *
606924	ORANGE COUNTY SIGNS AND LIGHTING	SIGNS/FLAGS/BANNERS	1,185.16 *
606925	O'CADIZ-HERNANDEZ*, GABRIELA	OTHER FOOD ITEMS	62.04 *
606926	OFFICEMAX INCORPORATED	OFFICE SUPPLIES/EXP	3,256.70 *
606927	OPPERMAN & SONS TRUCK	MOTOR VEH PARTS	555.60 *
606928	O.C. HOUSING AUTHORITY	MOBILITY INSP FEE	1,800.00 *
606929	ORTIZ, STEVE	SAFETY EQ/SUPPLIES	63.42 *
606930	PACIFIC MEDICAL CLINIC	MEDICAL SERVICES	645.00 *
606931	PENNER PARTITIONS, INC.	JANITORIAL SUPPLIES	388.80 *

PAGE TOTAL FOR "*" LINES = 50,938.83

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 06/28/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
606932	THE PM GROUP	PRINTING	3,979.81 *
606933	DAY & NIGHT PLUMBING, INC	MAINT-SERV CONTRACTS	2,150.00 *
606934	PENCO ENGINEERING, INC.	ENGINEERING SERVICES	1,141.87 *
606935	PEST OPTIONS, INC.	NON-SPEC CONTR SERV	881.98 *
606936	PETTY CASH - MUN SRVC CTR	PW CUST SVC COMM	52.31
		TELEPHONE	40.00
		OTHER CONF/MTG EXP	20.70
		OTHER EDUCATION EXP	66.61
		LABORATORY CHEMICALS	101.36
		MV GAS/DIESEL FUEL	143.33
		OFFICE SUPPLIES/EXP	108.37
		OTHER MINOR TOOLS/EQ	65.33
		MONITORED MINOR EQ	59.38
			657.39 *
606937	PETTY CASH - HUMAN RESOURCES	OTHER CONF/MTG EXP	26.00
		FOOD	44.73
		FOOD SERV SUPPL	10.79
		BOTTLED WATER	19.74
			101.26 *
606938	PLAYPOWER LT FARMINGTON INC.	HARDWARE	1,289.65 *
606939	PLUMBERS DEPOT INC.	REPAIRS-FURN/MACH/EQ	1,707.40 *
606940	POOL WATER PRODUCTS	OTHER MAINT ITEMS	80.98 *
606941	PRIM&MULTI-SPEC CLN OF ANAHEIM DBA GATEWAY URGENT CARE CTR	MEDICAL SERVICES	590.00 *
606942	PRIME TRUCK TIRE SERVICE	MOTOR VEHICLE MAINT	135.00 *
606943	QUALITY CODE PUBLISHING	MAINT-SERV CONTRACTS	717.20 *
606944	QUICK CRETE PRODUCTS CORP	JANITORIAL SUPPLIES	873.73 *
606945	RADI'S CUSTOM UPHOLSTERY	MOTOR VEH PARTS	1,375.00 *
606946	RED WING SHOE STORE	SAFETY EQ/SUPPLIES	527.28 *

PAGE TOTAL FOR "*" LINES = 16,208.55

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 06/28/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
606947	RICOH USA, INC DBA RICOH LEGAL DOC SERV	MAINT-SERV CONTRACTS OTHER PROF SERV	9.76 977.81 987.57 *
606948	AT&T GLOBAL SERVICES INC	TELEPHONE	594.00 *
606949	SCP DISTRIBUTORS, LLC	OTHER MAINT ITEMS	45.10 *
606950	SABP INC SABP REPROGRAPHICS	DUPLICATING	38.70 *
606951	SAFETY 1st PEST CONTROL, INC	MAINT OF REAL PROP NON-SPEC CONTR SERV OTHER MAINT ITEMS	725.00 150.00 600.00 1,475.00 *
606952	SAUCEDO, DANA	FOOD	112.00 *
606953	SARVER, * ALAN D.	SAFETY EQ/SUPPLIES	240.00 *
606954	SAXE-CLIFFORD, PH.D., SUSAN	MEDICAL SERVICES	375.00 *
606955	SCOTT FAZEKAS & ASSOCIATES INC.	OTHER PROF SERV	12,779.78 *
606956	SCOTT GOODWIN ASSOCIATES	TUITION/TRAINING	280.00 *
606957	SHOETERIA	SAFETY EQ/SUPPLIES	1,259.06 *
606958	SHRED CONFIDENTIAL, INC.	OTHER PROF SERV	94.50 *
606959	SIEMENS INDUSTRY, INC. C/O CITIBANK (BLDG TECH)	MAINT OF REAL PROP MAINT-SERV CONTRACTS	30,245.00 9,522.96 39,767.96 *
606960	SIMPLOT PARTNERS	FERTILIZER	1,641.60 *
606961	SIMPSON CHEVROLET OF GG	REPAIRS-FURN/MACH/EQ MOTOR VEH PARTS	140.29 1,262.75 1,403.04 *
606962	SMITH EMERY LABORATORIES	ENGINEERING SERVICES	3,845.00 *
606963	SOUTH COAST A.Q.M.D	PERMITS/OTHER FEES	479.21 *

PAGE TOTAL FOR "*" LINES = 65,417.52

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 06/28/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
606964	SOUTH COAST EMERGENCY VEHICLE SERVICES	MOTOR VEH PARTS	7,848.40 *
606965	SOUTHERN CALIFORNIA GAS CO ML 711D	MAINT-SERV CONTRACTS	575.00 *
606966	SOUTHERN COUNTIES LUBRICANTS LLC.	WHSE INVENTORY	672.81 *
606967	SPARKLETT'S	BOTTLED WATER	143.01 *
606968	SPECTRUM GAS PRODUCTS, INC.	OTHER RENTALS	152.00 *
606969	STEPHEN DORECK EQUIPMENT RENTALS, INC.	WTR/SWR CONST CONTR	91,460.30 *
606970	SUN BADGE COMPANY	UNIFORMS	497.00 *
606971	SUNBELT RENTALS	HEAVY EQUIP RENTAL	2,458.63 *
606972	THOMAS HOUSE TEMPORARY SHELTER	OTHER PROF SERV	10,468.56 *
606973	THOMPSON DOOR & FRAME INC.	LUMBER	189.21 *
606974	THOMSON REUTERS- WEST	DUES/MEMBERSHIPS	247.74 *
606975	TIME WARNER CABLE	CABLE TV SERVICE	68.16 *
606976	TOMARK SPORTS INC VARSITY BRANDS HLDGS CO LTD	OTHER MINOR TOOLS/EQ	542.32 *
606977	HONEYWELL (FORMER TOTAL FIRE GROUP)	SAFETY EQUIP	806.22 *
606978	TOXGUARD FLUID TECHNOLOGIES	MV GAS/DIESEL FUEL	476.30 *
606979	TRUCK & AUTO SUPPLY INC. TrucParCo	MOTOR VEH PARTS	961.85 *
606980	TYCO INTEGRATED SECURITY LLC	MAINT-SERV CONTRACTS	536.42 *
606981	UNIFIRST CORP	LAUNDRY SERVICES	1,694.96 *
606982	UNITED PARCEL SERVICE	DELIVERY SERVICES	96.83 *
606983	UNITED RENTALS NORTHWEST, INC	AGGREGATES/MASONRY	206.77 *
606984	U.S. TOY CO.	OTHER REC/CULT SUPP	174.47 *
606985	UC REGENTS-UC IRVINE MED CTR OF CA	MEDICAL SUPPLIES	5,295.90 *

PAGE TOTAL FOR "*" LINES = 125,572.86

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 06/28/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
606986	VALLEY POWER SYSTEMS, INC. DEPT 34677	REPAIRS-FURN/MACH/EQ MOTOR VEH PARTS	5,002.72 2,342.43 7,345.15 *
606987	VILLAGE NURSERIES	SEEDS/PLANTS TREES	131.81 128.93 260.74 *
606988	VISION MARKING DEVICES	OFFICE SUPPLIES/EXP	97.08 *
606989	VOLVO CONSTRUCTION EQUIPMENT VOLVO AB	REPAIRS-FURN/MACH/EQ	15,101.78 *
606990	VULCAN MATERIALS COMPANY WESTERN DIVISION	ASPHALT PRODUCTS	26,391.82 *
606991	GRAINGER	WHSE INVENTORY	191.16 *
606992	WALTERS WHOLESALE ELECTRIC	ELECTRICAL SUPPLIES	4,020.94 *
606993	CARL WARREN & CO	SELF-INS ADMN	9,000.00 *
606994	WATERLINE TECHNOLOGIES, INC.	LABORATORY CHEMICALS	2,032.05 *
606995	WAXIE SANITARY SUPPLY	JANITORIAL SUPPLIES	130.05 *
606996	WEST-LITE SUPPLY CO INC	SAFETY EQ/SUPPLIES	134.22 *
606997	FERGUSON ENTERPRISES, INC #1350	PIPES/APPURTENANCES	296.22 *
606998	WESTCOAST MUFFLER	MOTOR VEH PARTS	437.60 *
606999	WESTERN EXTERMINATOR	MAINT-SERV CONTRACTS	377.00 *
607000	WESTERN ILLUMINATED PLASTICS INC	ELECTRICAL SUPPLIES	82.30 *
607001	WESTERN OIL SPREADING SERVICES	ASPHALT PRODUCTS	1,560.58 *
607002	WOODRUFF, SPRADLIN & SMART A PROFESSIONAL CORP	LEGAL FEES	12,390.61 *
607003	YERGENSEN *, VICTOR	TUITION REIMB	238.17 *
607004	BEST EQUIPMENT SERVICE	REPAIRS-FURN/MACH/EQ	516.76 *
607005	SAFARILAND, LLC	OTHER PROF SUPPLIES	60.07 *

PAGE TOTAL FOR "*" LINES = 80,664.30

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 06/28/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
607006	DTNTech MARKETING	UNIFORMS	926.64
		OTHER CLOTHING ITEMS	1,019.52
			1,946.16 *
607007	MORALES, HUGO	OTHER PROF SERV	600.00 *
607008	WYCKOFF, GARTH	OTHER PROF SERV	300.00 *
607009	CHEMSEARCH	OTHER MAINT ITEMS	264.73 *
607010	P.L. HAWN COMPANY, INC. AIR FILTRATION & POLLUTION CONT	AIR COND SUPPLIES	1,051.87 *
607011	PSOMAS & ASSOCIATES	ENGINEERING SERVICES	1,775.00 *
607012	LOCATION SOUND CORP	OTHER MINOR TOOLS/EQ	165.00 *
607013	MONTROSE ENVIRONMENT CORP DBA SCEC	MAINT-SERV CONTRACTS	1,485.00 *
607014	PROFESSIONAL COLLISION	MOTOR VEH PARTS	998.76 *
607015	CALPELRA	DUES/MEMBERSHIPS	700.00
		REGISTRATION FEES	1,340.00
			2,040.00 *
607016	TRELOAR, TOM	TRUST FUND EXPEND	400.00
		OTHER PROF SERV	200.00
			600.00 *
607017	CHEMEX INDUSTRIES	JANITORIAL SUPPLIES	1,598.46 *
607018	COMMERCIAL AQUATIC SERVICES	OTHER PROF SERV	2,216.74
		TREE TRIMMING SERV	1,225.00
		LABORATORY CHEMICALS	1,454.40
			4,896.14 *
607019	DELL MARKETING LP C/O DELL USA LP	MONITORED MINOR EQ	43,410.36 *
607020	SOURCE GRAPHICS	MAINT-SERV CONTRACTS	895.00
		REPRO SUPPLIES	488.19
			1,383.19 *
607021	GFOA	DUES/MEMBERSHIPS	150.00 *

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 06/28/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
607022	CSUF UNIVERSITY EXTENDED EDUCATION	TUITION/TRAINING	1,400.00 *
607023	AEG SOLUTIONS INC	OFFICE SUPPLIES/EXP	586.98 *
607024	TRAFFIC MANAGEMENT INC	SIGNS/FLAGS/BANNERS	437.40 *
607025	EMERGENCY MEDICAL SERVICES AUTH	TUITION/TRAINING	187.00 *
607026	CITY OF FRESNO POLICE DEPT	TUITION/TRAINING	692.00 *
607027	BADOUD, TOM	OTHER PROF SERV	410.00 *
607028	MARIE CALLENDER'S	FOOD	99.65 *
607029	BEST OF THE BEST BTB EVENT PRODUCTS, INC.	OTHER PROF SERV	347.25 *
607030	STOWERS, LEW	OTHER PROF SERV	400.00 *
607031	VICTORIA, EVA	OTHER MAINT ITEMS	623.89 *
607032	PUMPMAN INC	OTHER MAINT ITEMS	160.00 *
607033	ADVANCED CAR CARE INC	TIRES/TUBES	2,452.18 *
607034	O'REILLY AUTO PARTS	MOTOR VEH PARTS	4,136.93 *
607035	PLANT SIGNS	OTHER MAINT ITEMS	174.64 *
607036	CITY OF ORANGE	TRAFFIC SIGNAL MAINT	306.04 *
607037	HENRY PRATT COMPANY, LLC	FURN/MACH/EQUIP REPL	2,891.77 *
607038	THE FRAME MAKER	OTHER REC/CULT SUPP	518.40 *
607039	ALAMO, ROSAMARIA	OTHER PROF SERV	1,762.50 *
607040	THORPE, DON	SAFETY EQ/SUPPLIES	164.35 *
607041	VORTEX INDUSTRIES INC	MAINT-SERV CONTRACTS	1,878.18 *
607042	OIL PRICE INFORMATION SERVICE	BOOKS/SUBS/CASSETTES	357.00 *
607043	VERITIV OPERATING COMPANY	WHSE INVENTORY	1,450.92 *

PAGE TOTAL FOR "*" LINES = 21,437.08

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 06/28/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
607044	LEXISNEXIS RISK SOLUTIONS	BOOKS/SUBS/CASSETTES	150.25 *
607045	DISCOVERY SCIENCE CENTER	OTHER PROF SERV	470.02 *
607046	GMS AUTOGLASS	MOTOR VEH PARTS	863.04 *
607047	KAYE'S KITCHEN	FOOD	110.00 *
607048	JUAN A. ZAMBRANO	OTHER PROF SERV	300.00 *
607049	A-THRONE CO., INC.	OTHER RENTALS	31.75 *
607050	AMERINATIONAL COMMUNITY SERVICES, INC.	OTHER PROF SERV NSP HOME IMP GRANT	169.60 71.77 241.37 *
607051	JMT IMAGES, INC.	OTHER RENTALS	900.00 *
607052	SECOND HARVEST FOOD BANK OF ORANGE COUNTY, INC.	FaCT:EMRGCY NEEDS	30.00 *
607053	PARKINK	OTHER REC/CULT SUPP	3,999.08 *
607054	BATTERY SYSTEMS	MOTOR VEH PARTS	380.53 *
607055	ECOLINE INDUSTRIAL SUPPLY INC	JANITORIAL SUPPLIES	429.84 *
607056	TRISKELION EVENT SERVICES, INC.	OTHER PROF SERV	825.00 *
607057	VN-US IMMIGRATION & SERVICES	OTHER PROF SERV	268.00 *
607058	KANESHIRO, KRISTINA DBA LABOR COMPLIANCE MANAGEMENT	OTHER PROF SERV	4,500.00 *
607059	DOUGLAS, MONSON HENRY	OTHER PROF SERV	312.75 *
607060	LABSOURCE, INC.	WHSE INVENTORY	2,160.00 *
607061	AMERICAN ASPHALT SOUTH, INC.	MAINT-SERV CONTRACTS	5,676.44 *
607062	LAWRENCE RAGAN COMMUNICATIONS INC.	DUES/MEMBERSHIPS	26.95 *
607063	VAN WIE, RYAN	TUITION/TRAINING	220.00 *
607064	KOREM CORPORATION	14/15 SLESF	1,697.40 *

PAGE TOTAL FOR "*" LINES = 23,592.42

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 06/28/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
607065	CLEARVIEW HOME ENERGY SOLUTIONS	STATE ADA PASSTHRU	0.30
		BUS OPER TAX REFUND	42.50
		BOT FEE REFUND	25.00
		CITY ADA ASMT 70%	0.70
			68.50 *
607066	VECTOR SECURITY	ALARM PERMIT REF	5.00 *
607067	DEPARTMENT OF JUSTICE	LIFESCAN FEE-DOJ	455.00 *
607068	ARROW INTERNATIONAL, INC.	MEDICAL SUPPLIES	1,560.75 *
607069	THE KOREA DAILY	ADVERTISING	1,000.00 *
607070	FAIR HOUSING FOUNDATION	OTHER PROF SERV	3,233.09 *
607071	ARTI NEHRU	OTHER PROF SERV	475.00 *
607072	JAN BERGER	SAFETY EQ/SUPPLIES	47.40 *
607073	OPC13 PRODUCTIONS JOE COULTER	OTHER PROF SERV	150.00 *
607074	SUPPLY SOLUTIONS	WHSE INVENTORY	1,351.47 *
607075	SHAMROCK SUPPLY COMPANY, INC	WHSE INVENTORY	192.46 *
607076	TOPAZ ALARM CORP	OTHER PROF SERV	35.00 *
607077	YO-FIRE SUPPLIES	WHSE INVENTORY	1,182.60
		PIPES/APPURTENANCES	126.66
			1,309.26 *
607078	NWN CORPORATION	REPRO SUPPLIES	151.20
		OFFICE SUPPLIES/EXP	302.40
			453.60 *
607079	A-1 AUTO ELECTRIC FRESNO MOTOR EXCHANGE	MOTOR VEH PARTS	486.32 *
607080	THE GEO GROUP, INC.	JAILER SERVICES	42,885.58 *
607081	HOSHIZAKI WESTERN PENGUIN SERV-ICE	OTHER MINOR TOOLS/EQ	2,532.78 *
607082	GREG FURLONG	OTHER PROF SERV	480.00 *

PAGE TOTAL FOR "*" LINES = 56,721.21

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 06/28/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
607083	ELIZABETH PETERSON	OTHER PROF SERV	285.00 *
607084	JGDAVIDSON & COMPANY	DEPOSIT REFUND	4,500.00 *
607085	EVERGREEN NURSERY	SEEDS/PLANTS	189.00 *
607086	CORELOGIC SOLUTIONS, LLC	SOFTWARE	394.50 *
607087	AMERICAN INTERNET SERVICES, LLC	NETWORK COMMUNICT	669.56 *
607088	GRP2 UNIFORMS, INC KEYSTONE UNIFORMS, OC	UNIFORMS	7,566.94 *
607089	D'ALESIO, INC.	SAFETY EQ/SUPPLIES	108.27 *
607090	SOUTHERN COMPUTER WAREHOUSE, INC	NETWORKING SUPPLIES	135.43
		DATA PROCESSING SUPP	396.45
		MINOR FURN/EQUIP	349.55
			881.43 *
607091	SLA CORPORATION	TELEPHONE	592.68 *
607092	CORNERSTONE COMMUNICATIONS, INC.	COMMUNITY RELATIONS	4,000.00 *
607093	BRETT MEISLAHN	TUITION REIMB	553.35 *
607094	PREMIUM QUALITY LIGHTING	ELECTRICAL SUPPLIES	7,279.82 *
607095	AUTONATION FORD TUSTIN	REPAIRS-FURN/MACH/EQ	781.26 *
607096	DATABLAZE LIGHTING UP WIRELESS DATA	OTHER PROF SERV	79.90 *
607097	MUNICIPAL WATER DISTRICT OF ORANGE COUNTY	OTHER PROF SERV	961.45 *
607098	USA BLUE BOOK	LABORATORY CHEMICALS	1,360.78 *
607099	ZONES CORPORATE SOLUTIONS	NETWORKING SUPPLIES	22.64 *
607100	CA SHOPPING CART RETRIEVAL CORP	OTHER BLD/EQ/ST SERV	2,083.00
		LAUNDRY SERVICES	64.61
			2,147.61 *
607101	BERENDSEN FLUID POWER, INC	LABORATORY CHEMICALS	1,572.59 *

PAGE TOTAL FOR "*" LINES = 33,946.78

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 06/28/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
607102	COUNTY OF ORANGE TREASURER-TAX COLLECTOR	PISTOL RANGE RENTAL	2,830.67
		OTHER PROF SERV	9,248.50
		FORENSIC SERV	77,825.32
		ANIMAL SHELTER FEES	424,556.00
			514,460.49 *
607103	CPCA	DUES/MEMBERSHIPS	2,205.00 *
607104	ENGINEERING RESOURCES OF SOUTHERN CALIFORNIA INC.	ENGINEERING SERVICES	25,595.00 *
607105	JTB SUPPLY CO INC	MAINT SUPP-TRAFF SIG	1,350.00 *
607106	MurCal, INC.	OTHER MAINT ITEMS	156.35 *
607107	EBERHARD EQUIPMENT	HEAVY EQUIP RENTAL	1,009.80 *
607108	ORION SAFETY PRODUCTS	WHSE INVENTORY	4,744.81 *
607109	CITY OF ANAHEIM	PERMITS/OTHER FEES	510.00 *
607110	ROSS CREATIONS SOUND STAGE & LIGHTING	OTHER PROF SERV	4,995.00 *
607111	TRUGREEN LIMITED PARTNERSHIP	FERTILIZER	1,155.00 *
607112	DOUG'S DOWNTOWN GRILL	CATERING SERVICES	308.88 *
607113	CEVALLOS, JUAN	WATER CLOSING BILL REFUND	1.21 *
607114	KOFFEL, SANDY	WATER CLOSING BILL REFUND	5.36 *
607115	MCGRATH, RYAN	WATER CLOSING BILL REFUND	59.30 *
607116	BIXBY, BRIAN	WATER CLOSING BILL REFUND	23.86 *
607117	MUNDELL, BRIAN	WATER CLOSING BILL REFUND	182.64 *
607118	GAGNIER, LUCILLE	WATER CLOSING BILL REFUND	13.65 *
607119	HUNT, DOUGLAS	WATER CLOSING BILL REFUND	79.60 *
607120	KAPUSTIN, YURI	WATER CLOSING BILL REFUND	26.93 *
607121	OC ANGELS INC	WATER CLOSING BILL REFUND	43.07 *

PAGE TOTAL FOR "*" LINES = 556,925.95

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 06/28/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
607122	LATIF, ZIAULLAH	WATER CLOSING BILL REFUND	192.68 *
607123	LIM, ZIYIN	WATER CLOSING BILL REFUND	25.26 *
607124	BUI, HA B	WATER CLOSING BILL REFUND	99.87 *
607125	NGUYEN, KATHY	WATER CLOSING BILL REFUND	64.84 *
607126	DO, GAIN	WATER CLOSING BILL REFUND	179.73 *
607127	LE, NGHI THI MONG	WATER CLOSING BILL REFUND	18.27 *
607128	LE, JULIE M	WATER CLOSING BILL REFUND	144.81 *
607129	ACOSTA, GILBERT	WATER CLOSING BILL REFUND	38.59 *
607130	SETTERINGTON, MRS. K H	WATER CLOSING BILL REFUND	81.81 *
607131	WUN, BENNY	WATER CLOSING BILL REFUND	23.31 *
607132	ERICKSON, CHARLES	WATER CLOSING BILL REFUND	92.51 *
607133	CHONG, TAN	WATER CLOSING BILL REFUND	22.95 *
607134	HOLT, MONTESSA	WATER CLOSING BILL REFUND	43.64 *
607135	TRINH, YEN	WATER CLOSING BILL REFUND	14.84 *
607136	TRAN, HO	WATER CLOSING BILL REFUND	12.35 *
607137	TRUONG, THUY	WATER CLOSING BILL REFUND	60.56 *
607138	MAI, TINA	WATER CLOSING BILL REFUND	31.39 *
607139	DOAN, DUC	WATER CLOSING BILL REFUND	34.78 *
607140	HO, JOANNA	WATER CLOSING BILL REFUND	40.35 *
607141	TU, MINH	WATER CLOSING BILL REFUND	24.46 *
607142	NGUYEN, LAN	WATER CLOSING BILL REFUND	31.39 *
607143	HOBBS, IDA C % ROY HOBBS	WATER CLOSING BILL REFUND	3.15 *

PAGE TOTAL FOR "*" LINES = 1,281.54


WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 06/28/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
607144	LEMOND, RODERICK	WATER CLOSING BILL REFUND	39.11 *
607145	RAJAPAKSE, DINUSHEE	WATER CLOSING BILL REFUND	12.40 *
607146	NGUYEN, RACHEL	WATER CLOSING BILL REFUND	41.04 *
607147	LOR, FAN	WATER CLOSING BILL REFUND	58.85 *
607148	CITY OF GARDEN GROVE ATTN:CARLOS MARQUEZ	WATER CLOSING BILL REFUND	28.28 *
607149	WESTHOFF, NAOMI	WATER CLOSING BILL REFUND	40.11 *
607150	MUTUKU, ELLINAH	WATER CLOSING BILL REFUND	61.26 *
W1591	CALIFORNIA STATE DISBURSEMENT UNIT	WAGE ATTACHMENT	4,829.58 *
W1592	MUNICIPAL WATER DISTRICT OF ORANGE COUNTY	IMPORT WTR-MWDOC	501,525.67 *
W1593	ACA COMPLIANCE SERVICES INC DBA CIMPLX COMPLIANCE SERVICES	OTHER PROF SERV	1,767.00 *

PAGE TOTAL FOR "*" LINES = 508,403.30

FINAL TOTAL 2,827,122.71 *

DEMANDS #606722 - 607150 AND WIRES W1591 - W1593 AS PRESENTED IN THE WARRANT REGISTER SUBMITTED TO THE GARDEN GROVE CITY COUNCIL JUNE 28, 2016, HAVE BEEN AUDITED FOR ACCURACY AND FUNDS ARE AVAILABLE FOR PAYMENT THEREOF



 KINGSLEY C. OKEREKE - FINANCE DIRECTOR

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Scott C. Stiles From: Kingsley Okereke
Dept.: City Manager Dept.: Finance
Subject: Adoption of Budget Date: 6/28/2016
Resolutions and Programs for
Fiscal Year 2016-17. (*Action
Item*)

OBJECTIVE

To consider and adopt the City's Fiscal Year 2016-17 Basic Services, Cable Services, Grant Services, Water Services, Capital Improvements, Special Assessments Relating to Street Lighting, Main Street and the Parking District, Tourism Improvement District, and Park Maintenance District Budgets, the Appropriations Limit, Housing Authority, and other related budget programs.

BACKGROUND

Given the current economic climate, this budget is based on a framework that assumes continuing cost containment initiatives, some revenue growth, and use of one time available funds.

DISCUSSION

In accordance with the plan presented for City Council consideration, attached are the Resolutions for adoption of the Fiscal Year 2016-17 budget.

The following Resolutions are attached:

- A Resolution of the City Council of the City of Garden Grove adopting basic services, cable services, grant services, water services, capital improvements, special assessments relating to street lighting, Main Street and the Parking District, Tourism Improvement District, and Park Maintenance District Budgets for Fiscal Year 2016-17.
- A Resolution of the City Council of the City of Garden Grove adopting an appropriations limit for Fiscal Year 2016-17 implementing Article XIII B of the State Constitution pursuant to Section 7900 et. seq. of the Government Code.
- A Resolution of the City Council of the City of Garden Grove appropriating fund balances as of June 30, 2016, to reserves for future year reappropriation.
- A Resolution of the City Council of the City of Garden Grove reappropriating

certain Fiscal Year 2015-16 Project Balances and Encumbrances for the Fiscal Year 2016-17.

- A Resolution of the City Council of the City of Garden Grove adopting an annual budget for the Garden Grove Housing Authority for Fiscal Year 2016-17.

The following reports are submitted for approval:

- Water Supply Program Budget for Fiscal Year 2016-17.
- Overnight Conference and Training List for Fiscal Year 2016-17.

FINANCIAL IMPACT

Adoption of these resolutions will provide the funding needed for vital City services.

RECOMMENDATION

It is recommended that the City Council:

- Approve the attached Resolutions, Water Supply Program and Overnight Conference and Training List and that these items be acted on simultaneously unless separate discussion and/or action is requested by a Council Member.

ATTACHMENTS:

Description	Upload Date	Type	File Name
Attachment 1 - Water Supply Program Budget	6/23/2016	Backup Material	Budget_Attachment_1.pdf
Attachment 2-Basic Services, etc. Resolution	6/23/2016	Backup Material	Budget_Attachment_2.pdf
Attachment 3 - Appropriations Limit Report and Resolution	6/23/2016	Backup Material	Budget_Attachment_3.pdf
Attachment 4-Fund Balances Resolution	6/23/2016	Backup Material	Budget_Attachment_4.pdf
Attachment 5-Project Balances Resolution	6/23/2016	Backup Material	Budget_Attachment_5.pdf
Attachment 6 - Housing Authority Budget Report and Resolution	6/23/2016	Backup Material	Budget_Attachment_6.pdf
Attachment 7 - Overnight Conferences Report and List	6/23/2016	Backup Material	Budget_Attachment_7.pdf

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Scott C. Stiles
Dept.: City Manager
Subject: Water Supply Program Budget
Fiscal Year 2016/17

From: William E. Murray
Dept.: Public Works
Date: June 28, 2016

OBJECTIVE

To receive City Council approval for the proposed Water Supply Program Budget for Fiscal Year (FY) 2016/17.

BACKGROUND

The mission of the Water Services Division is to provide a reliable water supply of the highest quality at the lowest possible cost. In keeping with this mission, three major issues must be considered:

- Purchased water and energy costs;
- Improvement of the water delivery system; and
- State and federal water quality mandates

To comply with these issues, and in keeping with the above mission, the Water Services Division has initiated programs such as:

- Working with Orange County Water District to balance the groundwater basin's protection with rate stabilization and with water conservation measures;
- Working with the Metropolitan Water District of Southern California, Orange County Water District, and the Municipal Water District of Orange County to improve water reliability by way of water conservation with grant funding; and
- Compliance with all state and federal water quality standards

During FY 2015/16, a number of operational and capital goals were met. Projects in progress or completed that are related to the Water Enterprise Fund include the following:

Implementation of the Water Master Plan, construction of the West Street-Daniel Avenue Fire Flow Water Improvements and the Citywide Water Services Replacement Project Phase I, completion of the design of the West Haven Reservoir Rehabilitation Project and the PRV and OC-Interconnect Facilities Rehabilitation Project, and completion of the FY 2015/16 capital replacement projects.

DISCUSSION

Major areas being addressed in the proposed FY 2016/17 Water Supply Program Budget include: water supply budget, water cost factors, and implementation of capital

improvements and replacements. The capital improvement and replacement program for the upcoming fiscal year consists of the following:

- Replacement of 1,000 linear feet of main;
- Replace 140 fire hydrants;
- Replace 500 service lines;
- Replace 1,500 small meters and test/repair or replace 30 large meters;
- Replace 100 gate valves;
- Construction of the West Haven Reservoir Rehabilitation Project;
- Construction of the PRV and OC-Interconnect Facilities Rehabilitation Project;
- Design of the Citywide Water Services Replacement Project Phase II, Ward Street Fire Flow Water Improvements, and Magnolia Concrete Reservoir Rehabilitation Project;
- Continue with the upgrades of the SCADA System;
- Engineering evaluation and assessment of Well Nos. 16, 19 and 25;
- Perform miscellaneous improvements and/or repairs; and
- Conduct Water Rate Study and proper adjustment of water rate.

FINANCIAL IMPACT

This proposed budget will allow for the Water Enterprise Fund to continue meeting its financial obligations and carry out its capital improvement and replacement programs for FY 2016/17.

RECOMMENDATION

It is recommended that the City Council:

- Approve the proposed Water Supply Program Budget for Fiscal Year 2016/17 as presented.

WILLIAM E. MURRAY, P.E.
Public Works Director

By: Katie Victoria
Senior Administrative Analyst

Attachment: Water Supply Program Budget FY 2016/17

WATER SERVICES BUDGET

FY 2015-16 - 2017-18

(\$000)

<u>FUNDS AVAILABLE</u>	FY 15-16 Adopted Budget	FY 15-16 Projected Year End	FY 16-17 Proposed Budget	FY 17-18 Forecast
BEGINNING BALANCE	\$ 9,864.0	\$ 9,864.0	\$ 9,382.0	\$ 1,887.5
BOND PROCEEDS (annual allocation)	0.0	0.0	0.0	0.0
TRANSFER FROM REPLACEMENT	0.0	0.0	0.0	0.0
REVENUES	32,000.0	26,000.0	26,800.0	26,800.0
ANNUAL COMMODITY INDEX	0.0	0.0	0.0	0.0
TRANSFER FROM RESERVES	0.0	0.0	0.0	0.0
ADJUSTMENT	0.0	0.0	0.0	8,930.6
TOTAL FUNDS AVAILABLE	41,864.0	35,864.0	36,182.0	37,618.1
 <u>OPERATION EXPENDITURES</u>				
OPERATIONS				
LABOR	4,888.6	4,888.6	5,388.0	5,605.2
CONTRACTUAL SERVICES	1,011.7	1,011.7	1,097.6	1,137.3
COMMODITIES	1,153.1	1,153.1	1,231.3	1,275.9
VEHICLE / EQUIPMENT RENTALS	943.2	943.2	966.6	1,001.6
INSURANCE	263.3	263.3	263.3	263.3
ADMIN SUPPORT COSTS	2,371.9	2,371.9	2,534.9	2,626.6
PURCHASED WATER	14,881.5	13,000.0	14,290.6	16,269.8
LONG TERM DEBT	2,671.9	2,671.9	2,664.2	2,675.4
RESERVE DRAWDOWN PAYBACK	0.0	0.0	0.0	0.0
DEPRECIATION (REPLACEMENT)	2,600.0	2,600.0	3,150.0	3,213.0
STREET REPAIR CHARGE	1,550.0	1,550.0	1,550.0	1,550.0
CAPITAL EQUIPMENT	254.0	254.0	158.0	0.0
REPLACEMENT SINKING FUND	0.0	0.0	0.0	0.0
RATE STABILIZATION FUND	0.0	0.0	0.0	0.0
TOTAL OPERATION EXPENDITURES	32,589.2	30,707.7	33,294.5	35,618.1
PROJECTED AMOUNT UNDER SPENT	0.0	0.0	0.0	0.0
NET OPERATION EXPENDITURES	32,589.2	30,707.7	33,294.5	35,618.1
 <u>WATER CAPITAL EXPENDITURES</u>				
WATER MAINS	1,100.0	1,100.0	500.0	1,000.0
PRODUCTION CAPITAL	1,900.0	1,900.0	500.0	1,000.0
TOTAL CAPITAL EXPENDITURES	3,000.0	3,000.0	1,000.0	2,000.0
FUNDS AVAILABLE	41,864.0	35,864.0	36,182.0	37,618.1
WATER EXPENDITURES	35,589.2	33,707.7	34,294.5	37,618.1
ENDING BALANCE	\$ 6,274.8	\$ 2,156.3	\$ 1,887.5	\$ 0.0

WATER CAPITAL PROJECTS

FIVE YEAR PLAN (\$000)

PROJECTS	15-16	16-17	17-18	18-19	19-20
1. WATER MAINS	\$ 1,100	\$ 500	\$ 1,000	\$ 1,000	\$ 1,000
2. PRODUCTION CAPITAL	1,900	500	1,000	1,000	1,000
TOTAL	\$ 3,000	\$ 1,000	\$ 2,000	\$ 2,000	\$ 2,000

CAPITAL IMPROVEMENTS - PUBLIC WORKS
WATER
(\$000)

FY 2016-17

CURRENT ESTIMATED COSTS

PROJECTS	NEW CAPITAL	REPLACEMENT
Water Services	\$ 0	\$ 880
Water Meter	0	310
Fire Hydrants	0	850
Main Valve	0	1,110
Water Main Improvements	500	0
Production Projects	500	0
	\$ 1,000	\$ 3,150

WATER SERVICES REPLACEMENT PROGRAM

FIVE YEAR PLAN

(\$000)

BEGINNING BALANCE	\$ 0
REVENUES	0
DEPRECIATION RESERVES - TRANSFER	<u>0</u>
DEPRECIATION - TRANSFER	\$3,150
LESS REPLACEMENT COSTS	<u>(3,150)</u>
ENDING BALANCE	\$ 0

<u>PROJECTS</u>	<u>15-16</u>	<u>16-17</u>	<u>17-18</u>	<u>18-19</u>	<u>19-20</u>
1. WATER SERVICE	780	880	898	916	934
2. WATER METER	260	310	316	322	329
3. FIRE HYDRANT	650	850	867	884	902
4. MAIN VALVE	910	1,110	1,132	1,155	1,178
5. WATER MAIN	0	0	0	0	0
6. PRODUCTION	0	0	0	0	0
7. NATURAL GAS ENGINE	0	0	0	0	0
TOTAL	<u>\$2,600</u>	<u>\$3,150</u>	<u>\$3,213</u>	<u>\$3,277</u>	<u>\$3,343</u>

WATER REPLACEMENT PROJECTS

1. Replace deficient water service lines.
2. Replace small and large deficient meters.
3. Replace deficient fire hydrants.
4. Replace non-repairable main line gate valves.
5. Replace production equipment as needed.
6. Replace water mains as needed.
7. Replace natural gas engines as needed.

WATER COST FACTOR

(PER ACRE FOOT)

	<u>15-16</u>	<u>16-17</u>	<u>17-18</u>	<u>18-19</u>	<u>19-20</u>
IMPORT WATER COST	\$ 923.5	\$ 942.0	\$ 979.0	\$ 1,028.0	\$ 1,133.3
POWER COSTS	\$ 51.0	\$ 53.0	\$ 54.0	\$ 56.0	\$ 58.0
REPLENISHMENT ASSESSMENT (GROUNDWATER)	\$ 322.0	\$ 402.0	\$ 422.0	\$ 443.0	\$ 465.0
EQUITY ASSESSMENT (OVER PUMPING COSTS)	\$ 547.0	\$ 549.0	\$ 576.0	\$ 605.0	\$ 636.0
BASIN PRODUCTION PERCENTAGE	75%	75%	70%	70%	70%

GARDEN GROVE CITY COUNCIL

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE ADOPTING BASIC SERVICES, CABLE SERVICES, GRANT SERVICES, WATER SERVICES, CAPITAL IMPROVEMENTS, SPECIAL ASSESSMENTS RELATING TO STREET LIGHTING, MAIN STREET AND THE PARKING DISTRICT, TOURISM IMPROVEMENT DISTRICT, AND PARK MAINTENANCE DISTRICT BUDGETS FOR FISCAL YEAR 2016-17

WHEREAS, the City Council has given careful consideration to the budgets for Fiscal Year 2016-17; and

WHEREAS, the City Council of the City of Garden Grove in accordance with the laws of the State of California is responsible for the administration of certain special assessment districts; and

WHEREAS, each special assessment district's budget for Fiscal Year 2016-17 has had public hearing and reviews as required by state law;

NOW, THEREFORE, BE IT RESOLVED that the City Manager is hereby authorized to expend in accordance with the requirements of various grant programs, laws of the State of California, and the ordinances of the City of Garden Grove on behalf of the City Council an amount of \$183,822,675 from new appropriations and reserved fund balances.

BE IT FURTHER RESOLVED that the total of \$183,822,675 which the City Manager is authorized to expend in accordance with the grant program requirements, laws of the State of California, and the ordinances of the City of Garden Grove shall be appropriated from the estimated revenues and reserved fund balances of the following funds and funds assessed in accordance with state laws for Fiscal Year 2016-17.

Basic Funds

State Gas Tax 2106/2107	\$ 2,000,000
State Gas Tax 2105	900,000
Traffic Mitigation	75,000
State Traffic Congestion Relief	800,000
Development Agreement Fees	830,213
Cultural Arts	30,000
Park Fee	500,000
Drainage	160,000
Red Lite Enforcement Program	758,073
Traffic Offender	52,587
City Infrastructure (GASB 34 Depreciation) ①	14,220,000
Public Safety	75,000
Economic Development ②	297,320
Tourism Improvement District – Transit ③	676,000
Land Sales Proceeds (Vietnam War Museum)	2,531,208
Tourism Improvement District – Street Projects ④	90,000
General Purpose ⑤	105,747,373
Forfeit/Seizure – State	16,029

Golf Course	75,702
Self-Supporting Revenue ⑥	949,729
Measure M – Turn back	47,030
M2 Local Fairshare	<u>2,200,000</u>
Total Basic Funds	\$133,031,264

Cable Fund

Garden Grove Cable ⑦	<u>\$ 528,276</u>
Total Cable Fund	\$ 528,276

Grant Funds

Calhome Reuse	\$ 100,000
Community Development Block Grant (CDBG)	1,931,623
HOME Investment Partnerships (HOME)	643,611
Emergency Solutions Grants (ESG)	174,448
Justice Assistance Grant	31,506
POST Reimbursements	50,000
State Grants	35,000
Families And Communities Together (FACT)	350,804
Public Safety/Proposition 172	814,368
Air Quality Improvement (AQMD AB2766)	199,195
California Dept. of Conservation	44,206
California Integrated Waste Management Board (CIWMB)	75,600
Used Oil	48,045
Federal Park Grants	2,132,000
Measure M-2 – (Combined Transportation Funding Program)	<u>734,000</u>
Total Grant Funds	\$ 7,364,406

Special Assessment Funds

Street Lighting	\$ 1,331,824
Parking District (Maint. & Acq.)	4,061
Main Street Assessment District	38,382
Garden Grove Tourism Improvement District	3,380,000
Park Maintenance Assessment District	<u>700,000</u>
Total Special Assessment Funds	\$ 5,454,267

Water Funds

Water Operations	\$ 30,630,261
Water Debt Service	2,664,201
Water Capital	1,000,000
Water Replacement	<u>3,150,000</u>

Total Water Funds	\$ 37,444,462
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GRAND TOTAL BASIC, CABLE, GRANT, SPECIAL ASSESSMENT, AND WATER FUNDS	\$183,822,675
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① Depreciation Not Funded In Fiscal Year 2016-17	\$ 14,220,000
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② Contains Transfers To The Economic Development Fund From:

(a) General Purpose Fund	\$ 250,000
(b) Garden Grove Tourism Improvement District Fund	47,320

③ Contains Transfers To The Tourism Improvement District – Transit Fund From:

(a) Garden Grove Tourism Improvement District Fund	\$ 676,000
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④ Contains Transfers To The Tourism Improvement District – Street Projects Fund From:

(a) Garden Grove Tourism Improvement District Fund	\$ 90,000
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⑤ Contains Transfers To The General Fund From:

(a) Development Agreement Fund	\$ 600,000
(b) Land Sales Proceeds (Vietnam War Museum) Fund	900,000
(c) Workers Compensation Fund	1,400,000
(d) Employee Benefit Fund	900,000
(e) Self Insurance Fund	100,000

⑥ Contains Transfer To The Self Supporting Revenue Fund From:

(a) General Purpose Fund	\$ 274,729
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⑦ Contains Transfer To The Garden Grove Cable Fund From:

(a) General Purpose Fund	\$ 438,276
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City of Garden Grove**INTER-DEPARTMENT MEMORANDUM**

To: Scott C. Stiles
From: Kingsley Okereke
Dept: City Manager
Dept: Finance
Subject: ADOPTION OF A RESOLUTION
SETTING THE FISCAL YEAR 2016-17
APPROPRIATIONS LIMIT
Date: June 28, 2016

OBJECTIVE

The purpose of this memorandum is for City Council to review and adopt the attached Appropriations Limit Resolution setting the appropriations limit for Fiscal Year 2016-17.

BACKGROUND

In November 1979, the citizens of California passed Proposition 4 (Gann Initiative amending Article XIII B), which placed limitations on the finances of state and local governments. It also provided a method of calculating and adopting the limitations. The League of California Cities has developed guidelines from the legislation and Article XIII B for consistent statewide implementation. The City is utilizing these guidelines in the calculation process.

DISCUSSION

The Fiscal Year 2016-17 appropriations limit is \$136,655,217. The calculated and recommended budget appropriations subject to the Gann Limit is \$81,849,752. The appropriations under the limit of \$54,805,465 is the amount from which additional appropriations can be made. Generally, appropriations from the General Fund are subject to the annual limitation. However, due to the estimated growth in PCI (Per Capita Income) and future revenues available, it is not anticipated that the appropriations limit will significantly impact budget appropriations in the near future.

Section 7900 et seq. of the Government Code requires local governments to adopt a resolution setting the limitations at a regularly scheduled meeting or noticed special meeting. There is no requirement in the State Code for a public hearing prior to adoption of the resolution.

FINANCIAL IMPACT

Not applicable

ADOPTION OF A RESOLUTION
SETTING THE FISCAL YEAR 2016-17
APPROPRIATIONS LIMIT
June 28, 2016
Page 2

RECOMMENDATION

It is recommended that the City Council:

- Adopt the Appropriations Limit Resolution setting the appropriations limit for Fiscal Year 2016-17 at \$136,655,217.

KINGSLEY OKEREKE
Assistant City Manager/Finance Director

Attachments: Resolution
EXHIBIT "A"

GARDEN GROVE CITY COUNCIL

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE
ADOPTING AN APPROPRIATIONS LIMIT FOR FISCAL YEAR 2016-17
IMPLEMENTING ARTICLE XIII B OF THE STATE CONSTITUTION PURSUANT
TO SECTION 7900 ET SEQ. OF THE GOVERNMENT CODE

WHEREAS, the people of California on November 6, 1979 added Article XIII B to the State Constitution placing various limitations on the appropriations of state and local governments;

WHEREAS, the State Legislature adopted Chapters 1205 and 1342 of the 1980 statutes which implemented Article XIII B;

WHEREAS, Section 7902 of the Government Code provides the process which to calculate the appropriations limit for Fiscal Year 2016-17 and subsequent years pursuant to Article XIII B;

WHEREAS, Section 7910 of the Government Code requires cities to adopt a Resolution setting the annual appropriation limitation at a regularly scheduled meeting or a noticed special meeting;

NOW, THEREFORE, BE IT RESOLVED that the appropriations limit for Fiscal Year 2016-17 pursuant to Section 7902 of the Government Code shall be \$136,655,217.

City of Garden Grove
Gann Limit (Budget)
FY 2016-2017
EXHIBIT "A"

**IMPLEMENTATION OF ARTICLE XIII B (GANN LIMITATION)
DETERMINATION OF BASE YEAR (FY 78-79) AND THIRTY-EIGHTH
YEAR (BUDGET FY 16-17) APPROPRIATIONS SUBJECT TO LIMIT
(000's)**

REVENUES	BASE YEAR		YEAR THIRTY-EIGHT	
	FY 78-79 REVENUE	FY 78-79 CLASSIFIED AS NON-PROCEEDS OF TAXES	FY 16-17 REVENUE	FY 16-17 CLASSIFIED AS NON-PROCEEDS OF TAXES
Taxes	8,148.0	337.3	71,504.0	8,886.0
Licenses & Permits	1,160.2	1,160.2	5,549.0	5,549.0
Fines, Forfeits, Penalties	285.2	285.3	2,833.5	2,833.5
Use of Property	851.5	661.9	954.3	847.6
Charges for Services	5,074.0	5,074.0	33,608.2	33,608.2
Subvented from Others	4,572.2	1,284.3	21,575.0	6,394.0
Grants from Others	11,750.0	11,750.0	7,819.7	7,819.7
Other Revenue	120.8	113.1	4,318.0	4,318.0
Total Revenues	31,961.9	20,666.1	148,161.7	70,256.0
Unreserved Fund Bal.	4,544.0	2,649.1	0	0
Total Revenues Under Article XIII B	36,505.9	23,315.2	148,161.7	70,256.0

APPROPRIATIONS	BASE YEAR FY 78-79	YEAR THIRTY-EIGHT FY 16-17
Fire Protection	3,565.9	23,075.9
Police Protection	5,819.7	52,789.7
Traffic Safety	1,678.3	4,090.1
Public Right-of-Way	4,081.8	25,654.9
Water Supply	3,931.2	34,869.0
Drainage	714.0	1,420.0
Community Buildings	803.2	5,431.6
Community Services	2,658.8	4,526.2
Economic Development	N/A	1,165.2
Parks & Greenbelts	1,014.6	2,099.7
Community Neigh. & Development	1,756.5	10,144.6
Municipal Support Services	6,017.0	9,456.8
Capital Project Reappropriation	8,426.4	Included
Added Appropriations During Year	1,946.1	in above
City Contributions to Succ. Agency & Oth. City Act.	0	1,566.6
Grant Contributions to Sewer/Refuse & Oth. City Act.	0	48.5
Water Contributions to Oth. City Act.	0	1.3
Total Appropriations	42,413.5	176,340.1
Less Funds from Reserves	0	0
Net Appropriations	42,413.5	176,340.1

City of Garden Grove
Gann Limit (Budget)
FY 2016-2017
SUMMARY OF FY 2016-2017 APPROPRIATIONS LIMIT
AS PER ARTICLE XIII B
(000's)

FY 78-79 Base Year Appropriations Subject to Limitation		\$18,379.0
Plus Allowed Growth of	643.54%	<u>118,276.2</u>
FY 16-17 Appropriations Limit		\$136,655.2
FY 16-17 Appropriations Subject to Limit		<u>81,849.8</u>
Appropriations (Over) or Under Limit		<u>\$ 54,805.4</u>

Calculation:

Year	Begin Factor	PCI	Pop.Chng	=	End Factor
79-80	1.00000	1.1017	1.0075	=	1.10996
80-81	1.10996	1.1211	1.0180	=	1.26677
81-82	1.26678	1.0912	1.0251	=	1.41701
82-83	1.41700	1.0679	1.0049	=	1.52063
83-84	1.52063	1.0235	1.0118	=	1.57473
84-85	1.57473	1.0474	1.0102	=	1.66620
85-86	1.66620	1.0374	1.0062	=	1.73923
86-87	1.73923	1.0230	1.0150	=	1.80592
87-88	1.80592	1.0347	1.0199	=	1.90577
88-89	1.90577	1.0466	1.0198	=	2.03407
89-90	2.03407	1.0519	1.0185	=	2.17922
90-91	2.17922	1.0421	1.0201	=	2.31661
91-92	2.31661	1.0414	1.0230	=	2.46801
92-93	2.46801	0.9936	1.0247	=	2.51278
93-94	2.51278	1.0272	1.0215	=	2.63662
94-95	2.63662	1.0071	1.0164	=	2.69889
95-96	2.69889	1.0472	1.0172	=	2.87489
96-97	2.87489	1.0467	1.0105	=	3.04074
97-98	3.04074	1.0467	1.0107	=	3.21680
98-99	3.21680	1.0415	1.0169	=	3.40692
99-00	3.40692	1.0453	1.0177	=	3.62429
00-01	3.62429	1.0491	1.0156	=	3.86156
01-02	3.86156	1.0782	1.0202	=	4.24764
02-03	4.24764	0.9873	1.0206	=	4.28009
03-04	4.28009	1.0231	1.0165	=	4.45121
04-05	4.45121	1.0328	1.0142	=	4.66249
05-06	4.66249	1.0526	1.0113	=	4.96319
06-07	4.96319	1.0396	1.0083	=	5.20256
07-08	5.20256	1.0442	1.0084	=	5.47815
08-09	5.47815	1.0429	1.0102	=	5.77144
09-10	5.77144	1.0062	1.0102	=	5.86646
10-11	5.86646	0.9746	1.0101	=	5.77520
11-12	5.77520	1.0251	1.0070	=	5.96160
12-13	5.96160	1.0377	1.0089	=	6.24141

City of Garden Grove
Gann Limit (Budget)
FY 2016-2017
SUMMARY OF FY 2016-2017 APPROPRIATIONS LIMIT
AS PER ARTICLE XIII B
(000'0)

Calculation:

Year	Begin Factor	PCI	Pop.Chng	End Factor
13-14	6.24141	1.0512	1.0078	= 6.61215
14-15	6.61215	0.9977	1.0093	= 6.65829
15-16	6.65829	1.0382	1.0108	= 6.98729
16-17	6.98729	1.0537	1.0099	= 7.43540

City of Garden Grove
Gann Limit (Budget)
FY 2016-2017

SUMMARY OF FY 2016-2017 APPROPRIATIONS LIMIT
AS PER ARTICLE XIII B

From State Department of Finance:

For 79-80 US CPI Change of 10.17% and City Population Growth of .75%
For 80-81 CA PCI Change of 12.11% and City Population Growth of 1.80%
For 81-82 CA PCI Change of 9.12% and City Population Growth of 2.51%
For 82-83 CA PCI Change of 6.79% and City Population Growth of .49%
For 83-84 CA PCI Change of 2.35% and City Population Growth of 1.18%
For 84-85 US CPI Change of 4.74% and City Population Growth of 1.02%
For 85-86 US CPI Change of 3.74% and City Population Growth of .62%
For 86-87 US CPI Change of 2.30% and City Population Growth of 1.50%
For 87-88 CA PCI Change of 3.47% and County Population Growth of 1.99%
For 88-89 CA PCI Change of 4.66% and County Population Growth of 1.98%
For 89-90 CA PCI Change of 5.19% and County Population Growth of 1.85%
For 90-91 CA PCI Change of 4.21% and County Population Growth of 2.01%
For 91-92 CA PCI Change of 4.14% and County Population Growth of 2.30%
For 92-93 CA PCI Change of (.64%) and County Population Growth of 2.47%
For 93-94 CA PCI Change of 2.72% and County Population Growth of 2.15%
For 94-95 CA PCI Change of .71% and County Population Growth of 1.64%
For 95-96 CA PCI Change of 4.72% and County Population Growth of 1.72%
For 96-97 CA PCI Change of 4.67% and County Population Growth of 1.05%
For 97-98 CA PCI Change of 4.67% and County Population Growth of 1.07%
For 98-99 CA PCI Change of 4.15% and County Population Growth of 1.69%
For 99-00 CA PCI Change of 4.53% and County Population Growth of 1.77%
For 00-01 CA PCI Change of 4.91% and County Population Growth of 1.56%
For 01-02 CA PCI Change of 7.82% and County Population Growth of 2.02%
For 02-03 CA PCI Change of (1.27%) and County Population Growth of 2.06%
For 03-04 CA PCI Change of 2.31% and County Population Growth of 1.65%
For 04-05 CA PCI Change of 3.28% and County Population Growth of 1.42%
For 05-06 CA PCI Change of 5.26% and County Population Growth of 1.13%
For 06-07 CA PCI Change of 3.96% and County Population Growth of 0.83%
For 07-08 CA PCI Change of 4.42% and County Population Growth of 0.84%
For 08-09 CA PCI Change of 4.29% and County Population Growth of 1.02%
For 09-10 CA PCI Change of .62% and County Population Growth of 1.02%
For 10-11 CA PCI Change of (2.54%) and County Population Growth of 1.01%
For 11-12 CA PCI Change of 2.51% and County Population Growth of 0.70%
For 12-13 CA PCI Change of 3.77% and County Population Growth of 0.89%
For 13-14 CA PCI Change of 5.12% and County Population Growth of 0.78%
For 14-15 CA PCI Change of (0.23%) and County Population Growth of 0.93%
For 15-16 CA PCI Change of 3.82% and County Population Growth of 1.08%
For 16-17 CA PCI Change of 5.37% and County Population Growth of 0.99%

City of Garden Grove
Gann Limit (Budget)
FY 2016-2017

(000's)

ADJUSTMENTS TO REVENUES OR APPROPRIATIONS	BASE YEAR FY 78-79	YEAR THIRTY-EIGHT FY 16-17
Debt Appropriations		
Municipal Service Center	\$ 36.6	0
Retirement (unfunded liability)	\$ 682.7	\$ 196,362.8
Total Debt Appropriations	\$ 719.3	\$ 196,362.8

User Fees and Charges

Self-Supporting Expenditures Meet or Exceed
Revenues from User Fees and Charges

LIMITATION CALCULATION	BASE YEAR FY 78-79	YEAR THIRTY-EIGHT FY 16-17
Net Appropriations	\$ 42,413.5	\$ 176,340.1
Less Approp. of Other Grant Fund Balances	0	(323.0)
Less Approp. of Water Fund Balances	0	(9,382.0)
Less Non-Proceed of Taxes Revenue	\$ (23,315.2)	(70,256.0)
Less Debt not Subject to Appropriations Limit (City's required and actual contribution to retirement)	<u>\$ (719.3)</u>	<u>(14,529.3)</u>
Appropriations Subject to Limit	\$ 18,379.0	\$ 81,849.8

City of Garden Grove
Gann Limit (Budget)
FY 2016-2017

ANALYSIS OF BUDGET REVENUES FOR GANN LIMIT

<u>Taxes</u>	<u>Budgeted Revenues</u>	<u>Non-Proceeds of Taxes</u>	<u>Proceeds of Taxes</u>
Property (Less Subventions)	14,236,000	0	14,236,000
Paramedic (Less Subventions)	8,886,000	8,886,000	0
Property Transfer	480,000	0	480,000
Transient Occupancy	23,502,000	0	23,502,000
Business Operations	2,400,000	0	2,400,000
Sales	22,000,000	0	22,000,000
Total Taxes	71,504,000	8,886,000	62,618,000
 <u>Licenses and Permits</u>			
Development Fees	2,196,000	2,196,000	0
Police Towing Fees	79,327	79,327	0
Business License Fees	214,472	214,472	0
Franchise Payments	2,400,000	2,400,000	0
Park Fees	100,000	100,000	0
Drainage Fees	75,000	75,000	0
Other Licenses and Permits	379	379	0
Hazardous Materials Fees	0	0	0
Art in Public Places	40,000	40,000	0
Alarm Fees	89,155	89,155	0
Fire Fees	104,735	104,735	0
City Guarantee Risk	0	0	0
Traffic Mitigation Fees	50,000	50,000	0
Development Impact Fees	200,000	200,000	0
Total Licenses and Permits	5,549,068	5,549,068	0
 <u>Fines, Forfeits, Penalties</u>			
Traffic Fines	1,500,000	1,500,000	0
City Court Fines	3,470	3,470	0
Traffic Offender/Impound	80,000	80,000	0
Parking Citations	1,010,000	1,010,000	0
Forfeits and Seizures	40,000	40,000	0
Other Fines and Penalties	200,000	200,000	0
Total Fines, Forfeits, Penalties	2,833,470	2,833,470	0
 <u>Uses of Property</u>			
Interest on Investment	203,000	96,263	106,737
Rentals	251,011	251,011	0
Other Uses of Property	50,295	50,295	0
Golf Course	450,000	450,000	0
Main Library	0	0	0
Total Uses of Property	954,306	847,569	106,737

City of Garden Grove
Gann Limit (Budget)
FY 2016-2017
ANALYSIS OF BUDGET REVENUES FOR GANN LIMIT

	<u>Budgeted Revenues</u>	<u>Non-Proceeds of Taxes</u>	<u>Proceeds of Taxes</u>
<u>Charges for Services:</u>			
Water Utility	26,800,000	26,800,000	0
Other Charges for Service	47,209	47,209	0
Deferred Municipal Support	3,728,129	3,728,129	0
Water Street Damages	2,050,000	2,050,000	0
Grant Overhead	49,930	49,930	0
Self-Supporting Rec. Fees	776,000	776,000	0
Public Safety Service Charges	156,963	156,963	0
MHP Fees	0	0	0
Total Charges for Services	33,608,231	33,608,231	0
<u>Subventions from Others:</u>			
Motor Vehicle Tax in Lieu	15,100,000	0	15,100,000
H.O. Subvention	81,000	0	81,000
H.O. Subvention - Paramedic	94,000	94,000	0
Measure M	2,500,000	2,500,000	0
Gas Tax	3,000,000	3,000,000	0
Other State Subventions	800,000	800,000	0
Total Subventions From Others	21,575,000	6,394,000	15,181,000
<u>Grants From Others:</u>			
County / State Grants	2,719,555	2,719,555	0
Federal Grants	5,100,133	5,100,133	0
Total Grants From Others	7,819,688	7,819,688	0
<u>Other Revenue</u>			
Sale of Land, Material, Equipment	2,513,833	2,513,833	0
Other Revenue	369,361	369,361	0
Post Reimbursements	0	0	0
State Mandate Reimbursements	241,517	241,517	0
Agency Reimbursements	0	0	0
Abandoned Vehicles	0	0	0
General Reimbursements	1,193,275	1,193,275	0
Total Other Revenue	4,317,986	4,317,986	0

City of Garden Grove
Gann Limit (Budget)
FY 2016-2017
ANALYSIS OF BUDGET REVENUES FOR GANN LIMIT

	<u>Budgeted Revenues</u>	<u>Non-Proceeds of Taxes</u>	<u>Proceeds of Taxes</u>
<u>Excluded:</u>			
Cable	90,000		
Mobile Home Parks	0		
Special Assessments	5,439,024		
Agency for Community Development	20,208,553		
Housing	32,178,895		
Inter-Department--Worker's Compensation	5,095,862		
Inter-Department--Communications-Phone Reimb.	655,609		
Inter-Department--Insurance-Risk Mgmt.	1,653,668		
Inter-Department--Information Systems	2,432,024		
Inter-Department--Vehicle Fund	8,275,669		
Inter-Department--Employee Benefits	900,000		
Inter-Department--Warehouse	284,762		
Sewer	9,500,000		
Refuse	2,299,000		
Other Income (Loans)	0		
C.O.P. 2002	0		
	<hr/>		
Total Exclusions	89,013,066		
<u>Allocation Base:</u>			
Taxes	71,504,000	8,886,000	62,618,000
Licenses and Permits	5,549,068	5,549,068	0
Fines, Forfeits & Penalties	2,833,470	2,833,470	0
Uses of Property (Less Interest)	751,306	751,306	0
Charges for Services	33,608,231	33,608,231	0
Subventions from Others	21,575,000	6,394,000	15,181,000
Grants from Others	7,819,688	7,819,688	0
Other Revenue	4,317,986	4,317,986	0
	<hr/>	<hr/>	<hr/>
Total Revenues	147,958,749	70,159,749	77,799,000
Percent to Total	100%	47.42%	52.58%
Interest Allocation	203,000	96,263	106,737
GRAND TOTAL	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
GARDEN GROVE APPROPRIATING FUND BALANCES AS OF
JUNE 30, 2016 TO RESERVES FOR FUTURE YEAR REAPPROPRIATION

WHEREAS, the City Council has reviewed the estimated Fiscal Year 2015-16 Revenues, Expenditures, and Fund Balances as projected to the end of the fiscal year; and

WHEREAS, it is necessary to reserve all fund balances not required for encumbrances or reappropriations to continuing projects to future year appropriations; and

WHEREAS, the actual amount of fund balances to be reserved on June 30, 2016 cannot be determined at this time;

NOW, THEREFORE, BE IT RESOLVED that the unreserved fund balances appropriated and unappropriated as of June 30, 2016 be reserved and available for future year appropriations in the funds below:

FUND	FUND DESCRIPTION
008	CALHOME
022	SUCCESSOR RDA
060	GAS TAX 2106/2107
061	GAS TAX 2105
064	TRAFFIC MITG FEE
075	GAS TAX 2103
079	DEVELOPMT AGRMT FEE
080	CULTURAL ARTS FEE
081	PARK FEE
082	DRAINAGE FEE
084	RED LITE ENF PROG
090	TRAFFIC OFFENDER
100	GASB34 ACCRL/DEPR
105	PUBLIC SAFETY
106	ECON DEVELOPMENT
107	TID TRANSIT
108	LAND SALE PROCEEDS
109	TID STREET PROJECTS
117	GOLF COURSE
150	G G CABLE CORP
161	CDBG
162	HOME
164	EMERGENCY SHELTER
166	NSP

FUND	FUND DESCRIPTION
171	COPS TECHNOLOGY
173	JAG
174	OTS-POLICE
175	POST Reimbursement
176	STATE GRANTS
179	FACT
200	EPA
220	PUB SAFETY/PROP 172
225	AQMD(AB 2766)
226	POLICE-SLESF
227	CA DEPT OF CONSERV
231	CIWMB
235	USED OIL
280	TEA21
281	HES
283	OTHER AGENCY GRANTS
287	COUNTY CSVG GRANTS
288	STATE PRK&REC GRANT
289	OES UASI (DP OF HS)
359	FEDERAL GRANTS
418	CA HISPANIC COMM
421	MEASURE M -TURNBACK
422	M2 LOCAL FAIRSHARE
423	MSR M REGIONAL-CTFP
424	MEASURE M2-CTFP
507	LOW/MOD HSG AGENCY
509	HOUSING AUTH SEC 8
510	HSG AUTH-CC PROPTS
530	STREET LIGHTING
531	PARKING DIST MAINT
533	MAIN ST ASSMT DIST
534	GARDEN GROVE TID
535	PK MAINT ASSMT DIST
600	2010 WATER BONDS
601	WATER OPERATIONS
602	WATER CAPITAL
603	WATER REPLACEMENT
783	INFORMATION SYSTEMS
784	WORKERS COMP
785	FLEET MANAGEMENT
786	EMPLOYEE BENEFIT
787	WAREHOUSE OPERATION
788	TELECOMMUNICATIONS
789	RISK MANAGEMENT
790	COMMUNTION REPLMNT

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
GARDEN GROVE REAPPROPRIATING CERTAIN FISCAL YEAR 2015-2016
PROJECT BALANCES AND ENCUMBRANCES FOR THE FISCAL YEAR 2016-17

WHEREAS, the City Council has reviewed the estimated Fiscal Year 2015-2016 Revenues, Expenditures, and Fund Balances as projected to the end of the fiscal year, and has given careful consideration to the closing of appropriations for Fiscal Year 2015-2016; and

WHEREAS, the City Council has reviewed and given careful consideration of the recommended Fiscal Year 2016-17 budgets; and

WHEREAS, certain projects begun in Fiscal Year 2015-2016 or prior fiscal years require continuing appropriations to complete the projects; and

WHEREAS, unexpended balances of Fiscal Year 2015-2016 or prior fiscal years are estimated to be available within these certain projects on June 30, 2016; and

WHEREAS, certain purchase orders are estimated to have encumbered balances on June 30, 2016;

NOW, THEREFORE, BE IT RESOLVED that the uncommitted, unexpended balances of appropriations on June 30, 2016, of the projects below be appropriated to the Reserve for continuing projects within their respective funds;

PACKAGE	FUND	PACKAGE NAME
0030	079, 150, 509 & 783	REAL PROPERTY
0064	150 & 783	COMMUNITY ACCESS
1000	601	FINANCE ADMN/ANALYSIS
1015	111	GASB IMPLEMENTATION - (Max \$10,000)
1020	601	GENERAL ACCOUNTING
1021	509 & 601	FINANCIAL PLANNING
1023	783	ERP CONSULTANT
1026	111	BUSINESS TAX OPER - (Max \$9,600)
1096	787	WAREHOUSING
2302	111	SITE C CURNT PLAN - (Max \$18,110)
2302	111	RICOH CURNT PLAN - (Max \$24,500)
2304	111	GEN PLAN UPDATE - (Max \$113,605)
2500	022	SRDA ADMINISTRATION
2502	022	UBOC
2503	022	AGENCY REAL PROPERTY
2503	507	AGENCY REAL PROPERTY
2509	531	PARKING DISTRICT

PACKAGE	FUND	PACKAGE NAME
2512	022	GG CNTR BLDG LEASE
2513	022	COASTLNE BLDG LEASE
2515	022	2014 TARB
2516	022	KATELLA COTTAGE N/P
2521	022	OFFICEMAX REBATE
2523	022	HYATT REBATE
2525	022	HYUNDAI REBATE
2526	022	KATELLA COTTAGE OPA
2527	022	AUGUSTINE LTD
2531	022	SHERATON REBATE
2535	510	CIVIC CTR PROP MGMT
2544	022	2016 TARB
2548	022	LIMON LEGAL FEES
2553	022	SITE B2 DDA
2554	022	WATERPARK HOTEL DDA
2557	022	SYCAMORE WALK DDA
2560	106	SITE B2 LARGE
2562	022	BROOKHURST TRI DDA
2600	106	ECON DEV ADMIN
2601	109 & 534	VCB
2602	534	GG TID
2605	107	HARBOR CRDR TRANSIT
2607	109	HRBR CRDR ST IMPV
2700	161	CDBG ADM/PLAN
2701	507	SET ASIDE ADMIN
2708	166	NSP WESTMINSTER
2712	162	TBRA
2713	162	PI - HOME
2714	162	HOME ADMN
2730	161	FAIR HOUSING SERV
2732	161	SR HM IMP GRANT PRG
2733	161	COMM SENIORSERV
2740	161	CDBG INDIRECT
2805	164	THOMAS HOUSE SHELTE
2807	164	MERCY HOUSE
2818	162	MULTI-FMLY ACQ/REHA
2831	161	UNALLOC CDBG FUNDS
2832	162	UMC LOAN
2861	008	CALHOME REHAB LOANS
2863	008	CALHOME PROG INCOME
2864	008	MH HOME IMP LOAN 14
2865	008	MH MORG ASST LOAN14
2866	008	MOBILE HOME - NEW
2867	008	MOBILE HOME - REHAB
2874	164	ESG ADMIN

PACKAGE	FUND	PACKAGE NAME
2876	164	ESG WOMEN TRANS CTR
2877	164	INTERVAL HOUSE CRIS
2880	164	OC PARTNERSHIP
3000	601 & 785	PUBL WORKS GEN ADMN
3010	785	ENVIRONMENTAL MGMT
3043	601	NPDES PROGRAM
3109	423	CTFP OVERAGE REIMB
3111	075	SEAL COATING
3112	061 & 075	ASPHALT MNT/OVERLAY
3114	601	DRAINAGE/MISC MAINT
3121	061	TRAFFIC SIGN MAINT
3123	530	TRAFFIC SIG MAINT
3205	060	TRAFFIC ENGINEERING
3242	061	OPER ENGINEERING
3510	601	GROUND MAINTENANCE
3550	117	WILLOWICK
3600	785	EQUIP SVC MGT/PLAN
3610	601 & 785	EQ SERV OPERATIONS
3700	601	WATER OPERATIONS
3780	601	WTR LTD,DEPR,O/H
3781	600	WATER LTD-2010A
3783	601	WATER LTD-2010C
3953	227	BEV RECYCLING GRANT
3980	235	OPP5 FY15/16
4102	509	HSG-ADMIN
4104	509	HSG-VOUCHERS HAP
4107	509	HSG-HAP PORTABILITY
4200	111	COMM SERV MGMT - (Max \$30,000)
4600	161	SR CENTER/CDBG
4601	287, 359 & 424	SENIOR MOBILITY PRO
4620	111	COMMUNITY MTG CTR - (Max \$52,000)
4620	601	COMMUNITY MTG CTR
4701	080	ARTS FUND
4916	179	MPFRC (15/16)
4962	418	ANTI SMOKING GRANT
5101	220	FIRE COMBAT/CONTROL
5103	220	COMMUNIC/FIRE CNTRL
5105	111	EMERG.STDBY/CONTROL - (Max \$15,000)
5105	220 & 784	EMERG.STDBY/CONTROL
5106	220	MDT SYSTEM
5152	220	FRE GT EQTRN 2011
5202	220	EMERG MEDIC/PARA
5205	220	EMERG STNDBY/PARA
5400	220	EMERGENCY SERVICES
5510	106	LEGAL SERVICES

PACKAGE	FUND	PACKAGE NAME
5708	105	PUB SAFE FIRE OPER - (MAX \$125,000)
6000	783	Recruit/Class/Comp
6004	225	AQMD/RIDESHARE
6007	601	EMPLOYEE TRAINING
6010	225	RDSHR VEH EQUIP GAS
6011	225	RDSHR VEH EQUIP CNG
6700	111	COMMUNITY POLICING - (Max \$125,000)
6700	220	COMMUNITY POLICING
6713	111	E-CITATION PURCHASE - (Max \$49,000)
6713	111	E-CITATION CAP. REPLC - (Max \$79,000)
6715	176	BSCC LOCAL ALLOC
6746	084	RED LT ENFORC PROG
6747	090 & 220	TRAFFIC OFFENDER
6800	115	ADMIN SVCS BUREAU - (Max \$9,000)
6860	220	COMMUNITY LIAISON
6875	084	POLICE VEHICLES
6890	173 & 220	JAIL SERVICES
6900	171 & 220	DEPARTMENTAL SERV
6903	176	PD PROP 69
6910	220	RECORDS
6920	220	COMMUNICATIONS
6935	790	800MHZ OC BACKBONE
6960	111	INVESTIGATIONS - (Max \$8,850)
6960	220	INVESTIGATIONS
6962	220	SPEC ENF TEAM
6980	220	PROPERTY/EVIDENCE
7001	220	CAD-PURCHASE
7006	220	MOBILE COMM CENTER
7010	790	800 MHZ P25 RADIOS
7111	422	TE HAWK
7116	422	EULD CORDIN-GGMTCH
7119	064	VALLEY VIEW TIMING
7125	064	13 TSMODS-DO NOT US
7126	061 & 422	PROJ P HARBOR COORD
7129	422	TRAFFIC SIGNAL MODS
7135	422	KNOTT CITY'S MATCH
7136	422	CHAPMAN COORDINATN
7137	064 & 422	WESTMNSTR COORDINTN
7228	061, 075 & 422	VALLEY VIEW 22-TIFF
7234	061, 075 & 422	VALLEY VIEW MED UPG
7245	601	HBR PUBLIC IMPROVEM
7246	359	HARBOR LDSCAPE IMPR
7253	424	ARTERIAL MED LANDSC
7254	422	MAGNOLIA ST RECONST
7258	061, 107, 359 & 602	HRBR LNDSCP IMP P2

PACKAGE	FUND	PACKAGE NAME
7260	061	ST CLOSURES/DIVERTR
7266	075	1B SLPP PROJECTS
7271	061, 231, 283, 359, & 422	BROOKHURST HAZARD-W
7277	111	KNOTT REHAB - (Max \$47,212.50)
7277	359, 422 & 423	KNOTT REHAB
7279	602	MAGNOLIA IRRIGATION
7280	422	CHAPMAN REHAB
7281	061	OFF-STRT BIKE TRAIL
7359	602	RESVOIR REHAB PROJ
7369	602	PRV&OC VAULT & FAC.
7376	602	WESTCANDYDANLFF010
7386	602 & 603	DO NOT USE-WTR APPU
7390	602 & 603	BOOSTER PUMP REPLAC
7394	602 & 603	WESTGGNATURALGASENG
7397	602	JOYZELLE/HILL
7400	602	CITY WTR SVC RPLCMT
7404	075	VARIOUS STRM DRAINS
7405	082	LAMPSON/WEST DRAIN
7406	082	ORANGWD STRM DRAIN
7420	061	MDP LINE B-5-PHASE1
7490	061	BELGRAVE CHANNEL
7492	061	YOCKEY/NEWLAND PHS2
7550	288	GEM THEATRE IMPRV
7651	081	RPL CMC ATRIUM LOBY
7653	288	ATLANTIS PLAY CENTR
7654	081	PICNIC SHELTER
7655	081	AMPHITHEATER RENVTN
7656	081	EASTGATE PARK PLYGD
7657	081 & 288	BC YOUTH FAMILY CTR
7660	288	PARK IMPROVEMENTS
7810	785	DO NOT USE-GGSD RPL
8846	161	HBR CORR ACQ-BLIGHT
8847	161	FIRE STATION PROP
8850	106	CITY ECON DEV PROJ
9512	100	DEPR-STORM DRAINS
9974	787	UNIFORMS-POLICE
9980	789	RISK MANAGEMENT
9981	788	TELEPHONE
9982	788	CELL PHONE
9983	783	INFORMATION SYSTEMS
9984	784	WORKERS COMP
9986	788	PAGERS

BE IT FURTHER RESOLVED that for the projects listed above the amount of unexpended balance of appropriations on June 30, 2016; be reappropriated for

Fiscal Year 2016-17 from the Reserve for continuing projects of the respective funds.

BE IT FURTHER RESOLVED that the encumbered balances of purchase order on June 30, 2016, be appropriated to the Reserve for encumbrances of the respective funds and that the amount of encumbered balances of purchase orders on June 30, 2016, be reappropriated for Fiscal Year 2016-17 from the Reserve for encumbrances of the respective funds.

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To:	Scott C. Stiles	From:	Maria Stipe
Dept.:	City Manager	Dept.:	City Manager
Subject:	Adoption of a Resolution approving the Garden Grove Housing Authority Annual Budget for Fiscal Year 2016-17. (<i>Action Item</i>)	Date:	6/28/2016

OBJECTIVE

To request that the City Council hold a Public Hearing on the Authority's proposed annual budget for Fiscal Year 2016-17; and adopt a Resolution approving the budget.

BACKGROUND

The Section 8 Rental Assistance Program is a federally funded program through the Department of Housing and Urban Development (HUD) that assists very-low income families, seniors and disabled persons in the payment of the rent on privately owned rental units. Under this program, qualified participants pay a percentage of their adjusted income toward the rent and the Housing Authority pays the balance to the owner utilizing federal funds received from HUD. The rental units subsidized under the program are inspected annually to ensure that they are decent, safe, and sanitary and have no building code violations. The Authority ensures that the total monthly rent is comparable to rents being paid on similar non-subsidized units, and owners are encouraged to improve their properties to make them eligible for an annual rent increase.

In addition, as part of the dissolution of the Garden Grove Agency in February 2012, the Housing Authority has taken on the "housing assets" of the former Agency. These assets include land purchased with housing set aside funds, several homes that are being rented to low-moderate income households, and several affordable housing agreements. Revenues from these rentals and housing agreements will be used for the maintenance of those units.

DISCUSSION

The Authority's annual budget is estimated at \$31,899,735, which reflects assistance to 2,337 Section 8 families, plus an additional 300 families through Portability, and the operational costs of administering the program. While the Housing Authority is allocated 2,337 vouchers, it is only able to fulfill approximately 2,300 at the current funding level. Additionally, the Housing Authority is receiving approximately 80% of its administrative allocation at this time. Staff continues to administer the program with reduced funding but may be required to make additional program adjustments if funding is not restored or is further reduced.

FINANCIAL IMPACT

The Housing Authority receives all funding for the Section 8 Rental Assistance Program from the Department of Housing and Urban Development (HUD). The level of funding is based on annual appropriations approved by Congress. Revenues generated from rentals and housing agreements will be used to administer affordable housing assets.

RECOMMENDATION

It is recommended that the City Council:

- Conduct a Public Hearing on the proposed budget; and
- Adopt the attached Resolution approving the Authority's budget for Fiscal Year 2016-17

By: Danny Huynh, Housing Manager

FISCAL YEAR 2016-17

PROPOSED BUDGET

HOUSING AUTHORITY BUDGET

CITY OF GARDEN GROVE

FY 2016-17
PROPOSED HOUSING AUTHORITY BUDGET
TABLE OF CONTENTS

Program Description -----	3
Program Summary -----	4
Analysis of Operating Packages -----	5

HOUSING AUTHORITY

FY 2016-17

PROPOSED BUDGET

<u>Program Descriptions</u>	<u>Amount</u>
City Administration	\$ 411,127
Property Management	287,000
Vouchers Program	31,084,918
Family Self-Sufficiency Program	<u>116,690</u>
TOTAL	<u>\$ 31,899,735</u>

HOUSING AUTHORITY PROPOSED BUDGET
FY 2016-17

Housing Assistance Grant	16-17 Proposed Budget	Funding Source
Activity:		
Council/Commission		
0010 City Council	\$ 4,802	Housing Authority
City Management		
0020 Management	90,092	Housing Authority
0021 Operations	40,091	Housing Authority
Subtotal	<u>130,183</u>	
Support Services		
0053 Reprographics	500	Housing Authority
Community Services		
0042 Election/Voter Asst.	10,200	Housing Authority
Intergovernmental Coordination		
0023 Research/Legislation	61,176	Housing Authority
Real Property		
0030 Real Property	134,028	Housing Authority
2535 Civic Center Property Mgmt.	37,000	Housing Authority - Civic Center Properties
Subtotal	<u>171,028</u>	
Information Systems		
9983 Information Systems	2,574	Housing Authority
Fiscal Services		
1020 General Accounting	46,291	Housing Authority
1021 Financial Planning	21,373	Housing Authority
Subtotal	<u>67,664</u>	
Community Improvement		
2701 Set Aside Administration	200,000	Low/Mod Housing Agency
Housing Authority		
4102 Housing Administration	2,383,674	Housing Authority
4103 Family Self-Sufficiency	116,690	Housing Authority
4104 Housing - Vouchers/HAP	25,101,244	Housing Authority
4107 Housing - HAP Portability	3,600,000	Housing Authority
Subtotal	<u>31,201,608</u>	
Successor Agency Project		
2503 Agency Real Property	50,000	Low/Mod Housing Agency
Total Program	<u>\$ 31,899,735</u>	

GARDEN GROVE CITY COUNCIL

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE
ADOPTING AN ANNUAL BUDGET FOR THE GARDEN GROVE HOUSING
AUTHORITY FOR FISCAL YEAR 2016-17

WHEREAS, the Garden Grove City Council has given careful consideration to the adoption of the Garden Grove Housing Authority budget for Fiscal Year 2016-17.

WHEREAS, the Garden Grove City Council resolves that the Director of the Garden Grove Housing Authority is authorized to expend in accordance with Section 34200, et seq., of the Health and Safety Code of the State of California on behalf of the Garden Grove Housing Authority an amount of \$31,899,735 from new appropriations and reserved fund balances for the planned activities shown below:

Expenditures

Administration	\$ 2,911,491
Property Management	287,000
Housing Assistance Payments	<u>28,701,244</u>
TOTAL EXPENDITURES	<u>\$31,899,735</u>

WHEREAS, the Garden Grove City Council further resolves that the total of \$31,899,735 which the Director of the Garden Grove Housing Authority is authorized to expend in accordance with the laws of the State of California shall be appropriated from the following special funds of the Housing Authority for the Fiscal Year 2016-17.

Funding

Low/Mod Housing Agency	\$ 250,000
Housing Authority	31,612,735
Housing Authority - Civic Center Prop.	<u>37,000</u>
TOTAL FUNDING	<u>\$31,899,735</u>

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Garden Grove approves the above mentioned appropriations and expenditures as the Annual 2016-17 Garden Grove Housing Authority budget.

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Scott C. Stiles From: Maria Stipe
 Dept.: City Manager Dept.: City Manager
 Subject: Proposed Budget for Fiscal Year 2016-17: Approval of the Fiscal Year 2016-17
 Overnight Conference and Training List. (*Action Item*) Date: 6/28/2016

OBJECTIVE

To convey the attached list of overnight conferences and training sessions included in the proposed 2016-17 Budget for City Council approval.

BACKGROUND

City Council Policy #100-23, pertaining to staff participation in conferences, meetings and training directs the City Manager to submit a list of conferences and training programs for City Council approval as part of the budget adoption process. Once this list is adopted, the City Manager can then approve specific attendance at conferences and training seminars in accordance with the list, and may authorize substitutions. The City Manager may authorize attendance at conferences not on the list where the City is paying for registration only, and the employee is paying for all non-registration costs associated with attendance.

DISCUSSION

The attached list provides information on the overnight conferences and overnight training programs included in the proposed 2016-17 Budget for which the City is paying for more than registration. These conferences, training sessions and seminars will allow staff to remain up-to-date on matters and practices relevant to the City of Garden Grove. Only mandatory and essential conferences and training programs are listed and the majority of programs are conducted in California.

FINANCIAL IMPACT

Funds for specified conferences and training programs are included in the proposed FY 2016-17 Budget.

RECOMMENDATION

It is recommended that the City Council:

- Approve the attached list of overnight conferences, training and seminars pursuant to City Council Policy #100-23.

ATTACHMENTS:

Description	Upload Date	Type	File Name
Overnight Conferences, Training and Seminars List	6/22/2016	Cover Memo	FY_2016-17_Overnight_Conferences__Training__and__Seminars_List_(1).pdf

REVIEWERS:

Department	Reviewer	Action	Comments
City Manager	Stiles, Scott	Approved	
City Clerk	Bailor, Kathy	Approved	
City Attorney	Sandoval, Omar	Approved	
Deputy City Manager	Stipe, Maria	Approved	

**City of Garden Grove
FY 2016-17 Budget
Overnight Conferences, Training and Seminars**

<u>DEPARTMENT</u>	<u>POSITION</u>
<u>CONFERENCES:</u>	
<u>City Manager</u>	
ICMA Annual Conference	City Manager
CCAC Annual Conference	City Clerk
CAHA	Housing Manager
Finance Officers Meetings (4)	Housing Manager/ Housing Supervisor
HAASC	Housing Manager
HUD Training	Housing Supervisor
NAHRO/HUD	Housing Manager, Housing Supervisor
<u>Community/Economic Development</u>	
CALED Annual Conference	Director, Sr. Proj Mgr, Project Mgr, Sr. Program Spec.
ICSC RECon	Director, Sr. Proj Mgr, Project Mgr, Sr. Program Spec.
ICSC West Division	Director, Sr. Proj Mgr, Project Mgr, Sr. Program Spec.
NAHRO/HUD	Neighborhood Improvement Manager
SCACEO Annual Conference	Code Officers
<u>Finance</u>	
CALPERS	Finance Director
CMRTA Annual Conference	Finance Dir, Bus. Tax Spvrs, Bus. Tax Inspctr, 2 Sr. Acct. Specs.
CMTA	Finance Director
CSMFO	Finance Director, Accounting Manager
<u>Fire</u>	
Cal Chiefs Annual Conference	Fire Chief
IAFC EMS Conference	Battalion Chief
JAC Labor Conference	Fire Chief, Division Chief
League of Cities	Fire Chief, Division Chief
OC Fire Chiefs	Fire Chief
OC Training Officers	Fire Captain
PELRAC	Fire Chief, Division Chief
SAFER	Division Chief, Fire Captain
WFC Annual Conference	Fire Chief
<u>Human Resources</u>	
CALPELRA Annual Conference	Director, Manager
NPELRA Annual Conference	Director
<u>Information Technology</u>	
ESRI Developer Summit	GIS Coordinator, IT Programmer
MISAC	IT Director, IT Manager
OSCON	Sr. IT Analyst
Rubyconf	Sr. IT Analyst
<u>Police</u>	
Cal Chiefs	Police Chief
CHIA	Homicide Detective
CNOA	SIU Officers
Crime Intel Analyst Assn	Crime Analyst
IACP	Police Management Staff - TBD
<u>Public Works</u>	
LOCC	Public Works Director

**City of Garden Grove
FY 2016-17 Budget
Overnight Conferences, Training and Seminars**

DEPARTMENT

POSITION

TRAINING AND SEMINARS:

City Manager's Office

LOCC City Manager Training
LOCC New Laws and Elections
Finance/HUD
HAMA/HUD

City Manager, Deputy City Manager
City Clerk
Housing Manager
Housing Mgr, Housing Supervisor, Sr. Housing Spec.

Community/Economic Development

AEP
ALIS
APA
CALBO
CEQA & GIS
CTI
IAPMO
ICC
NFPA
OCVA Tourism Conferences
Open Streets National Summit/CICLAVIA

Current Planners
Sr. Proj Mgr, Project Mgr, Sr. Program Specialist
Planning Commissioner, Planning Manager
POA, Bldg. Inspector, Permit Tech, Supervising Bldg. Insp.
Current Planners
Bldg. Inspector, Plans Examiner
POA, Bldg. Inspector, Permit Tech, Supervising Bldg. Insp.
Building Official, Bldg. Inspector, Permit Supervisor
Building Official, Bldg. Inspector, Plan Check Engineer
Sr. Proj Mgr, Project Mgr, Sr. Program Specialist
Director, Planning Manger, Sr. Planner

Community Services

CPRS

Director, 2 Division Managers

Finance

CAPPO
CMTA Annual Conference
GFOA (Various Training)
GFOA Finance Institute
LOCC Financial Seminar

Purchasing Agent, Buyer
Revenue Manager
Finance Director
Finance Director
Finance Director

Fire

Auto Extrication Training
CA Training Officers Workshops
Cal. Fire Academy
EMT Recert, RSC
IFIC Cert. Classes
NFPA Code Hearing
Paramedic Training Seminars
Red Helmet
Regional Fire Training
Regional Fire Training
Rio Hondo Truck Academy
Saddleback College

3 Staff (All Ranks)
Training Officer, Captain
4 Staff (All Ranks)
90 Staff (All Ranks)
Fire Prevention Staff
Fire Marshal
Various Paramedic Staff
Various (All Ranks)
Fire Prevention Staff
90 Staff (All Ranks)
6 Staff (All Ranks)
Various (All Ranks)

Human Resources

CalPERS Annual Educational Forum
NEOGov Training
PASMA Meetings

Director, Manager
Principal Personnel Analyst
Benefits Supervisor

Information Technology

CISSP Training
ITIL Training

Sr. IT Analyst
IT Manager

Police

CalNENA
CALRO
CVSA Training
FARA
LEIU
MEU Training
Non-POST Training
POST Reimbursable Classes
Spillman Users Conference
SWAT Training

Communications Mgr., Comm. Supervisors
Resort Unit Officer, Intel Officer
Background Investigators
Ordinance Coordinator
Lieutenant, Intel Officer
MEU Officers
Officers & Civilians
Officers & Civilians
Spillman Administrators
SWAT Team

Public Works

Fire Mechanics

2 Mechanics

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Scott C. Stiles From: Lisa Kim
 Dept.: City Manager Dept.: Community and Economic
 Development
 Subject: Adoption of a Resolution Date: 6/28/2016
 confirming the Garden Grove
 Tourism Improvement
 District Advisory Board
 Report and Levying an
 Assessment for Fiscal Year
 2016-17. (*Action Item*)

OBJECTIVE

For City Council to hold a Public Hearing and adopt the attached Resolution confirming the Annual Report of the Garden Grove Tourism Improvement District and levying the assessment for Fiscal Year 2016-2017 for the Garden Grove Tourism Improvement District.

BACKGROUND

The Garden Grove Tourism Improvement District ("GGTID") was established by the Garden Grove City Council in accordance with the Parking and Business Improvement Area Law of 1989, California Streets and Highways Code Section 36500 et seq., (the "Law") through the adoption of Resolution No. 9009-10 on August 24, 2010, and Ordinance No. 2782 on October 26, 2010. The purpose of the GGTID is to provide revenue to defray the costs of advertising and marketing efforts designed to increase overnight stays in the GGTID, construction and maintenance of improvements in the GGTID, and other services, activities, and programs that promote and encourage tourism within the GGTID, which benefit the operators of hotels paying assessments through the promotion of scenic, recreational, cultural, and other attractions.

The GGTID includes the hotels along Harbor Boulevard from the boundary with the city of Anaheim to Garden Grove Boulevard. It is divided into two (2) separate benefit zones:

- Tier I includes the hotels north of Lampson Avenue, which are subject to an assessment of up to two and one-half percent (2.5%) of gross rent charged per room occupancy per night. There are currently nine (9) hotels in Tier I.
- Tier II encompasses those hotels south of Lampson Avenue, which are subject to an assessment of up to one-half percent (0.5%) of gross rent charged per room

occupancy per night. There is currently one hotel in Tier II, The Great Wolf Lodge Southern California.

Pursuant to the Law and the Ordinance, the City Council is required to re-levy the GGTID assessment annually, based on the recommendations set forth in the annual report of the GGTID Advisory Board. At its meeting on June 14, 2016, the City Council received the Annual Report for FY 2016-2017 from the GGTID Advisory Board and adopted a Resolution approving the annual report, declaring its intention to levy and collect an annual assessment for FY 2016-2017 in the GGTID, and setting a Public Hearing on the annual report and proposed assessment for June 28, 2016.

DISCUSSION

The GGTID Advisory Board annual report for FY 2016-2017 contains a proposed budget for use of the anticipated assessment revenues for the year and proposes no changes (i) to the boundaries of the GGTID, (ii) in the GGTID improvements and activities authorized by Resolution No. 9009-10 and Ordinance No. 2782, or (iii) in the amount of the annual assessment or the method and basis for the levying the assessment. The GGTID Advisory Board is recommending that the annual assessments for FY 2016-2017 continue to be two and one-half percent (2.5%) of the gross rent charged by the operator per room per night for all transient occupancy for each visitor accommodation facility in Tier I and (ii) one-half percent (0.5%) of the gross rent charged by the operator per room per night for all transient occupancy for each visitor accommodation facility in Tier II. On February 22, 2011, the City Council approved an agreement with the Anaheim/Orange County Visitor & Convention Bureau ("VCB"), pursuant to which approximately 80% of the GGTID assessment revenue collected is allocated to the VCB to fund collective tourism marketing efforts or retained by the City for future Harbor Boulevard median improvements and a future transit system.

The remaining (approximately 20%) of the GGTID assessment would be allocated to fund specific improvements along Harbor Boulevard and other tourism promotion activities in Garden Grove in accordance with the budget included in the annual report. These funds are administered by the Garden Grove Tourism Promotion Corporation ("GGTPC") pursuant to an agreement with the Garden Grove Tourism Promotion Corporation approved by the City Council on September 27, 2011. Before the annual assessment can actually be levied on the affected visitor accommodation facilities for the next fiscal year, the City Council must conduct a Public Hearing to hear and consider all protests against the levying of proposed assessments for FY 2016-2017 and/or other matters provided in the annual report submitted by the GGTID Advisory Board. Notice of the Public Hearing in the form of the Resolution of Intention adopted at the June 14, 2016, meeting was published seven (7) days before the hearing and mailed to each visitor accommodation facility subject to the proposed assessment in accordance with the Law.

After conducting the Public Hearing, the City Council may take one of the following actions:

1. Terminate proceedings if written protests are received from the owners of the businesses in the GGTID that will pay fifty percent (50%) or more of the assessments proposed to be levied (a "majority protest"). If a majority protest is received, no further proceedings to levy the proposed assessment may be taken.

for a period of one (1) year from the date of the finding of a majority protest by the City Council. If the majority protest is against the furnishing of a specific type or types of improvement or activity within the area, those types of improvements or activities must be eliminated.

2. Order changes in any of the matters provided in the annual report, including changes in the proposed assessments and/or the proposed improvements and activities to be funded with the revenues derived from the levy of assessments. If changes are ordered, a notice for a new Public Hearing will be required before the City Council could adopt a Resolution confirming the annual report as modified and levying the assessment.
3. Adopt the proposed Resolution confirming the annual report as originally submitted and levying the assessment on those visitor accommodation facilities within the boundaries of the GGTID for the 2016-2017 Fiscal Year, commencing July 1, 2016, and continuing through June 30, 2017.

FINANCIAL IMPACT

It is not anticipated that the City will incur significant direct costs as a result of this action. It is estimated that the GGTID will produce approximately \$3.38 Million in annual revenues, and \$227,000 in carry over for FY 2015-2016 for local tourism promotion efforts, and most of these funds will be administered by the VCB and the GGTPC. Any actual administrative costs incurred by the City in relation to the GGTID will be reimbursed through assessment revenues, up to a percentage cap of assessments collected.

RECOMMENDATION

It is recommended that the City Council:

- Conduct a Public Hearing for the proposed annual levy of assessment and other matters provided in the annual report submitted by the GGTID Advisory Board;
- Receive the report from the City Clerk regarding protests received; and
- Assuming that there is no majority protest, adopt the Resolution confirming the Garden Grove Tourism Improvement District Advisory Board Report, and levying the assessment for the Garden Grove Tourism Improvement District for Fiscal Year 2016-17.

By: Greg Blodgett, Senior Project Manager

ATTACHMENTS:

Description	Upload Date	Type	File Name
Resolution	6/17/2016	Resolution Letter	Resolution_GGTID_FY_2016-17_-_6-28-16.doc
Proposed Fiscal Year 2016-2017 GGTID Budget	6/17/2016	Backup Material	FY_16-17_GGTID_Proposed_Budget.pdf
Proposed Fiscal Year 2016-2017 VCB Budget	6/16/2016	Backup Material	GGTID_VCB_Budget_FY_16-17.pdf

GARDEN GROVE CITY COUNCIL

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE
CONFIRMING THE ANNUAL REPORT OF THE GARDEN GROVE TOURISM
IMPROVEMENT DISTRICT ADVISORY BOARD AND LEVYING THE ASSESSMENT FOR
FISCAL YEAR 2016-2017 FOR THE GARDEN GROVE TOURISM IMPROVEMENT
DISTRICT

WHEREAS, the Parking and Business Improvement Area Law of 1989, California Streets and Highways Code Section 36500 et seq., (the "Law") authorizes cities to establish parking and business improvement areas for the purpose of funding certain improvements and activities, including the promotion of tourism, through assessments upon the businesses that benefit from those improvements and activities and to levy an assessment against businesses within a parking and business improvement area, which is in addition to any assessments, fees, charges, or taxes imposed in the city;

WHEREAS, the Garden Grove Tourism Improvement District (GGTID) was established October 26, 2010, by City Council Ordinance No. 2782;

WHEREAS, in accordance with Sections 36530 and 36533 of the Law, the GGTID Advisory Board has prepared and filed with the City Clerk, and the City Clerk has presented to the City Council, a report for Fiscal Year 2016-2017 in connection with the proposed levy of an assessment against visitor accommodation facilities within the GGTID for Fiscal Year 2016-2017 (the "Annual Report");

WHEREAS, on June 14, 2016, the City Council adopted Resolution approving the Annual Report and declaring its intention to levy assessments for Fiscal Year 2016-2017 for the GGTID;

WHEREAS, pursuant to the Law on June 28, 2016, the City Council conducted a Public Hearing concerning the Annual Report and the levy of assessments for the GGTID for Fiscal Year 2016-2017 in the Community Meeting Center, 11300 Stanford Avenue, Garden Grove, California; and

WHEREAS, the City Council has heard and considered all protests, both written and oral, and hereby determines there was not a majority protest within the meaning of Section 36525 of the Law.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF GARDEN GROVE
HEREBY RESOLVES, DETERMINES, AND FINDS AS FOLLOWS:

SECTION 1. The recitals set forth herein are true and correct.

SECTION 2. The City Council confirms its adoption of the Garden Grove Tourism Improvement District (GGTID) Advisory Board Report for Fiscal Year 2016-2017 (the "Annual Report"), which describes the boundaries of the GGTID and identifies the assessment to be levied and collected to pay the costs of improvements and activities described in the report, in the same form as originally submitted and approved on June 14, 2016.

SECTION 3. The boundaries of the GGTID generally include certain real property within that area of Garden Grove fronting, bordering, or near Harbor Boulevard from the city of Anaheim to Garden Grove Boulevard. The GGTID is divided into two (2) separate zones: (i) Tier I, which includes that real property within the GGTID north of Lampson Avenue, and (ii) Tier II, which includes that real property within the GGTID south of Lampson Avenue. A map showing the precise area and boundaries of the GGTID and the two benefit zones is on file in the City Clerk's Office.

SECTION 4. In accordance with the Annual Report, the annual assessments for Fiscal Year 2016-2017 shall continue to be two and one-half percent (2.5%) of the gross rent charged by the operator per room occupancy per night for all Transient Occupancies for each Visitor Accommodation Facility in Tier I and (ii) one-half percent (0.5%) of the gross rent charged by the operator per room occupancy per night for all Transient Occupancies for each Visitor Accommodation Facility in Tier II.

SECTION 5. Pursuant to the Parking and Business Improvement Area Law of 1989, the adoption of this Resolution shall constitute the levy of assessments on those visitor accommodation facilities within the boundaries of the Garden Grove Tourism Improvement District ("GGTID") for the 2016-2017 Fiscal Year, commencing July 1, 2016, and continuing through June 30, 2017.

Adopted this 28 day of June 2016

ATTEST:

/s/ _____
MAYOR

/s/ KATHLEEN BAILOR, CMC
CITY CLERK

Garden Grove .5% TIDDraft Budget Summary Budget A

Statement of Expense Summary 2016-2017

Budget Highlights

	<u>%</u>	
Estimated Revenue at .5%		676,000.00
Carry Over		227,000.00
Total Revenue 2016-2017		903,000.00
Expenses:		
Fund Advertising & Marketing efforts	12%	108,360.00
Fund Parking Upgrades, Improvements	10%	90,300.00
Economic Development	10%	90,300.00
Sponsorships	20%	180,600.00
Private Security	12%	108,360.00
Education	5%	45,150.00
Contingency/"Hotel Back"	5%	45,150.00
Resort Community Support	5%	45,150.00
Harbor Blvd maintenance/utilities/repairs (from curb to and including sidewalk)	11%	99,330.00
Tourism Related studies/consultants	5%	45,150.00
City Admin Fees (per Agreement)	3%	27,090.00
Administrative/Accounting/Auditing (per Agreement)	2%	18,060.00
Total	100%	903,000.00

**Anaheim VCB
Garden Grove TID Budget
2016-2017**



Statement of Expense Summary - Marketing		Statement of Expense Summary - Convention Sales	
Budget Highlights Marketing		Budget Highlights- Convention Sales	
Brand Advertising	\$150,875	Solicitation, Travel, Promotions	\$190,327
Industry Partnerships	\$92,875	Client Events	\$305,327
Research	\$47,875	Sports Development	\$112,327
Collateral (Sales Tools)	\$45,875	Exhibits Attend	\$118,327
Exhibiting	\$46,875	Restricted Reserves to host Industry Conventions	\$305,327
Promotion & Travel	\$75,875	Subsidy to offset costs for groups	\$385,327
Web Development - Technology	\$64,875	Senior Sales Director (Restructured from VP Meeting Sales po	X
Co-Op Promotions	\$58,875	Sales Manager/DC (Dividing DC/East Region into 2 Mgr. positi	X
Convention Marketing Manager	X	Sales Manager/East (Dividing DC/East Region into 2 Mgr. posi	X
Digital Marketing Specialist	X	Sports Specialist	X
Content Marketing Manager	X		
Total Marketing Expense	\$584,000	Total Convention Sales Expense	\$1,416,960
Total GGTID			\$2,000,960

payments are designed to provide benefits to the public in return for an extended period within which to construct the project. If the Development Agreement is approved and becomes effective, the land use entitlements will be valid for four years and the City will receive a Development Agreement payment of \$19,160. If the Development Agreement is not approved, the land use entitlements will be valid for one year and the City will not receive any Development Agreement payment.

FINANCIAL IMPACT

None.

RECOMMENDATION

The Planning Commission recommends that the City Council:

- Conduct a Public Hearing;
- Introduce and conduct the first reading of the attached Ordinance regarding Development Agreement No. DA-002-2016 for Site Plan No. SP-022-2016, Conditional Use Permit No. CUP-065-2016, and Lot Line Adjustment No. LLA-011-2016; and
- Authorize the City Manager to execute the Agreement, and make minor modifications as appropriate thereto, on behalf of the City if the Ordinance is adopted and becomes effective.

By: Lee Marino, Senior Planner

ATTACHMENTS:

Description	Upload Date	Type	File Name
Planning Commission Staff Report dated April 21, 2016	5/31/2016	Backup Material	SP-022-2016Staff_Report.doc
Planning Commission Staff Report dated May 5, 2016	5/31/2016	Backup Material	SP-022-2016Staff_Report2.doc
DA-002-2016 PC Approval Resolution	6/2/2016	Backup Material	DA-002-2016-PCDevAgreementreso2.doc
SP-022-2016/CUP-065-2016/LLA-011-2016 PC Approval Resolution	6/2/2016	Backup Material	SP-022-2016Reso2.docx
SP-022-2016/CUP-065-2016/LLA-011-2016 Conditions of Approval	6/2/2016	Backup Material	SP-022-2016COA2.doc
April 21, 2016 PC Mtg. Minute Excerpt	6/2/2016	Backup Material	SP-022-2016MinuteExcerpt_4-21-16.doc
May 5, 2016 PC Mtg. Minute Excerpt	6/2/2016	Backup Material	SP-022-2016MinuteExcerpt_5-19-16.doc
DA-002-2016			DA-002-

Development Agreement 6/2/2016
(applicant signed)

Exhibit

2016withEXHIBITS(APPLICANTSIGNED).pdf

DA-002-
2016CCOrdinance 6/2/2016

Ordinance

DA-002-2016CCOrdinance.doc

COMMUNITY DEVELOPMENT DEPARTMENT PLANNING STAFF REPORT

AGENDA ITEM NO.: C.2	SITE LOCATION: Two properties are located on the north side of Garden Grove Boulevard, west of Nelson Street. The third property is contiguous to the north side of the Garden Grove properties and fronts on the south side of Pearl Street, west of Nelson Street. North side of Garden Grove Boulevard, west of Nelson Street. The property addresses are 10641 and 10661 Garden Grove Boulevard and 10662 Pearl Street.
HEARING DATE: April 21, 2016	GENERAL PLAN: Industrial/Commercial Mixed Use
CASE NOS.: Site Plan No. SP-022-2016 CUP-065-2016, Lot Line Adjustment No. LLA-011-2016, and Development Agreement No. DA-002-2016	EXISTING ZONE: AR (Adaptive Reuse)
APPLICANT: Tony Lam	APN: 089-092-06, 089-092-26, and 089-092-25
PROPERTY OWNER: Tony Lam and Jennie Do	CEQA DETERMINATION: Mitigated Negative Declaration

REQUEST:

A request for approval of a Site Plan and Conditional Use Permit approval to construct a four-story, 10-unit, work-live, mixed-use development on three separate properties in conjunction with a Lot Line Adjustment to consolidate the three properties into one. A Development Agreement is also included.

PROJECT STATISTICS:

	Provided	Code Requirement	Meets Code
Total Lot Size	.69 acres	15,000 S.F.	Yes
Work/Live Density By Total Site Area	10 units per acre	32 units per acre	Yes
Work/Live Units	10 units	22 units	Yes
Total Parking			
Work/Live	32*	30	Yes
Recreation Area Total	4,376.85 S.F.	3,000 S.F.	Yes**
Common Area	3,500 S.F.		
Private Balcony	876.85 S.F.		
Building Setbacks			Yes
Front	15'-0"	15'-0"	
Rear	28'-9"	0'-0"	
sides	0'-0"	0'-0"	

*Table on plans says there are 31 spaces, but plans actually show 32 spaces.

**Private balconies range in size from 32.9 square feet to 132 square feet and are not a Code requirement.

BACKGROUND:

The subject site is approximately .69 acres and consists of three contiguous properties, two fronting on the north side of Garden Grove Boulevard, west of Nelson Street, and one located on the north side of the Garden Grove Boulevard properties, fronting on Pearl Street. The General Plan designation of the properties is Industrial/Commercial Mixed Use with a zoning designation of AR (Adaptive Reuse). The properties are developed with a vacant commercial building and a bicycle shop on the Garden Grove Boulevard properties and a non-conforming single-family home on the Pearl Street property. The properties to the north, east, and west are zoned AR and are developed with non-conforming single-family homes and commercial uses. The properties to the south, across Garden Grove Boulevard are zoned GGMU-3 (Garden Grove Mixed Use 3) and are developed commercially.

In 2008 the City Council adopted the current General Plan, which changed the Land Use Designation of the area generally located north of Garden Grove Boulevard, west of Nelson Street, east of Flower Street to the north of Stanford Avenue and Nutwood Street to the south Stanford Avenue, as well as the area that is south of the portion of the OCTA right-of-way that is north of Stanford Avenue, from Office Professional, Mixed Use, and Industrial to Industrial/Commercial Mixed Use. This area maintains a variety of uses that include eating establishments, auto repair, light industrial uses, offices, and non-conforming residential uses.

In 2012, the City Council approved a Code Amendment that established the AR Mixed Use Zone within this area along with associated development standards in order to provide the consistency between the new General Plan Land Use Designation and the Zoning classification that is required by State Law.

The applicant is proposing to combine the three subject properties and demolish the existing improvements in order to develop a four-story, ten-unit, work-live mixed-use development. The proposal also includes a Development Agreement.

DISCUSSION:

The proposal for the development of a four-story, 10-unit, work-live project is required by City Code to be approved via the Site Plan and Conditional Use Permit processes. In addition, since the design of the project is designed to be built over property lines, the applicant is also required to consolidate the three subject properties into one parcel.

SITE PLAN:**Site Design, Parking, and Circulation**

The new four-story building will be constructed to face Garden Grove Boulevard and will maintain a 15'-0" setback from the front property line and will be constructed over the main driveway. The building will maintain zero setbacks along the east and west property lines and 28'-0" from the rear property line. Main access to the property will be via a 25'-0" wide driveway from Garden Grove Boulevard with a secondary

access to Pearl Street from the north side of the project. While Code requires a minimum of 30 parking spaces to accommodate the development, a total of 32 parking spaces have been provided (10 garaged, 11 covered, and 11 open). The Site design, including parking and circulation, has been designed to comply with requirements of Title 18, Mixed Use Regulations and Development Standards, of the City's Municipal Code.

Recreation Area and Landscaping:

The project has been designed to comply with the City Code zoning requirements for landscaping, and active and private recreation areas for the work-live units. City Code requires 3,000 square feet of recreational area for the ten proposed units. A total of 4,376.85 square feet of both common useable and private open space has been provided, that includes a 3,500 square common useable recreation area on the third floor of the building that is suspended over the main driveway and private patios that range in size from 32.9 square feet to 132 square feet. The common useable recreation area includes landscaping, umbrellas, lounge chairs, tables, and barbeques.

Landscaping along Garden Grove Boulevard will include both columnar and canopy trees with shrubs and ground cover on-site and canopy trees and ground covers within the parkway adjacent to the street. Landscaping within the site and along Pearl Street will include canopy trees, shrubs, vines, and ground covers. Landscaping within the third floor common useable open space area will include decorative paving, artificial turf, potted trees, shrubs, and flowering plans.

Unit Design

The project consists of 10 work-live units with private balconies. The units range in size from 2,330 square feet to 3,168 square feet. Each unit includes work space and a small residential space that maintains access from the work space area of the unit to the living space via an interior staircase. The residential portions of the units also have a secondary entrance to the third floor. The residential portions of the units range in size from 750 square feet to 915 square feet. Eight of the units maintain two-bedrooms and two-bathrooms, and the remaining two-units maintain one-bedroom and one and half-bathrooms. The commercial areas of the five lower units maintain direct access to Garden Grove Boulevard and have two floors of commercial space. The commercial areas of the top five units maintain access from the walkway located on the fourth floor with the majority of the residential area (with the exception of a bedroom) of the unit below the commercial area of the unit on the third floor. Each unit will also include kitchen, living room, dining area and laundry facilities.

City Code does not allow the commercial portion of the units to be leased out separately from the residential portion. The intent of the work-live unit is to provide an alternative space where people can have a space that allows them to live in the same unit as they work.

Building Architecture

The design of the four story building is contemporary exhibiting a two-toned kaki and red brown (burnt sienna) stucco exterior with teal metal railing on the balconies and upper story walkways, and aluminum store front glazing. The articulated façade, varying roof heights, and color pattern of the building provide visual interest to the building.

CONDITIONAL USE PERMIT:

The requested Conditional Use Permit (CUP-065-201), along with the subject Site Plan (SP-022-2016), will allow the applicant to develop the properties with work-live units. Additionally, the Conditional Use Permit will include conditions of approval regulating the development in order to minimize impacts to the site and surrounding areas.

The AR zone is intended for a mix of office, restaurants, limited commercial uses, and light industrial uses. The only residential uses that are permitted are small scale residential units that are part of a commercial/industrial unit in a work-live environment. The Code only allows the residential use as incidental to the non-residential use. The residential portions of the units cannot be leased out separately from the commercial/industrial portion of the tenant space, and the work-live units cannot be converted entirely to residential use. Additionally, all future non-residential uses shall comply with Chapter 18, Mixed Use Regulations and Development Standards, of the City's Municipal Code. Pursuant to the proposed Conditions of Approval, the applicant will be required to enter into and record a Covenant Agreement with the City preventing future owners and tenants of the property from using, leasing or converting the property in an unpermitted manner.

LOT LINE ADJUSTMENT:

In order to facilitate the development of the subject project, the three existing parcels are required to be consolidated into one parcel. This will allow the building to be constructed as proposed since the Building Code does not allow buildings to be constructed over property lines. Additionally, the consolidation of the lots will connect the open parking lot that faces Pearl Street to the rest of the project. When complete, the combined lot area will be .69 acres. The proposed Lot Line Adjustment is consistent with the City's General Plan, Zoning Ordinance, the City's Subdivision Ordinance, and the State Subdivision Map Act.

DEVELOPMENT AGREEMENT:

The applicant will enter into a Development Agreement with the City. The applicant will be guaranteed four years to construct the project, and the City will receive development agreement payments from the developer in an amount not to exceed \$19,160. Development Agreement payments are designed to reduce the economic costs of new projects to the public and mitigate development-related impacts on

the community. The Planning Commission recommendation on the Development Agreement will be forwarded to the City Council for final action.

RECOMMENDATION:

Staff recommends that the Planning Commission take the following actions:

1. Adopt Resolution No. 5857-16 recommending that the City Council approve Development Agreement No. DA-002-2016; and
2. Adopt Resolution No. 5858-16 approving Site Plan No. SP-022-2016, Conditional Use Permit No. CUP-065-201, and Lot Line Adjustment No. LLA-011-2016, subject to the recommended Conditions of Approval, and subject to City Council adoption of a Mitigated Negative Declaration and Mitigation Monitoring Program for the Project and City Council approval of Development Agreement No. DA-002-2016.

Karl Hill
Planning Services Manager

By: Lee Marino
Senior Planner

COMMUNITY AND ECONOMIC DEVELOPMENT DEPARTMENT PLANNING STAFF REPORT

AGENDA ITEM NO.: C.1	SITE LOCATION: Two properties are located on the north side of Garden Grove Boulevard, west of Nelson Street. The third property is contiguous to the north side of the Garden Grove properties and fronts on the south side of Pearl Street, west of Nelson Street. North side of Garden Grove Boulevard, west of Nelson Street. The property addresses are 10641 and 10661 Garden Grove Boulevard and 10662 Pearl Street.
HEARING DATE: May 5, 2016	GENERAL PLAN: Industrial/Commercial Mixed Use
CASE NOS.: Site Plan No. SP-022-2016 CUP-065-2016, Lot Line Adjustment No. LLA-011-2016, and Development Agreement No. DA-002-2016	EXISTING ZONE: AR (Adaptive Reuse)
APPLICANT: Tony Lam	APN: 089-092-06, 089-092-26, and 089-092-25
PROPERTY OWNER: Tony Lam and Jennie Do	CEQA DETERMINATION: Mitigated Negative Declaration

REQUEST:

A request for approval of a Site Plan and Conditional Use Permit approval to construct a four-story, 10-unit, work-live, mixed-use development on three separate properties in conjunction with a Lot Line Adjustment to consolidate the three properties into one. A Development Agreement is also included.

PROJECT STATISTICS:

	Provided	Code Requirement	Meets Code
Total Lot Size	.69 acres	15,000 S.F.	Yes
Work/Live Density By Total Site Area	10 units per acre	32 units per acre	Yes
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Total Parking			
Work/Live	32*	30	Yes
Recreation Area Total	4,376.85 S.F.	3,000 S.F.	Yes**
Common Area	3,500 S.F.		
Private Balcony	876.85 S.F.		
Building Setbacks			Yes
Front	15'-0"	15'-0"	
Rear	28'-9"	0'-0"	
sides	0'-0"	0'-0"	

*Table on plans says there are 31 spaces, but plans actually show 32 spaces.

**Private balconies range in size from 32.9 square feet to 132 square feet and are not a Code requirement.

BACKGROUND/DISCUSSION:

On April 21, 2016, the subject applications were presented to the Planning Commission for consideration. During the meeting, concerns were raised regarding accessible bathrooms in the commercial portions of the units, as well as access to the units from the shared garages. Since the plans that were submitted did not show accessible bathrooms nor separated garaged spaces, the Planning Commission continued the item in order for the applicant to provide plans that addressed their concerns.

The applicant has revised the plans and provided accessible bathrooms in each of the commercial areas of the units. The dividing wall within the garages have been shown on the plans for three of the garages, however, due to structural reasons, dividing walls within the two garages located at either end of the building could not be included without substantially impacting the layout of the units and reconfiguring the stairwells located on the east and west sides of the structure. Therefore, the applicant has proposed to leave the two garages as originally proposed with the change that the garages would not have direct access to the downstairs units. All other aspects of the project remain as originally proposed. The original staff report has been attached for reference.

Based on the new set of plans, a new Resolution of Approval has been provided with Conditions of Approval that include new conditions that require the provision for accessible bathrooms in the commercial areas of each unit, that the garages shall include a dividing wall between each garage space with the exception of the two end garages located along the easterly and westerly property lines, and that access to the units from the two end garages be prohibited.

RECOMMENDATION:

Staff recommends that the Planning Commission take the following actions:

1. Adopt Resolution No. 5857-16 recommending that the City Council approve Development Agreement No. DA-002-2016; and
2. Adopt Resolution No. 5858-16 approving Site Plan No. SP-022-2016, Conditional Use Permit No. CUP-065-2016, and Lot Line Adjustment No. LLA-011-2016, subject to the recommended Conditions of Approval, and subject to City Council adoption of a Mitigated Negative Declaration and Mitigation Monitoring Program for the Project and City Council approval of Development Agreement No. DA-002-2016.

Karl Hill
Planning Services Manager

By: Lee Marino
Senior Planner

RESOLUTION NO. 5857-16

A RESOLUTION OF THE PLANNING COMMISSION RECOMMENDING ADOPTION OF A MITIGATED NEGATIVE DECLARATION AND MITIGATION MONITORING AND REPORTING PROGRAM AND APPROVAL OF DEVELOPMENT AGREEMENT NO. DA-002-2016 FOR A MIXED-USE DEVELOPMENT ON THREE CONTIGUOUS PROPERTIES LOCATED ON THE NORTH SIDE OF GARDEN GROVE BOULEVARD, WEST OF NELSON STREET AND THE SOUTH SIDE OF PEARL STREET, WEST OF NELSON STREET, AT 10641 AND 10661 GARDEN GROVE BOULEVARD AND 10662 PEARL STREET.

BE IT RESOLVED that the Planning Commission of the City of Garden Grove, in regular session, assembled on April 21, 2016 and May 19, 2016, does hereby recommend City Council adoption of a Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program and approval of Development Agreement No. DA-002-2016, for a four-story, 10-unit, work-live, mixed-use development (the "Project") on land consisting of three properties, two located on the north side of Garden Grove Boulevard west of Nelson Street and one located contiguous to the north side of the Garden Grove Boulevard properties that fronts on the south side of Pearl Street, west of Nelson Street, at 10641 and 10661 Garden Grove Boulevard and 10662 Pearl Street, Assessor's Parcel Nos. 089-092-06, 089-092-25, and 089-092-26 (collectively, the "Property").

BE IT FURTHER RESOLVED that the Planning Commission has considered the proposed Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program, together with comments received during the public review process, and finds that (1) the record of proceedings on which the Planning Commission's decision is based is located at the City of Garden Grove, 11222 Acacia Parkway, Garden Grove, California; (2) that the custodian of record of proceedings is the Director of Community Development; (3) that the Mitigated Negative Declaration reflects the City's independent judgment and analysis; and (4) that on the basis of the whole record before it, including the initial study and comments received, that there is no substantial evidence that the Project will have a significant effect on the environment; therefore, the Planning Commission hereby recommends the City Council adopt the Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program for this Project.

BE IT FURTHER RESOLVED in the matter of Development Agreement No. DA-002-2016, the Planning Commission of the City of Garden Grove does hereby report as follows:

1. The subject case was initiated by Tony Lam (the "Applicant").
2. The Applicant has requested Planning Commission approval of Site Plan No. SP-022-2016, Conditional Use Permit No. CUP-065-2016, and Lot Line Adjustment No. LLA-011-2016 to construct a four-story, 10-unit, work-live, mixed-use development on three separate properties proposed to be consolidated into a single parcel, and is requesting the Planning Commission

recommend approval to City Council of Development Agreement No. DA-002-2016 between the City of Garden Grove and Tony Lam and Jennie Do for the Project on the Property.

3. Pursuant to the California Environmental Quality Act (CEQA), Public Resources Code Section 21000 et. seq., and the CEQA guidelines, 14 California Code of Regulations Sec. 15000 et. seq., an initial study was prepared and it has been determined that the proposed project qualifies for a Mitigated Negative Declaration because the proposed project with the proposed mitigation measure cannot, or will not, have a significant effect on the environment. A Mitigation Monitoring and Reporting Program has been prepared and is attached to the Mitigated Negative Declaration listing the mitigation measures to be monitored during project implementation. The Mitigated Negative Declaration was prepared and circulated in accordance with CEQA and CEQA's implementing guidelines.
4. The Property has a General Plan Land Use designation of Industrial/Commercial Mixed Use and is currently zoned AR (Adaptive Reuse). The .69-acre site is currently developed with a vacant commercial building, a bicycle shop on the Garden Grove Boulevard properties and a non-conforming single-family home on the Pearl Street property.
5. Existing land use, zoning, and General Plan designation of property in the vicinity of the subject property have been reviewed.
6. Report submitted by City staff was reviewed.
7. Pursuant to a legal notice, a public hearing was held on April 21, 2016 and May 19, 2016, and all interested persons were given an opportunity to be heard.
8. Concurrently with adoption of this Resolution, on May 19, 2016, the Planning Commission adopted Resolution No. 5858-16 approving Site Plan No. SP-022-2016, Conditional Use Permit No. CUP-065-2016, and Lot Line Adjustment No. LLA-011-2016, subject to specified Conditions of Approval, and subject to the adoption of the Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program and approval of Development Agreement No. DA-002-2016 by the Garden Grove City Council. The facts and findings set forth in Planning Commission Resolution No. 5858-16 are hereby incorporated into this Resolution by reference.
9. The Planning Commission gave due and careful consideration to the matter during its meetings on April 21, 2016 and May 19, 2016 and considered all oral and written testimony presented regarding the project.

BE IT FURTHER RESOLVED, FOUND AND DETERMINED that the facts and reasons supporting the conclusion of the Planning Commission, as required under Municipal Code Section 9.32.030, are as follows:

FACTS:

The Property is .69-acres in area, and is currently developed with a vacant commercial building and a bicycle shop on the Garden Grove Boulevard properties and a non-conforming single-family home on the Pearl Street property.

The Property has a General Plan Land Use designation of Medium Density Residential and is zoned R-3 (Multiple-Family Residential).

The Applicant desires to construct a 10-unit, work-live, mixed-use development on the Property pursuant to Site Plan No. SP-022-2016, CUP-065-2016, and Lot Line Adjustment No. LLA-011-2016. The maximum building height will be four (4) stories with an overall height not to exceed 46'-9" and the building area will be comprised of 10 work/live units ranging in size from 2,330 square feet to 3,168 square feet. Pursuant to the proposed Development Agreement with the City, the applicant will be guaranteed four years to construct the Project in accordance with Site Plan No. SP-022-2016, CUP-062-2016, and Lot Line Adjustment No. LLA-011-2016, and the City will receive a development agreement payment in an amount not to exceed \$19,160 to reimburse the City for the cost of certain City services required by the Project that are not otherwise being reimbursed to the City.

FINDINGS AND REASONS:

1. The Development Agreement is consistent with the General Plan.

The proposed 10-unit, work-live, mixed-use development Project authorized to be constructed under the Development Agreement is consistent with the Property's General Plan Land Use Designation of Industrial/Commercial Mixed Use, which is intended to provide for a mix of uses. The Project is also consistent with Policy LU-1.6 of the General Plan's Land Use Element, which provides for the City to encourage workplace development in close proximity to residences in areas designated as Mixed Use.

INCORPORATION OF FACTS AND FINDINGS SET FORTH IN THE STAFF REPORT

In addition to the foregoing, the Planning Commission incorporates herein by this reference, the facts and findings set forth in the staff report and in Resolution No. 5858-16.

BE IT FURTHER RESOLVED that the Planning Commission does conclude:

1. The Development Agreement possesses characteristics that would indicate justification of the request in accordance with Government Code Section 65864 et. seq, provisions for Development Agreements.

Adopted this 19th day of May, 2016

ATTEST:

/s/ JOHN O'NEILL
CHAIR

/s/ JUDITH MOORE
SECRETARY

STATE OF CALIFORNIA)
COUNTY OF ORANGE) SS:
CITY OF GARDEN GROVE)

I, JUDITH MOORE, Secretary of the City of Garden Grove Planning Commission, do hereby certify that the foregoing Resolution was duly adopted by the Planning Commission of the City of Garden Grove, California, at a meeting held on May 19, 2016, by the following vote:

AYES: COMMISSIONERS: (7) BARKER, KANZLER, MARGOLIN, NUYGEN,
O'NEILL, PAREDES, ZAMORA
NOES: COMMISSIONERS: (0)

/s/ JUDITH MOORE
SECRETARY

PLEASE NOTE: Any request for court review of this decision must be filed within 90 days of the date this decision was final (See Code of Civil Procedure Section 1094.6).

A decision becomes final if it is not timely appealed to the City Council. Appeal deadline is June 9, 2016.

RESOLUTION NO. 5858-16

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF GARDEN GROVE APPROVING SITE PLAN NO. SP-022-2016, CONDITIONAL USE PERMIT NO. CUP-065-2016, AND LOT LINE ADJUSTMENT NO. LLA-011-2016 FOR THREE CONTIGUOUS PROPERTIES THAT ARE LOCATED ON THE NORTH SIDE OF GARDEN GROVE BOULEVARD, WEST OF NELSON STREET AND THE SOUTH SIDE OF PEARL STREET, WEST OF NELSON STREET, AT 10641 AND 10661 GARDEN GROVE BOULEVARD AND 10662 PEARL STREET, ASSESSOR PARCEL NOS. 089-092-06, 089-092-25, AND 089-092-26.

BE IT RESOLVED that the Planning Commission of the City of Garden Grove, in regular session, assembled on April 21, 2016 and May 19, 2016, and approved Site Plan No. SP-022-2016, Conditional Use Permit No. CUP-065-2016, and Lot Line Adjustment No. LLA-011-2016, subject to the Conditions of Approval attached hereto as "Exhibit A", and subject to the approval of Development Agreement No. DA-002-2016 by the Garden Grove City Council.

BE IT FURTHER RESOLVED in the matter of Site Plan No. SP-022-2016, Conditional Use Permit No. CUP-065-2016, and Lot Line Adjustment No. LLA-011-2016 the Planning Commission of the City of Garden Grove does hereby report as follows:

1. The subject case was initiated by Tony Lam (the "Applicant").
2. The Applicant is requesting approval of a Site Plan and Conditional Use Permit to construct a four-story, 10-unit, work-live, mixed-use development on three separate properties in conjunction with a Lot Line Adjustment to consolidate the three properties into one. A Development Agreement incorporating these proposed land use entitlements is also proposed.
3. Pursuant to the California Environmental Quality Act (CEQA), Public Resources Code Section 21000 et. seq., and the CEQA guidelines, 14 California Code of Regulations Sec. 15000 et. seq., an initial study was prepared and it has been determined that the proposed project qualifies for a Mitigated Negative Declaration because the proposed project with the proposed mitigation measures cannot, or will not, have a significant effect on the environment. A Mitigation Monitoring and Reporting Program has been prepared and is attached to the Mitigated Negative Declaration listing the mitigation measures to be monitored during project implementation. The Mitigated Negative Declaration was prepared and circulated in accordance with CEQA and CEQA's implementing guidelines.
4. The properties have a General Plan Land Use designation of Industrial/Commercial Mixed Use, and are currently zoned AR (Adaptive Reuse). The subject properties are currently improved with a vacant commercial building, a bicycle shop, and a non-conforming single-family home.
5. Existing land use, zoning, and General Plan designation of property in the vicinity of the subject property have been reviewed.

6. Report submitted by City staff was reviewed.
7. Pursuant to a legal notice, a public hearing was held on April 21, 2016 and May 19, 2016, and all interested persons were given an opportunity to be heard.
8. Concurrently with adoption of this Resolution, on May 19, 2016, the Planning Commission adopted Resolution No. 5857-16, recommending that the City Council adopt the Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program and approve Development Agreement No. DA-002-2016 for the Project. The facts and findings set forth in Planning Commission Resolution No. 5857-16 are hereby incorporated into this Resolution by reference.
9. The Planning Commission gave due and careful consideration to the matter during its meetings of April 21, 2016 and May 19, 2016.

BE IT FURTHER RESOLVED, FOUND AND DETERMINED that the facts and reasons supporting the conclusion of the Planning Commission, as required under Municipal Code Section 9.32.030 are as follows:

FACTS:

The subject property is approximately .69 acres and consists of three properties, two located on the north side of Garden Grove Boulevard west of Nelson Street and one located contiguous to the north side of the Garden Grove Boulevard properties that fronts on the south side of Pearl Street, west of Nelson Street. The subject properties have a General Plan Designation of Industrial/Commercial Mixed Use and are zoned AR (Adaptive Reuse). The properties to the north, east, and west are zoned AR and are developed with non-conforming, single-family homes and commercial uses. The properties to the south, across Garden Grove Boulevard are zoned GGMU-3 (Garden Grove Mixed Use 3) and are developed commercially.

In 2008 the City Council adopted the current General Plan, which changed the Land Use Designation of the area generally located north of Garden Grove Boulevard, west of Nelson Street, east of Flower Street to the north of Stanford Avenue and Nutwood Street to the south Stanford Avenue, as well as the area that is south of the portion of the OCTA right-of-way that is north of Stanford Avenue, from Office Professional, Mixed Use, and Industrial to Industrial/Commercial Mixed Use. This area maintains a variety of uses that include eating establishments, auto repair, light industrial uses, offices, and non-conforming residential uses.

In 2012, the City Council approved a Code Amendment that established the AR Mixed Use Zone within this area along with associated development standards in order to provide the consistency between the new General Plan Land Use Designation and the Zoning classification that is required by State Law.

The subject properties are developed with a vacant commercial building and a bicycle shop on the Garden Grove Boulevard properties and a non-conforming single-family home on the Pearl Street property. The applicant is proposing to combine the three subject properties and demolish the existing improvements in order to develop a four-story, ten-unit, work-live mixed-use development.

The new four-story building will be constructed to face Garden Grove Boulevard and will maintain a 15'-0" setback from the front property line and will be constructed over the main driveway. The building will maintain zero setbacks along the east and west property lines and 28'-0" from the rear property line. Main access to the property will be via a 25'-0" wide driveway from Garden Grove Boulevard with a secondary access to Pearl Street from the north side of the project. While Code requires a minimum of 30 parking spaces to accommodate the development, a total of 32 parking spaces have been provided (10 garaged, 11 covered, and 11 open). The Site design, including parking and circulation, have been designed to comply with requirements of Title 18, Mixed Use Regulations and Development Standards, of the City's Municipal Code.

The project has been designed to comply with the City Code zoning requirements for landscaping, and active and private recreation areas for the work live units. City Code requires 3,000 square feet of recreational area for the ten proposed units. A total of 4,376.85 square feet of both common useable and private open space has been provided, that includes a 3,500 square common useable recreation area on the third floor of the building that is suspended over the main driveway and private patios that range in size from 32.9 square feet to 132 square feet. The common useable recreation area includes landscaping, umbrellas, lounge chairs, tables, and barbecues.

Landscaping along Garden Grove Boulevard will include both columnar and canopy trees with shrubs and ground cover on-site and canopy trees and ground covers within the parkway adjacent to the street. Landscaping within the site and along Pearl Street will include canopy trees, shrubs, vines, and ground covers. Landscaping within the third floor common useable open space area will include decorative paving, artificial turf, potted trees, shrubs, and flowering plants.

The project consists of 10 work-live units with private balconies. The units range in size from 2,330 square feet to 3,168 square feet. Each unit includes work space and a small residential space that maintains access from the work space area of the unit to the living space via an interior stair case. The residential portions of the units also have a secondary entrance to the third floor. The residential portions of the units range in size from 750 square feet to 915 square feet. Eight of the units maintain two bedrooms and two bathrooms, and the remaining two units maintain one bedroom and one and a half bathrooms. The commercial areas of the five lower units maintain direct access to Garden Grove Boulevard and have two floors of commercial space. The commercial areas of the top 5 units maintain access from the walkway located on the fourth floor with the majority of the residential area (with the exception of a bedroom) of the unit below the commercial area of the unit

on the third floor. Each unit will also include kitchen, living room, dining area and laundry facilities.

City Code does not allow the commercial portion of the units to be leased out separately from the residential portion or for the units to be converted entirely to residential use. The intent of the work-live unit is to provide an alternative space where people can have a space that allows them to live in the same unit as they work.

The design of the four-story building is contemporary exhibiting a two-toned kaki and red brown (burnt sienna) stucco exterior with teal metal railing on the balconies and upper story walkways, and aluminum store front glazing. The articulated façade, varying roof heights, and color pattern of the building provide visual interest to the building.

FINDINGS AND REASONS:

SITE PLAN:

1. The Site Plan is consistent with the General Plan and complies with the spirit and intent of the provisions, conditions and requirements of the Municipal Code and other applicable ordinances.

The subject site has a General Plan land use designation of Industrial/Commercial Mixed Use (IC) and is zoned AR (Adaptive Reuse). The proposed project consists of a 4-story, mixed-use development consisting of ten (10) work-live units in a single building, along with 32 parking spaces consisting of garage spaces, covered spaces, and an open parking lot. The proposed mixed use development is consistent with the General Plan land use designation, which is intended to provide for a mix of uses, as well as with Policy LU-1.6 of the General Plan's Land Use Element, which provides for the City to encourage workplace development in close proximity to residences in areas designated as Mixed Use. The Site Plan also complies with the spirit and intent of the provisions, conditions, and requirements of the Municipal Code and other applicable ordinances. The zoning of the property permits work-live units subject to the approval of a Conditional Use Permit. The placements of the structures, the site design, the parking lot layout, the number of on-site parking spaces, and the landscape areas are all consistent with the development standards applicable to the AR zone.

2. The proposed development does not adversely affect essential on-site facilities such as off-street parking, loading and unloading areas, traffic circulation and points of vehicular and pedestrian access.

The proposed development has been designed to meet the Code's requirements for access, on and off-site circulation and off-street parking. The plans have been reviewed by the City's Traffic Engineering Division as well as a traffic consultant and it has been determined that the project will

have no adverse impacts to surrounding streets. The site provides sufficient parking to accommodate the proposed work-live mixed use development. The project has been designed to provide a drive aisle and parking layout that enables customers to maneuver effectively through the site.

Furthermore, the City's Fire Department has also reviewed the plans, and all appropriate conditions of approval will eliminate any adverse impacts to surrounding streets should there be an emergency.

3. The development, as proposed, will not adversely affect essential public facilities such as streets and alleys, utilities and drainage channels.

The streets in the area will be adequate to accommodate the proposed development once the developer provides the necessary improvements for the project. The proposed work-live mixed-use project will not adversely affect essential public facilities such as streets and alleys, utilizes, and drainage channels. Utilities and drainage channels in the area are adequate to accommodate the development.

The proposed development will also provide landscaping and proper grading of the site in order to maintain proper drainage in the area. The Public Works Engineering and Water Services Division have reviewed the plans.

4. The project will not adversely impact the City's ability to perform its required public works functions.

The project has been reviewed by the Public Works Department. There were no issues raised by the project. Therefore, the project will not adversely impact the City's ability to perform its required public works functions.

5. The development does have a reasonable degree of physical, functional, and visual compatibility with neighboring uses and desirable neighborhood characteristics.

The project is located in an area with a mix of industrial, commercial and non-conforming, single-family homes. The proposed project is consistent with the surrounding area and compatible with the existing uses along Garden Grove Boulevard and within the AR (Adaptive Reuse) zone. The building has been designed to be oriented toward Garden Grove Boulevard to ensure a reasonable degree of compatibility with adjacent developments.

6. Through the planning and design of buildings and building placement, the provision of open space landscaping and other site amenities will attain an attractive environment for the occupants of the property.

The project has been designed for building appearance, building placement, landscaping, and other amenities to attain an attractive environment. All landscaped areas are required to adhere to the landscaping requirements of

the Title 9 of the Municipal Code. Through the conditions of approval for the project, the necessary agreements for the protection and maintenance of all landscaping will be achieved.

CONDITIONAL USE PERMIT:

1. That the proposed use will be consistent with the City's adopted General Plan and redevelopment plan.

The proposed work-live mixed-use development will be consistent with the General Plan Land Use Designation of the property, which is Industrial/Commercial Mixed Use, provided that the project complies with all conditions of approval. The proposed work-live development is consistent with the Industrial/Commercial Mixed Use land use designation, which is intended to provide for a mix of uses, as well as with Policy LU-1.6 of the General Plan's Land Use Element, which provides for the City to encourage workplace development in close proximity to residences in areas designated as Mixed Use.

2. That the requested use at the location proposed will not adversely affect the health, peace, comfort, or welfare of the persons residing or working in the surrounding area.

The proposed work-live development will not adversely affect the health, peace, comfort, or welfare of the persons residing or working in the surrounding area. The property is zoned for commercial and light industrial uses and work-live units like those proposed are expressly permitted pursuant to a conditional use permit. Pursuant to the conditions of approval, only uses permitted or conditionally permitted in the AR zone may be maintained in the live-work units; auto repair uses, the storage of flammable liquids or hazardous materials beyond that normally associated with a residential use, heavy industrial uses, entertainment uses, and full service restaurants will be prohibited; no uses that cause vibration, noise, odor, traffic or other impacts that could cause excessive impacts to the surrounding properties shall be permitted; and all work associated with a non-residential use in any of the work-live units shall be done indoors. The project design and conditions of approval will minimize potential impacts to the adjoining area. In addition, Chapter 9.18 of the Garden Grove Municipal Code contains express restrictions on the use and operation of work-live mixed-use projects such as the one proposed that must be adhered to for the life of the project. Provided the conditions of approval for the project are adhered to for the life of the project, the use will be harmonious with persons who work and live in the area.

3. The proposed use will not interfere with the use, enjoyment, or valuation of the property of other persons located in the vicinity of the site.

The proposed work-live mixed-use project will not unreasonably interfere with the use, enjoyment, or valuation of the property of other persons located within the vicinity of the site, provided that the conditions of approval are adhered to for the life of the project. The property and adjacent properties are zoned for commercial and light industrial uses and work-live units like those proposed are expressly permitted pursuant to a conditional use permit. Pursuant to the conditions of approval, only uses permitted or conditionally permitted in the AR zone may be maintained in the live-work units; auto repair uses, the storage of flammable liquids or hazardous materials beyond that normally associated with a residential use, heavy industrial uses, entertainment uses, and full service restaurants will be prohibited; no uses that cause vibration, noise, odor, traffic or other impacts that could cause excessive impacts to the surrounding properties shall be permitted; and all work associated with a non-residential use in any of the work-live units shall be done indoors. In addition, Chapter 9.18 of the Garden Grove Municipal Code contains express restrictions on the use and operation of work-live mixed use projects such as the one proposed that must be adhered to for the life of the project.

4. The proposed use will not jeopardize, endanger, or otherwise constitute a menace to public health, safety, or general welfare.

Pursuant to the conditions of approval, only uses permitted or conditionally permitted in the AR zone may be maintained in the live-work units; auto repair uses, the storage of flammable liquids or hazardous materials beyond that normally associated with a residential use, heavy industrial uses, entertainment uses, and full service restaurants will be prohibited; no uses that cause vibration, noise, odor, traffic or other impacts that could cause excessive impacts to the surrounding properties shall be permitted; and all work associated with a non-residential use in any of the work-live units shall be done indoors. In addition, Chapter 9.18 of the Garden Grove Municipal Code contains express restrictions on the use and operation of work-live mixed use projects such as the one proposed that must be adhered to for the life of the project. Provided that proposed work-live mixed-use development adheres to the conditions of approval for the life of the project, the proposed project will not jeopardize, endanger, or otherwise constitute a menace to public health, safety, or general welfare.

5. That the proposed site is adequate in size and shape to accommodate the yards, walls, fences, parking and loading facilities, landscaping and other development features prescribed in this title or as is otherwise required in order to integrate such use with the uses in the surrounding area.

The proposed project has been designed to comply with the development standards and requirements of the AR (Adaptive Reuse) zone. The site is adequate in size and shape to accommodate the new structure and associated site improvements, which include parking facilities, landscaping, and development walls.

6. The proposed site is adequately served by highways or streets of sufficient width and improved as necessary to carry the kind and quantity of traffic to be generated, and by other public or private service facilities as required.

The site is adequately served by Garden Grove Boulevard and Pearl Street and the development of the project will include accessible driveways providing both ingress and egress. The site is also adequately served by the public service facilities required such as public utilities: gas, electric, water, and sewer facilities.

LOT LINE ADJUSTMENT:

1. The parcel, as a result of the Lot Line Adjustment, will conform to the zoning and building codes.

The subject parcels have a General Plan Land Use designation of Industrial/Commercial Mixed Use and are zoned AR (Adaptive Reuse). The property is comprised of three (3) lots each with a combine lot area of .69 acres. The Lot Line Adjustment will consolidate the three (3) parcels into one lot to allow the construction of a 10-unit, work-live project that is approved via Site Plan No. SP-022-2016 and Conditional Use Permit No. CUP-065-2016. The Lot Line Adjustment and all subsequent site improvements will be in conformance with the applicable zoning and building code regulations as well as be consistent with the City's Subdivision Ordinance and the State Subdivision Map Act.

INCORPORATION OF FACTS AND FINDINGS SET FORTH IN STAFF REPORT

In addition to the foregoing, the Planning Commission incorporates herein by this reference, the facts and findings set forth in the staff report.

BE IT FURTHER RESOLVED that the Planning Commission does conclude:

1. The Site Plan, Conditional Use Permit, and Lot Line Adjustment possess characteristics that would indicate justification of the request in accordance with Municipal Code Sections 9.32.030 and 9.40.190.
2. In order to fulfill the purpose and intent of the Municipal Code, and, thereby, promote the health, safety, and general welfare, the attached Conditions of Approval (Exhibit "A") shall apply to Site Plan No. SP-022-2016, Conditional Use Permit No. CUP-065-2016, and Lot Line Adjustment No. LLA-011-2016.
3. Approval of this Site Plan, Conditional Use Permit, and Lot Line Adjustment shall be contingent upon the approval of Development Agreement No. DA-002-2016 and adoption of the Mitigated Negative Declaration and the Mitigation Monitoring Program for the project by the Garden Grove City Council.

Adopted this 19th day of May, 2016

ATTEST:

/s/ JOHN O'NEILL
CHAIR

/s/ JUDITH MOORE
SECRETARY

STATE OF CALIFORNIA)
COUNTY OF ORANGE) SS:
CITY OF GARDEN GROVE)

I, JUDITH MOORE, Secretary of the City of Garden Grove Planning Commission, do hereby certify that the foregoing Resolution was duly adopted by the Planning Commission of the City of Garden Grove, California, at a meeting held on May 19, 2016, by the following vote:

AYES: COMMISSIONERS: (7) BARKER, KANZLER, MARGOLIN, NUYGEN,
O'NEILL, PAREDES, ZAMORA
NOES: COMMISSIONERS: (0)

/s/ JUDITH MOORE
SECRETARY

PLEASE NOTE: Any request for court review of this decision must be filed within 90 days of the date this decision was final (See Code of Civil Procedure Section 1094.6).

A decision becomes final if it is not timely appealed to the City Council. Appeal deadline is June 9, 2016.

EXHIBIT "A"

Site Plan No. SP-022-2016, Conditional Use Permit No. CUP-065-2016 and Lot Line Adjustment No. LLA-011-2016

10641 and 10661 Garden Grove Boulevard and
10662 Pearl Street

CONDITIONS OF APPROVAL

General Conditions

1. Each owner of the property shall execute, and the applicant shall record against the property, a "Notice of Discretionary Permit Approval and Agreement with Conditions of Approval," as prepared by the City Attorney's Office, within 30 days of approval. The applicant shall provide the City with a copy of the recorded Notice within ten (10) days of its recordation.
2. All Conditions of Approval, approved under Site Plan No. SP-022-2016, Conditional Use Permit No. CUP-065-2016, and Lot Line Adjustment No. LLA-011-2016 contained in Resolution No. 5858-16, shall remain in full force and effect, except as modified herein. All Conditions of Approval set forth herein, or contained in Resolution No. 5858-2016, shall be binding on and enforceable against each of the following, and whenever used herein, the term "applicant" shall mean and refer to each of the following: the project applicant, Tony Lam, the developer of the project, the owner(s) and tenants(s) of the property, and each of their respective successors and assigns. All Conditions of Approval are required to be adhered to for the life of the project, regardless of property ownership. Except for minor modifications approved by the Community Development Director pursuant to Condition No. 4, below, any changes to the Conditions of Approval require approval by the Planning Commission. All Conditions of Approval herein shall apply to Site Plan No. SP-022-2016 and Conditional Use Permit No. CUP-065-2016. The Conditions of Approval applying to Lot Line Adjustment No. LLA-011-2016 shall only be those that so expressly state and/or those necessary to conform to the General Plan, any applicable specific plan, and zoning and building ordinances, to require the prepayment of real property taxes prior to the approval of the lot line adjustment, or to facilitate the relocation of existing utilities, infrastructure, or easements.
3. Approval of this Site Plan, Conditional Use Permit, and Lot Line Adjustment shall not be construed to mean any waiver of applicable and appropriate zoning and other regulations; and wherein not otherwise specified, all requirements of the City of Garden Grove Municipal Code shall apply.
4. Minor modifications to the Site Plan, Conditional Use Permit, Lot Line Adjustment and/or these Conditions of Approval, which do not materially change the scope or intensity of the project and which will not result in impacts that have not previously been addressed, may be approved by the

Community Development Director, in his or her discretion. Proposed modifications to the project, approved site plan, floor plan, and/or these Conditions of Approval determined by the Community Development Director not to be minor in nature shall be subject to approval of new and/or amended land use entitlements by the applicable City hearing body.

5. All conditions of approval shall be implemented at the applicant's expense, except where otherwise expressly specified in the individual condition.
6. All lighting structures shall be placed so as to confine direct rays to the subject property. All exterior lights shall be reviewed and approved by the City's Planning Division. Lighting adjacent to residential properties shall be restricted to low decorative type wall-mounted lights, or a ground lighting system. Lighting shall be provided throughout all private drive aisles and entrances to the development per City standards for street lighting. Lighting in the common areas shall be directed, positioned, or shielded in such manner so as not to unreasonably illuminate the window area of nearby residences.
7. The applicant shall submit detailed plans showing the proposed location of utilities and mechanical equipment to the Community Development Department for review and approval prior to Building Division Plan Check. The project shall also be subject to the following:
 - a. All on-site and off-site utilities (off-site refers to the areas within public right-of-way to the center line of the streets adjacent to the subject property) within the perimeter of the site and to the centerline of the adjacent streets shall be installed or relocated underground.
 - b. Above-ground utility equipment (e.g., electrical, gas, telephone, cable TV) shall not be located in the street setbacks, within the common areas along Garden Grove Boulevard and Pearl Street, or any parking areas and shall be screened to the satisfaction of the Community Development Department.
 - c. No roof-mounted mechanical equipment, including but not limited to dish antennas, shall be permitted unless a method of screening complementary to the architecture of the building is approved by the Community Development Department prior to the issuance of building permits. Said screening shall block visibility of any roof-mounted mechanical equipment from view of public streets and surrounding properties.
 - d. All ground, roof, or wall-mounted mechanical equipment shall be screened from public view from adjacent properties and the public right-of-way and shall also be screened, to the extent feasible, from on-site areas.

- e. The mitigation measure that is part of the Mitigated Negative Declaration that is adopted for Site Plan No. SP-022-2016, Conditional Use Permit No. CUP-065-2016, and Lot Line Adjustment No. LLA-011-2016 (the "Mitigated Negative Declaration") is incorporated herein by this reference and shall be implemented as conditions of approval for this project

Public Works Engineering Division

8. The applicant shall be subject to Traffic Mitigation Fees in accordance with Chapter 9.44 of the Garden Grove Municipal Code; In-Lieu Park Fees in accordance with the City's current Fee Resolution; and all other applicable fees duly adopted by the City.
9. A geotechnical study prepared by a registered geotechnical engineer is required. The report shall analyze the liquefaction potential of the site and make recommendations. The report shall analyze sub-surface issues related to the past uses of the site, including sub-surface tanks and basement and septic facilities. Any soil or groundwater contamination shall be remediated prior to the issuance of a building permit in a manner meeting the approval of the City Engineer in concert with the Orange County Health Department. The report shall make recommendations for pavement design the interior streets and parking spaces. The report shall also test and analyze soil conditions for LID (Low Impact Development) principles and implementations, including potential infiltration alternatives, soil compaction, saturation, permeability and groundwater levels.
10. A separate street permit is required for work performed within the public right-of-way.
11. Separate grading and street improvement plans prepared by a registered Civil Engineer are required. The grading plan shall be based on a current survey of the site, including a boundary survey, topography on adjacent properties up to 30' outside the boundary, and designed to preclude cross lot drainage. Minimum grades shall be 0.50% for concrete flow lines and 1.25% for asphalt. The grading plan shall also include water and sewer improvements. The grading plan shall include a coordinated utility plan. Street improvement plan shall conform to all format and design requirements of the City Standard Drawings & Specifications. All fees collected at the time of permit issuance shall be based on the fee schedule in effect at that time.
12. Prior to the issuance of any grading or building permits or prior to recordation upon subdivision of land if determined applicable by the City Building Official, the applicant shall submit to the City for review and approval a *Final* Water Quality Management Plan that:
 - Addresses Site Design BMPs based upon the geotechnical report recommendations and findings such as infiltration minimizing impervious areas, maximizing permeability, minimizing directly connected impervious

- areas, creating reduced or "zero discharge" areas, and conserving natural areas.
 - Incorporates the applicable Routine Source Control BMPs as defined in the DAMP.
 - Incorporates structural and Treatment Control BMPs as defined in the DAMP.
 - Generally describes the long-term operation and maintenance requirements for the Treatment Control BMPs.
 - Identifies the entity that will be responsible for long-term operation and maintenance of the Treatment Control BMPs.
 - Describes the mechanism for funding the long-term operation and maintenance of the Treatment Control BMPs.
13. Prior to grading or building permit closeout and/or the issuance of a certificate of use or a certificate of occupancy, the applicant shall demonstrate compliance with the WQMP in a manner meeting the satisfaction of the City Engineer, including:
- Demonstrate that all structural best management practices (BMPs) described in the Project WQMP have been constructed and installed in conformance with approved plans and specifications.
 - Demonstrate that applicant is prepared to implement all non-structural BMPs described in the Project WQMP.
 - Demonstrate that an adequate number of copies of the approved Project WQMP are available on-site.
 - Submit for review and approval by the City an Operations and Maintenance (O&M) Plan for all structural BMPs.
 - Demonstrate that the applicant has agreed to and recorded an agreement or another legal instrument approved by the City Attorney that shall require the property owner, successors, tenants (if applicable), and assigns to fund, operate and maintain in perpetuity the post-construction BMPs described in the Project WQMP and O&M Plan.
14. Prior to the issuance of a grading permit, the applicant shall provide a hydrological analysis with scaled map and calculations and hydraulic calculations to size drainage facilities per Orange County RDMD standards. Parkway culverts shall be designed per Orange County standard plan 1309, Type B. BMP's shall be sized per the requirements of the latest Technical Guidance Documents.
15. Prior to issuance of a grading permit, the applicant shall design overhead street lighting within the development in a manner meeting the approval of the City Engineer. Location of lighting poles shall be shown on the grading plan.
16. Provide a separate coordinated utility plan showing the location of all utilities serving the site. Any easements required providing locations and access for

- the utilities and their appurtenances shall be provided by separate instrument.
17. The applicant shall construct the driveway entrance to the development per City of Garden Grove Standard Plan B-120 with conforming ADA landing and pathways where public and private sidewalks intersect. All designs must conform to latest ADA standards.
 18. The grading plan shall provide an accessibility route for the ADA pathway in conformance with the requirements of the department of justice standards, latest edition.
 19. All trash container areas shall meet the following requirement:
 - Paved with an impervious surface, designed not to allow run-on from adjoining areas, designed to divert drainage from adjoining roofs and pavements diverted around the area, screened or walled to prevent off-site transport of trash;
 - Provide solid roof or awning to prevent direct precipitation into the enclosure per City of Garden Grove Standard Plan B-502;
 - Provide a drain to a sanitary waste line. Connection of trash area drains to the municipal storm drain system is prohibited;
 - Potential conflicts with fire code and garbage hauling activities should be considered in implementing this source control;
 - See CASQA Storm Water Handbook Section 3.2.9 and BMP Fact Sheet SD-32 for additional information.
 - The trash shall be located to allow pick-up and maneuvering, including turnarounds, in the area of enclosures per City of Garden Grove Standard Plan B-502.
 20. Prior to the issuance of the street improvements and grading permit, the applicant shall provide completion bonds for all work constructed under the street improvements and grading permit in a manner satisfactory to the City Engineer, City Attorney, and City Finance Department (Risk Management). Alternate forms of security may be considered, solely in the discretion of the City Engineer and with the concurrence of the City Attorney and City Finance Department (Risk Management).
 21. No parallel curb parking shall be permitted anywhere on the site and Garden Grove Boulevard.
 22. All parking spaces that abut to sidewalks that are not elevated with a curb face to the stall shall have wheel stops.
 23. Any new or required block walls and/or retaining walls shall be shown on the grading plans with a minimum height of 6-feet from the highest finished grade. Cross sections shall show vertical and horizontal relations of improvements and property line. Block walls shall be designed in accordance to City standards or designed by a professional registered engineer

24. The applicant shall remove the existing landscaping within sidewalk areas along Garden Grove Boulevard and Pearl Street and construct street frontage improvements as identified below. All landscaping installed within the public rights-of-way shall be maintained by the applicant in a manner meeting the approval of the City Engineer. A separate street improvement plan shall be prepared for Garden Grove Boulevard and Pearl Street and submitted to the engineering department for improvements within the existing and proposed right of way.

Garden Grove Boulevard

- Remove the existing easterly and westerly substandard driveway approaches and existing landscaping on Garden Grove Boulevard and construct new curb, gutter and sidewalk.
- The new driveway approach to the site shall be constructed in accordance with City of Garden Grove Standard Plan B-120. Standard Plan B-120 calls for a maximum width of 30-feet for commercial and multi residential projects, with any deviation from the standard to be approved by the City Engineer and detailed on the plan showing all modifications.
- Construct 8" curb and gutter along the property frontage at 42' from centerline in accordance with City Standard Plan B-113 (Type C-8).
- Construct a 8-foot sidewalk and landscape adjacent to the street curb in accordance with City Standard Plan B-106 and planning department direction.
- Remove and replace the street pavement from the edge of the median to the edge of the gutter per City Standard B-102 and as directed by the City Engineer.

Pearl Street

- Construct 6" rolled curb and gutter along the property frontage at 20' from centerline in accordance with City Standard Plan B-116.
- Remove and replace the pavement of the street from the edge of the northerly gutter to the edge of new southerly gutter along the property frontage per City Standard Plan B-104 and the direction of the City Engineer.
- Construct new driveway approach to the site in accordance with City of Garden Grove Standard Plan B-121.
- Construct a new 4-foot parkway adjacent to the new 6-inch curb and 4-foot sidewalk per City Standard Plan B-105.

25. Conditions of Approval for LLA-011-2016:

- The applicant shall submit an updated title report along with copies of the recorded instruments listed in the title report.
- The applicant shall submit copies of the reference maps used to prepare the legal description and the plat.
- The Lot Line Adjustment shall comply with all provisions of the City of Garden Grove Public Work's Engineering Service Division and shall be reflected in a deed or record of survey that shall be recorded, with copies filed with the City, prior to issuance of a building permit for the structure.

Public Works Water Services Division

Water Conditions

26. New water services 2" and smaller can be installed by the Water Services Division upon payment of applicable fees, or by the applicant's contractor and inspected by Water Engineering Inspector. Applicant's contractor shall have a Class A or C-34 License. Fire services and larger water services 3" and larger, shall be installed by developer/owner's contractor per City Standards and inspected by the Water Engineering Inspector.
27. A Reduced Pressure Principle Device (RPPD) backflow prevention device shall be installed for meter protection. The landscape system shall also have RPPD device. Installation shall be per City Standards and shall be tested by a certified backflow device tester immediately after installation. Cross connection inspector shall be notified for inspection after the installation is completed. The property owner(s) shall have RPPD device tested once a year thereafter by a certified backflow device tester and the test results to be submitted to Public Works, Water Services Division. Property owner(s) must open a water account upon installation of RPPD device.
28. It shall be the responsibility of the applicant to abandon any existing private water well(s) per Orange County Health Department requirements. Abandonment(s) shall be inspected by Orange County Health Department inspector after permits have been obtained.
29. Any new or existing water valve located within new concrete driveway or sidewalk construction shall be reconstructed per City Standard B-753.
30. The City shall determine if existing water services(s) is/are usable and meets current City Standards. Any existing meter and service located within new driveway(s) shall be relocated at owner's expense.

31. Fire service connection shall have above ground double check detector assembly (DCDA) per City Standard B-773. Device shall be tested immediately after installation and once a year thereafter by a certified backflow device tester and the results to be submitted to Water Quality, Water Services Division. Device shall be on private property and is the responsibility of the property owner(s). The above ground assembly shall be screened from public view as required by the Planning Division.
32. Location and number of fire hydrants shall be as required by Water Services Division and the Fire Department.

Sewer Conditions

33. The applicant shall install new sewer lateral with clean out at right-of-way line. Lateral in public right-of-way shall be 6" min. dia., extra strength VCP with wedgelock joints.
34. In order for the project to be constructed as proposed by the applicant, the existing off-site and on-site sewer main going from west to east of the property will need to be removed and new sewer improvements constructed on the property and the immediately adjacent properties. Accordingly, the applicant shall remove and remediate the existing sewer main located within the proposed project boundary and construct the new sewer line within the project boundary to tie into the main in Grove Boulevard. The applicant shall also work with the adjacent property owners to ensure that (a) the remaining downstream portion of the sewer main in the adjacent property to the east is capped and plugged and a new sewer cleanout installed at the east property line to allow access to the remaining sewer, and (b) a new reroute for a lateral to the south to tie into the main on Garden Grove Boulevard is installed on the adjacent property to the west. Prior to commencement of any field investigation and design work, the applicant SHALL provide evidence satisfactory to the City Engineer that the applicant has entered into a binding agreement or agreements with the adjacent property owners providing applicant with the right to construct the above-described improvements on the neighboring properties. The sewer improvements described in this Condition shall be designed, constructed and installed at the applicant's expense and shall be fully completed and approved by the City prior to issuance of a certificate of occupancy.
35. Commercial food uses of any type shall require the installation of an approved Grease Control Device (GCD) prior to obtaining a business license.
36. A properly sized Grease Control Device (GCD) shall be installed on the waste line and maintained by the property owner. There shall be a separate sanitary waste line that will connect to the sewer lateral downstream of the GCD. All other waste lines shall be drained through the grease trap. The GCD may be located inside of the building per County Health Department

requirements. Prior to City permit issuance, trap location must be approved by the Orange County Health Department as evidenced by their stamp on the plans. Owner shall maintain comprehensive GCD maintenance records and shall make them available to the City of Garden Grove upon demand.

37. Food grinders (garbage disposal devices) are prohibited within the commercial part of the unit per Ordinance 6 of the Garden Grove Sanitary District Code of Regulations.

Building Services Division

38. The buildings shall be designed to comply with all provisions of the California Building Codes and City adopted amendments.
39. All units shall be adaptable and on an accessible route. Office spaces shall meet all disability access requirements, including constructing a handicap accessible bathroom in each unit.

Planning Services Division

40. This approval is for the construction of a four-story, ten-unit, work-live, mixed-use development. The living area of each unit shall be incidental to the work area of the unit and shall not be leased out separately from the work area of the unit. Interior access between the work and live areas of each unit shall be maintained. The portion of each work-live unit used for residential purposes shall at no time exceed 40 percent of the total area of the work-live unit, and no work-live unit may be converted entirely to residential use. Each occupant of a work-live unit shall at all times comply with the restrictions on uses and activities within a vertically integrated residential/commercial mixed use development set forth in Garden Grove Municipal Code section 9.18.020.070 and the use limitations, design standards, and operating requirements for work-live units set forth in Garden Grove Municipal Code section 9.18.030.360. The owner(s) of the property shall be responsible for ensuring that tenants comply with these requirements at all times. In addition, prior to the issuance of a certificate of occupancy the then current owner(s) of the property shall enter into and record a Covenant Agreement (or other appropriate document acceptable to the City) with the City in a form approved by the City Attorney and City Manager, restricting use and occupancy of property in accordance with Conditions of Approval 40, 41, 42, and 43 and sections 9.18.020.070 and 9.18.030.360 of the Garden Grove Municipal Code. The Covenant Agreement shall run with the land and be binding upon all current and future owners and tenants of the property and their respective heirs, successors, and assignees; provide that the Covenant Agreement may not be substantively amended or terminated without City approval; and provide that the City may, but shall not be obligated to, enforce the provisions of the Covenant Agreement. The City Manager shall be authorized to execute the Covenant Agreement on behalf of the City. The Covenant Agreement shall be recorded prior to the issuance of any certificates of occupancy. Evidence of the recordation of the

agreement shall be provided to the City prior to the issuance of a certificate of occupancy. The applicant shall provide City with a current title report and/or other evidence satisfactory to the City evidencing title ownership of the property at the time of recordation of the Covenant Agreement.

41. Only uses listed as permitted or conditionally permitted within the Land Use Chart, Table 9.18-1 of Section 9.18.020.030 of Title 9 of the City's Municipal Code shall be maintained in the live-work units. Auto repair uses, the storage of flammable liquids or hazardous materials beyond that normally associated with a residential use, heavy industrial uses, entertainment uses, and full service restaurants shall be prohibited. No uses that cause vibration, noise, odor, traffic or other impacts that could cause excessive impacts to the surrounding properties shall be permitted. All work associated with a non-residential use in any of the work-live units shall be done indoors. The owner(s) of the property shall be responsible for ensuring that tenants comply with these requirements at all times. The applicant and/or property owner(s) or managers shall provide written notice to all occupants and users of the work-live units that the surrounding area may be subject to levels of noise, dust, fumes, or other effects associated with commercial and industrial uses at higher levels than would be expected in strictly residential areas.
42. Parking spaces in the garages shall maintain the ability to park either one car in a one-car garage and two cars in a two-car garage at all times. The garages shall not be used for storage. The owner(s) of the property shall be responsible for ensuring that tenants comply with these requirements at all times. Each unit shall be designated a garage space. With the exception of the garages located behind units 1 and 5, all other garage spaces shall be separated with a dividing wall between the units. No access into units 1 and 5 from the respective adjoining garages shall be permitted.
43. Residents shall not park or store vehicles anywhere on the site except within the designated parking spaces in the garages for their unit. The open parking shall be made available for patrons of the on-site business during all hours of operation. The owner(s) of the property shall be responsible for ensuring that tenants comply with these requirements at all times.
44. No outside storage shall be permitted on-site. Storage of boats, recreational vehicles, or commercial vehicles on the property is prohibited. The owner(s) of the property shall be responsible for ensuring that tenants comply with these requirements at all times.
45. Best Management Practices shall be incorporated in the management of the site to detour and/or abate any graffiti vandalism throughout the life of the project, including, but not limited to, timely removal of all graffiti, the use of graffiti resistant coatings and surfaces, the installation of vegetation screening of frequent graffiti sites, and the installation of signage, lighting, and/or security cameras, as necessary.

46. All landscaping shall be consistent with the landscape requirements set forth and/or incorporated in the Garden Grove Municipal Code. The developer shall submit a complete landscape plan governing the entire development. The landscape irrigation plans shall include type, size, location and quantity of all plant material. The landscape plan shall include irrigation plans and staking and planting specifications. All landscape irrigation shall comply with the City's Landscape Ordinance, associated Water Efficiency Guidelines and all recent applicable revisions from the State of California on water conservation measures shall be to the landscape plans. The landscape plan is also subject to the following:
- a. A complete, permanent, automatic remote control irrigation system shall be provided for all landscaping areas shown on the plan. The sprinklers shall be low flow/precipitation sprinkler heads for water conservation.
 - b. The plan shall provide a mixture of a minimum of ten percent (10%) of the trees at 48-inch box, ten percent (10%) of the trees at 36-inch box, fifteen percent (15%) of the trees at 24-inch box and sixty percent (60%) of the trees at 15-gallon. The remaining five percent (5%) may be of any size. These trees shall be incorporated into the landscaped frontages of all streets. Where clinging vines are considered for covering walls, drought tolerant vines shall be used.
 - c. Trees planted within 10-feet of any public right-of-way shall be planted in a root barrier shield. All landscaping along street frontages adjacent to driveways shall be of the low height variety to ensure safe sight clearance.
 - d. Landscaping along Garden Grove Boulevard shall match the landscape requirements of the Garden Grove Mixed Use Zones. Off-site landscaping shall include 4'-0" x 8'-0" planters with canopy trees spaced 30'-0" apart on center with an under planting of shrubs and flowering ground cover. Plant materials within the public right-of-way shall be determined by the City's Public Work's Department. On-site landscaping shall include both columnar and canopy trees. Columnar trees (minimum height at maturity of 45'-0") shall be planted within 10'-0 of the public right-of-way and shall be placed at regular intervals and no more than 40'-0" on center. On-site canopy trees shall be planted at a ratio of at least one tree for every 50'-0" of the Garden Grove Boulevard street frontage. The on-site front yard landscape area shall also include shrubs and flowering ground covers. All on and off-site canopy trees shall be a minimum size of 24-inch box. Columnar trees shall be a minimum of 25'-0" tall. Should palm trees be proposed, the brown trunk height of the palm trees shall be 25'-0".
 - e. All landscape areas, including the areas located within the public right-of-way along Garden Grove Boulevard and Pearl Street that abuts

- the subject property, are the responsibility of the applicant/property owner(s).
- f. Landscaping within the third floor open space area shall include decorative paving, artificial turf, and planters with canopy trees, shrubs, and flowering plants.
 - g. The landscape plan shall incorporate and maintain for the life of the project those means and methods to address water run-off also identified as Low Impact Development provisions, which address water run-off. This is also to be inclusive of any applicable Water Quality Management Plan (WQMP), the Orange County Drainage Area Management Plan (DAMP), and/or other water conservation measures applicable to this type of development.
47. Enhanced concrete treatment shall be provided within the 20-foot. deep driveway throats along Garden Grove Boulevard and Pearl Street, subject to the Community Development Department's approval. Such enhanced concrete treatment includes decorative stamped concrete or interlocking pavers, or other enhanced treatment, excluding scored and/or colored concrete. Color, pattern, material, and final design and configuration shall be approved by the Community Development Department, Planning Division, and shall be shown on the final site plan, grading plan, and landscape plans.
48. Hours and days of construction and grading shall be as follows as set forth in the City of Garden Grove's Municipal Code Section 8.47.010 referred to as the County Noise Ordinance as adopted:
- a. Monday through Saturday - not before 7 a.m. and not after 8 p.m. (of the same day).
 - b. Sunday and Federal Holidays - may work same hours, but subject to noise restrictions as established in section 8.47.010 of the Municipal Code.
49. Construction activities shall adhere to SCAQMD Rule 403 (Fugitive Dust) that includes dust minimization measures, the use of electricity from power poles rather than diesel or gasoline powered generators, and the use of methanol, natural gas, propane or butane vehicles instead of gasoline or diesel powered equipment, where feasible. Also, the use of solar or low-emission water heaters, the use of low-sodium parking lot lights, and to ensure compliance with Title 24.
50. Pursuant to the Mitigation Measure stated within the Mitigated Negative Declaration and Initial Study for the subject project, the applicant shall be required to obtain the services of a qualified archaeologist during the grading and excavation phases of the construction. The monitor(s) shall be approved by the tribal representatives and will be present on-site during the construction phases that involve any ground disturbing activities. The

- monitor(s) shall have Hazardous Waste Operations and Emergency Response (HAZWOPER) certification. In addition, the monitor(s) shall be required to provide insurance certificates, including liability insurance, for archaeological resource(s) encountered during grading and excavation activities. Pertinent provisions outlined in the California Environmental Quality Act, California Public Resources Code Division 13, Section 21083.2(a) through (k) shall apply. The on-site monitoring shall end when the project site grading and excavation activities are complete.
51. The approval and effectiveness of Site Plan No. SP-022-2016, Conditional Use Permit No. CUP-065-2016, and Lot Line Adjustment No. LLA-011-2016 shall be expressly contingent upon the adoption and effectiveness of a binding Development Agreement between the applicant and the City of Garden Grove.
 52. Any new or required block walls and/or retaining wall(s) shall be shown on the grading plans. Block walls shall be developed to City Standards or designed by a Registered Engineer and shall be measured from on-site finished grade. The applicant shall provide the following:
 - a. Decorative masonry walls are required along the northerly property lines of the Garden Grove Boulevard properties and along all the easterly, and westerly property lines. The masonry wall shall be constructed to a maximum height of 8-feet, as measured from highest point of finished grade on the project's side. A higher wall may be constructed if needed for additional sound attenuation. These walls shall use slumpstone or split-face block with decorative caps, subject to Community Development Department's approval.
 - b. The applicant shall work with the existing property owner(s) along the northerly, southerly, and westerly property lines in designing and constructing the required block wall. This requirement is to avoid having double walls and minimize any impact that it might cause to the existing landscaping on the neighbor's side as much as possible. The perimeter block wall shall be constructed and situated entirely within the subject property. In the event that the applicant cannot obtain approval from the property owners, the applicant shall construct the new wall with a decorative cap to be placed between the new and existing walls. In the event the location of a new wall adjacent to an existing wall or fence has the potential to affect the landscape planter, then the Developer shall work with City Staff to address this situation.
 53. The common recreation area improvements shall be reviewed and approved by the Community Development Department, Planning Division, prior to issuance of building permits. The common recreation area shall include, at a minimum, landscaping, decorative paving, barbecues, benches and table with umbrellas.

54. Building colors and materials samples shall be submitted to the Planning Division for review and approval prior to issuance of building permits. The buildings shall include multi-toned stucco exteriors with a minimum of 1-inch reveal lines, windows recessed a minimum of 2-inches, aluminum store front glazing, metal railings on the balconies and upper story walkways, varying roof height, and decorative garage doors that are in keeping with the modern design of the building.
55. All signage shall comply with Chapter 20 of Title 9 of the City's Municipal Code. A sign program shall be established for the development prior to Certificate of Occupancy.
56. A copy of the resolution approving Site Plan No. SP-022-2016, Conditional Use Permit No. CUP-065-2016, and Lot Line Adjustment No. LLA-011-2016, including these Conditions of Approval, shall be kept on the premises at all times.
57. The permittee shall submit a signed letter acknowledging receipt of the decision approving Site Plan No. SP-022-2016, Conditional Use Permit No. CUP-065-2016, and Lot Line Adjustment No. LLA-011-2016, and his/her agreement with all conditions of the approval.
58. The applicant shall, as a condition of Project approval, at its sole expense, defend, indemnify and hold harmless the City, its officers, employees, agents and consultants from any claim, action, or proceeding against the City, its officers, agents, employees and/or consultants, which action seeks to set aside, void, annul or otherwise challenge any approval by the City Council, Planning Commission, or other City decision-making body, or City staff action concerning Site Plan No. SP-022-2016, Conditional Use Permit No. CUP-065-2016, Lot Line Adjustment No. LLA-011-2016, and/or the associated Development Agreement (collectively, the "Project entitlements"). The applicant shall pay the City's defense costs, including attorney fees and all other litigation related expenses, and shall reimburse the City for court costs, which the City may be required to pay as a result of such defense. The applicant shall further pay any adverse financial award, which may issue against the City including but not limited to any award of attorney fees to a party challenging such project approval. Notwithstanding the foregoing, in the event any legal action or proceeding is filed against the City and/or applicant, seeking to attack, set aside, void or annul any of the Project entitlements, applicant shall have the right and obligation to either: (1) defend the City with legal counsel mutually selected by the applicant and the office of the City Attorney; or (2) request that the City rescind the Project entitlements and mutually terminate the Development Agreement, in which case the applicant would have no obligation to defend or indemnify the City; however, applicant shall reimburse the City for any costs incurred or assessed against the City as a result of the filing of such legal action or proceeding, provided the City acts promptly to rescind the Project entitlements.

Garden Grove Fire Department

59. The applicant, developer or contractor shall submit fire sprinkler plans, as defined by NFPA 13, 2013 Edition, to the City for review and approval prior to issuance of Building permits.
60. The applicant, developer, or contractor shall submit a Fire Alarm plan, as defined by NFPA 72, 2013 Edition, to the City for review and approval prior to issuance of a Building permit.
61. Fire hydrants shall meet the specification as outline by the Fire Chief and the City's Water Department.
62. Fire hydrants shall be spaced in accordance to the California Fire Code and at the directions from the City of Garden Grove's Fire Department.
63. Fire flow requirements and/or peculiar street configurations may dictate the necessity for additional fire hydrants per California Fire Code, Appendix III-A.
64. All water mains and fire hydrants shall be installed, accessible and operable prior to any on-site use or storage of combustible materials per California Fire Code Section 8704.3.
65. Applicant, developer, or contractor shall provide Fire Apparatus access on the site prior to any flammable material is placed on-site.

MINUTE EXCERPT

GARDEN GROVE PLANNING COMMISSION

PUBLIC HEARING - MITIGATED NEGATIVE DECLARATION, SITE PLAN NO. SP-022-2016, CONDITIONAL USE PERMIT NO. CUP-065-2016, LOT LINE ADMUSTMENT NO. LLA-011-2016, AND DEVELOPMENT AGREEMENT NO. DA-002-2016 FOR PROPERTY LOCATED AT 10641 GARDEN GROVE BOULEVARD, 10661 GARDEN GROVE BOULEVARD, AND 10662 PEARL STREET, NORTH SIDE OF GARDEN GROVE BOULEVARD, WEST OF NELSON STREET. PEARL STREET PROPERTY IS CONTIGUOUS TO NORTH SIDE OF GARDEN GROVE BOULEVARD PROPERTIES AND FRONTS ON SOUTH SIDE OF PEARL STREET, WEST OF NELSON STREET.

Applicant: Tony Lam
Date: April 21, 2016

Request: Site Plan and Conditional Use approval to construct a four-story, 10-unit, work-live mixed-use development on three separate properties, in conjunction with a Lot Line Adjustment to consolidate three properties into one. A Development Agreement is also included.

Motion No. 1:

Action: Public Hearing held. Public Hearing closed then re-opened. Speaker(s): Joe Dovich, Tony Lam, George Behnam

Action: Motion to leave the Public Hearing open and continue the item to the May 19th Planning Commission meeting in order for staff to review updated architectural plans was approved.

Motion: Kanzler Second: Zamora

Ayes: (6) Barker, Kanzler, Margolin, O'Neill, Paredes, Zamora

Noes: (0) None

Absent: (0) None

Motion No. 2:

Action: Due to the number of items on the May 19th agenda, a motion to leave the Public Hearing open and to reconsider continuing the item to the May 5th Planning Commission meeting was approved.

Motion: Kanzler Second: Zamora

Ayes: (6) Barker, Kanzler, Margolin, O’Neill, Paredes, Zamora

Noes: (0) None

Absent: (0) None

Motion No. 3:

Action: Motion to leave the Public Hearing open and continue the item to the May 5th Planning Commission meeting in order for staff to review updated architectural plans was approved.

Motion: Margolin Second: Kanzler

Ayes: (6) Barker, Kanzler, Margolin, O’Neill, Paredes, Zamora

Noes: (0) None

Absent: (0) None

MINUTE EXCERPT

GARDEN GROVE PLANNING COMMISSION

CONTINUED PUBLIC HEARING - MITIGATED NEGATIVE DECLARATION, SITE PLAN NO. SP-022-2016, CONDITIONAL USE PERMIT NO. CUP-065-2016, LOT LINE ADMUSTMENT NO. LLA-011-2016, AND DEVELOPMENT AGREEMENT NO. DA-002-2016 FOR PROPERTY LOCATED AT 10641 GARDEN GROVE BOULEVARD, 10661 GARDEN GROVE BOULEVARD, AND 10662 PEARL STREET, NORTH SIDE OF GARDEN GROVE BOULEVARD, WEST OF NELSON STREET. PEARL STREET PROPERTY IS CONTIGUOUS TO NORTH SIDE OF GARDEN GROVE BOULEVARD PROPERTIES AND FRONTS ON SOUTH SIDE OF PEARL STREET, WEST OF NELSON STREET.

Applicant: Tony Lam
Date: May 19, 2016

Request: Site Plan and Conditional Use approval to construct a four-story, 10-unit, work-live mixed-use development on three separate properties, in conjunction with a Lot Line Adjustment to consolidate three properties into one. A Development Agreement is also included.

Action: Public Hearing held. Speaker(s): Joe Dovich

Action: Recommended adoption of the Mitigated Negative Declaration and Mitigation Monitoring Program to City Council and approved Resolution Nos. 5857-16 and 5858-16.

Motion: Zamora Second: Margolin

Ayes: (7) Barker, Kanzler, Margolin, Nuygen, O'Neill, Paredes, Zamora

Noes: (0) None

RECORDING REQUESTED BY)
AND WHEN RECORDED MAIL TO:)

City Clerk's Office)
City of Garden Grove)
11222 Acacia Parkway)
Garden Grove, CA 92840)
)
)

(Space above for Recorder.)

This document is exempt from payment of a recording fee pursuant to Government Code Section 6103.

Dated: _____

DEVELOPMENT AGREEMENT NO. DA-002-2016

SP-022-2016, CUP-065-2016, and LLA-011-2016

(Tony Lam and Jennie Do)

THIS DEVELOPMENT AGREEMENT ("Agreement" or "Development Agreement") is made this ____ day of _____, 2016 ("Effective Date"), by the CITY OF GARDEN GROVE, a municipal corporation ("CITY") on the one hand, and Tony Lam, an individual, and Jennie Do, Trustee of Jennie Do Revocable Trust (collectively, "DEVELOPER"), on the other hand, pursuant to the authority set forth in Article 2.5 of Chapter 4 of Division I of Title 7, Sections 65864 through 65869.5 of the California Government Code.

RECITALS

The following recitals are a substantive part of this Agreement:

- A. The CITY and DEVELOPER desire to enter into this Development Agreement for the construction of a 4-story, 10-unit, work/live mixed use development on a .69-acre lot with related site improvements (the "PROJECT") on that certain real property described on Exhibit "A" attached hereto and incorporated herein by reference (the "PROPERTY").

- B. In order to implement the PROJECT, DEVELOPER has submitted, and CITY has approved, Site Plan No. SP-022-2016, Conditional Use Permit No. CUP-065-2016, and Lot Line Adjustment No. LLA-022-2016, and associated conditions of approval, for the PROJECT.
- C. The CITY and DEVELOPER desire to enter into this Development Agreement for the construction of the PROJECT pursuant to Article 2.5 (commencing with Section 65864) of Chapter 4 of Division 1 of Title 7 of the California Government Code (the "Development Agreement Statute").
- D. The PROJECT is a development requiring certain discretionary approvals by the CITY before it may be constructed.
- E. The Development Agreement Statute provides the authority for CITY to enter into binding development agreements with a person having a legal or equitable interest in real property.
- F. DEVELOPER represents that it owns the PROPERTY in fee.
- G. As consideration for the benefits gained by DEVELOPER from the vested rights acquired pursuant to the Development Agreement Statute, CITY is requiring that DEVELOPER construct and install as part of development of the PROJECT certain public improvements and provide other public benefits.

AGREEMENT

THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. **DURATION.** This Agreement and Land Use Entitlements described in Section 2 shall expire four (4) years from the Effective Date, unless any duty specified remains executory, in which case this Agreement may be renewed for a successive one year term at discretion of CITY, pursuant to law, until all duties are performed. The effective date of this Agreement shall begin on the date first identified above.
2. **Permitted Uses/Land Use Entitlements.** The following uses are permitted on the PROPERTY: A 4-story, 10-unit work-live development. The units range in size from 2,330 square feet to 3,168 square feet. The PROJECT has been granted the following land use entitlements: Site Plan No. SP-022-2016, Conditional Use Permit No. CUP-065-2016, and Lot Line Adjustment No. LLA-011-2016 (subject to associated conditions of approval). The PROJECT is subject to the development standards of the AR (Adaptive Reuse) zoning requirements of Chapter 18, of Title 9 of the City's Municipal Code and the Conditions of Approval to Site Plan No. SP-022-2016, Conditional Use Permit No. CUP-065-2016, and Lot Line Adjustment No. LLA-011-2016.

3. Density/Intensity. The density or intensity of the PROJECT is as follows: 4-story, work/live development consisting of 10 units with related improvements on a .69 acre site.
4. Maximum Height and Building Size. The maximum height and building sizes are as follows: The maximum building height shall be four (4) stories with an overall height not to exceed 46'-9" and the building area is comprised of 10 work/live units ranging in size from 2,330 square feet to 3,168 square feet, as indicated on the site plan and elevations.
5. Reservation or Dedication. The reservation of easements or dedication of property to the CITY to allow the construction of the proposed residential development shall be as shown on and/or conditioned in the approved Site Plan No. SP-022-2016, Conditional Use Permit No. CUP-065-2016, and Lot Line Adjustment No. LLA-011-2016.
6. Improvements. The improvements described in Planning Commission Resolution No. 5858-16 shall be constructed prior to the occupancy of the proposed development or the issuance of any certificate of occupancy for any unit of the development, all in accordance with the terms and conditions of Site Plan No. SP-022-2016, Conditional Use Permit No. CUP-065-2016, and Lot Line Adjustment No. LLA-011-2016.
7. Scope of PROJECT. The PROJECT shall consist of a work-live project consisting of 10-units that range in size from 2,330 square feet to 3,168 square feet, for a total of 10 units with related improvements.
8. Resolution/Material Terms. All Conditions of Approval of SP-022-2016, Conditional Use Permit No. CUP-065-2016, and Lot Line Adjustment No. LLA-011-2016, as per Planning Commission Resolution No. 5858-16, attached hereto and incorporated herein as "Exhibit B," are material terms of this Agreement. Breach of any condition of approval shall be deemed to be a breach of this Development Agreement.
9. Development Agreement Payment. DEVELOPER shall pay a development agreement payment to the CITY as follows:
 - 9.1 Amount. \$750 per unit and shall be paid prior to issuance of any building permits.
 - 9.2 Amount. The DEVELOPER shall make a contribution of \$1,166 per unit toward construction of a Fire Station, including, but not limited to, related equipment, furnishings, and fixtures, etc., as part of this Development Agreement and shall be paid prior to issuance of any building permits.

- 9.3 Not to Exceed. Payment under this Agreement shall not exceed \$19,160.00.
10. City Agreement. CITY agrees that the sums to be paid to the CITY, pursuant to Paragraph 9, will reimburse CITY for the cost of certain CITY services required by the PROJECT that are not otherwise being reimbursed to CITY.
11. Payment Due Date. The payment amount of \$19,160.00 shall be due and payable prior to the issuance of building permits for the PROJECT.
12. Termination Provisions. This Agreement may be terminated upon the happening of any of the following events:
- A. Failure of DEVELOPER to perform any of the provisions of this Agreement, or
 - B. Mutual agreement of the parties.
13. Periodic Review. CITY's Director of Community Development shall review DEVELOPER'S performance every twelve (12) months at the anniversary of the adoption of this Agreement. DEVELOPER shall demonstrate good faith compliance with the terms of this Agreement. If as a result of the review, CITY's Community Development Director determines that DEVELOPER has not demonstrated good faith compliance with this Agreement, CITY shall hold a public hearing before CITY's City Council. If, following such public hearing, CITY's City Council finds and determines, based upon substantial evidence, that DEVELOPER has not complied in good faith with terms or conditions of this Agreement, CITY may terminate the Agreement.
14. City Discretion. So long as the Agreement remains in effect, DEVELOPER shall have the full vested right to construct and complete development of the PROJECT and the use of the PROPERTY consistent with the land use entitlements identified in Paragraph 2. Otherwise, CITY retains its right and discretion, under all applicable Codes, to approve or disapprove any item related to this PROJECT that it has not specifically agreed to via this Agreement. DEVELOPER acknowledges that it shall comply with all CITY requirements for applications and permits of any nature that apply to the PROJECT and the PROPERTY and that this Agreement does not relieve DEVELOPER of the necessity of filing applications for and obtaining any such permits.
15. Improvement Schedule. The following improvements shall be constructed by the stated dates:

All repairs and improvements to the public right-of-way required pursuant to Planning Commission Resolution No. 5858-16 shall be completed prior to the issuance of any certificates of occupancy or release of any public utilities.

16. Developer Breach. Failure of DEVELOPER to construct improvements as specified, or to pay amounts specified in a timely fashion, shall result in the withholding of building permits, any other permit or certificate of occupancy until the breach is remedied.
17. Non-Liability of Officials and Employees of the City. No official or employee of CITY shall be personally liable to DEVELOPER in the event of any default or breach by CITY, or for any amount that will become due to DEVELOPER, or any obligation under the terms of this Agreement.
18. Notices. All notices shall be personally delivered or mailed to the below listed address, or to such other address as may be designated by written notice. These addresses shall be used for delivery of service of process.
 - A. Address of DEVELOPER is as follows:
Tony Lam
9741 Bolsa Avenue, #201
Westminster, CA 92683
 - B. Address of CITY is as follows:
City of Garden Grove
11222 Acacia Parkway
Garden Grove, CA 92840
19. DEVELOPER'S Proposal. The PROJECT shall include DEVELOPER's proposal, as modified by Planning Commission and City Council, including all Conditions of Approval contained in Planning Commission Resolution No. 5858-16, which shall be incorporated herein by this reference. In the event of any inconsistency between terms of the proposal and this Agreement, the terms of this Agreement shall govern.
20. Licenses, Permits, Fees, and Assessments. At its sole expense, DEVELOPER shall obtain all licenses, permits, and approvals as may be required by this Agreement, or by the nature of the PROJECT.
21. Time of Essence. Time is of the essence in the performance of this Agreement.
22. Successor's In Interest. The provisions of this Agreement shall be binding upon and inure to successors in interest of the parties and shall be specifically binding upon and for the benefit of any future lessees or other owners of an interest in PROPERTY.

23. Authority to Execute. The persons executing this Agreement on behalf of the parties warrant that they are duly authorized to execute this Agreement and that by executing this Agreement, the parties are formally bound.
24. Indemnification. DEVELOPER agrees to protect, defend, and hold harmless CITY and its elective or appointive boards, officers, agents, and employees from any and all claims, liabilities, expenses or damages of any nature, including attorneys' fees, for injury or death of any person, or damage to property, or interference with use of property, arising out of, or in any way connected with performance of the Agreement by DEVELOPER, DEVELOPER'S agents, officers or employees, or contractors or subcontractors hired by DEVELOPER.
25. Modification. This Agreement constitutes the entire agreement between the parties and supersedes any previous agreements, oral or written, regarding the subject matter set forth herein. This Agreement may be modified only by subsequent mutual written agreement executed by CITY and the DEVELOPER and approved by CITY in accordance with the Development Agreement Statute.
26. Recordation. The City Clerk shall cause this Agreement to be recorded against the PROPERTY within ten (10) days of its Effective Date.
27. Remedies. The breach or default of any term or provision of this Agreement by either party shall give the nondefaulting party the right to proceed with any and all remedies set forth in this Agreement, including an action for damages, an action or proceeding at law or in equity to require the defaulting party to perform its obligations and covenants under this Agreement or to enjoin acts or things which may be unlawful or in violation of the provisions of this Agreement, and the right to terminate this Agreement.
28. Force Majeure. Subject to the party's compliance with the notice requirements as set forth below, performance by either party hereunder shall be deemed to be in default, and all performance and other dates specified in this Agreement shall be extended, where delays or default are due to causes beyond the control and without the fault of the party claiming an extension of time to perform, which may include, without limitation, the following: war, insurrection, strikes, lockouts, riots, floods, earthquakes, fires, assaults, acts of God, acts of the public enemy, epidemics, quarantine restrictions, freight embargoes, lack of transportation, governmental restrictions or priority, litigation, unusually severe weather, inability to secure necessary labor, material or tools, acts or omissions of the other party, or acts or failures to act of any public or governmental entity (except that the City's acts or failure to act shall not excuse performance of the City hereunder). An extension of the 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 notice

by the party claiming such extension is sent to the other party within thirty (30) days of the commencement of the cause.

29. Attorney's Fees. In addition to any other remedies provided hereunder or available pursuant to law, if either party brings an action or proceeding to enforce, protect or establish any right or remedy hereunder, the prevailing party shall be entitled to recover from the other party its costs of suit and reasonable attorney's fees.
30. Remedies Cumulative. No right, power, or remedy given by the terms of this Agreement is intended to be exclusive of any other right, power, or remedy; and each other and every such right, power, remedy shall be cumulative and in addition to every other right, power, or remedy given by the terms of any such instrument, or by any statute or otherwise.
31. Waiver of Terms and Conditions. The CITY may, in its sole discretion, waive in writing any of the terms and conditions of this Agreement. Waivers of any covenant, term, or condition contained herein shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition.
32. Non-Liability of City Officials and Employees. No member, official, employee or agent of the CITY shall be personally liable to the DEVELOPER, or any successor in interest, in the event of any default or breach by the CITY or for any amount that may become due to the DEVELOPER or its successors, or on any obligations under the terms of this Agreement.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, these parties have executed this Agreement on the day and year shown below.

Date: _____

"CITY"

CITY OF GARDEN GROVE, a municipal corporation

By: _____

Its: _____

ATTEST:

CITY CLERK

DATE: _____

"DEVELOPER"

TONY LAM, an individual

By: Taylor Lam

Date: 5/31/16

(Signature must be notarized.)

JENNIE DO, as Trustee of Jennie Do Revocable Trust

By: Jennie Do

Date: 5/31/16

(Signature must be notarized.)

APPROVED AS TO FORM:

Garden Grove City Attorney

Date: _____

If DEVELOPER is a corporation, a Corporate Resolution and/or Corporate Seal is required. If a partnership, Statement of Partnership must be submitted to CITY.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of ORANGE)

On May 31, 2016 before me, JOHN NGUYEN, Notary Public,
Date Here Insert Name and Title of the Officer

personally appeared TONY LAM and JENNIE DO
Name(s) of Signer(s)

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 [Handwritten Signature]
Signature of Notary Public



OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Development Agreement Ho. DA-002-2016 Document Date: 5/31/16
Number of Pages: 24 Signer(s) Other Than Named Above: None

Capacity(ies) Claimed by Signer(s)

Signer's Name: Tony Lam
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: self

Signer's Name: Jennie Do
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: self

EXHIBIT "A"

LEGAL DESCRIPTION OF PROPERTY

PARCEL 1

LOT 17 OF TRACT NO. 412 IN THE CITY OF GARDEN GROVE, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 16, PAGE 17 OF MISCELLANEOUS MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 2

LOTS 7 AND 8 OF TRACT NO. 412 IN THE CITY OF GARDEN GROVE, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 16, PAGE 17 OF MISCELLANEOUS MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 3

LOTS 9 AND 10 OF TRACT NO. 412 IN THE CITY OF GARDEN GROVE, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 16, PAGE 17 OF MISCELLANEOUS MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXHIBIT "B"

Site Plan No. SP-022-2016, Conditional Use Permit No. CUP-065-2016 and Lot Line Adjustment No. LLA-011-2016

10641 and 10661 Garden Grove Boulevard and
10662 Pearl Street

CONDITIONS OF APPROVAL

General Conditions

1. Each owner of the property shall execute, and the applicant shall record against the property, a "Notice of Discretionary Permit Approval and Agreement with Conditions of Approval," as prepared by the City Attorney's Office, within 30 days of approval. The applicant shall provide the City with a copy of the recorded Notice within ten (10) days of its recordation.
2. All Conditions of Approval, approved under Site Plan No. SP-022-2016, Conditional Use Permit No. CUP-065-2016, and Lot Line Adjustment No. LLA-011-2016 contained in Resolution No. 5858-16, shall remain in full force and effect, except as modified herein. All Conditions of Approval set forth herein, or contained in Resolution No. 5858-2016, shall be binding on and enforceable against each of the following, and whenever used herein, the term "applicant" shall mean and refer to each of the following: the project applicant, Tony Lam, the developer of the project, the owner(s) and tenants(s) of the property, and each of their respective successors and assigns. All Conditions of Approval are required to be adhered to for the life of the project, regardless of property ownership. Except for minor modifications approved by the Community Development Director pursuant to Condition No. 4, below, any changes to the Conditions of Approval require approval by the Planning Commission. All Conditions of Approval herein shall apply to Site Plan No. SP-022-2016 and Conditional Use Permit No. CUP-065-2016. The Conditions of Approval applying to Lot Line Adjustment No. LLA-011-2016 shall only be those that so expressly state and/or those necessary to conform to the General Plan, any applicable specific plan, and zoning and building ordinances, to require the prepayment of real property taxes prior to the approval of the lot line adjustment, or to facilitate the relocation of existing utilities, infrastructure, or easements.
3. Approval of this Site Plan, Conditional Use Permit, and Lot Line Adjustment shall not be construed to mean any waiver of applicable and appropriate zoning and other regulations; and wherein not otherwise specified, all requirements of the City of Garden Grove Municipal Code shall apply.
4. Minor modifications to the Site Plan, Conditional Use Permit, Lot Line Adjustment and/or these Conditions of Approval, which do not materially change the scope or intensity of the project and which will not result in impacts that have not previously been addressed, may be approved by the

FINAL

Community Development Director, in his or her discretion. Proposed modifications to the project, approved site plan, floor plan, and/or these Conditions of Approval determined by the Community Development Director not to be minor in nature shall be subject to approval of new and/or amended land use entitlements by the applicable City hearing body.

5. All conditions of approval shall be implemented at the applicant's expense, except where otherwise expressly specified in the individual condition.
6. All lighting structures shall be placed so as to confine direct rays to the subject property. All exterior lights shall be reviewed and approved by the City's Planning Division. Lighting adjacent to residential properties shall be restricted to low decorative type wall-mounted lights, or a ground lighting system. Lighting shall be provided throughout all private drive aisles and entrances to the development per City standards for street lighting. Lighting in the common areas shall be directed, positioned, or shielded in such manner so as not to unreasonably illuminate the window area of nearby residences.
7. The applicant shall submit detailed plans showing the proposed location of utilities and mechanical equipment to the Community Development Department for review and approval prior to Building Division Plan Check. The project shall also be subject to the following:
 - a. All on-site and off-site utilities (off-site refers to the areas within public right-of-way to the center line of the streets adjacent to the subject property) within the perimeter of the site and to the centerline of the adjacent streets shall be installed or relocated underground.
 - b. Above-ground utility equipment (e.g., electrical, gas, telephone, cable TV) shall not be located in the street setbacks, within the common areas along Garden Grove Boulevard and Pearl Street, or any parking areas and shall be screened to the satisfaction of the Community Development Department.
 - c. No roof-mounted mechanical equipment, including but not limited to dish antennas, shall be permitted unless a method of screening complementary to the architecture of the building is approved by the Community Development Department prior to the issuance of building permits. Said screening shall block visibility of any roof-mounted mechanical equipment from view of public streets and surrounding properties.
 - d. All ground, roof, or wall-mounted mechanical equipment shall be screened from public view from adjacent properties and the public right-of-way and shall also be screened, to the extent feasible, from on-site areas.

- e. The mitigation measure that is part of the Mitigated Negative Declaration that is adopted for Site Plan No. SP-022-2016, Conditional Use Permit No. CUP-065-2016, and Lot Line Adjustment No. LLA-011-2016 (the "Mitigated Negative Declaration") is incorporated herein by this reference and shall be implemented as conditions of approval for this project

Public Works Engineering Division

8. The applicant shall be subject to Traffic Mitigation Fees in accordance with Chapter 9.44 of the Garden Grove Municipal Code; In-Lieu Park Fees in accordance with the City's current Fee Resolution; and all other applicable fees duly adopted by the City.
9. A geotechnical study prepared by a registered geotechnical engineer is required. The report shall analyze the liquefaction potential of the site and make recommendations. The report shall analyze sub-surface issues related to the past uses of the site, including sub-surface tanks and basement and septic facilities. Any soil or groundwater contamination shall be remediated prior to the issuance of a building permit in a manner meeting the approval of the City Engineer in concert with the Orange County Health Department. The report shall make recommendations for pavement design the interior streets and parking spaces. The report shall also test and analyze soil conditions for LID (Low Impact Development) principles and implementations, including potential infiltration alternatives, soil compaction, saturation, permeability and groundwater levels.
10. A separate street permit is required for work performed within the public right-of-way.
11. Separate grading and street improvement plans prepared by a registered Civil Engineer are required. The grading plan shall be based on a current survey of the site, including a boundary survey, topography on adjacent properties up to 30' outside the boundary, and designed to preclude cross lot drainage. Minimum grades shall be 0.50% for concrete flow lines and 1.25% for asphalt. The grading plan shall also include water and sewer improvements. The grading plan shall include a coordinated utility plan. Street improvement plan shall conform to all format and design requirements of the City Standard Drawings & Specifications. All fees collected at the time of permit issuance shall be based on the fee schedule in effect at that time.
12. Prior to the issuance of any grading or building permits or prior to recordation upon subdivision of land if determined applicable by the City Building Official, the applicant shall submit to the City for review and approval a *Final* Water Quality Management Plan that:
 - Addresses Site Design BMPs based upon the geotechnical report recommendations and findings such as infiltration minimizing impervious areas, maximizing permeability, minimizing directly connected impervious

- areas, creating reduced or "zero discharge" areas, and conserving natural areas.
 - Incorporates the applicable Routine Source Control BMPs as defined in the DAMP.
 - Incorporates structural and Treatment Control BMPs as defined in the DAMP.
 - Generally describes the long-term operation and maintenance requirements for the Treatment Control BMPs.
 - Identifies the entity that will be responsible for long-term operation and maintenance of the Treatment Control BMPs.
 - Describes the mechanism for funding the long-term operation and maintenance of the Treatment Control BMPs.
13. Prior to grading or building permit closeout and/or the issuance of a certificate of use or a certificate of occupancy, the applicant shall demonstrate compliance with the WQMP in a manner meeting the satisfaction of the City Engineer, including:
- Demonstrate that all structural best management practices (BMPs) described in the Project WQMP have been constructed and installed in conformance with approved plans and specifications.
 - Demonstrate that applicant is prepared to implement all non-structural BMPs described in the Project WQMP.
 - Demonstrate that an adequate number of copies of the approved Project WQMP are available on-site.
 - Submit for review and approval by the City an Operations and Maintenance (O&M) Plan for all structural BMPs.
 - Demonstrate that the applicant has agreed to and recorded an agreement or another legal instrument approved by the City Attorney that shall require the property owner, successors, tenants (if applicable), and assigns to fund, operate and maintain in perpetuity the post-construction BMPs described in the Project WQMP and O&M Plan.
14. Prior to the issuance of a grading permit, the applicant shall provide a hydrological analysis with scaled map and calculations and hydraulic calculations to size drainage facilities per Orange County RDMD standards. Parkway culverts shall be designed per Orange County standard plan 1309, Type B. BMP's shall be sized per the requirements of the latest Technical Guidance Documents.
15. Prior to issuance of a grading permit, the applicant shall design overhead street lighting within the development in a manner meeting the approval of the City Engineer. Location of lighting poles shall be shown on the grading plan.
16. Provide a separate coordinated utility plan showing the location of all utilities serving the site. Any easements required providing locations and access for

- the utilities and their appurtenances shall be provided by separate instrument.
17. The applicant shall construct the driveway entrance to the development per City of Garden Grove Standard Plan B-120 with conforming ADA landing and pathways where public and private sidewalks intersect. All designs must conform to latest ADA standards.
 18. The grading plan shall provide an accessibility route for the ADA pathway in conformance with the requirements of the department of justice standards, latest edition.
 19. All trash container areas shall meet the following requirement:
 - Paved with an impervious surface, designed not to allow run-on from adjoining areas, designed to divert drainage from adjoining roofs and pavements diverted around the area, screened or walled to prevent off-site transport of trash;
 - Provide solid roof or awning to prevent direct precipitation into the enclosure per City of Garden Grove Standard Plan B-502;
 - Provide a drain to a sanitary waste line. Connection of trash area drains to the municipal storm drain system is prohibited;
 - Potential conflicts with fire code and garbage hauling activities should be considered in implementing this source control;
 - See CASQA Storm Water Handbook Section 3.2.9 and BMP Fact Sheet SD-32 for additional information.
 - The trash shall be located to allow pick-up and maneuvering, including turnarounds, in the area of enclosures per City of Garden Grove Standard Plan B-502.
 20. Prior to the issuance of the street improvements and grading permit, the applicant shall provide completion bonds for all work constructed under the street improvements and grading permit in a manner satisfactory to the City Engineer, City Attorney, and City Finance Department (Risk Management). Alternate forms of security may be considered, solely in the discretion of the City Engineer and with the concurrence of the City Attorney and City Finance Department (Risk Management).
 21. No parallel curb parking shall be permitted anywhere on the site and Garden Grove Boulevard.
 22. All parking spaces that abut to sidewalks that are not elevated with a curb face to the stall shall have wheel stops.
 23. Any new or required block walls and/or retaining walls shall be shown on the grading plans with a minimum height of 6-feet from the highest finished grade. Cross sections shall show vertical and horizontal relations of improvements and property line. Block walls shall be designed in accordance to City standards or designed by a professional registered engineer

24. The applicant shall remove the existing landscaping within sidewalk areas along Garden Grove Boulevard and Pearl Street and construct street frontage improvements as identified below. All landscaping installed within the public rights-of-way shall be maintained by the applicant in a manner meeting the approval of the City Engineer. A separate street improvement plan shall be prepared for Garden Grove Boulevard and Pearl Street and submitted to the engineering department for improvements within the existing and proposed right of way.

Garden Grove Boulevard

- Remove the existing easterly and westerly substandard driveway approaches and existing landscaping on Garden Grove Boulevard and construct new curb, gutter and sidewalk.
- The new driveway approach to the site shall be constructed in accordance with City of Garden Grove Standard Plan B-120. Standard Plan B-120 calls for a maximum width of 30-feet for commercial and multi residential projects, with any deviation from the standard to be approved by the City Engineer and detailed on the plan showing all modifications.
- Construct 8" curb and gutter along the property frontage at 42' from centerline in accordance with City Standard Plan B-113 (Type C-8).
- Construct a 8-foot sidewalk and landscape adjacent to the street curb in accordance with City Standard Plan B-106 and planning department direction.
- Remove and replace the street pavement from the edge of the median to the edge of the gutter per City Standard B-102 and as directed by the City Engineer.

Pearl Street

- Construct 6" rolled curb and gutter along the property frontage at 20' from centerline in accordance with City Standard Plan B-116.
- Remove and replace the pavement of the street from the edge of the northerly gutter to the edge of new southerly gutter along the property frontage per City Standard Plan B-104 and the direction of the City Engineer.
- Construct new driveway approach to the site in accordance with City of Garden Grove Standard Plan B-121.
- Construct a new 4-foot parkway adjacent to the new 6-inch curb and 4-foot sidewalk per City Standard Plan B-105.

25. Conditions of Approval for LLA-011-2016:

- The applicant shall submit an updated title report along with copies of the recorded instruments listed in the title report.
- The applicant shall submit copies of the reference maps used to prepare the legal description and the plat.
- The Lot Line Adjustment shall comply with all provisions of the City of Garden Grove Public Work's Engineering Service Division and shall be reflected in a deed or record of survey that shall be recorded, with copies filed with the City, prior to issuance of a building permit for the structure.

Public Works Water Services Division

Water Conditions

26. New water services 2" and smaller can be installed by the Water Services Division upon payment of applicable fees, or by the applicant's contractor and inspected by Water Engineering Inspector. Applicant's contractor shall have a Class A or C-34 License. Fire services and larger water services 3" and larger, shall be installed by developer/owner's contractor per City Standards and inspected by the Water Engineering Inspector.
27. A Reduced Pressure Principle Device (RPPD) backflow prevention device shall be installed for meter protection. The landscape system shall also have RPPD device. Installation shall be per City Standards and shall be tested by a certified backflow device tester immediately after installation. Cross connection inspector shall be notified for inspection after the installation is completed. The property owner(s) shall have RPPD device tested once a year thereafter by a certified backflow device tester and the test results to be submitted to Public Works, Water Services Division. Property owner(s) must open a water account upon installation of RPPD device.
28. It shall be the responsibility of the applicant to abandon any existing private water well(s) per Orange County Health Department requirements. Abandonment(s) shall be inspected by Orange County Health Department inspector after permits have been obtained.
29. Any new or existing water valve located within new concrete driveway or sidewalk construction shall be reconstructed per City Standard B-753.
30. The City shall determine if existing water services(s) is/are usable and meets current City Standards. Any existing meter and service located within new driveway(s) shall be relocated at owner's expense.

31. Fire service connection shall have above ground double check detector assembly (DCDA) per City Standard B-773. Device shall be tested immediately after installation and once a year thereafter by a certified backflow device tester and the results to be submitted to Water Quality, Water Services Division. Device shall be on private property and is the responsibility of the property owner(s). The above ground assembly shall be screened from public view as required by the Planning Division.
32. Location and number of fire hydrants shall be as required by Water Services Division and the Fire Department.

Sewer Conditions

33. The applicant shall install new sewer lateral with clean out at right-of-way line. Lateral in public right-of-way shall be 6" min. dia., extra strength VCP with wedgelock joints.
34. In order for the project to be constructed as proposed by the applicant, the existing off-site and on-site sewer main going from west to east of the property will need to be removed and new sewer improvements constructed on the property and the immediately adjacent properties. Accordingly, the applicant shall remove and remediate the existing sewer main located within the proposed project boundary and construct the new sewer line within the project boundary to tie into the main in Grove Boulevard. The applicant shall also work with the adjacent property owners to ensure that (a) the remaining downstream portion of the sewer main in the adjacent property to the east is capped and plugged and a new sewer cleanout installed at the east property line to allow access to the remaining sewer, and (b) a new reroute for a lateral to the south to tie into the main on Garden Grove Boulevard is installed on the adjacent property to the west. Prior to commencement of any field investigation and design work, the applicant SHALL provide evidence satisfactory to the City Engineer that the applicant has entered into a binding agreement or agreements with the adjacent property owners providing applicant with the right to construct the above-described improvements on the neighboring properties. The sewer improvements described in this Condition shall be designed, constructed and installed at the applicant's expense and shall be fully completed and approved by the City prior to issuance of a certificate of occupancy.
35. Commercial food uses of any type shall require the installation of an approved Grease Control Device (GCD) prior to obtaining a business license.
36. A properly sized Grease Control Device (GCD) shall be installed on the waste line and maintained by the property owner. There shall be a separate sanitary waste line that will connect to the sewer lateral downstream of the GCD. All other waste lines shall be drained through the grease trap. The GCD may be located inside of the building per County Health Department

requirements. Prior to City permit issuance, trap location must be approved by the Orange County Health Department as evidenced by their stamp on the plans. Owner shall maintain comprehensive GCD maintenance records and shall make them available to the City of Garden Grove upon demand.

37. Food grinders (garbage disposal devices) are prohibited within the commercial part of the unit per Ordinance 6 of the Garden Grove Sanitary District Code of Regulations.

Building Services Division

38. The buildings shall be designed to comply with all provisions of the California Building Codes and City adopted amendments.
39. All units shall be adaptable and on an accessible route. Office spaces shall meet all disability access requirements, including constructing a handicap accessible bathroom in each unit.

Planning Services Division

40. This approval is for the construction of a four-story, ten-unit, work-live, mixed-use development. The living area of each unit shall be incidental to the work area of the unit and shall not be leased out separately from the work area of the unit. Interior access between the work and live areas of each unit shall be maintained. The portion of each work-live unit used for residential purposes shall at no time exceed 40 percent of the total area of the work-live unit, and no work-live unit may be converted entirely to residential use. Each occupant of a work-live unit shall at all times comply with the restrictions on uses and activities within a vertically integrated residential/commercial mixed use development set forth in Garden Grove Municipal Code section 9.18.020.070 and the use limitations, design standards, and operating requirements for work-live units set forth in Garden Grove Municipal Code section 9.18.030.360. The owner(s) of the property shall be responsible for ensuring that tenants comply with these requirements at all times. In addition, prior to the issuance of a certificate of occupancy the then current owner(s) of the property shall enter into and record a Covenant Agreement (or other appropriate document acceptable to the City) with the City in a form approved by the City Attorney and City Manager, restricting use and occupancy of property in accordance with Conditions of Approval 40, 41, 42, and 43 and sections 9.18.020.070 and 9.18.030.360 of the Garden Grove Municipal Code. The Covenant Agreement shall run with the land and be binding upon all current and future owners and tenants of the property and their respective heirs, successors, and assignees; provide that the Covenant Agreement may not be substantively amended or terminated without City approval; and provide that the City may, but shall not be obligated to, enforce the provisions of the Covenant Agreement. The City Manager shall be authorized to execute the Covenant Agreement on behalf of the City. The Covenant Agreement shall be recorded prior to the issuance of any certificates of occupancy. Evidence of the recordation of the

agreement shall be provided to the City prior to the issuance of a certificate of occupancy. The applicant shall provide City with a current title report and/or other evidence satisfactory to the City evidencing title ownership of the property at the time of recordation of the Covenant Agreement.

41. Only uses listed as permitted or conditionally permitted within the Land Use Chart, Table 9.18-1 of Section 9.18.020.030 of Title 9 of the City's Municipal Code shall be maintained in the live-work units. Auto repair uses, the storage of flammable liquids or hazardous materials beyond that normally associated with a residential use, heavy industrial uses, entertainment uses, and full service restaurants shall be prohibited. No uses that cause vibration, noise, odor, traffic or other impacts that could cause excessive impacts to the surrounding properties shall be permitted. All work associated with a non-residential use in any of the work-live units shall be done indoors. The owner(s) of the property shall be responsible for ensuring that tenants comply with these requirements at all times. The applicant and/or property owner(s) or managers shall provide written notice to all occupants and users of the work-live units that the surrounding area may be subject to levels of noise, dust, fumes, or other effects associated with commercial and industrial uses at higher levels than would be expected in strictly residential areas.
42. Parking spaces in the garages shall maintain the ability to park either one car in a one-car garage and two cars in a two-car garage at all times. The garages shall not be used for storage. The owner(s) of the property shall be responsible for ensuring that tenants comply with these requirements at all times. Each unit shall be designated a garage space. With the exception of the garages located behind units 1 and 5, all other garage spaces shall be separated with a dividing wall between the units. No access into units 1 and 5 from the respective adjoining garages shall be permitted.
43. Residents shall not park or store vehicles anywhere on the site except within the designated parking spaces in the garages for their unit. The open parking shall be made available for patrons of the on-site business during all hours of operation. The owner(s) of the property shall be responsible for ensuring that tenants comply with these requirements at all times.
44. No outside storage shall be permitted on-site. Storage of boats, recreational vehicles, or commercial vehicles on the property is prohibited. The owner(s) of the property shall be responsible for ensuring that tenants comply with these requirements at all times.
45. Best Management Practices shall be incorporated in the management of the site to detour and/or abate any graffiti vandalism throughout the life of the project, including, but not limited to, timely removal of all graffiti, the use of graffiti resistant coatings and surfaces, the installation of vegetation screening of frequent graffiti sites, and the installation of signage, lighting, and/or security cameras, as necessary.

46. All landscaping shall be consistent with the landscape requirements set forth and/or incorporated in the Garden Grove Municipal Code. The developer shall submit a complete landscape plan governing the entire development. The landscape irrigation plans shall include type, size, location and quantity of all plant material. The landscape plan shall include irrigation plans and staking and planting specifications. All landscape irrigation shall comply with the City's Landscape Ordinance, associated Water Efficiency Guidelines and all recent applicable revisions from the State of California on water conservation measures shall be to the landscape plans. The landscape plan is also subject to the following:
- a. A complete, permanent, automatic remote control irrigation system shall be provided for all landscaping areas shown on the plan. The sprinklers shall be low flow/precipitation sprinkler heads for water conservation.
 - b. The plan shall provide a mixture of a minimum of ten percent (10%) of the trees at 48-inch box, ten percent (10%) of the trees at 36-inch box, fifteen percent (15%) of the trees at 24-inch box and sixty percent (60%) of the trees at 15-gallon. The remaining five percent (5%) may be of any size. These trees shall be incorporated into the landscaped frontages of all streets. Where clinging vines are considered for covering walls, drought tolerant vines shall be used.
 - c. Trees planted within 10-feet of any public right-of-way shall be planted in a root barrier shield. All landscaping along street frontages adjacent to driveways shall be of the low height variety to ensure safe sight clearance.
 - d. Landscaping along Garden Grove Boulevard shall match the landscape requirements of the Garden Grove Mixed Use Zones. Off-site landscaping shall include 4'-0" x 8'-0" planters with canopy trees spaced 30'-0" apart on center with an under planting of shrubs and flowering ground cover. Plant materials within the public right-of-way shall be determined by the City's Public Work's Department. On-site landscaping shall include both columnar and canopy trees. Columnar trees (minimum height at maturity of 45'-0") shall be planted within 10'-0 of the public right-of-way and shall be placed at regular intervals and no more than 40'-0" on center. On-site canopy trees shall be planted at a ratio of at least one tree for every 50'-0" of the Garden Grove Boulevard street frontage. The on-site front yard landscape area shall also include shrubs and flowering ground covers. All on and off-site canopy trees shall be a minimum size of 24-inch box. Columnar trees shall be a minimum of 25'-0" tall. Should palm trees be proposed, the brown trunk height of the palm trees shall be 25'-0".
 - e. All landscape areas, including the areas located within the public right-of-way along Garden Grove Boulevard and Pearl Street that abuts

- the subject property, are the responsibility of the applicant/property owner(s).
- f. Landscaping within the third floor open space area shall include decorative paving, artificial turf, and planters with canopy trees, shrubs, and flowering plants.
 - g. The landscape plan shall incorporate and maintain for the life of the project those means and methods to address water run-off also identified as Low Impact Development provisions, which address water run-off. This is also to be inclusive of any applicable Water Quality Management Plan (WQMP), the Orange County Drainage Area Management Plan (DAMP), and/or other water conservation measures applicable to this type of development.
47. Enhanced concrete treatment shall be provided within the 20-foot. deep driveway throats along Garden Grove Boulevard and Pearl Street, subject to the Community Development Department's approval. Such enhanced concrete treatment includes decorative stamped concrete or interlocking pavers, or other enhanced treatment, excluding scored and/or colored concrete. Color, pattern, material, and final design and configuration shall be approved by the Community Development Department, Planning Division, and shall be shown on the final site plan, grading plan, and landscape plans.
48. Hours and days of construction and grading shall be as follows as set forth in the City of Garden Grove's Municipal Code Section 8.47.010 referred to as the County Noise Ordinance as adopted:
- a. Monday through Saturday - not before 7 a.m. and not after 8 p.m. (of the same day).
 - b. Sunday and Federal Holidays - may work same hours, but subject to noise restrictions as established in section 8.47.010 of the Municipal Code.
49. Construction activities shall adhere to SCAQMD Rule 403 (Fugitive Dust) that includes dust minimization measures, the use of electricity from power poles rather than diesel or gasoline powered generators, and the use of methanol, natural gas, propane or butane vehicles instead of gasoline or diesel powered equipment, where feasible. Also, the use of solar or low-emission water heaters, the use of low-sodium parking lot lights, and to ensure compliance with Title 24.
50. Pursuant to the Mitigation Measure stated within the Mitigated Negative Declaration and Initial Study for the subject project, the applicant shall be required to obtain the services of a qualified archaeologist during the grading and excavation phases of the construction. The monitor(s) shall be approved by the tribal representatives and will be present on-site during the construction phases that involve any ground disturbing activities. The

monitor(s) shall have Hazardous Waste Operations and Emergency Response (HAZWOPER) certification. In addition, the monitor(s) shall be required to provide insurance certificates, including liability insurance, for archaeological resource(s) encountered during grading and excavation activities. Pertinent provisions outlined in the California Environmental Quality Act, California Public Resources Code Division 13, Section 21083.2(a) through (k) shall apply. The on-site monitoring shall end when the project site grading and excavation activities are complete.

51. The approval and effectiveness of Site Plan No. SP-022-2016, Conditional Use Permit No. CUP-065-2016, and Lot Line Adjustment No. LLA-011-2016 shall be expressly contingent upon the adoption and effectiveness of a binding Development Agreement between the applicant and the City of Garden Grove.
52. Any new or required block walls and/or retaining wall(s) shall be shown on the grading plans. Block walls shall be developed to City Standards or designed by a Registered Engineer and shall be measured from on-site finished grade. The applicant shall provide the following:
 - a. Decorative masonry walls are required along the northerly property lines of the Garden Grove Boulevard properties and along all the easterly, and westerly property lines. The masonry wall shall be constructed to a maximum height of 8-feet, as measured from highest point of finished grade on the project's side. A higher wall may be constructed if needed for additional sound attenuation. These walls shall use slumpstone or split-face block with decorative caps, subject to Community Development Department's approval.
 - b. The applicant shall work with the existing property owner(s) along the northerly, southerly, and westerly property lines in designing and constructing the required block wall. This requirement is to avoid having double walls and minimize any impact that it might cause to the existing landscaping on the neighbor's side as much as possible. The perimeter block wall shall be constructed and situated entirely within the subject property. In the event that the applicant cannot obtain approval from the property owners, the applicant shall construct the new wall with a decorative cap to be placed between the new and existing walls. In the event the location of a new wall adjacent to an existing wall or fence has the potential to affect the landscape planter, then the Developer shall work with City Staff to address this situation.
53. The common recreation area improvements shall be reviewed and approved by the Community Development Department, Planning Division, prior to issuance of building permits. The common recreation area shall include, at a minimum, landscaping, decorative paving, barbecues, benches and table with umbrellas.

SP-022-2016, CUP-065-2016, and LLA-011-2016
Conditions of Approval

54. Building colors and materials samples shall be submitted to the Planning Division for review and approval prior to issuance of building permits. The buildings shall include multi-toned stucco exteriors with a minimum of 1-inch reveal lines, windows recessed a minimum of 2-inches, aluminum store front glazing, metal railings on the balconies and upper story walkways, varying roof height, and decorative garage doors that are in keeping with the modern design of the building.
55. All signage shall comply with Chapter 20 of Title 9 of the City's Municipal Code. A sign program shall be established for the development prior to Certificate of Occupancy.
56. A copy of the resolution approving Site Plan No. SP-022-2016, Conditional Use Permit No. CUP-065-2016, and Lot Line Adjustment No. LLA-011-2016, including these Conditions of Approval, shall be kept on the premises at all times.
57. The permittee shall submit a signed letter acknowledging receipt of the decision approving Site Plan No. SP-022-2016, Conditional Use Permit No. CUP-065-2016, and Lot Line Adjustment No. LLA-011-2016, and his/her agreement with all conditions of the approval.
58. The applicant shall, as a condition of Project approval, at its sole expense, defend, indemnify and hold harmless the City, its officers, employees, agents and consultants from any claim, action, or proceeding against the City, its officers, agents, employees and/or consultants, which action seeks to set aside, void, annul or otherwise challenge any approval by the City Council, Planning Commission, or other City decision-making body, or City staff action concerning Site Plan No. SP-022-2016, Conditional Use Permit No. CUP-065-2016, Lot Line Adjustment No. LLA-011-2016, and/or the associated Development Agreement (collectively, the "Project entitlements"). The applicant shall pay the City's defense costs, including attorney fees and all other litigation related expenses, and shall reimburse the City for court costs, which the City may be required to pay as a result of such defense. The applicant shall further pay any adverse financial award, which may issue against the City including but not limited to any award of attorney fees to a party challenging such project approval. Notwithstanding the foregoing, in the event any legal action or proceeding is filed against the City and/or applicant, seeking to attack, set aside, void or annul any of the Project entitlements, applicant shall have the right and obligation to either: (1) defend the City with legal counsel mutually selected by the applicant and the office of the City Attorney; or (2) request that the City rescind the Project entitlements and mutually terminate the Development Agreement, in which case the applicant would have no obligation to defend or indemnify the City; however, applicant shall reimburse the City for any costs incurred or assessed against the City as a result of the filing of such legal action or proceeding, provided the City acts promptly to rescind the Project entitlements.

Garden Grove Fire Department

59. The applicant, developer or contractor shall submit fire sprinkler plans, as defined by NFPA 13, 2013 Edition, to the City for review and approval prior to issuance of Building permits.
60. The applicant, developer, or contractor shall submit a Fire Alarm plan, as defined by NFPA 72, 2013 Edition, to the City for review and approval prior to issuance of a Building permit.
61. Fire hydrants shall meet the specification as outline by the Fire Chief and the City's Water Department.
62. Fire hydrants shall be spaced in accordance to the California Fire Code and at the directions from the City of Garden Grove's Fire Department.
63. Fire flow requirements and/or peculiar street configurations may dictate the necessity for additional fire hydrants per California Fire Code, Appendix III-A.
64. All water mains and fire hydrants shall be installed, accessible and operable prior to any on-site use or storage of combustible materials per California Fire Code Section 8704.3.
65. Applicant, developer, or contractor shall provide Fire Apparatus access on the site prior to any flammable material is placed on-site.

ORDINANCE NO.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE ADOPTING A MITIGATED NEGATIVE DECLARATION AND MITIGATION MONITORING PROGRAM; AND ADOPTING DEVELOPMENT AGREEMENT NO. DA-002-2016 BETWEEN TONY LAM AND JENNIE DO (DEVELOPERS), AND THE CITY OF GARDEN GROVE

THE CITY COUNCIL OF THE CITY OF GARDEN GROVE FINDS AND DETERMINES AS FOLLOWS:

WHEREAS, pursuant to Resolution No. 5857-16, the Planning Commission, at a Public Hearings held on April 21, 2016, May 5, 2016, and May 19, 2016, recommended approval of Development Agreement No. DA-002-2016 between Tony Lam and Jennie Do and the City of Garden Grove;

WHEREAS, pursuant to a legal notice, a Public Hearing was held by the City Council on June 28, 2016, and all interested persons were given an opportunity to be heard; and

The City Council of the City of Garden Grove does ordain as follows: The City Council of the City of Garden Grove has considered the proposed Mitigated Negative Declaration AND Mitigation Monitoring Program together with comments received during the public review process. The record of proceedings on which the City Council of the City of Garden Grove decision is based is located at the City of Garden Grove, 11222 Acacia Parkway, Garden Grove, California. The custodian of record of proceedings is the Director of Community Development. The City Council of the City of Garden Grove finds on the basis of the whole record before it, including the initial study and comments received, that there is no substantial evidence that the project will have a significant effect on the environment. The City Council further finds that the adoption of the Mitigated Negative Declaration reflects the City Council's independent judgment and analysis. Therefore, the City Council of the City of Garden Grove, in regular session assembled on June 28, 2016, does hereby adopt a Mitigated Negative Declaration and Mitigation Monitoring Program, for land consisting of three properties, two located on the north side of Garden Grove Boulevard, west of Nelson Street and one located contiguous to the north side of the Garden Grove Boulevard properties that fronts on the south side of Pearl Street, west of Nelson Street, at 10641 and 10661 Garden Grove Boulevard and 10662 Pearl Street, Assessor Parcel Nos. 089-092-06, 089-092-25, and 089-092-26 (Collectively, the "Property").

Section 1. A Development Agreement is hereby adopted for Site Plan No. SP-022-2016, Conditional Use Permit No. CUP-065-2016, and Lot Line Adjustment No. LLA-011-2016 for land consisting of three properties, two located on the north side of Garden Grove Boulevard, west of Nelson Street and one located contiguous to the north side of the Garden Grove Boulevard properties that fronts on the south

side of Pearl Street, west of Nelson Street, at 10641 and 10661 Garden Grove Boulevard and 10662 Pearl Street, Assessor Parcel Nos. 089-092-06, 089-092-25, and 089-092-26. A copy of Development Agreement No. DA-002-2016 is on file in the City Clerk's Office.

Section 2. Severability. If any section, subsection, subdivision, sentence, clause, phrase, word, or portion of this Ordinance is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance and each section, subsection, subdivision, sentence, clause, phrase, word, or portion thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases, words, or portions thereof be declared invalid or unconstitutional.

Section 3. The Mayor shall sign and the City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same, or the summary thereof, to be published and posted pursuant to the provisions of law and this Ordinance shall take effect thirty (30) days after adoption.

A condition to the City's obligations under the GDRHD Agreement is that the City acquire title to the portion of Site C that was owned by the former Agency at no cost. The DOF would not approve transfer of these former Agency parcels to the City until the City reached "compensation agreements" with each of the other local taxing entities. The City completed negotiations and obtained approvals of the compensation agreements with all of the affected taxing entities in March 2015. In June 2015, all Site C properties were transferred from the former Agency to the City. (See Attachment 2 - Chronology of Site C Project History)

Proposed Assignment of the GDRHD Agreement

Pursuant to the terms of the GDRHD Agreement, City approval is required in order for L&D to assign its rights under the Agreement to another entity. To facilitate financing and construction of the Project, L&D is proposing to assign certain rights and interest in the GDRHD Agreement to Investel Garden Resorts, LLC, which is a joint venture between L&D and SCG America and has requested the City's approval of the proposed assignment. L&D's request for the City's approval of the assignment is included as Attachment 3, and a proposed Assignment and Assumption Agreement between L&D and Investel Garden Resorts, LLC is included as Attachment 4.

At its June 14, 2016 meeting, the City Council continued its consideration of the proposed assignment to the June 28, 2016 meeting.

DISCUSSION

SCG America possesses core technologies in the construction of mega-tall high rise buildings, bridges, light railways, public culture and sport facilities, industrial establishments, environment protection projects and more. SCG America was established in the U.S. more than 25 years ago.

City staff has concluded SCG America is a well-capitalized investment and development company that has the development qualifications and experience and financial commitments to finance and construct the Project. Accordingly, staff supports the proposed assignment to the new joint venture entity.

Pursuant to Section 605 and 612 the GDRHD Agreement, the City Manager is authorized to administer the GDRHD Agreement, extend time limits, and enter into certain amendments on behalf of the City so long as such actions do not substantially change the uses or development permitted on the Site or add to the costs to the City. Provided the City Council approves the assignment, and in conjunction therewith, the City Manager intends to approve certain minor amendments to the GDRHD Agreement, including modification of the Schedule of Performance to reflect an achievable development schedule and the addition of additional "pre-approved" hotel brands. A proposed Letter Agreement amendment, including the modified Schedule of Performance and list of additional "pre-approved" hotel brands, is included as Attachment 5. These minor amendments will not change the uses or development that are currently permitted on the Site or add to the City's costs under the Agreement.

FINANCIAL IMPACT

There is no direct financial impact to the City in conjunction with the assignment. Based on the report prepared in March 2013 by the City’s consultant, Horwath HTL, if the proposed Project is built, it is anticipated to generate significant revenues to the City’s General Fund. (See Attachment 6 detailing the Projected Hotel Revenues)

RECOMMENDATION

Staff recommends the City Council take the following actions:

- Approve assignment of the Grove District Resort Hotel Development Agreement from Land & Design, Inc. to Investel Garden Resorts, LLC pursuant to the attached Assignment and Assumption Agreement, and authorize the City Manager to execute the Consent of City to Assignment on the City’s behalf; and
- Authorize the City Manager to amend the GDRHD Agreement on behalf of the City as specified in the attached Letter Agreement.

ATTACHMENTS:

Description	Upload Date	Type	File Name
Attachment 1	6/22/2016	Backup Material	Attachment_1__Development_Agreement_-_Land___Design.pdf
Attachment 2	6/21/2016	Backup Material	Attachment_2_Site_c_History_Cron.docx
Attachment 3	6/22/2016	Backup Material	Attachment_3_Letter_to_CM.pdf
Attachment 4	6/22/2016	Backup Material	Attachment_4_Assignment_Agreement.pdf
Attachment 5	6/22/2016	Backup Material	Attachment_5_DDA_Amendment.pdf
Attachment 6	6/22/2016	Backup Material	Attachment_6_Projected_Hotel_Revenues.pdf

GROVE DISTRICT RESORT HOTEL DEVELOPMENT AGREEMENT

By and Between

CITY OF GARDEN GROVE

and

LAND & DESIGN, INC.

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- EXHIBIT B LEGAL DESCRIPTION
- EXHIBIT C SCOPE OF DEVELOPMENT
- EXHIBIT D SCHEDULE OF PERFORMANCE
- EXHIBIT E ASSIGNMENT AND ASSUMPTION AGREEMENT
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TENANTS/OPERATORS

GROVE DISTRICT RESORT HOTEL DEVELOPMENT AGREEMENT

This GROVE DISTRICT RESORT HOTEL DEVELOPMENT AGREEMENT (this "Agreement") dated for purposes of identification only as of April 9, 2013 (the "Date of this Agreement"), is entered into by and between the CITY OF GARDEN GROVE, a municipal corporation (the "City"), and LAND & DESIGN, INC., a California corporation, or any approved affiliate, assignee or successor thereto permitted pursuant to the terms of this Agreement (the "Developer").

RECITALS

A. The property which is the subject of this Agreement is approximately five acres (5) acres located at the northeast corner of Harbor Boulevard and Twintree Lane in the City of Garden Grove and is comprised of certain property owned by the City ("City Property"), certain property currently owned by the City of Garden Grove as Successor Agency to the Garden Grove Agency for Community Development ("Agency Property"), and certain property currently privately owned by third parties, but which the Developer may purchase or lease in the future ("Third Party Property"). The City Property and the Agency Property are collectively referred to herein as the "Site." The Third Party Property is adjacent to the Site and, if purchased or leased by the Developer, may be added to the Site for purposes of construction and operation of the Project contemplated by this Agreement. The City Property, the Agency Property, and the Third Party Property are shown on the Site Map (Exhibit A) and legally described in the Legal Description (Exhibit B).

B. The Developer has proposed a development project for the Site generally consisting of a combination of hotels, retail, restaurant, and entertainment venues, and related parking facilities, and specifically including the following components:

1. A combination of hotels consisting of at least one (1) full-service hotel of "upper upscale" quality (the "Upper Upscale Hotel(s)") and up to two (2) additional limited and/or full service hotels of at least "midscale" quality (the "Additional Hotel(s)"), and which contain, in the aggregate, a maximum of seven hundred sixty nine (769) rooms, a maximum of thirty-nine thousand (39,000) square feet of event/meeting space, and a maximum of twenty thousand (20,000) aggregate square feet of interior restaurant/bar space;

2. A minimum of five thousand (5,000) and a maximum of sixty-five thousand (65,000) square feet of retail/restaurant/entertainment establishments, including one (1) or more restaurants (the "Retail/Restaurant/Entertainment Component"); and

3. Adequate structured parking, as required ("Parking Structures").

The Upper Upscale Hotel(s), the Additional Hotel(s), the Retail/Restaurant/Entertainment Component, the Parking Structures, and the other improvements required and/or contemplated to be constructed on the Site pursuant to this Agreement and the Land Use Approvals are collectively referred to herein as the "Developer Improvements" or "Project," and individually as the "Separate Component(s)." The Project, including the permissible combination of Hotels, is more specifically described in the Scope of Development (Exhibit C).

C. The City previously approved General Plan Amendment No. GPA-2-12(B) (the "General Plan Amendment") and Planned Unit Development No. PUD-128-12 (the "PUD") to facilitate the development and operation of the Project on the Site and the Third Party Property. The City also previously adopted a Mitigated Negative Declaration and Mitigation Monitoring Program for the GPA, the PUD, and the additional future entitlements necessary to implement the Project (the "MND"). The General Plan Amendment, the PUD, and the MND are collectively referred to herein as the "Existing Land Use Approvals." The provisions and development standards of the PUD authorize the development of a hotel development that consists of an aggregate total of a maximum of 769 rooms within one (1) Upper Upscale Hotel and two (2) Additional Hotels, with up to 39,000 square feet of conference/meeting/banquet space, a maximum of 20,000 aggregate square feet of interior restaurant/bar space within the three (3) hotels, up to 45,000 square feet of restaurant/entertainment space constructed on freestanding pads, and structured parking to serve the Project. Pursuant to the provisions of the PUD, if the City determines that the Developer's submittal of development plans are in substantial compliance with the provisions of the PUD and in similar shape, form and configuration with the conceptual site plans included with the City's approval of the PUD, the Developer may proceed to securing the appropriate building permits for constructing the Project (other than the restaurants and/or entertainment venues on freestanding pads) without further discretionary site plan approvals. In order to fully implement the Project, however, certain additional discretionary land use entitlements will be necessary, including, without limitation, a subdivision map to consolidate the properties within the Site and/or to permit development of the Parking Structure(s) across legal lot lines (the "Subdivision Map"), a statutory development agreement between the City and the Developer (the "Development Agreement"), conditional use permits to allow for the sale of alcoholic beverages in the Separate Components, conditional use permit(s) to allow for the operation of a health club(s), spa(s), and/or gym(s) on the Site, and approvals of site plans for each freestanding pad to be constructed as part of the Retail/Restaurant/Entertainment Component.

D. In connection with the development and initial operation of the Project, to assist in creating future financial feasibility necessary to allow the construction and operation of the Project to proceed, the Developer has requested certain financial assistance from the City in the form of the conveyance of the City Property and Agency Property to the Developer, the construction of certain Offsite Infrastructure, payment of the costs associated with preparation of the Subdivision Map, and financial assistance consisting of rebates of a portion of the Transient Occupancy Tax Revenues and Sales Tax Revenues generated by the Project over a period of twenty (20) years (the "Tax Rebate Payments"). Conveyance of the Site, the construction of certain Offsite Infrastructure, the payment of the costs associated with preparation of the Subdivision Map, and the payment of the Tax Rebate Payments is collectively referred to herein as the "Covenants Consideration." In return for the Covenants Consideration, the Developer agrees to construct the Project as provided herein and, for so long as the City is providing any Covenants Consideration, to operate the Separate Components of the Project in accordance with the Covenants established by this Agreement. The City has determined that the Project would not be able to be developed and operated without the assistance provided by this Agreement and that this Agreement will result in only that assistance to the Developer which is necessary to fund the economic feasibility gap created by the quality of the Project required by this Agreement.

E. On June 28, 2011, Parts 1.8 and 1.85 of Division 24 of the Community Redevelopment Law ("CRL"), California Health and Safety Code Sections 33000, *et seq.*, were added by Assembly Bill X1 26 ("RDA Dissolution Act"). The RDA Dissolution Act provides for the statewide dissolution of all redevelopment agencies as of October 1, 2011, and provides that, thereafter, a successor agency will administer the enforceable obligations of redevelopment agencies and otherwise wind up their affairs. The City became the Successor Agency to the former Garden Grove Agency for Community Development pursuant to Part 1.85 of the CRL. On December 29, 2011, in *California Redevelopment Association v. Matosantos*, Case No. S194861, the California Supreme Court upheld the RDA Dissolution Act and extended the deadlines in the RDA Dissolution Act by four months.

F. On June 27, 2012, the State Legislature passed AB 1484 as part of the budget trailer bill for the 2011-2012 Legislative Session, amending the RDA Dissolution Act to clarify certain provisions of the RDA Dissolution Act and to provide for new regulations pertaining to the disposition of real estate held by successor agencies. AB 1484 added sections 34179.5 through 34179.7 to the California Health & Safety Code to require due diligence reviews or audits of successor agency assets to determine amounts in cash available for distribution to taxing agencies. If a successor agency remits available cash assets to County auditor-controllers for distribution to taxing agencies pursuant to the new requirements, such successor agency is to be issued a "finding of completion" certifying that such agency has complied with the due diligence requirements. As of the date of this Agreement, the Agency has not yet been issued a "finding of completion."

G. AB 1484 further added a new Chapter 9 to Part 1.85 of the Health & Safety Code, commencing with Section 34191.1, applicable to successor agencies that receive a "finding of completion." Chapter 9 authorizes a successor agency that receives a "finding of completion" to prepare a long-range property management plan to address the use and disposition of the real property of the former redevelopment agency. If approved by the oversight board of the successor agency and the Department of Finance, the plan may provide for, among other things, the retention of such property for future development and/or transfer of such property to the city for such purposes. As of the date of this Agreement, a long-range property management plan has not yet been approved by the Agency, the Oversight Board, or the Department of Finance.

H. Provided a long-range property management plan providing for transfer of the Agency Property to the City at no cost for development purposes is approved by the Agency, the Oversight Board, and the Department of Finance, which approval the City intends to use best efforts to facilitate, the City and the Developer desire by this Agreement, and subject to its terms and provisions, (1) for the City to provide the Covenants Consideration to Developer, and (2) for the Developer (a) to acquire the Site, (b) to process the Additional Land Use Approvals, and (c) to construct and operate the Developer Improvements in accordance with the Covenants.

I. The City has established a special zone along Harbor Boulevard south of the City of Anaheim border marketed as the "Grove District." The City markets the Grove District as Southern California's premier resort destination, within the heart of Orange County's largest tourist center, with easy access to the most popular Southern California attractions like Disneyland, Disney's California Adventure, Knott's Berry Farm, Universal Studios, Sea World, and miles of Orange County beaches. The Grove District includes modern hotels that offer a

variety of room sizes and rates, plus entertainment and dining to meet every tourist and business traveler's needs. The Project will add additional hotel, meeting space, restaurant, and entertainment amenities to the Grove District brand.

J. The development and operation of the Project on the Site, as provided in this Agreement, is in the vital and best interest of the City and the welfare of its residents and is in accordance with the public purposes and provisions of applicable state and local laws. Without limiting the foregoing, development and operation of the Project will result in substantial benefits to the City, which include (i) additional Grove District branding, (ii) job creation and enhanced revenues to the City resulting from construction and operation of the Project, including property taxes, sales taxes, and transient occupancy taxes, (iii) enhanced marketability that is likely to extend out-of-town leisure and convention visitors' lengths of stay in the City as a result of additional attractions and high-quality retail shopping and dining opportunities, and (iv) additional high-quality entertainment, restaurant and retail opportunities for the residents of Garden Grove and the surrounding area(s). The City further finds that the benefits provided by the Project will result in substantially more benefits to the City than the costs to the City of providing the Covenants Consideration.

NOW, THEREFORE, the City and the Developer hereby agree as follows:

100. INTRODUCTORY PROVISIONS

101. **Definitions.** Capitalized terms within this Agreement shall have the meanings set forth below, or if not defined in this Section 101, shall have the meaning ascribed thereto when such terms are first used herein:

"Additional Hotel(s)" means a limited and/or full-service Hotel or Hotels of "midscale" or "upscale" quality, the characteristics and the minimum standards for which are described in Recital B, in Section 301.1, and in the Scope of Development.

"Additional Land Use Approvals" means all Land Use Approvals other than Existing Land Use Approvals.

"Agency" means the City of Garden Grove as Successor Agency to the Garden Grove Agency for Community Development, a public body formed pursuant to pursuant to Part 1.85 of the CRL and the RDA Dissolution Act.

"Agency Property" means that certain property identified as Agency Property on the Site Map and described in the Legal Description.

"Agreement" means this Grove District Resort Hotel Development Agreement by and between the City and Developer, including all exhibits, and all amendments and modifications hereto.

"ALTA Policies and Endorsements" is defined in Section 203.

"Amendment/Estoppel Costs" is defined in Section 621.

"Applicable Covenants Consideration Period" means, with respect to any portion of the Site and/or Developer Improvements, the period during which any of the Tax Rebate Payments with respect to the applicable portion of the Site and/or Developer Improvements is required to be paid pursuant to Section 408.

"Assignment and Assumption Agreement" is attached hereto as Exhibit E and incorporated herein by reference.

"Breach" is defined in Section 501.

"CFD" means a community facilities district formed pursuant to Mello-Roos Community Facilities Act of 1982 (Government Code §§ 53311 *et seq.*).

"CFD Bonds" means bonds issued by a CFD.

"CFD Financing" is defined in Section 301.3.

"City" means the City of Garden Grove, a California municipal corporation, and any assignee of or successor to its rights, powers and responsibilities.

"City Improvements" is defined in Section 301.2.

"City Improvement Costs" is defined in Section 301.2.

"City Manager" means the City Manager of the City, or his or her designee.

"City Property" means that certain property identified as City Property on the Site Map and described in the Legal Description

"City's Conditions Precedent" is defined in Section 205.1.

"Closing" or **"Close of Escrow"** is defined in Section 201.5.

"Closing Date" is the date upon which conveyance of the Site is consummated in accordance with Section 201.3 hereof.

"CLTA Policy" is defined in Section 203.

"Commence Construction" or **"Commencement of Construction"** means the commencement of construction of the applicable portion of the Developer Improvements pursuant to a validly issued building permit, it being agreed that the pouring of foundations for such portion of the Developer Improvements constitutes commencement of construction thereof (without limiting other indicia of such commencement).

"Community Redevelopment Law" or **"CRL"** means California Health and Safety Code Sections 33000, *et seq.* as the same now exists or may hereafter be amended.

"Completion of Construction" or **"Complete(s) Construction"** or **"Completed Construction"** or **"Completing Construction"** means the completion of construction of the

Developer Improvements, or any of the Separate Components thereof, as evidenced by a final Certificate of Occupancy issued by the City, certification by the Project Architect and the City Manager that such Developer Improvements are complete in accordance with the Land Use Approvals and, in the case of a Hotel, the Hotel and all its rooms are open and available to the public.

"Conceptual Site Plan" means that certain conceptual site plan approved by the City in conjunction with Planned Unit Development No. PUD-128-12 generally depicting the proposed development and use of the Site, which is attached hereto as Exhibit J and incorporated herein by reference.

"Conditions Precedent" shall mean the City's Conditions Precedent and Developer's Conditions Precedent set forth in Section 205.

"Construction Commencement Date" means the date that is set forth in the Schedule of Performance as the date upon which the Commencement of Construction is to occur.

"Construction Drawings" is defined in Section 302.

"Construction Financing" is defined in Section 311.1 hereof.

"Construction Lender" is defined in Section 311.

"Conveyance" means the conveyance of the City Property and the Agency Property to the Developer by Grant Deed.

"Covenants" means the covenants, obligations and promises of Developer hereunder, including without limitation the covenants, obligations and promises set forth in Section 102.2, 103, 204.2, 204.3, 301, 303 through 309, inclusive, 400, 503 and 603, which Covenants shall survive the Closing, run with the land and be binding upon heirs, successors and assigns of Developer.

"Covenants Consideration" means, collectively, the economic assistance to be provided by the City to the Developer as provided in Section 407 hereof.

"Date of this Agreement" means the date of approval of the Agreement by the City.

"Declaration" means a Declaration of Covenants, Conditions and Restrictions to be recorded against the Site which will be mutually agreed to by the City and the Developer prior to Closing, which Declaration shall address the management, operation, rules of conduct, security and access rights and other easements with respect to the Project.

"Default" is defined in Section 501.

"Department of Finance" or *"DOF"* means the California Department of Finance.

"Deposit" is defined in Section 201.3.

"Developer" means Land & Design, Inc., a California corporation, and any affiliate, assignee or successor thereto permitted pursuant to the terms of this Agreement. As of the date of this Agreement, Matthew Reid and David Rose, in the aggregate, have (i) at least a fifty-one percent (51%) ownership interest in Land & Design, Inc., and (ii) subject to the customary rights of other non-managerial members, partners or shareholders, as applicable, operational and managerial control of Developer and, subject to Section 103 hereof, will retain same until the issuance of Release of Construction Covenants.

"Developer Improvements" means the Hotels, the Retail/Restaurant Entertainment Component, the Parking Structures, each as generally described in Recital B above and/or more particularly described herein and in the Scope of Development, and such other related improvements required and/or contemplated to be constructed on the Site pursuant to this Agreement and the Land Use Approvals.

"Developer Parties" means collectively Developer and Matthew Reid and David Rose.

"Developer/City Request" is defined in Section 621.

"Developer's Conditions Precedent" is defined in Section 205.2.

"Development Agreement" means a development agreement pursuant to Government Code Section 65864 *et seq.*

"Due Diligence Date" means ninety (90) days following the later of (a) Date of this Agreement or (b) the date the City has fee title to all of the Site.

"Enforced Delay" is defined in Section 602.

"Environmental Law" means the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 USC §§ 9601 *et seq.*), the Hazardous Materials Transportation Act, as amended (49 USC §§ 1801 *et seq.*), the Resource Conservation and Recovery Act of 1976, as amended (42 USC §§ 6901 *et seq.*), the Toxic Substances Control Act (15 USC §§ 2601 *et seq.*), the Insecticide, Fungicide, Rodenticide Act (7 USC §§ 136 *et seq.*), the Superfund Amendments and Reauthorization Act (42 USC §§ 6901 *et seq.*), the Clean Air Act (42 USC §§ 7401 *et seq.*), the Safe Drinking Water Act (42 USC §§ 300f *et seq.*), the Solid Waste Disposal Act (42 USC §§ 6901 *et seq.*), the Surface Mining Control and Reclamation Act (30 USC §§ 1201 *et seq.*), the Emergency Planning and Community Right to Know Act (42 USC §§ 11001 *et seq.*), the Occupational Safety and Health Act (29 USC §§ 655 and 657), the California Underground Storage of Hazardous Substances Act (Health and Safety Code §§ 25280 *et seq.*), the California Hazardous Substances Account Act (Health & Safety Code §§ 25300 *et seq.*), the Porter-Cologne Water Quality Act (Water Code §§ 13000 *et seq.*), together with any amendments of or regulations promulgated thereunder and any other federal, state, and local laws, statutes, ordinances, or regulations now in effect that pertain to environmental protection, occupational health or industrial hygiene.

"Escrow" is defined in Section 201.3.

"Escrow Agent" is defined in Section 201.3.

"Existing Land Use Approvals" means (i) General Plan Amendment No. GPA-2-12(B), approved by the Garden Grove City Council on November 13, 2012; (ii) Planned Unit Development No. PUD-128-12, adopted by the Garden Grove City Council on November 27, 2012; and (iii) the International West Hotel – Harbor East (Site C) Mitigated Negative Declaration and Mitigation Monitoring Program adopted by the Garden Grove City Council on November 13, 2012.

"Finding of Completion" means a certification issued to the Agency by the Department of Finance pursuant to California Health & Safety Code Section 34179.7.

"Franchisor" or "Franchisors" is defined in Section 103.6.

"Franchise Agreement" or "Franchise Agreements" is defined in Section 103.6.

"Governmental Requirement(s)" means all valid and enforceable laws, ordinances, statutes, codes, rules, regulations, orders and decrees of the United States, the State, the County of Orange, the City or any other political subdivision in which the Site is located, and of any other political subdivision, agency or instrumentality exercising jurisdiction over the City, the Developer or the Site, including, without limitation, all applicable state labor standards, the City zoning and development standards, building, plumbing, mechanical and electrical codes, and all other provisions of the City Municipal Code, and all applicable disabled and handicapped access requirements, including without limitation (to the extent applicable), Labor Code Sections 1770 *et seq.*, the Americans With Disabilities Act, 42 U.S.C. Section 12101, *et seq.*, Government Code Section 4450, *et seq.*, Government Code Section 11135, *et seq.*, and the Unruh Civil Rights Act, Civil Code Section 51, *et seq.*

"Grant Deed" or "Grant Deeds" means one or more grant deeds in the form of Exhibit F attached hereto and incorporated herein by reference, by which the City shall convey fee title to the City Property and the Agency Property to the Developer.

"Hazardous Materials" means any toxic substance, material, or waste which is now regulated by any local governmental authority, the State of California, or the United States Government under any Environmental Law including, but not limited to, any material or substance which is (i) defined as a "hazardous waste," "extremely hazardous waste," or "restricted hazardous waste" under 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), (ii) defined as "hazardous substance" under Section 25316 of the California Health and Safety Code, Division 20, Chapter 6.8 (Carpenter-Presley-Tanner Hazardous Substance Account Act), (iii) defined as a "hazardous material," "hazardous substance," or "hazardous waste" under Section 25501 of the California Health and Safety Code, Division 20, Chapter 6.95 (Hazardous Materials Release Response Plans and Inventory), (iv) defined as a "hazardous substance" under Section 25281 of the California Health and Safety Code, Division 20, Chapter 6.7 (Underground Storage of Hazardous Substances), (v) a petroleum or refined petroleum product, including without limitation petroleum-based paints and solvents, (vi) asbestos, (vii) polychlorinated biphenyls, (viii) methyl tertiary butyl ether (MTBE); (ix) listed under Article 9 or defined as "hazardous" or "extremely hazardous" pursuant to Article 11 of Title 22 of the California Administrative Code, Division 4, Chapter 20, (x) designated as a

"hazardous substance" pursuant to Section 311 of the Clean Water Act (33 U.S.C. § 1317), (xi) defined as a "hazardous waste" pursuant to Section 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 *et seq.*, (xii) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. § 9601 *et seq.*, (xiii) any flammable or explosive materials, (xiv) a radioactive material, or (x) lead, cyanide, DDT, printing inks, acids, pesticides, ammonia compounds and other chemical products, asbestos, PCBs and similar compounds and including any different products and materials which have been found to have adverse effects on the environment or the health and safety of persons.

"*Holder*" is defined in Section 311.2.

"*Hotels*" means the Upper Upscale Hotel(s) and the Additional Hotels, and "*Hotel*" means any one (1) of the Upper Upscale Hotel(s) and the Additional Hotels.

"*Hotel Operator*" or "*Hotel Operators*" is defined in Section 103.6.

"*Indemnify*" means indemnify, defend, pay for and hold harmless.

"*Indemnitees*" means the City and the Agency, and their respective s, officers, officials, agents, employees, representatives, and volunteers.

"*Insurance*" is defined in Section 306 *et seq.*

"*Land Use Approvals*" means the Existing Land Use Approvals, the Subdivision Map, the Development Agreement, conditional use permits to allow for the sale of alcoholic beverages in the Separate Components, conditional use permit(s) to allow for the operation of a health club(s), spa(s), and/or gym(s) on the Site, site plan approvals for each freestanding pad to be constructed as part of the Retail/Restaurant/Entertainment Component, grading permits, building permits, plumbing permits, electrical permits, and any and all land use and/or other entitlements, permits, or approvals required by the Governmental Requirements in connection with construction and operation of the Developer Improvements.

"*Legal Description*" means the legal description of the Site attached hereto as Exhibit B and incorporated herein by reference.

"*Liabilities*" means liabilities, suits, actions, claims, demands, penalties, damages (including without limitation, penalties, fines, and monetary sanctions), giving rise to losses, costs or expenses (including, without limitation, consultants' fees, and reasonable attorneys' fees) of any kind or nature and for any damages, including damages to property or injuries to person, including accidental death, (including reasonable attorneys' fees and costs in connection therewith).

"*Loan Balance*" means, with respect to any Holder and its mortgage or deed of trust, the sum of the following amounts: (a) the aggregate unpaid amount (including, but not limited to, principal, protective advances, interest, fees, costs and expenses) owing to the Holder under the loan documents ("Holder Loan Documents") secured by such Holder's mortgage or deed of trust upon the Site (or any part thereof) immediately prior to the re-vesting of title in City (referred to

herein as "Revesting") in accordance with this Agreement, whether City exercises such right of Revesting prior to such Holder's acquisition of Site (or portion thereof) by foreclosure or deed in lieu of foreclosure, or after completion of a foreclosure under such Holder's mortgage or deed of trust (or acceptance and recordation of a deed-in-lieu of such foreclosure); plus (b) all third party costs and expenses reasonably incurred by such Holder (and/or such Holder's Nominee) under, or in connection with the enforcement of the applicable Holder Loan Documents, including, without limitation, foreclosure costs and expenses (or deed-in-lieu of foreclosure costs and expenses) (such costs and expenses to include, but not be limited to, title charges, default interest, appraisals, environmental assessments and reasonable attorneys' fees and expenses); plus (c) if City commences the exercise of its Revesting after such Holder's (or its Nominee's) acquisition of the Site (or any portion thereof) by foreclosure or deed-in-lieu of foreclosure, all third party costs and expenses, if any, reasonably incurred by such Holder (and/or such Holder's Nominee) in connection with the management and operation of the Site subsequent to the date upon which a foreclosure under such mortgage or deed of trust is completed [or such Holder or its Nominee accepts a deed in lieu of foreclosure]; plus (d) all third party costs and expenses reasonably incurred by such Holder (and/or such Holder's Nominee) in connection with the construction, Developer Improvements (including tenant improvements), restoration, repair and equipping of the Site (or any portion thereof); plus (e) if City commences the exercise of its right of Revesting after such Holder's (or its Nominee's) acquisition of the Site (or any portion thereof) by foreclosure or deed-in-lieu of foreclosure, an amount equal to the interest that would have accrued on the aggregate of the amounts described above under the Holder Loan Documents had all such amounts become part of the debt secured by such Holder's mortgage or deed of trust and had such debt continued in existence from the date of such foreclosure (or acceptance of a deed-in-lieu of foreclosure) by such Holder or its Nominee to the date the Revesting occurs and City reenters in accordance with this Agreement. (For purposes of this definition, the City's right to Revest in accordance with this Agreement shall not be deemed to have occurred prior to the date the Loan Balance is paid to the Holder (or its Nominee) in accordance with the Agreement). Each Holder (or its Nominee) shall provide City with its calculations of the Loan Balance and documents in support thereof within ten (10) days after written demand therefore by the City.

"Long Range Property Management Plan" means the long-range property management plan authorized by California Health and Safety Code Section 34191.5.

"Memorandum of Agreement" is attached hereto as Exhibit K and incorporated herein by reference.

"MND" means the International West Hotel – Harbor East (Site C) Mitigated Negative Declaration and Mitigation Monitoring Program adopted by the Garden Grove City Council on November 13, 2012 pursuant to Resolution No. 9153-12.

"Negotiated Purchase Agreement" is defined in Section 201.1.

"Nominee" means an entity which is owned and controlled by any Holder.

"Notice" is defined in Section 601.

"Official Records" means the official records of the Office of the Registrar Recorder of Orange County, California.

"Offsite Infrastructure" means the traffic signal and raised median improvements described in Performance Standards Nos. 8 and 9, respectively, of the PUD, and such other public improvements required to be constructed and/or installed in the public right-of-way pursuant to the Land Use Approvals (excluding any sidewalks, driveways, street lights, pedestrian light standards, signs, parkway landscaping, and/or other improvements to be constructed from the back of the curb face by Developer pursuant to the Scope of Development), including any required environmental mitigation measures directly related to the construction and/or installation of such public improvements.

"Oversight Board" means the oversight board to the Agency created and existing pursuant to the CRL and the RDA Dissolution Act (as amended by AB 1484).

"Parcel(s)" means one or more of the parcels into which the Site is divided pursuant to the Subdivision Map.

"Parking Structures" are the multi-level parking structures described in the Scope of Development.

"Permitted Transfer[s]" is defined in Section 103.2.

"Person" means an individual, corporation, limited liability company, partnership, joint venture, association, firm, joint stock company, trust, unincorporated association or other entity.

"Phase I Environmental Assessment" means an assessment to identify Recognized Environmental Concerns defined under ASTM Standards E-1527-00 as the presence or likely presence of any hazardous substances or petroleum products on a property under conditions that indicate an existing release, past release, or material threat of a release of any hazardous substance or petroleum products into structures on the property or into the ground, groundwater, or surface water of the property.

"Phase II Environmental Assessment" means an evaluation of the Recognized Environmental Concerns identified in the Phase I Environmental Site Assessment for the purpose of providing sufficient information regarding the nature and extent of contamination.

"Pre-Approved Additional Flag(s)/Operator(s)" is attached hereto as Exhibit L and incorporated herein by reference.

"Pre-approved Retail/Restaurant/Entertainment Tenant(s)/Operator(s)" is attached hereto as Exhibit L and incorporated herein by reference.

"Pre-Approved Upper-Upscale Flag(s)/Operator(s)" is attached hereto as Exhibit L and incorporated herein by reference.

"Presence" means the presence, release, use, generation, discharge, storage and disposal of any Hazardous Materials.

"Prevailing Wage and Public Works Requirements" are attached hereto as Exhibit I and incorporated herein by reference.

"Project" means the development and operation of the Developer Improvements.

"Project Architect" means the architect retained by the Developer to prepare the Construction Drawings and supervise construction of the Project.

"PUD" means Planned Unit Development No. PUD-128-12, approved by the Garden Grove City Council on November 27, 2012 pursuant to Ordinance No. 2824.

"Recognized Environmental Concerns" means the presence or possible presence of any hazardous substances or petroleum products on the Site under conditions that indicate an existing or possible release, a past release, or a material threat of a release of any hazardous substances or petroleum products into structures on the Site or into the ground, ground water, or surface water of the Site. The term is not intended to include de minimis conditions that generally do not present a threat to human health or the environment and that generally would not be the subject of an enforcement action if brought to the attention of appropriate governmental agencies. Conditions determined to be de minimis are not Recognized Environmental Conditions.

"Release of Construction Covenants" means the document which evidences Developer's satisfactory Completion of Construction of the Developer Improvements, or a part thereof, as set forth in Section 310, in the form of Exhibit G attached hereto and incorporated herein by reference.

"Retail/Restaurant/Entertainment Component" is defined in Recital B and, as provided therein, means the retail/restaurant/entertainment portion of the Project, consisting of a minimum of five thousand (5,000) square feet and a maximum of sixty-five thousand (65,000) square feet, including at least one (1) restaurant.

"Revesting" is defined in the definition of "Loan Balance."

"Right of Entry" is described in Section 204 hereof and attached hereto as Exhibit H and incorporated herein by reference.

"Sales Tax Revenues" means those sales tax revenues received by the City pursuant to the Bradley Burns Uniform Sales and Use Tax Law (California Revenue and Taxation Code Section 7200 *et. seq.*) due to operation of the Separate Components of the Developer Improvements.

"Schedule of Performance" means that certain Schedule of Performance attached hereto as Exhibit D and incorporated herein by reference, setting out the dates and/or time periods by which certain obligations set forth in this Agreement must be accomplished. The Schedule of Performance is subject to revision from time to time due to the application of Section 602 hereof and as set forth therein or as otherwise mutually agreed upon in writing between Developer and the City Manager, and the City Manager is authorized to make such revisions as he deems reasonably necessary.

"Scope of Development" means that certain Scope of Development attached hereto as Exhibit C, which describes the scope, amount and quality of development of the Developer Improvements to be completed by Developer and City Improvements to be completed by City pursuant to the terms and conditions of this Agreement.

"Separate Components of the Developer Improvements" or "Separate Components" means each Hotel, the Retail/Restaurant/Entertainment Component and the Parking Structures, and/or the separate parcels comprising each.

"Site" means, collectively, the City Property and the Agency Property, and, if the Developer elects to so add it to the Site pursuant to Section 301.4 hereof, the Third Party Property.

"Site Condition" is defined in Section 204.2.

"Site Map" means the map of the Site and the Sunbelt Property which is attached hereto as Exhibit A and incorporated herein by reference.

"State" means the State of California.

"Subdivision Map" means a tract map, parcel map, condominium map, lot line adjustment and/or other subdivision in compliance with all applicable laws, consolidating the Site and creating separate legal parcels for some or all of the Separate Components to the extent and in size and location required by Developer and approved by the City.

"Tax Rebate Payments" means, collectively, the aggregate amounts to be paid to Developer pursuant to Section 408 hereof. As used in this Agreement, the term "Tax Rebate Payments" shall be deemed to mean payment to the Developer of an amount of money as measured by City revenue from a category of taxes (i.e., Transient Occupancy Tax Revenues and/or Sales Tax Revenues). Under no circumstances shall the term "Tax Rebate Payments" be construed to mean payment to the Developer of an amount of money from a specific source or fund.

"Tenant(s)" mean the business(es) occupying the Retail/Restaurant/Entertainment Component, regardless of whether the interest of the owner(s) of such business(es) in the applicable portion(s) of the Site is that of an owner(s), tenant(s), or licensee(s).

"Third Party Property" means that certain property owned by third parties and identified on the Site Map as the Third Party Property and described in the Legal Description, which Developer may, at Developer's sole cost and expense, elect to purchase, lease or otherwise acquire and to add to the Site for purposes of development and operation of a portion of the Project.

"Title Company" is defined in Section 202 hereof.

"Title Policies" means the CLTA Policy and the ALTA Policies and Endorsements as defined in Section 203 hereof.

"Title Report" is defined in Section 202.

"Transfer" means any total or partial sale, transfer, conveyance, assignment, subdivision, financing, refinancing, lease, sublease, or license of the Site or any portion thereof.

"Transferee" means a voluntary or involuntary successor in interest to the Developer.

"Transient Occupancy Tax Revenues" means those revenues imposed and collected by the City with respect to the Hotels pursuant to Chapter 3.12 of Title 3 of the Garden Grove Municipal Code.

"Upper Upscale Hotel(s)" means a full-service Hotel or Hotels of "upper upscale" or greater quality, the characteristics and minimum standards for which are described in Recital B, in Section 301.1, and in the Scope of Development.

"Vacation Ownership Resort (Timeshare)" means a timeshare facility in which a person or entity receives the right in perpetuity, for life or for a specific period of time, to the recurrent, exclusive use or occupancy of a lot, parcel, unit, space, or portion of real property for a period of time which has been or will be allocated from the use or occupancy periods into which the facility has been divided. A vacation ownership resort interest may be coupled with an estate in real property, or it may entail a license, contract, membership, or other right of occupancy not coupled with an estate in the real property.

102. Representations, Warranties and Covenants.

102.1 City Representations Warranties and Covenants. The City hereby makes the representations, warranties and covenants contained below in this Section 102.1. All of the representations and warranties set forth in this Section 102.1 are effective as of the Date of this Agreement, are true in all material respects as of the Date of this Agreement, and shall be true in all material respects as of the Closing Date, and each shall survive the execution of this Agreement without limitation as to time.

(a) The City is a municipal corporation of the State of California, existing pursuant to the general laws and Constitution of the State of California. The execution and delivery of this Agreement by the City has been fully authorized by all requisite actions.

(b) The City's execution and delivery of this Agreement does not violate any applicable laws, regulations, or rules nor to the best of City's knowledge after due inquiry, will it constitute a breach or default under any contract, agreement, or instrument to which the City is a party, or any judicial or regulatory decree or order to which the City is a party or by which it is bound; provided however that while City believes this Agreement to be enforceable in accordance with its terms, City makes no representations or warranties regarding the enforceability hereof.

(c) The City has not made an assignment for benefit of creditors, filed a petition in bankruptcy, been adjudicated insolvent or bankrupt, petitioned a court for the appointment of any receiver or trustee for it or any substantial part of its property, or commenced any proceeding relating to the City under any reorganization, arrangement, readjustment of debt, dissolution, or liquidation law or statute of any jurisdiction, whether now or later in effect. There has not been commenced nor is there pending against the City any proceeding of the nature described in

the first sentence of this subsection (c). No order for relief has been entered with respect to the City under the Federal Bankruptcy Code.

(d) All documents, instruments and other information delivered by the City to Developer pursuant to this Agreement, other than documents, instruments and other information received by City from third parties, are, to the best of City's knowledge, true, accurate, correct and complete in all material respects.

(e) The City has taken all legally required actions, and no further consent, approval, or authorization of any third person is required with respect to the City's execution, delivery, and performance of this Agreement, other than consents, approvals, and authorizations which have already been unconditionally given or which are otherwise expressly contemplated by this Agreement and/or are conditions precedent to City's performance under this Agreement.

(f) The City is not a "foreign person" within the parameters of Foreign Investors in U.S. Real Property Tax Act ("FIRPTA"), or is exempt from the provisions of FIRPTA, or the City has complied and will comply with all the requirements under FIRPTA.

(g) Until the Closing Date and thereafter, the City shall, upon learning of any fact or condition which would cause any of the warranties and representations in this Section 102.1 not to be true as of the Closing Date, give written notice of such fact or condition to Developer as soon as is reasonably practicable.

Each of the foregoing items (a) through (g), inclusive shall be deemed to be ongoing representations, warranties and covenants.

102.2 Developer's Representations, Warranties and Covenants. Developer hereby makes the representations, warranties and covenants contained below in this Section 102.2. All of the representations and warranties set forth in this Section 102.2 are effective as of the Date of this Agreement, are true in all material respects as of the Date of this Agreement, and shall be true in all material respects as of the Closing Date, and each shall survive the execution of this Agreement without limitation as to time.

(a) Developer is a duly organized California corporation and in good standing under the laws of the State of California and is authorized to carry on its business in California as such business is now conducted and to own and operate its properties and assets now owned and being operated by it, and as set forth in and anticipated by this Agreement. Developer has full right, power and lawful authority to enter into this Agreement and the execution and delivery of this Agreement by Developer has been fully authorized by all requisite actions on the part of Developer. Developer has provided the City with true and correct copies of documentation reasonably acceptable to the City Manager, or his/her designee, designating the party authorized to execute this Agreement on behalf of Developer.

(b) Developer's execution, delivery and performance of its obligations under this Agreement will not violate any applicable laws, regulations, or rules nor to the best of Developer's knowledge after due inquiry, will it constitute a breach or default under any contract, agreement, or instrument to which Developer is a party, or any judicial or regulatory decree or order to which Developer is a party or by which it is bound.

(c) Developer has not made an assignment for the benefit of creditors, filed a petition in bankruptcy, been adjudicated insolvent or bankrupt, petitioned a court for the appointment of any receiver of or trustee for it or any substantial part of its property, or commenced any proceeding relating to Developer under any reorganization, arrangement, readjustment of debt, dissolution, or liquidation law or statute of any jurisdiction, whether now or later in effect. There has not been commenced nor is there pending against Developer any proceeding of the nature described in the first sentence of this subsection (c). No order for relief has been entered with respect to Developer under the Federal Bankruptcy Code.

(d) All documents, instruments, and other information delivered by Developer to the City pursuant to this Agreement are, to the best of Developer's knowledge, true, accurate, correct and complete in all material respects.

(e) This Agreement and all documents to be delivered by Developer pursuant to this Agreement, when executed by Developer and delivered, shall constitute the legal, valid and binding obligation of Developer. The Developer has taken all legally required actions, and no further consent, approval, or authorization of any third person is required with respect to the Developer's execution, delivery, and performance of this Agreement, other than consents, approvals, and authorizations which have already been unconditionally given.

(f) Until the Closing Date and thereafter, Developer shall, upon learning of any fact or condition which would cause any of the warranties and representations in this Section 102.2 not to be true as of the Closing Date, immediately give written notice of such fact or conditions to the City.

Each of the foregoing items (a) to (f), inclusive shall be deemed to be ongoing representations, warranties and covenants.

103. Transfers of Interest in Site or Agreement and/or Change in Ownership and/or Control of Developer.

103.1 Prohibition Against Transfers and/or Change in Ownership and/or Control of Developer Prior to Release of Construction Covenants.

(a) As of the date of this Agreement, Developer represents and warrants that Matthew Reid and David Rose have, in the aggregate, (i) at least a fifty-one percent (51%) ownership interest in Developer and (ii) subject to the customary rights of other non-managerial members, partners or shareholders, as applicable, operational and managerial control of Developer and, subject to this Section 103, shall retain same until the issuance of Release of Construction Covenants. Notwithstanding the foregoing, a Transfer to an entity in which Matthew Reid and David Rose have not less than ten percent (10%) ownership interest, or the subsequent reduction of the ownership interest held by Matthew Reid and David Rose in any entity, shall be permitted with City's approval, which approval may be granted or withheld in the sole and absolute discretion of the City, if such Transfer or reduction is required by an equity participant or joint venture partner as a condition to providing additional funds for the development of the Developer Improvements or applicable portion thereof.

(b) In addition to the foregoing, except as expressly set forth in Section 103.2 below, for the period commencing upon the Date of this Agreement and until the

issuance of the Release of Construction Covenants, no Transferee shall acquire any rights or powers under this Agreement, nor shall Developer make any Transfer, of the whole of the Site or any part, of the Developer Improvements without the prior written approval of the City, which approval may be granted or withheld in the sole and absolute discretion of the City.

(c) Following the issuance of the Release of Construction Covenants, any Transfer shall be governed by Section 103.3. City and Developer hereby acknowledge that, subject to Section 103.2 below, Developer likely will form separate legal entities to own and develop the separate components (i.e., each Hotel, the Parking Structure, the separate pads comprising the Retail/Restaurant/Entertainment Component, etc.) of the Developer Improvements.

103.2 Permitted Transfers. Notwithstanding any other provision of this Agreement to the contrary, both before and after the issuance of the Release of Construction Covenants, the City approval of an assignment of this Agreement or Transfer of the Site (or any portion thereof), shall not be required in connection with any of the following (each of which shall be "Permitted Transfer"):

(a) The conveyance or dedication of any portion of the Site to the City, City or other appropriate governmental agency, or for the purpose of the granting of easements, permits or similar rights to facilitate construction, use and/or operation of the Developer Improvements.

(b) Any Transfer for Construction Financing purposes (subject to such Construction Financing being in compliance with Section 311.1 herein), including the grant of a deed of trust to secure the funds necessary for land acquisition, construction and permanent financing of the Developer Improvements, as applicable.

(c) Any collateral assignment of the Tax Rebate Payments for purposes of borrowing money to be used on the Project.

(d) Any Transfer or assignment of this Agreement to an entity in which (i) Developer and/or Matthew Reid and David Rose retain operational control over the management, development and construction of the Developer Improvements (subject to the right of non-managerial members, partners, or shareholders, as applicable, to exercise voting rights with respect to so-called "major decisions") and (ii) Developer and/or Matthew Reid and David Rose in the aggregate have not less than fifty-one percent (51%) ownership interest.

(e) Any Transfer to a Holder, or its Nominee by foreclosure or deed in lieu of foreclosure, or to a third party purchaser at a foreclosure sale or after foreclosure by the Holder or its Nominee.

(f) Any Transfer to a lessee or sublessee of a portion of the Project that is incidental to the primary purpose of the Developer Improvements (by example only, and not as a limitation, lease of restaurant space), provided such lessee or sublessee is consistent with the overall purposes of the Development Improvements, this Agreement, and the Covenants.

(g) Any Transfer of a separate legal parcel within the Site and the Hotel(s) thereon after the Applicable Covenants Consideration Period with respect thereto has expired.

103.3 City Consideration of Requested Transfer After Release of Construction Covenants. Subject to City's rights pursuant to Section 103.6, below, and without limiting Developer's rights under Section 103.2 above, all Transfers following issuance of a Release of Construction Covenants (and prior to expiration of the Applicable Covenants Consideration Period) shall be in accordance with the provisions of this Section 103.3. In the event of any proposed Transfer following the issuance of a Release of Construction Covenants (and prior to expiration of the Applicable Covenants Consideration Period) with respect to any or all of the Developer Improvements, Developer shall deliver written Notice to City requesting approval of such Transfer, which Notice shall be accompanied by sufficient evidence regarding the proposed Transferee's net worth, development and operational qualifications and experience, and its financial resources, in sufficient detail to enable the City to evaluate the proposed Transferee pursuant to the criteria set forth hereinbelow and as reasonably determined by the City. In this regard, the City agrees that it will not unreasonably withhold approval of a request of a Transfer made after the issuance of the Release of Construction Covenants with respect to the applicable portion of the Site. The City shall evaluate each proposed Transferee over which City has approval rights on the basis of its qualifications and experience, and its financial commitments and resources. City may not disapprove any such proposed Transferee that demonstrates to the reasonable satisfaction of the City that the transferee/assignee or its guarantor has a net worth sufficient to provide the requisite equity and access to debt offered by an institutional commercial real estate lender so as to permit the financing of the acquisition and operation of the Developer Improvements located on the applicable portion of the Site and transferee/assignee and/or its contract manager or the individual within the contract management entity responsible for management of such Developer Improvements has at least ten (10) years recent experience owning or operating hotel/retail/restaurant projects similar to such Hotel(s). Nothing in this Section 103.3 shall limit City's rights to approve the selection and/or change of all Hotel Operators, Franchisors, and Tenants pursuant to Section 103.6, below.

103.4 Assignment and Assumption Agreement. For so long as City is required to provide any Covenants Consideration, an executed Assignment and Assumption Agreement (or a document effecting a Transfer that includes the substantive provisions of the Assignment and Assumption Agreement) shall be required for all proposed Transfers with respect to the portion of the Site so transferred and/or assignments of this Agreement, whether or not City's consent is required with respect to such Transfer or assignment. If the Transfer or assignment involves the obligation of the Transferee or assignee to construct specific Developer Improvements, City is hereby granted the right to compel Developer to enforce any such construction obligation. Upon the full execution of an Assignment and Assumption Agreement, the Transferee thereafter shall have all of the rights and obligations of the Developer under this Agreement with respect to the portion of the Site and the Developer Improvements Transferred thereto and/or developed thereby.

103.5 City Action Regarding Requested Transfer. Within thirty (30) days after the receipt of a written Notice requesting City approval of a Transfer pursuant to Sections 103.3 and 103.7, the City shall either approve or disapprove such proposed assignment or shall respond in writing by stating what further information, if any, the City reasonably requires in order to determine the request complete and determine whether or not to grant the requested approval. Upon receipt of such a response, Developer shall promptly furnish to the City such further information as may be reasonably requested.

103.6 Initial Selection and/or Subsequent Changes or Transfers with Respect to the Hotel Operator, Franchisor, and Tenants; Approval of the Franchise Agreement. The selection of the operator for each Hotel (separately, the "Hotel Operator" and, collectively, the "Hotel

Operators”) and brand or franchisor for each Hotel (separately, the “Franchisor” and, collectively, the “Franchisors”), as well as the franchise agreement or management agreement between the Franchisor and Developer for each Hotel (separately, the “Franchise Agreement” and, collectively, the “Franchise Agreements”), shall be subject to approval by the City, acting in its reasonable discretion and based on consistency with the quality of the Hotels as described in Section 301.1 and the Scope of Development both initially and until expiration of the Applicable Covenants Consideration Period for each Hotel. Both initially and during the Applicable Covenants Consideration Period, City shall also have the right to approve, acting in its reasonable discretion, all Tenants based on consistency with the quality of the Upper-Upscale Hotel as required herein. Notwithstanding anything to the contrary contained herein, the Pre-Approved Upper-Upscale Flag(s)/Operator(s), Pre-Approved Additional Flag(s)/Operator(s) and Pre-approved Retail/Restaurant/Entertainment Tenant(s)/Operator(s) are each hereby approved by the City for all purposes of this Agreement. Prior to or concurrently with City's approval the initial Hotel Operators and/or Franchise Agreements, the City and the Developer shall agree in writing which Hotel(s) constitute Upper Upscale Hotel(s) and which Hotel(s) constitute Additional Hotel(s) for the purposes of this Agreement.

103.7 Transfer of Covenant Consideration. Notwithstanding anything herein to the contrary (i) both before and after the issuance of the Release of Construction Covenants, except as to a collateral assignment described in Section 103.3(c), the approval of an assignment of the Tax Rebate Payments, or any portion thereof, separate and apart from a Transfer of the Site or the corresponding part thereof (i.e., an assignment of the Tax Rebate Payments not in conjunction with the Transfer of the applicable portion of the Site and Hotel(s)), shall require the consent of the City which consent shall be granted or withheld in the absolute discretion of the City; and (ii) no separate or additional approval of an assignment of the applicable Tax Rebate Payments, or a portion thereof, that is made in conjunction with a Transfer of the Site or the corresponding part thereof shall be required from the City.

103.8 Purpose and Effect of Restrictions on Transfers and/or Change in Ownership and/or Control of Developer.

(a) The restrictions contained in this Section 103 are imposed because qualifications and identity of Developer are of particular concern to the City, and it is because of those qualifications and identity that the City has entered into this Agreement with Developer. The Parties specifically affirm City's reliance upon the qualifications and identity of Developer to undertake and perform the items set forth in the Agreement in exchange for City's economic assistance, which assistance Developer intends to employ to generate additional income from the Hotel(s), and that Developer's qualifications and performance under this Agreement were specifically bargained for by the City in exchange for City's assistance. Developer hereby agrees that no voluntary or involuntary successor to any interest of Developer under a Transfer or a change in ownership and/or control of Developer not permitted by this Agreement shall acquire any rights pursuant to this Agreement, and any purported Transfer or change of ownership and/or control of Developer in violation of the provisions set forth herein shall be of no legal force and effect.

(b) Notwithstanding anything in this Agreement which is or appears to be to the contrary, Developer agrees that, in addition to all other City rights with respect to Transfers subject to City approval under this Agreement, the City shall have the right to refuse to consent to any Transfer if Developer is then in Breach or Default of any of its obligations under this Agreement; provided, that if such Breach or Default is a non-monetary Breach or Default for which the cure has commenced and which will be cured on or prior to the effectiveness of such proposed Transfer, City

may, rather than withholding consent to the proposed Transfer solely because of such Breach or Default, condition such consent upon the complete cure of such Breach or Default on or prior to the effectiveness of the Transfer; and, provided further, that City's waiver of this restriction on Transfer shall not be construed as a waiver of any Breach or Default or of City's remedies arising therefrom, nor shall any Transfer in any way restrict or limit City's rights and remedies arising from any Breach or Default hereunder, whether such Breach or Default occurred prior to or after such Transfer.

(c) The provisions of this Section 103 shall apply to each successive Transfer and Transferee in the same manner as initially applicable to Developer under the terms set forth herein.

200. DISPOSITION OF THE SITE

201. Conveyance of the Site to Developer. Subject to the satisfaction of the Conditions Precedent set forth hereinbelow, on or before the date set forth in the Schedule of Performance, the City shall cause the Conveyance of the Site to Developer in the condition described in Sections 201.2, 204.2 and 301.2 and the Scope of Development in consideration for compliance with the terms and conditions of this Agreement, and Developer shall accept Conveyance in accordance with the terms hereof. Developer expressly acknowledges and agrees that City has no duty or obligation to acquire and/or convey the Third Party Property to Developer, and that, if Developer desires to add the Third Party Property to the Site for purposes of constructing a portion of the Project thereon, then Developer, and not City, shall be responsible for any and all costs of acquiring the necessary rights and interests in the Third Party Property.

201.1 Consideration for Site. The consideration for the Conveyance will be the Developer's construction and operation of the Project in accordance with this Agreement, and its promise to otherwise be bound by the Covenants set forth herein.

201.2 Condition of Site. EXCEPT AS SET FORTH IN SECTIONS 204 AND 301.2, DEVELOPER HAS AGREED TO ACCEPT POSSESSION OF THE SITE ON THE CLOSING DATE ON AN "AS IS" BASIS. CITY AND DEVELOPER AGREE THAT, SUBJECT TO SECTIONS 204 AND 301.2 HEREOF, THE PROPERTY SHALL BE SOLD "AS IS, WHERE IS, WITH ALL FAULTS" WITH NO RIGHT OF SET OFF OR REDUCTION IN CONSIDERATION, AND, EXCEPT AS SET FORTH IN SECTIONS 204 AND 301.2 HEREOF, SUCH SALE SHALL BE WITHOUT REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED (INCLUDING WITHOUT LIMITATION, WARRANTY OF INCOME POTENTIAL, OPERATING EXPENSES, USES, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE), AND SELLER DISCLAIMS AND RENOUNCES ANY SUCH REPRESENTATION OR WARRANTY.

201.3 Opening and Close of Escrow. The Conveyance of the Site shall be consummated on the date ("Closing Date") set forth in the Schedule of Performance but in no event later than September 1, 2015 ("Closing" or "Close of Escrow"), through an escrow (the "Escrow") established at First American Title (Jim Sardo) or another escrow company mutually agreeable to the parties (the "Escrow Agent") which Escrow shall be opened within thirty (30) days following the Date of this Agreement. The scheduled Closing of September 1, 2015, is an outside date, Section 602 notwithstanding, but is subject to extension as provided in the Schedule of Performance. Escrow Agent is hereby authorized to effect the Closing upon satisfaction of the Conditions to Closing set forth in Section 205 by taking the following actions:

(a) Current real property taxes, personal property taxes, and installments of assessments and all items of income (if any) and expense regarding the Site shall be prorated as of the Closing.

(b) Concurrently with the Closing of Escrow, Escrow Agent shall cause the Title Company to issue the Title Policy, as described in Section 203.

(c) Escrow Agent shall pay and charge: (i) Developer for the following: (aa) the recording cost of the Grant Deeds and other closing documents, (bb) the premium for the CLTA Policy, (cc) the additional premium for the ALTA Policies and Endorsements (as hereinafter defined), if any, (dd) half of the escrow fees charged by the Escrow Agent, (ee) Developer's share of proration; and (ii) City for the following: (ff) City's share of prorations and (gg) any transfer taxes or fees.

(d) Escrow Agent shall record, in the following order, the following documents:

- (i) The Declaration;
- (ii) The Grant Deeds; and
- (iii) The Memorandum of Agreement.

all duly executed and acknowledged by the appropriate party.

201.4 Submittal of Documents.

(a) At least two (2) days prior to the Close of Escrow, Developer shall execute and submit to Escrow Agent the following:

(i) Two (2) originals, duly executed by Developer and acknowledged, of the Grant Deeds accepting title subject to the covenants set forth therein.

(ii) Two (2) originals of the Declaration and Memorandum of Agreement duly executed by Developer and acknowledged.

(iii) Any documents to be recorded as part of Developer's financing of the Project which City has approved in writing pursuant to Section 311, along with a request for notice of default executed by the City.

(b) At least two (2) days prior to the Close of Escrow, City shall execute and deliver to Escrow the following:

(i) Two (2) originals of the Grant Deeds duly executed by City and acknowledged; and

(ii) Two (2) originals of the Declaration and Memorandum of Agreement duly executed by City and acknowledged.

201.5 Post-Closing Deliveries by Escrow.

(a) After the Close of Escrow, the Developer shall be delivered the following documents:

(i) The Grant Deeds duly executed by the appropriate party or parties and recorded in the Official Records of Orange County.

(ii) A non-foreign affidavit in a form reasonably acceptable to Developer.

(iii) A conformed copy of the Declaration.

(iv) A conformed copy of the Memorandum of Agreement.

(b) After the Close of Escrow, City shall be delivered the following documents:

(i) A conformed copy of the recorded Grant Deeds and this Agreement.

(ii) The recorded original of the Declaration.

(iii) The recorded original of the Memorandum of Agreement.

(iv) The recorded original of the request for notice of default.

(c) At Close of Escrow, the City and Developer shall each execute counterpart closing statements in customary form together with such other documents as are reasonably necessary to consummate the Closing.

201.6 Payment of Escrow Costs. At Close of Escrow, both parties shall pay their respective costs by wire transfer, or by cashier's check drawn on a bank reasonably acceptable to the Escrow Agent. In the event of termination of this Agreement prior to the Close of Escrow due to failure of a condition set forth in Section 205, the parties shall each be responsible for one-half of any Escrow cancellation costs. In the case of termination prior to the Close of Escrow due to a default by one of the parties hereto, such defaulting party shall pay one hundred percent (100%) of all Escrow Cancellation Costs.

202. Review of Title. Within ten (10) days after the opening of Escrow, City shall cause First American Title Insurance Company, or another title company mutually agreeable to both parties (the "Title Company"), to deliver to Developer a preliminary title report (the "Title Report") with respect to the Site, together with legible copies of all documents underlying the exceptions ("Exceptions") set forth in the Title Report. Developer shall cause the preparation, at its cost and expense, of a ALTA Survey prepared by a California licensed surveyor (the "ALTA Survey"). Developer shall have thirty (30) days from its receipt of the Title Report and ALTA Survey within which to give written notice to City of Developer's approval or disapproval of any of such Exceptions. No deeds of trust, mortgages or other liens (all of which shall be removed by City prior to Closing), except for the lien of property taxes and assessments not yet due, shall be approved Exceptions. If Developer notifies City of its disapproval of any Exceptions in the Title Report or

ALTA Survey, City shall have thirty (30) days from City's receipt of such notification to advise Developer that it will use commercially reasonable efforts or provide assurances satisfactory to Developer that such Exception(s) will be removed on or before the Closing. If City does not provide assurances satisfactory to the Developer that such Exception(s) will be removed on or before the Closing, Developer shall have thirty (30) days after the expiration of such thirty (30) day period to either give the City written notice that Developer elects to proceed with the purchase of the Site subject to the disapproved Exceptions and conditions set forth in the ALTA Survey (and conditioned upon the issuance of any endorsements necessary to render title acceptable to Developer), or to give the City written notice that the Developer elects to terminate this Agreement in which event, the City and Developer shall each be responsible for one-half of any Escrow cancellation charges and neither Developer nor City shall have any further rights or obligations hereunder except as set forth in Section 307. The Developer shall have the right to approve or disapprove any Exceptions reported by the Title Company or conditions set forth on the ALTA Survey after Developer has approved the condition of title for the Property hereunder. The foregoing periods of time shall be reasonably extended if any updates in the Title Report are provided to Developer after Developer approval of the Exceptions. City shall not voluntarily create any new exceptions to title following the Date of this Agreement, except for the recordation of documents in connection with the Closing as required herein. The Developer shall assume all non-delinquent assessments and taxes not specifically disapproved as provided herein.

203. **Title Policy.** At the Closing, the Title Company, as insurer, shall issue in favor of Developer, as insured, a CLTA owner's standard coverage policy or policies of title insurance with endorsements, if any, as may be required in Section 202 hereof with liability in an amount equal to the value of the Site as determined by the parties prior to Closing but not to exceed Ten Million Dollars (\$10,000,000) ("CLTA Policy"), or, at Developer's option and expense, an ALTA extended policy of title insurance and/or lender's policy of title insurance with any endorsements and/or increased coverage amounts requested by Developer or its lender ("ALTA Policies and Endorsements") (collectively, the "Title Policies"), subject to the following:

(a) All nondelinquent general and special real property taxes and assessments for the current fiscal year; and

(b) If a CLTA policy is issued, the standard printed conditions and exceptions contained in the CLTA standard owner's policy of title insurance regularly issued by the Title Company.

(c) The provisions of this Agreement, the Grant Deeds and the Declaration.

(d) Any Exceptions to title approved by Developer pursuant to Section 202.

The Title Policies shall be combined with a policy insuring the personal property (Eagle 9 policy from the Title Company) with tie-in endorsements to cover the full insurable cost of the Project paid for by Developer.

204. **Studies, Reports.**

204.1 **Site Investigation.** Representatives of the Developer and any prospective users, following execution of the Right of Entry Agreement, shall have the right of access to the City Property, and to the Agency Property at such time, if ever, as City has the right of access to the

Agency Property, for the purpose of making necessary or appropriate inspections, including geological, soils and/or additional environmental assessments. If Developer determines that there are Hazardous Materials in, on, under or about the Site, including the groundwater, or that the Site is or may be in violation of any Environmental Law, or that the condition of the Site is otherwise unacceptable to Developer, then the Developer shall notify the City and Escrow Holder prior to the Due Diligence Date. City and Developer shall thereafter have thirty (30) days to negotiate an agreement with respect to remediation of the Site, pursuant to which City shall commit to expend up to Two Hundred Fifty Thousand Dollars (\$250,000) for Site remediation. If, at the end of such thirty (30) day period, Developer and City have not come to an agreement with respect to remediation of the Site, Developer shall, within three (3) days thereafter, notify City whether it elects to go forward with the acquisition of the Site and pay all remediation costs in excess of Two Hundred Fifty Thousand Dollars (\$250,000), or whether it elects to terminate this Agreement, in which event the Developer and City shall each be responsible for one-half of any Escrow cancellation charges and neither Developer nor City shall have any further rights or obligations hereunder except as set forth in Section 307.

204.2 As-Is Environmental Condition. Subject to the terms of this Agreement, if the Developer elects to proceed with Close of Escrow, the Site shall be conveyed to the Developer in an "as is" environmental condition, with no warranty, express or implied by the City, as to the condition of the Site, the soil, its geology, the Presence of known or unknown faults, the suitability of soils for the intended purposes or the presence of known or unknown Hazardous Materials or toxic substances.

204.3 Indemnities and Release Re Hazardous Material.

(a) **Developer Indemnity.** As of the Closing, Developer, on behalf of itself and its successors in interest, hereby agrees and hereby shall Indemnify the Indemnitees from and against all Liabilities arising from, related in any respect to, or as a result of (i) the Presence of Hazardous Materials on the Site (excluding Public Streets) which Presence first occurred either before or after Close of Escrow, and (ii) the Presence of Hazardous Materials on the Site, which Hazardous Materials were not Hazardous Materials at the time of the Close of Escrow, but became Hazardous Materials after Close of Escrow as a result of an amendment to, or interpretation of, the Environmental Law; provided, that none of the same were directly and proximately caused by City or any of its agents, employees or contractors. City shall cooperate with Developer to ensure that City has assigned to Developer any and all rights that City acquired in its acquisition of the Site or any portion thereof to permit Developer's prosecution of claims against any third parties who are potentially responsible for such Hazardous Materials.

(b) **Developer Release.** As of the Closing, Developer, on behalf of itself and its successors in interest, agrees to and hereby shall release the Indemnitees from and against all Liabilities arising from, related in any respect to, or as a result of (i) the Presence of Hazardous Materials on the Site that first existed on the Site as of the Close of Escrow, but were discovered after Close of Escrow, and (ii) the Presence of Hazardous Materials on the Site, which Hazardous Materials were not identified and/or defined as such under the Environmental Laws at the time of Close of Escrow, but became Hazardous Materials after Close of Escrow as a result an amendment to, or interpretation of, the Environmental Law. Notwithstanding the foregoing, Developer is not releasing any person or entity other than the Indemnitees.

205. Conditions to Closing. The Closing is conditioned upon the satisfaction of the following terms and conditions, which the parties shall exercise their best efforts to satisfy, within the times designated below:

205.1 City's Conditions Precedent. City's obligation to proceed with the Closing is subject to the fulfillment or waiver in writing by City of each and all of the conditions precedent described below ("City's Conditions Precedent"), which are solely for the benefit of City, and which shall be fulfilled or waived by the time periods provided for herein:

(a) No Default. Prior to the Close of Escrow, Developer shall not be in Default in any of its obligations under the terms of this Agreement.

(b) Execution of Documents. The Developer shall have executed any documents required hereunder and delivered such documents into Escrow.

(c) Payment of Funds. Prior to the Close of Escrow, Developer shall have paid all required costs of Closing into Escrow in accordance with Section 201.3 hereof.

(d) Land Use Approvals. The Developer shall have received approval for all Additional Land Use Approvals.

(e) Insurance. The Developer shall have provided proof of insurance as required by Section 306 hereof.

(f) Financing. The City shall have approved the Construction Financing as defined in Section 311.1 hereof, for construction of the Developer Improvements as provided in Section 311.1 hereof, and such Construction Financing shall have closed and funded or be ready to close and fund upon the Closing in substantial accordance with the commitment for Construction Financing.

(g) Declaration. The parties shall have mutually agreed upon the terms of the Declaration and the same shall be ready for recordation concurrently with the Close of Escrow.

(h) Agency's Conveyance of the Agency Property to City. Agency shall have transferred and conveyed fee simple interest in all of the Agency Property to City at no cost and/or upon terms acceptable to City, in its sole and absolute discretion. In this regard, Developer acknowledges that Agency's ability to transfer the Agency Property to City is subject to, and contingent upon, (i) Agency's receipt of a Finding of Completion; (ii) Approval by the Agency, Oversight Board, and Department of Finance of a Long-Range Property Management Plan providing for disposition of the Agency Property to the City for the Project; and (iii) approval of such disposition by the Agency, the Oversight Board, and/or the Department of Finance.

(i) Approval of Hotel Operators, Franchisors and Franchise Agreements. To the extent required by this Agreement, including, but not limited to, Section 103.6 hereof, the City shall have approved the initial Hotel Operators, Franchisors, and Franchise Agreements.

(j) Pre-leasing and Approval of Tenant. The City shall have approved the initial Tenant(s), unless included in the list of Pre-approved Retail/Restaurant/Entertainment Tenant(s)/Operator(s).

205.2 Developer's Conditions Precedent. Developer's obligation to proceed with the Closing is subject to the fulfillment or waiver by Developer of each and all of the conditions precedent described below ("Developer's Conditions Precedent"), which are solely for the benefit of Developer, and which shall be fulfilled or waived by the time periods provided for herein:

(a) No Default. Prior to the Close of Escrow, City shall not be in default in any of its obligations under the terms of this Agreement.

(b) Execution of Documents. The City shall have executed the Grant Deeds and any other documents required hereunder and delivered such documents into Escrow.

(c) Review and Approval of Title. Developer shall have reviewed and approved the condition of title of the Site, as provided in Section 202 hereof.

(d) Site Condition. Developer shall have determined, in its sole and absolute discretion, and advised City in writing that, to Developer's knowledge, the Site Condition is satisfactory in accordance with Sections 201.2, 204 and 301.2 hereof.

(e) Relocation, Demolition and Clearance of the Site. The City shall have relocated occupants and demolished and cleared the Site and removed all above ground structures located thereon and all substructures under existing buildings as required by Section 301.2. Notwithstanding anything to the contrary contained herein, this Condition Precedent shall not be deemed satisfied until such time as (i) any such relocation has been approved officially by the appropriate governmental authorities through duly authorized and appropriate action and all administrative appeals periods related thereto shall have expired, and (ii) if any litigation or administrative challenge of such relocation shall have been filed relating thereto, there has been a final non-appealable resolution of any such litigation or challenge affirming the validity of such action by the City.

(f) Title Policy. The Title Company shall, upon payment of Title Company's regularly scheduled premium, have agreed to provide to the Developer the Title Policy for the Site upon the Close of Escrow, in accordance with Section 203 hereof.

(g) Land Use Approvals. The Developer shall have received approval for all Additional Land Use Approvals.

(h) Financing. The Developer shall have obtained the Construction Financing as provided in Section 311.1 hereof, and such Construction Financing shall have closed and funded or be ready to close and fund upon the Closing in substantial accordance with the commitment for Construction Financing.

(i) Adverse Conditions. No lawsuit (including by private parties), moratoria, or similar judicial or administrative proceeding or government action shall exist which would materially delay or significantly increase the cost of constructing the City Improvements.

(j) Approval of Hotel Operators, Franchisors, and Franchise Agreements. To the extent required by this Agreement, including, but not limited to, Section 103.6 hereof, the City shall have approved the initial Hotel Operators, Franchisors, and Franchise Agreements.

(k) Pre-leasing and Approval of Tenant(s). The City shall have approved the initial Tenant(s), unless included in the list of Pre-approved Retail/Restaurant/Entertainment Tenant(s)/Operator(s).

(l) Declaration. The parties shall have mutually agreed upon the terms of the Declaration and the same shall be ready for recordation concurrently with the Close of Escrow.

(m) Development Agreement. Developer and City have executed a Development Agreement. Developer acknowledges that this Agreement does not obligate City to approve or enter into a Development Agreement.

205.3 Termination of Agreement Due to Failure of Conditions Precedent. In the event Escrow does not Close due to a failure of any of the conditions precedent set forth in this Section 205, either party may terminate this Agreement by written notice to the other party, and, upon such termination, except with respect to the payment of Escrow cancellation costs pursuant to Section 201.6 hereof, the parties' respective indemnity obligations hereunder, and/or any other provisions of this Agreement that expressly survive termination, neither party shall have any further rights or obligations under this Agreement.

300. DEVELOPMENT OF THE SITE

301. Scope of Development.

301.1 Improvements. Developer shall develop the Site in conformance with the Land Use Approvals, the Scope of Development, the Governmental Requirements, and the terms and provisions of this Agreement within the time periods set forth in the Schedule of Performance. Developer shall improve the Site with the Developer Improvements. The physical quality of the Developer Improvements, including, without limitation, construction quality, finish material, lighting, landscaping and site amenities shall be (a) comparable, at a minimum, to each of the chosen Hotels and/or retail/restaurant/entertainment establishment's respective brand standards; (b) as set forth in the Scope of Development; and (c) consistent with the Land Use Approvals and the Governmental Requirements. Following the issuance of the Release of Construction Covenants for the Developer Improvements and thereafter until the expiration or termination of the Applicable Covenants Consideration Period, each Separate Component of the Developer Improvements and repair and maintenance thereof shall remain comparable in terms of quality and level of amenities to such Separate Component as of the date of issuance of the Release of Construction Covenants; provided the foregoing is not intended to require Developer to take any action that might cause a violation of any Governmental Requirement, including without limitation, any regulations or building codes or, as a result of changes in laws, regulations or codes or other changed circumstances, require Developer to take any action to comply with the same that would make performance of the foregoing obligations commercially infeasible.

Notwithstanding anything to the contrary contained herein, in lieu of a combination of one Upper Upscale Hotel and up to two Additional Hotels, Developer may, in the alternative, elect to develop, in a manner consistent with the Land Use Approvals, (a) either, a single, larger, Upper Upscale Hotel, or a combination of multiple Upper Upscale Hotels, which, in the aggregate, contain no less than four hundred fifty (450) rooms, not less than fifteen thousand (15,000) square feet of meeting space, and at least two full-service restaurants, and which otherwise satisfy the hotel furniture, fixture and equipment standards for an Upper Upscale Hotel set forth in Section I(B) of

Exhibit C attached hereto, in which event the provisions of Section 408.1 hereof shall apply to each such Upper Upscale Hotel; and (b) at the Developer's option, one (1) or more Additional Hotels, which otherwise satisfy the hotel furniture, fixture and equipment and amenity standards for an Additional Hotel set forth in Section I(B) of Exhibit C, attached hereto, in which event the provisions of Section 408.2 hereof shall apply to each such Additional Hotel. The Developer expressly acknowledges and agrees that any and all Additional Land Use Approvals necessary for the development of the Hotels described in the foregoing alternative, including, without limitation, all additional environmental review, if any, determined by City to be required pursuant to the California Environmental Quality Act ("CEQA"), shall be secured at the Developer's sole cost and expense within the time periods set forth in the Schedule of Performance, and shall be subject to the discretionary approval of the City, acting in its municipal capacity and exercising its police powers.

301.2 City Improvements. City shall cause, at its cost and expense, the following within the time set forth in the Schedule of Performance:

(a) Relocation of all occupants of the City Property and/or Agency Property in compliance with all applicable federal, state and local laws and regulations concerning displacement and relocation, as applicable;

(b) The demolition and removal of all existing structures and improvements including foundations, and, subject to and as provided in Section 204, remediation of any Hazardous Materials on the City Property and/or Agency Property, the proper disposal and mitigation of lead-based paint, asbestos and other environmental hazards pursuant to the requirements of the Department of Health Services in compliance with all applicable federal, state and local laws and regulations with respect to demolition and/or disposal and mitigation as described above; and

(c) Installation and completion of all Offsite Infrastructure; provided, however, that the City, acting in its sole and absolute discretion, has approved the expenditure of funds for the infrastructure required by this subsection (c) of Section 301.2.

301.3 Parking Structures. The Developer Improvements will include one or more Parking Structures, as described more fully in the Scope of Development and generally shown on the Conceptual Site Plan ("Parking Structures"), which will serve the Project.

The financing for the Parking Structures may be (i) part of the Construction Financing or (ii) financed through CFD Bonds ("CFD Financing"). In the case of CFD Financing, if so requested by Developer, and if economically and legally feasible, the City will undertake the requisite actions to cause CFD Bonds to be issued with respect to the financing of the Parking Structures, provided that (i) the City's City Council, acting in its sole discretion in accordance with its legislative authority, has approved the formation of a CFD and the issuance of the CFD Bonds; (ii) the Developer (or an agent engaged by Developer and reasonably approved by the City) provides completion guarantees and/or credit enhancements (conditioned upon receipt of the CFD Financing funds) in a form, amount, and quality reasonably acceptable to City; (iii) the CFD Bonds will be rated not less than BBB or its equivalent; and (iv) issuance of the CFD Bonds will be at no cost to the City. In the event of CFD Financing, the parties will mutually determine the manner in which the Parking Structures will be constructed, operated and maintained as public parking structures.

301.4 Third Party Property. Developer may, at Developer's sole cost and expense, elect to purchase, lease, or otherwise acquire sufficient right and interest in the Third Party Property and add the Third Party Property to the Site for purposes of development and operation of a portion of the Project until expiration of the Applicable Covenant Consideration Period. Within the time periods set forth in the Schedule of Performance, Developer shall notify City of its election of whether to add the Third Party Property to the Site and, if applicable, provide City with all documentation and/or information reasonably requested by City to verify Developer's rights and interests in the Third Party Property. If Developer acquires sufficient rights and interests in the Third Party Property and elects to add the Third Party Property to the Site for purposes of development and operation of a portion of the Project, then the Third Party Property shall thereafter be deemed to be a portion of the "Site" for purposes of Developer's obligations under this Agreement and shall be subject to the Covenants, and Section 408 shall apply to those Separate Components constructed and operated on the Third Party Property.

302. Construction Drawings and Related Documents. The Developer shall submit, within the time frames set forth in the Schedule of Performance, and the City Manager or his designee shall approve, within the time periods set forth in the Schedule of Performance, preliminary building elevations, final building elevations, construction drawings, landscape plans, and related documents required for the development of the respective portions of the Site (individually and collectively, the "Construction Drawings"). The City shall have the right to review and approve all Construction Drawings as to their compliance with the description of the applicable Developer Improvements as set forth herein, and their consistency with the Governmental Requirements and the Land Use Approvals.

303. Land Use Approvals. Except as otherwise expressly set forth herein, prior to Commencement of Construction and/or operation of the Separate Components, as applicable, Developer shall, at its sole cost and expense, separately apply for and obtain any and all Additional Land Use Approvals required in connection with the construction and operation of the Developer Improvements. The Developer specifically acknowledges that, notwithstanding anything in this Agreement which is or appears to be to the contrary, any City approval under this Agreement shall not waive or eliminate the requirement for review and approval of such Additional Land Use Approvals by the City in accordance with those Governmental Requirements, acting in City's municipal capacity and exercising its police powers. City agrees to cooperate with Developer to coordinate the Additional Land Use Approvals; provided that the City shall not incur any expenses or costs in connection therewith. The Developer shall, without limitation, pay all costs, charges and fees associated therewith, including, without limitation, City's customary development fees. Notwithstanding the foregoing, provided the final proposed Project is substantially consistent with the Conceptual Site Plan, City shall pay for all costs associated with preparation of the Subdivision Map. Except as to the City Improvements, costs of any Project related on-site (as described in Paragraph I.E. of the Scope of Development) California Environmental Quality Act ("CEQA") mitigation required by the Land Use Approvals shall be borne by Developer. Developer acknowledges that compliance with any such CEQA mitigation shall be a condition under applicable law for proceeding with the Project. Notwithstanding anything to the contrary contained herein, the Additional Land Use Approvals shall not be deemed obtained or secured until such time as (i) Developer has agreed to comply with all conditions, exactions and impositions related thereto, in Developer's sole discretion, and (ii) the Additional Land Use Approvals: (a) have been approved officially by the appropriate governmental authorities through duly authorized and appropriate action and all administrative appeals periods related thereto shall have expired, (b) are not subject to any further discretionary approvals of any kind, and (c) if any litigation or administrative challenge shall

have been filed relating thereto, there has been a final non-appealable resolution of any such litigation or challenge affirming the validity of the Land Use Approvals.

304. Schedule of Performance. Provided that the City has timely met its respective obligations under the Schedule of Performance and subject to the application of Section 602 hereof, Developer shall submit the Construction Drawings, Commence Construction and Complete Construction of the Developer Improvements, and satisfy all other obligations and conditions of this Agreement which are the obligation of Developer within the times established therefor in the Schedule of Performance. The Schedule of Performance is subject to revision from time-to-time as provided therein and as otherwise mutually agreed upon in writing by Developer and the City Manager.

305. Cost of Construction. Except as otherwise expressly set forth herein, including Sections 201, 204, 301 and 303 and costs relating to City Improvements, all of the cost of planning, designing, developing and constructing all of the Developer Improvements, including but not limited to payment or other satisfaction of development impact and processing fees payable in connection with the Developer Improvements, shall be borne solely by Developer. Notwithstanding the foregoing, to the extent the City designs and/or constructs any site improvements defined herein as Developer Improvements, for which City receives partial reimbursement from local, state, and/or federal grant funds, the Developer shall be responsible only for that unreimbursed portion of the costs incurred by the City in the design and/or construction of such improvements.

306. Insurance Requirements. Developer shall obtain and maintain at its sole cost and expense, or shall cause its contractor or contractors to obtain and maintain at their sole cost and expense, until City's issuance of the final Release of Construction Covenants pursuant to Section 310 of this Agreement, the insurance coverages described in this Section 306, with the coverage limits, conditions, and endorsements defined herein.

306.1 Insurance Coverage. Prior to the earlier to occur of the (i) Developer's exercise of a right of entry under the Right of Entry Agreement or (ii) the approval of building permits, the following policies, in a form reasonably acceptable to the City, shall be obtained and maintained by Developer and/or its contractor or contractors, as applicable, covering all activities relating to construction of Developer Improvements at the Site:

(a) Comprehensive general liability insurance, not excluding XCU, in the amount no less than Five Million Dollars (\$5,000,000) per occurrence for claims arising out of bodily injury, personal injury and property damage. Coverage will include contractual, owners, contractors' protective policy and products and completed operations. (Claims made and modified occurrence policies are not acceptable.)

(b) Comprehensive automobile liability insurance, including mobile equipment, in the amount of no less than One Million Dollars (\$1,000,000), combined single limit (bodily injury and property damage liability), including coverage for liability arising out of the use of owned, non-owned, leased, or hired automobiles for performance of the work. As used herein the term "automobile" means any vehicle licensed or required to be licensed under the California or any other applicable state vehicle code. Such insurance shall apply to all operations of Developer or its contractors and subcontractors both on and away from the Site. In the event that any drivers are excluded from coverage, such drivers will not be permitted to drive in connection with construction of the Developer Improvements. (Claims made and modified occurrence policies are not acceptable.)

(c) Workers' compensation insurance in the amount and type required by California law, if applicable. The insurer(s) shall waive its rights of subrogation against the Indemnitees.

(d) Builder's All-Risk property insurance in an amount of not less than one hundred percent (100%) of the full replacement value of the Developer Improvements. (Claims made and modified occurrence policies are not acceptable.)

(e) Follows Form Excess liability coverage shall be provided for any underlying policy that does not meet the insurance requirements set forth herein. (Claims made and modified occurrence policies are not acceptable.)

All insurance coverage shall be placed with carriers admitted to write insurance in California, and with an A.M. Best's Guide Rating of A- class VII or better. Any deviation from this rule shall require specific approval in writing from the City's Finance Director. Any deductibles or self-insured retentions in excess of \$250,000 must be declared to and approved the City.

306.2 Policy Provisions. A certificate or certificates evidencing coverage described in subsections (a) through (e) above (the "Insurance") shall be submitted to the City prior to execution of a Right of Entry Agreement or issuance of building permits for and Commencement of Construction of the Developer Improvements, which certificates shall be accompanied by appropriate policy endorsements satisfying the following requirements:

(a) The Insurance shall be primary insurance for claims arising from or related to the Project, and will be noncontributing with respect to any other insurance maintained by Developer or its contractor(s) with respect to any losses which do not arise out of the construction of Developer Improvements, and any other insurance or self-insurance maintained by the Indemnitees which may be applicable shall be deemed to be excess insurance and shall not contribute, and the Insurance shall be primary for all purposes as respects the Indemnitees despite any conflicting provision in the Insurance to the contrary;

(b) Not less than thirty (30) days advance notice shall be given in writing to the City and the Agency prior to any cancellation or termination of the Insurance;

(c) With the exception of the Worker's Compensation policy(ies), the Indemnitees shall be named as additional insureds on all policies, including the excess liability policy(ies), in accordance with the following requirements:

(i) An Additional Insured Endorsement, ongoing and completed operations, for the policy(ies) required pursuant to Section 306.1(a), Comprehensive General Liability, shall designate the Indemnitees as additional insureds for liability arising out of work or operations performed by or on behalf of the Developer

(ii) An Additional Insured Endorsement for the policy(ies) required pursuant to Section 306.1(b), Automobile Liability, including mobile equipment, if applicable, shall designate the Indemnitees as additional insureds for automobiles owned, leased, hired, or borrowed by the Developer and/or its contractor(s).

(iii) An Additional Insured Endorsement for the policy(ies) required pursuant to Section 306.1(d), Builder's All Risk, shall designate the Indemnitees as additional insureds.

(iv) If any of the underlying policies do not meet policy limits required, and Additional Insured Endorsement for the policy(ies) required pursuant to Section 306.1(e), Excess Liability, shall designate the Indemnitees as additional insureds, and the Developer and/or its contractor(s) shall provide to the City a certificate of insurance stating the excess liability policy follows form and the schedule of the underlying policies for the excess liability policy, with policy numbers.

(d) All certificates and endorsement forms provided shall conform to the City's requirements and are subject to approval by the City.

(e) Coverage provided hereunder by Developer and/or its contractors shall be primary insurance and not be contributing with any insurance maintained by the City or the Agency.

(f) The policies shall include a waiver of subrogation against the Indemnitees.

Upon request by City, Developer shall provide City with copies of complete insurance policies and endorsements evidencing coverage as required herein. Certificates and endorsements for each insurance policy shall be signed by a person authorized by the insurer to bind coverage on its behalf. If required by City, Developer and/or its contractor(s) shall, from time to time, increase the limits of its general and automobile liability insurance to reasonable amounts customary for owners of improvements similar to those on the Site.

Notwithstanding anything to the contrary set forth in this Section, Developer's obligations to maintain the insurance provided for herein may be brought within the coverage of a so-called blanket policy or policies of insurance carried and maintained by Developer or its affiliate; provided, however, (i) that the Indemnitees shall be named as additional insureds as their interests may appear and (ii) that the coverage afforded City, Agency, and Indemnitees, will not be reduced or diminished by reason of the use of such blanket policy of insurance, and (iii) that the requirements set forth herein are otherwise satisfied.

307. Developer's Indemnity; City Indemnity. Except as set forth in Section 204 and except to the extent caused by a failure of City's warranties or representations herein or Default by City hereunder, Developer shall Indemnify (with one (1) counsel reasonably acceptable to the City, unless there is a conflict of interest by, among or between any of the Indemnitees, whether individuals or entities in which case separate counsel shall be provided by Developer for each such Indemnitee) the Indemnitees from and against any and all Liabilities which result from the performance of this Agreement by Developer or Developer's ownership, development, use, or operation of the Site or any portion thereof excepting those Liabilities which are caused by the Indemnitees' (or any of them) gross negligence or willful misconduct. The City and Developer agree to fully cooperate with one another in any case where no conflict of interest between the parties is apparent. Without limiting the generality of the foregoing, Developer specifically agrees to indemnify, defend and hold harmless Agency and City from any Liabilities resulting from Developer's failure to comply with all applicable laws in accordance with Section 309 hereof. City

shall Indemnify (with one (1) counsel reasonably acceptable to Developer) the Developer Parties from and against any and all Liabilities which result from the City's relocation of the occupants as required by this Agreement. The parties' respective indemnity obligations hereunder shall survive termination of this Agreement.

308. Rights of Access. Representatives of the City shall have the right of access to the Site, without charges or fees, at normal construction hours during the period of construction for the purposes of this Agreement, including but not limited to, the inspection of the work being performed in constructing the Developer Improvements and so long as City representatives comply with all safety rules and do not unreasonably interfere with the work of Developer. City shall defend, indemnify, assume all responsibility for and hold the Developer Parties harmless from and against any and all third party liabilities, suits, actions, claims, demands, penalties, damages (including, without limitation, penalties, fines and monetary sanctions), losses, costs or expenses (including, without limitation, consultants' fees, and reasonable attorneys' fees of any kind or nature and for any damages, including damages to property or injuries to persons, including accidental death (including reasonable attorneys' fees and costs), which result from the exercise of such entry. Representatives of the Developer shall have the right of access to those portions of the Site owned by City without charges or fees during normal construction hours for the purpose of Investigation and Grading (as those terms are defined in the Right of Entry Agreement).

309. Compliance with Governmental Requirements. Developer shall carry out the design, construction and operation of the Project in conformity with all Governmental Requirements.

309.1 Nondiscrimination in Employment. Developer certifies and agrees that all persons employed or applying for employment by it, its affiliates, subsidiaries, or holding companies, and all subcontractors, bidders and vendors, with respect to the construction and operation of the Project, are and will be treated equally by it without regard to, or because of race, color, religion, ancestry, national origin, sex, age, pregnancy, childbirth or related medical condition, medical condition (cancer related) or physical or mental disability, and in compliance with Title VII of the Civil Rights Act of 1964, 42 U.S.C. Sections 2000, *et seq.*, the Federal Equal Pay Act of 1963, 29 U.S.C. Section 206(d), the Age Discrimination in Employment Act of 1967, 29 U.S.C. Sections 621, *et seq.*, the Immigration Reform and Control Act of 1986, 8 U.S.C. Sections 1324b, *et seq.*, 42 U.S.C. Section 1981, the California Fair Employment and Housing Act, California Government Code Sections 12900, *et seq.*, the California Equal Pay Law, California Labor Code Sections 1197.5, California Government Code Section 11135, the Americans with Disabilities Act, 42 U.S.C. Sections 12101, *et seq.*, and all other anti-discrimination laws and regulations of the United States and the State of California as they now exist or may hereafter be amended. Developer shall allow representatives of the City access to its employment records related to this Agreement during regular business hours at Developer's principal office in Garden Grove, California to verify compliance with these provisions when so requested by the City.

310. Release of Construction Covenants. Following Completion of Construction of the Developer Improvements in conformity with this Agreement and within thirty (30) calendar days following receipt of a written request from Developer, the City shall furnish Developer with a Release of Construction Covenants for the completed Developer Improvements or portion thereof. The City shall not unreasonably withhold or delay such Release of Construction Covenants. The Release of Construction Covenants shall be conclusive determination of satisfactory Completion of Construction of the Developer Improvements (or the part thereof identified in the Release of Construction Covenants) and the Release of Construction Covenants shall so state. If the City

refuses or fails to furnish the Release of Construction Covenants for the Site (or part thereof) after written request from Developer, the City shall, within thirty (30) working days of receiving such written request, provide Developer with a written statement setting forth the reasons the City has refused or failed to furnish the Release of Construction Covenants for the Site (or part thereof). The statement shall also contain a list of the actions Developer must take to obtain a Release of Construction Covenants, which list shall be based on the applicable requirements set forth in this Agreement and the Construction Drawings, and/or of the Land Use Approvals and Governmental Requirements. If the reason for the City's refusal to issue the Release of Construction Covenants is due to lack of availability of specific landscape and/or finish materials, the Developer may provide a completion bond reasonably acceptable to the City, in which case the Developer shall thereby become entitled to the Release of Construction Covenants.

Such Release of Construction Covenants shall not constitute evidence of compliance with or satisfaction of any obligation of Developer to any holder of any mortgage, or any insurer of a mortgage securing money loaned to finance the Developer Improvements, or any part thereof. Such Release of Construction Covenants is not a notice of completion as referred to in the California Civil Code, Section 3093.

311. Financing of the Developer Improvements.

311.1 Approval of Financing. Prior to the Close of Escrow and in accordance with the Schedule of Performance, Developer shall have submitted evidence to the City that Developer has equity capital and/or a written lender commitment(s) from one (1) or more institutional lender(s) (individually and collectively, the "Construction Lender") for the construction of the Developer Improvements in accordance with this Agreement ("Construction Financing"). In addition, such Construction Financing shall be funded or to fund at the Closing in accordance with the Schedule of Performance as provided in accordance with Sections 205.1(f) and 205.2(h) hereof. City shall have the right to review and approve any such Construction Lender and the Construction Financing in its reasonable discretion, which approval shall not be unreasonably withheld. The City shall approve Construction Financing if the debt portion, if any, is issued by an institutional lender, together with Developer's equity (and, if applicable, the commitment of a Tenant to reimburse the Developer for all or any portion of the costs of the Developer Improvements), is in an amount not less than the cost of the Developer Improvements and conditioned only upon Closing and other customary construction loan closing and funding requirements. Developer and City agree that Developer shall be solely responsible for all financial obligations under such financing. Except with respect to Permitted Transfer pursuant to Section 103.2, prior to issuance of the final Release of Construction Covenants with respect to the Site, or applicable portion thereof, the Developer shall not place or suffer to be placed any lien or encumbrance on the Site, or any portion thereof, unless approved in writing by the City, in its sole and absolute discretion.

311.2 Holder Not Obligated to Construct Developer Improvements. The holder of any mortgage or deed of trust authorized by this Agreement (a "Holder") shall not be obligated by the provisions of this Agreement to construct or Complete the Construction of the Developer Improvements or any portion thereof, or to guarantee such construction or Completion of Construction; nor shall any covenant or any other provision in this Agreement be construed so to obligate such Holder. Nothing in this Agreement shall be construed or deemed to permit or authorize any such Holder to devote the Site to any uses or to construct any improvements thereon, other than those uses or Developer Improvements provided for or authorized by this Agreement.

311.3 Notice of Default to Mortgagee or Deed of Trust Holders; Right to Cure.

With respect to any mortgage or deed of trust granted by Developer as provided herein, whenever the City delivers any notice of default ("Notice of Default") or demand to Developer with respect to any Breach or Default by Developer in the construction of the Developer Improvements, and if Developer fails to cure the Default within the time set forth in Section 501, the City shall deliver to each Holder of record of any mortgage or deed of trust authorized by this Agreement a copy of such notice or demand. Each such Holder shall (insofar as the rights granted by the City are concerned) have the right, at its option, within thirty (30) days after the receipt of the notice, to cure or remedy or commence to cure or remedy and thereafter to pursue with due diligence the cure or remedy of any such Default and to add the cost thereof to the mortgage debt and the lien of its mortgage; provided, however if the Holder is legally prevented from curing such default because of a bankruptcy by the Developer or because such cure requires physical possession of the Site then the thirty (30) day period shall be tolled until such bankruptcy is confirmed, rejected or otherwise resolved or the Holder has obtained lawful physical possession of the Site. Nothing contained in this Agreement shall be deemed to permit or authorize such Holder to undertake or continue the construction or Completion of Construction of the Developer Improvements, or any portion thereof (beyond the extent necessary to conserve or protect the improvements or construction already made) without first having expressly assumed Developer's obligations to the City by written agreement reasonably satisfactory to the City, which election to assume may be made within ninety (90) days following Holder's securing of title to the Property. Such assumption shall not have the effect of causing the Holder to be responsible for any prior damage obligations of Developer to the City. The Holder, in that event, must agree to Complete Construction, in the manner provided in this Agreement, of the Developer Improvements. Any such Holder properly Completing the Construction of the Developer Improvements or portion thereof shall be entitled, upon compliance with the requirements of Section 310 of this Agreement, to a Release of Construction Covenants. It is understood that a Holder shall be deemed to have satisfied the thirty (30) day time limit set forth above for commencing to cure or remedy a Developer default which requires title and/or possession of the Site (or portion thereof) if and to the extent any such Holder has within such thirty (30) day period commenced foreclosure proceedings to obtain title and/or possession and thereafter the Holder diligently pursues such proceedings to completion and cures or remedies the default.

311.4 Failure of Holder to Complete the Construction of the Developer Improvements. In any case where, thirty (30) days after the Holder of any mortgage or deed of trust creating a lien or encumbrance upon the Site or any part thereof receives a Notice of Default by Developer in Completion of Construction of any of the Developer Improvements under this Agreement, and the Holder has not exercised the option to construct as set forth in Section 311.3, or if it has exercised the option but has defaulted thereunder and failed to timely cure such default, the City may, by giving written notice to the Holder, purchase the mortgage or deed of trust by payment to the Holder of the amount of the unpaid mortgage or deed of trust debt, including principal and interest and all other sums secured by the mortgage or deed of trust. If the ownership of the Site or any part thereof has vested in the Holder, the City, if it so desires, shall be entitled to a conveyance of title to the Site or such portion thereof from the Holder to the City upon payment to the Holder of an amount equal to the sum of the following:

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

- (b) All expenses with respect to foreclosure including reasonable attorneys' fees;
- (c) The net expense, if any (exclusive of general overhead), incurred by the Holder as a direct result of the subsequent management of the Site or part thereof;
- (d) The costs of any Developer Improvements made by such Holder;
- (e) Any prepayment charges, default interest, and/or late charges imposed pursuant to the loan documents and agreed to by Developer; and
- (f) 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 or deed of trust debt and such debt had continued in existence to the date of payment by the City.

311.5 Right of the City to Cure Mortgage or Deed of Trust Default. In the event Developer receives a notice of default on any mortgage or deed of trust prior to the Completion of Construction of the Developer Improvements and issuance of a total Release of Construction Covenants, Developer shall immediately deliver to the City a copy of such notice of default. If the Holder of any mortgage or deed of trust has not exercised its option to construct, the City shall have the right but not the obligation to cure the default. The City shall be entitled to reimbursement from Developer of all proper costs and expenses incurred by the City in curing such default. The City shall also be entitled to a lien upon the Site to the extent of such costs and disbursements.

400. COVENANTS AND RESTRICTIONS

401. Covenant to Develop, Use and Operate the Site in Accordance with Land Use Approvals and this Agreement. For so long as City is required to provide any Covenants Consideration, Developer covenants and agrees for itself and its successors, assigns, and every successor in interest to the Site, or any part thereof, that Developer and such successors and assignees shall use and operate the Site in accordance with the Land Use Approvals and this Agreement, and except for a Holder who, pursuant to Section 311, has not elected to assume Developer's obligations hereunder to construct, shall construct and Complete Construction of the Developer Improvements in accordance with the Land Use Approvals, Scope of Development, all applicable Governmental Requirements, Section 301.1 hereof, and the Schedule of Performance.

402. Maintenance and Security Covenants. Developer covenants and agrees for itself, its successors and assigns and any successor in interest to the Site or part thereof to maintain, at Developer's sole cost and expense, the Site and all Developer Improvements thereon, in compliance with the terms of the Declaration, the Land Use Approvals and with all applicable Governmental Requirements. The operation, use, security and maintenance of the Site, shall be accomplished in accordance with the Covenants and Declaration (to be approved by the parties prior to Closing) consistent with other first-class hotel/retail/restaurant projects in Orange County, and shall include regular landscape maintenance, graffiti removal, and trash and debris removal.

403. Nondiscrimination. The Developer covenants by and for itself and any successors in interest that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, physical or mental disability or medical condition, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy,

tenure or enjoyment of the Developer Improvements or the Site, nor shall the Developer itself or any person claiming under or through it establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the Project or the Site. The foregoing covenants shall run with the land.

All deeds, leases or contracts with respect to the Project or the Site shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

a. **In deeds:** "The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, 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 practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land."

"Notwithstanding the immediately preceding paragraph, with respect to familial status, the immediately preceding paragraph shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in the immediately preceding paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to the immediately preceding paragraph."

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

"That there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the premises herein leased."

"Notwithstanding the immediately preceding paragraph, with respect to familial status, the immediately preceding paragraph shall not be

construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in the immediately preceding paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to the immediately preceding paragraph."

c. In contracts: "There shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises which are the subject of this Agreement, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land."

404. **Prevailing Wages.** With respect to the construction of the Developer Improvements on the Site as set forth herein and in the Scope of Development, Developer and its contractors and subcontractors shall pay prevailing wages and employ apprentices in compliance with Labor Code Section 1770, *et seq.*, and shall be responsible for the keeping of all records required pursuant to Labor Code Section 1776, complying with the maximum hours requirements of Labor Code Sections 1810 through 1815, and complying with all regulations and statutory requirements pertaining thereto. Such requirements are set forth in greater detail in Exhibit J attached hereto and incorporated herein by reference. The referenced Labor Code sections and Exhibit J are referred to herein collectively as the "Prevailing Wage Requirements." Upon the periodic request of the City, the Developer shall certify to the City that it is in compliance with the requirements of this Section 405. Notwithstanding anything to the contrary contained in this Agreement, Developer shall not be required to comply with the Prevailing Wage Requirements with respect to any discreet portions of the Developer Improvements if and to the extent the Prevailing Wage Requirements are inapplicable to such discreet portions. Developer shall indemnify, protect, defend and hold harmless the City and its officers, employees, contractors and agents, with counsel reasonably acceptable to City, from and against any and all loss, liability, damage, claim, cost, expense and/or "increased costs" (including reasonable attorneys fees, court and litigation costs, and fees of expert witnesses) which, in connection with the development, construction, and/or operation of the Developer Improvements, including, without limitation, any and all public works (as defined by applicable law), results or arises in any way from any of the following: (1) the noncompliance by Developer with any applicable local, state and/or federal law, including, without limitation, any applicable federal and/or state labor laws (including, without limitation, if applicable, the requirement to pay state prevailing wages); (2) the implementation of Section 1781 of the Labor Code, as the same may be amended from time to time, or any other similar law; and/or (3) failure by Developer to provide any required disclosure or identification as required by Labor Code Section 1781, as the same may be amended from time to time, or any other similar law. It is agreed by the parties that, in connection with the development of the Developer Improvements, including, without limitation, any and all public works (as defined by applicable law), Developer shall bear all risks of payment or non-payment of prevailing wages under California law and/or the implementation of Labor Code Section 1781, as the

same may be amended from time to time, and/or any other similar law. "Increased costs," as used in this Section 405, shall have the meaning ascribed to it in Labor Code Section 1781, as the same may be amended from time to time. The foregoing indemnity shall survive termination of this Agreement and shall continue after Completion of Construction of the Developer Improvements by the Developer.

405. Point of Sale and/or Use. The Developer, for itself and for its general contractor and subcontractor, agrees to obtain a State Board of Equalization sub-permit for the jobsite and allocate all eligible use tax payments to the City and provide the City with either a copy of the sub-permit or a statement that the use tax does not apply to this portion of the job, to insure that the City is the point of sale and/or use under the Bradley Burns Uniform Local Sales and Use Tax Law (commencing with Section 7200 of the Revenue and Taxation Code, as amended from time to time).

406. Effect of Violation of the Terms and Provisions of this Agreement. The City is deemed the beneficiary of the terms and provisions of this Agreement and of the Covenants, for and in its own right and for the purposes of protecting the interests of the community and other parties, public or private, in whose favor and for whose benefit this Agreement and the Covenants have been provided, without regard to whether the City has been, remains or is an owner of any land or interest therein in the Site. The City shall have the right (subject to Section 501 below), upon a Default by Developer of this Agreement, to exercise all rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which it or any other beneficiaries of this Agreement and Covenants may be entitled. Except as otherwise provided therein, the Covenants contained in Sections 103, 301, 309, and 401, 402, and 405, and the Declaration shall survive Closing and remain in effect for so long as City is required to provide any Covenants Consideration pursuant to this Agreement. The Covenants set forth in Sections 204.2, 204.3, 307, 403, and 603 shall survive Closing and remain in effect in perpetuity. The Covenants described in Sections 303, 304, 305, 306, 308, 404 and 503 shall survive Closing and remain in effect with respect to a portion of the Site until the issuance of a Release of Construction Covenants with respect to such portion of the Site and so long thereafter as shall be necessary to enforce a Default(s) thereunder. The Covenants set forth in Sections 407, 408, and 409 shall survive Closing and remain in effect in accordance with the terms set forth therein.

407. Covenants Consideration (City Assistance). In consideration for the granting of the Covenants by the Developer to the City, City agrees to provide the following economic assistance towards defraying the cost of the Project's development and operation ("Covenants Consideration"):

- (a) Conveyance of the Site to Developer pursuant to Section 200; and
- (b) Payment of the costs of the City Improvements pursuant to Section 301.2; and
- (c) Payment of the costs associated with preparation of the Subdivision Map pursuant to Section 303; and
- (d) Payment to Developer of the Tax Rebate Payments described in Section 408.

408. Tax Rebate Payments. The Covenants Consideration shall include the annual payments described in this Section 408.

408.1 Upper Upscale Hotel Tax Rebate Payments. With respect to each Upper Upscale Hotel, City shall pay to Developer annually, from the date on which Completion of Construction of each Upper Upscale Hotel occurs, and for a period of twenty (20) years thereafter, an amount equal to: (i) sixty percent (60%) of the Transient Occupancy Tax Revenues which have been paid to and received by the City in each calendar year during such period with respect to each Upper Upscale Hotel(s); and (ii) fifty percent (50%) of the Sales Tax Revenues attributable to the operation of each Upper Upscale Hotel.

408.2 Additional Hotel Tax Rebate Payments. With respect to each Additional Hotel, City shall pay to the Developer annually, for the period commencing on the date on which Completion of Construction of the Additional Hotel has occurred and for a period of ten (10) years thereafter, an amount equal to (i) fifty percent (50%) of the Transient Occupancy Tax Revenues which have been paid to and received by the City in each calendar year during such period with respect to each Additional Hotel; and (ii) fifty percent (50%) of the Sales Tax Revenues attributable to the operation of each Additional Hotel.

408.3 Retail/Restaurant/Entertainment Component Tax Rebate Payments. With respect to each separate portion of the Retail/Restaurant/Entertainment Component, City shall pay to the Developer annually, for the period commencing on the date on which Completion of Construction of each such portion of the Retail/Restaurant/Entertainment Component has occurred and for a period of twenty (20) years thereafter, an amount equal to fifty percent (50%) of the Sales Tax Revenues attributable to each such portion of the Retail/Restaurant/Entertainment Component (i.e., there shall be separate 20-year payment periods for each such portion of the Retail/Restaurant/Entertainment Component).

408.4 Timing of Tax Rebate Payments. City shall remit the Tax Rebate Payments to Developer annually, no later than ninety (90) days after the end of the City's Fiscal Year (July 1-June 30).

408.5 Conditions Precedent to Remittance of Tax Rebate Payments. The City's obligation to pay the Tax Rebate Payments pursuant to this Section 408 is conditioned upon all of the following conditions precedent, which shall be satisfied on the date of the applicable disbursement: (i) this Agreement shall remain in full force and effect and not have been terminated, and (ii) there shall be no Default by the Developer under the Agreement which remains uncured on the date such Tax Rebate Payments, or applicable portion thereof, would otherwise be made to the Developer, including, without limitation, Completion of Construction prior to the time set forth in the Schedule of Performance and operation of the Project consistent with the Covenants and Scope of Development.

408.6 Tax Revenues Not Security for Tax Rebate Payments. Developer acknowledges and agrees that neither the Transient Occupancy Tax Revenues, the Sales Tax Revenues, nor any other general or special funds of the City, are pledged or otherwise encumbered, hypothecated to or given as security for the Tax Rebate Payments.

409. Allocation of Tax Rebate Payments. Notwithstanding the allocations of Tax Rebate Payments described in Section 408, above, the Developer may, without the approval of the City, reallocate the Tax Rebate Payments between and among the separate development entities who own the Separate Components, as described in Section 103.2.

500. DEFAULTS AND REMEDIES

501. Default Remedies. Subject to Enforced Delay and compliance with the provisions of this Agreement which provide for the protection of Mortgagee rights, including the provisions of Section 311 of this Agreement, failure or delay by either party to perform any material term or provision of this Agreement (a "Breach") following notice and failure to cure as described hereafter constitutes a "Default" under this Agreement.

The nondefaulting party shall give written notice of any Breach to the party in Breach, specifying the Breach complained of by the nondefaulting party ("Notice of Default"). Delay in giving such Notice of Default shall not constitute a waiver of any Breach nor shall it change the time of Breach. Upon receipt of the Notice of Default, the party in Breach shall promptly commence to cure the identified Breach at the earliest reasonable time after receipt of the Notice of Default and shall complete the cure of such Breach not later than thirty (30) days after receipt of the Notice of Default, or, if such Breach cannot reasonably be cured within such thirty (30) day period, then as soon thereafter as reasonably possible, provided that the party in Breach shall diligently pursue such cure to completion ("Cure Period"). Failure of the party in Breach to cure the Breach within the Cure Period set forth above shall constitute a "Default" hereunder.

Any failures or delay by either party in asserting any of its rights and remedies as to any Breach or Default shall not operate as a waiver of any Breach or Default or of any such rights or remedies. Delays by either party in asserting any of its rights and remedies shall not deprive either party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

CITY SHALL ALSO BE REQUIRED TO SEND NOTICES OF DEFAULT TO EACH MORTGAGEE FOR WHICH CITY HAS RECEIVED A MORTGAGEE NOTICE.

502. Institution of Legal Actions. In addition to any other rights or remedies and subject to the restrictions otherwise set forth in this Agreement, any party may institute an action at law or equity to seek specific performance of the terms of this Agreement, or to cure, correct or remedy any Default, or to obtain any other remedy consistent with the purpose of this Agreement. Such legal actions must be instituted in the Superior Court of the County of Orange, State of California, in an appropriate municipal court in that county, or in the United States District Court for the Central District of California. Notwithstanding the foregoing or any other provision of this Agreement, in any such legal action, the remedies available to either party for breach of this Agreement or any provision hereof by the other party shall be solely limited to rescission, injunction, specific performance, and/or the payment of monies expressly required by this Agreement, and in no event shall either party be entitled to any other direct or indirect monetary damages of any kind, including, without limitation, loss of opportunity, loss of business, loss of profits, or consequential, incidental, or special damages. The foregoing limitation shall not be interpreted to limit the parties' respective rights and obligations pursuant to Sections 306, 307, 311 and/or 503 of this Agreement.

503. Re-entry and Revesting of Title in the City After the Closing and Prior to Completion of Construction. Without limiting the rights as set forth in Section 311, and without affecting the priority of the lien of the Holder's deed of trust or mortgage, the City has the right, at its election, to reenter and take possession of any portion of the Site with all Developer Improvements thereon, and terminate and Revest in the City the estate conveyed to the Developer with respect to such portion of the Site only if after the Closing and prior to the issuance of the final Release of

Construction Covenants with respect to such portion of the Site, the Developer (or its successors in interest) shall:

(a) fail to start the construction of the Developer Improvements on such portion of the Site as required by this Agreement for a period of ninety (90) days after Notice thereof from the City subject to extension pursuant to Section 602; or

(b) abandon or substantially suspend construction of the Developer Improvements on such portion of the Site required by this Agreement for a period of ninety (90) days after Notice thereof from the City subject to extension pursuant to Section 602; or

(c) contrary to the provisions of Sections 101 or 103 hereof, Transfer or suffer any involuntary Transfer in violation of this Agreement, and such Transfer, if it is a Transfer requiring approval by the City, is not rescinded within thirty (30) days of Notice thereof from City to Developer.

Such right to reenter, terminate and Revest is subject to the quiet enjoyment, and, if applicable, the right to continue to complete construction by (i) Tenants or other occupants who have (a) executed leases or subleases and (b) incurred substantial expenses in connection with the design and/or construction of improvements required to be constructed by such Tenant under such lease or sublease and (ii) a Holder, in the case where the Developer is in Default and, *vis à vis* a Holder, shall be exercisable only if:

1. Such Holder (or its Nominee) (a) shall have failed to cure any Default within the applicable cure periods granted to such Holder (or its Nominee), or (b) shall have given City written notice that it will not cure any such Default or condition or that it will otherwise not comply with the terms and conditions of this Agreement; and

2. City, within ninety (90) days after the occurrence of any events described in subparagraph 1. immediately above, shall commence the exercise of its right of entry and shall pay to Holder (or its Nominee) in immediately available funds, the Loan Balance prior to Revesting.

In the event of a failure or refusal to cure a Default, as described in subparagraph 1. above, City's sole remedy *vis a vis* Holder shall be the exercise of the re-entry right and Revesting in accordance herewith.

The conditions to the commencement of the exercise of the City's right to re-enter and Revest as described above shall be applicable whether the re-entry and Revesting occurs (a) prior to foreclosure (or deed in lieu of foreclosure) by the Holder (or its Nominee) under its mortgage or deed of trust; or (b) after Holder (or its Nominee) acquires title to the Site by foreclosure (or deed-in-lieu of foreclosure) under its mortgage or deed of trust.

The applicable Grant Deeds shall contain appropriate reference and provision to give effect to the City's right as set forth in this Section 503, under specified circumstances prior to recordation of the Release of Construction Covenants, to reenter and take possession of the Site, with all improvements thereon, and to terminate and Revest in the City the estate conveyed to the Developer. Upon the Revesting in the City of title to the Site, as provided in this Section 503, the City shall use its reasonable efforts to resell the Site, or portion thereof, as soon and in such manner

as the City shall find feasible and consistent with this Agreement and the Scope of Development to a qualified and responsible party or parties (as determined by the City) who will assume the obligation of constructing or completing the Developer Improvements, or such improvements in their stead as shall be satisfactory to the City and in accordance with Scope of Development. Upon such resale of the Site, the net proceeds thereof, shall be applied:

(i) First, to reimburse the City all costs and expenses incurred by the City, excluding in-house City staff costs, but specifically, including, but not limited to, any expenditures by the City in connection with the recapture, management and resale of the Site, or part thereof (but less any income derived by the City from the Site, or part thereof in connection with such management); all taxes, assessments and water or sewer charges with respect to the Site, or part thereof, which the Developer has not paid (or, in the event that the Site is exempt from taxation or assessment of such charges during the period of ownership thereof by the City, an amount, if paid, equal to such taxes, assessments, or charges as would have been payable if the Site were not so exempt); any payments made or necessary to be made to discharge any encumbrances or liens existing on the Site, or part thereof; at the time of Revesting of title thereto in the City, 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; any expenditures made or obligations incurred with respect to the constructing or completion of the improvements or any part thereof on the Site, or part thereof; and any amounts otherwise owing the City, and in the event additional proceeds are thereafter available, then

(ii) Second, to reimburse the Developer, its successor or transferee, up to the amount equal to the sum of (a) actual and direct third party costs incurred by the Developer for the Developer Improvements existing on the Site, at the time of the re-entry and possession, less (b) any gains or net income received by the Developer from the Site, or the improvements thereon.

(iii) Any balance remaining after such reimbursements shall be retained by the City as its property. The rights established in this Section 503, except as may otherwise be provided in this Section 503, are not intended to be exclusive of any other right, power or remedy, but each and every such right, power, and remedy shall be cumulative and concurrent and shall be in addition to any other right, power and remedy authorized herein or now or hereafter existing at law or in equity. These rights are to be interpreted in light of the fact that the City will have conveyed the City Property and the Agency Property and provided other financial assistance to the Developer for development of a high quality hotel project, particularly for development and operation of the Project, and not for speculation in undeveloped land.

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

505. Inaction Not a Waiver of Default. Any failures or delays by either party in asserting any of its rights and remedies as to any Default shall not operate as a waiver of any Default or of any such rights or remedies, or deprive either such party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

506. **Applicable Law.** The laws of the State shall govern the interpretation and enforcement of this Agreement.

600. GENERAL PROVISIONS

601. **Notices, Demands and Communications Between the Parties.** Any approval, disapproval, demand, document or other notice ("Notice") required or permitted under this Agreement must be in writing and shall be sufficiently given if delivered by hand (and a receipt therefore is obtained or is refused to be given) or dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered by telecopy, or email or overnight delivery service to:

To City: City of Garden Grove
11222 Acacia Parkway
Garden Grove, California 92840
Attention: City Manager

with a copy to: Garden Grove City Attorney
11222 Acacia Parkway
Garden Grove, California 92840

To Developer: Land & Design, Inc.
3775 Avocado Boulevard, #516
La Mesa, California 91941
Attention: Matthew Reid

with a copy to: David Rose
420 McKinley Street, Suite 111
Corona, California 92879

with a copy to: Allen Matkins Leck Gamble Mallory & Natsis, LLP
501 West Broadway, 15th Floor
San Diego, California 92101
Attention: Tom Crosbie

Such written notices, demands and communications may be sent in the same manner to such other addresses as either party may from time to time designate by mail as provided in this Section.

602. **Extension of Times of Performance.** In addition to specific provisions of this Agreement, performance by either party hereunder shall not be deemed to be in Default, and all performance and other dates specified in this Agreement shall be extended, where delays are due to ("Enforced Delay"): litigation challenging the validity of this transaction or any element thereof or the right of either party to engage in the acts and transactions contemplated by this Agreement; inability to secure necessary labor materials or tools; actions in connection with the remediation of Hazardous Materials, including groundwater contamination; war; insurrection; strikes; lockouts; riots; floods; earthquakes; fires; casualties; acts of God; acts of the public enemy; acts of terrorism; epidemics; quarantine restrictions; freight embargoes; unanticipated subsurface conditions that delay performance; lack of transportation; governmental restrictions or priority; building moratoria; unusually severe weather; or acts or omissions of the other party; acts or failures to act of any other public or governmental agency or entity (other than the acts or failures to act of the City which shall

not excuse performance by the City); or during the pendency of any dispute between City or Developer, regarding Developer's construction obligations hereunder provided that the party claiming the right to an extension of time is determined to be the prevailing party in such dispute. Notwithstanding anything to the contrary in this Agreement, an extension of time for any such cause shall be for the period reasonably attributable to the Enforced Delay and shall commence to run from the time of the commencement of the cause, if notice by the party claiming such extension is sent to the other party within thirty (30) days of the later of commencement of the cause or such party's discovery of such cause. Times of performance under this Agreement may also be extended in writing by the mutual agreement of the City and Developer. Notwithstanding any provision of this Agreement to the contrary, the lack of funding to Complete Construction of the Developer Improvements shall not constitute grounds of enforced delay pursuant to this Section 602.

603. Non Liability of Officials and Employees of City and Developer. No member, official, shareholder or employee of either party shall be personally liable to the other party, or any successor in interest, in the event of any Default or Breach by the either party or for any amount which may become due to either party or their successors, or on any obligations under the terms of this Agreement.

604. Relationship Between City and Developer. It is hereby acknowledged that the relationship between the City and Developer is not that of a partnership or joint venture and that the City and Developer shall not be deemed or construed for any purpose to be the agent of the other. Accordingly, except as expressly provided herein or in the Exhibits hereto, the City shall have no rights, powers, duties or obligations with respect to the development, operation, maintenance or management of the Site.

605. City Approvals and Actions Through City Manager. Whenever a reference is made herein to an action or approval to be undertaken by the City, the City Manager is authorized to act on behalf of City unless specifically provided otherwise or the context should require otherwise.

606. Commencement of City Review Period. The time periods set forth herein and in the Schedule of Performance for the City's approval of agreements, plans, drawings, or other information submitted to the City by Developer and for any other City consideration and approval hereunder which is contingent upon documentation required to be submitted by Developer shall only apply and commence upon the submittal of all the reasonably required information. In no event shall a materially incomplete submittal by Developer trigger any of the City's obligations of review and/or approval hereunder; provided, however, that the City shall notify Developer of an incomplete submittal as soon as is practicable.

607. Successors and Assigns. All of the terms, covenants, conditions, representations, and warranties, of this Agreement shall be binding upon City and Developer and their respective permitted successors and assigns. Whenever the term "Developer" or "City," as the case may be, is used in this Agreement, such term shall include any other permitted successors and assigns as herein provided.

608. Assignment by City. The City may assign or transfer any of its rights or obligations under this Agreement with the approval of Developer, which approval shall not be unreasonably withheld.

609. **Counterparts.** This Agreement may be signed in multiple counterparts which, when signed by all parties, shall constitute a binding agreement. This Agreement is executed in three (3) originals, each of which is deemed to be an original.

610. **Integration.** This Agreement contains the entire understanding between the parties relating to the transaction contemplated by this Agreement. All prior or contemporaneous agreements, understandings, representations and statements, oral or written, are merged in this Agreement and shall be of no further force or effect. Each party is entering this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material. This Agreement includes pages 1 through 48 (includes signature page) and Exhibits A through L, (each such Exhibit incorporated in this Agreement as if fully set forth herein) which together constitute the entire understanding and agreement of the parties, notwithstanding any previous negotiations or agreements between the parties or their predecessors in interest with respect to all or any part of the subject matter hereof.

611. **Attorneys' Fees.** In any action between the parties to interpret, enforce, reform, modify, rescind or otherwise in connection with any of the terms or provisions of this Agreement, the prevailing party in the action shall be entitled, in addition to damages, injunctive relief or any other relief to which it might be entitled, reasonable costs and expenses including, without limitation, litigation costs and reasonable attorneys' fees. Costs recoverable for enforcement of any judgment shall be deemed to include reasonable attorneys' fees.

612. **Administration.** This Agreement shall be administered and executed by the City Manager, or his/her designated representative, following approval of this Agreement by the City. The City shall maintain authority of this Agreement through the City Manager (or his/her authorized representative). The City Manager shall have the authority but not the obligation to issue interpretations, waive provisions, approve the Declaration, extend time limits, make minor modifications to prior City design approvals, and/or enter into amendments of this Agreement on behalf of the City so long as such actions do not substantially change the uses or development permitted on the Site, or add to the costs to the City as specified herein as agreed to by the City Council, and such amendments may include extensions of time specified in the Schedule of Performance. All other waivers or amendments shall require the written consent of the City Council.

613. **Titles and Captions.** Titles and captions are for convenience of reference only and do not define, describe or limit the scope or the intent of this Agreement or of any of its terms. Reference to Section numbers are to sections in this Agreement, unless expressly stated otherwise.

614. **Interpretation.** As used in this Agreement, masculine, feminine or neuter gender and the singular or plural number shall each be deemed to include the others where and when the context so dictates. The word "including" shall be construed as if followed by the words "without limitation." This Agreement shall be interpreted as though prepared jointly by both parties.

615. **No Waiver.** A waiver by either party of a breach of any of the covenants, conditions or agreements under this Agreement 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 of this Agreement.

616. **Modifications.** Any alteration, change or modification of or to this Agreement, in order to become effective, shall be made in writing and in each instance signed on behalf of each party.

617. **Severability.** If any term, provision, condition or covenant of this Agreement or its application to any party or circumstances shall be held, to any extent, invalid or unenforceable, the remainder of this Agreement, or the application of the term, provision, 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, and shall be valid and enforceable to the fullest extent permitted by law.

618. **Computation of Time.** The time in which any act is to be done under this Agreement is computed by excluding the first day (such as the day escrow opens) and including the last day, unless the last day is a holiday or Saturday or Sunday, and then that day is also excluded in which case such day is the day following the excluded day(s). The term "holiday" shall mean all holidays as specified in Section 6700 and 6701 of the California Government Code. If any act is to be done by a particular time during a day, that time shall be Pacific Time.

619. **Legal Advice.** Each party represents and warrants to the other the following: they have carefully read this Agreement, and in signing this Agreement, they do so with full knowledge of any right which they may have; they have received independent legal advice from their respective legal counsel as to the matters set forth in this Agreement, or have knowingly chosen not to consult legal counsel as to the matters set forth in this Agreement; and, they have freely signed this Agreement without any reliance upon any agreement, promise, statement or representation by or on behalf of the other party, or their respective agents, employees or attorneys, except as specifically set forth in this Agreement, and without duress or coercion, whether economic or otherwise.

620. **Time of Essence.** Time is expressly made of the essence with respect to the performance by the City and Developer of each and every obligation and condition of this Agreement.

621. **Cooperation.** Each party agrees to cooperate with the other in this transaction and, in that regard, to sign any and all documents which may be reasonably necessary, helpful or appropriate to carry out the purposes and intent of this Agreement. In this regard, Developer and the City agree to mutually consider reasonable requests for amendments to this Agreement and/or other estoppel documents. The party making the request shall be responsible for the costs incurred by the other party, including without limitation attorneys' fees, (the "Amendment/Estoppel Costs") in connection with any amendments to this Agreement and/or estoppel documents which are requested by such party (the "Developer/City Request") regardless of the outcome of the Developer/City Request.

622. **Conflicts of Interest.** No member, official or employee of the City shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official or employee participate in any decision relating to the Agreement which affects his/her personal interests or the interests of any corporation, partnership or association in which he is directly or indirectly interested.

623. **Time for Acceptance of Agreement by the City.** This Agreement, when executed by Developer and delivered to the City, must be authorized, executed and delivered by the City on or before thirty (30) days after signing and delivery of this Agreement by Developer or this Agreement

shall be void, except to the extent that Developer shall consent in writing to a further extension of time for the authorization, execution and delivery of this Agreement.

624. **Consideration of Agreement Modification.** The Parties recognize that due to the changing economic conditions as it relates to hotel development, there is a possibility that the terms described herein will need to be modified based on requirements of the Franchisor(s), Hotel Operator(s) and/or Construction Lender and/or other debt or equity contributors. With this in mind, the parties agree that in such event, the Parties agree that they will discuss any such requested modifications with the idea in mind of modifying or amending this Agreement, if required, with each Party acting in their sole and absolute discretion and without any commitment to the other to agree to any such requested modification or revision.

625. **Recordation of Memorandum of Agreement.** The Memorandum of Agreement shall be recorded concurrently with the Close of Escrow, or at such other time as mutually agreed in writing by City and Developer, and the terms hereof shall survive Closing and run with the land for the period of time set forth herein.

626. **Repudiation of DDA Between Developer and Agency.** Developer hereby acknowledges and agrees that, upon the Conveyance of the City Property and the Agency Property to Developer pursuant to this Agreement, that certain Disposition and Development Agreement pertaining to the Site ("DDA") entered into on or about June 14, 2011, by and between Developer and the former Garden Grove Agency for Community Development shall be deemed terminated, void and of no further force and effect as to Agency or City. Developer also agrees that, for so long as this Agreement remains in effect, it will not attempt to enforce the DDA against the Agency.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the respective dates set forth below.

CITY:

CITY OF GARDEN GROVE, a municipal corporation

Dated: April 9, 2013

By: Matthew J. Fertal
Matthew J. Fertal, City Manager

ATTEST:

Kathleen Baines
City Clerk

APPROVED AS TO FORM:

Thomas F. Nixon
Thomas F. Nixon
City Attorney

DEVELOPER

LAND & DESIGN, INC., a California corporation

Dated: 4/4/2013, 2013

By: Matthew Reid
Matthew Reid, President

EXHIBIT A

SITE MAP

SITE MAP
(Site C)

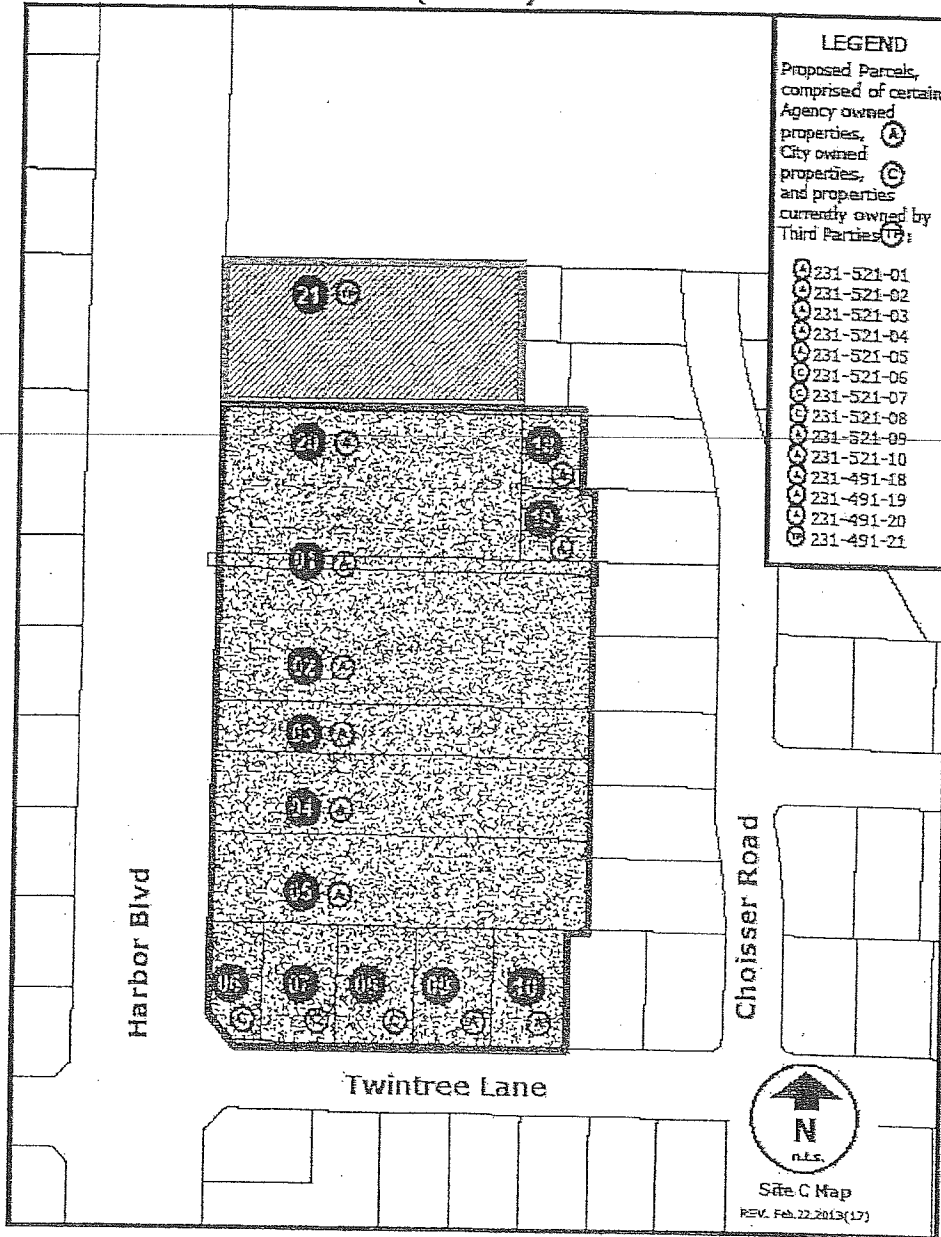


EXHIBIT A

EXHIBIT B

LEGAL DESCRIPTION

CITY PROPERTY

Real property in the City of Garden Grove, County of Orange, State of California, described as follows:

LOTS 215, 216, AND 217 OF TRACT NO. 2012, IN THE CITY OF GARDEN GROVE, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SHOWN ON A MAP RECORDED IN BOOK 55, PAGES 47, 48, AND 49 OF MISCELLANEOUS MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL OIL, GAS, MINERALS AND OTHER HYDROCARBONS, BELOW A DEPTH OF 500 FEET, WITHOUT THE RIGHT OF SURFACE ENTRY, AS RESERVED IN INSTRUMENTS OF RECORD.

ALSO EXCEPT THEREFROM ALL WATER AND SUBSURFACE WATER RIGHTS, WITHOUT THE RIGHT OF SURFACE ENTRY, BELOW A DEPTH OF 500 FEET, AS DEDICATED OR RESERVED IN INSTRUMENTS OF RECORD.

END OF LEGAL DESCRIPTION

APNs: 231-521-06, 231-521-07, and 231-521-08

AGENCY PROPERTY

Real property in the City of Garden Grove, County of Orange, State of California, described as follows:

PARCEL 1:

THE SOUTH 129.44 FEET OF THE WEST HALF OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 34, IN TOWNSHIP 4 SOUTH, RANGE 10 WEST, IN THE RANCHO LAS BOLSAS, IN THE CITY OF GARDEN GROVE, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 51, PAGE 10 OF MISCELLANEOUS MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 231-491-20

PARCEL 2:

PARCEL 2A:

THE WEST 400 FEET OF THE NORTH HALF OF THE NORTH HALF OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION THIRTY-FOUR, TOWNSHIP FOUR SOUTH, RANGE TEN WEST, IN THE RANCHO LAS BOLSAS,

EXHIBIT B

-1-

CITY OF GARDEN GROVE, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SHOWN ON A MAP RECORDED IN BOOK 51, PAGE 10 OF MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY, CALIFORNIA.

EXCEPT THEREFROM THE NORTH 12 FEET.

ALSO EXCEPT THEREFROM THE SOUTH 200 FEET.

ALSO EXCEPT THEREFROM AN UNDIVIDED ONE-HALF INTEREST IN AND TO ALL OIL, GAS, MINERAL OR HYDROCARBON SUBSTANCES LYING IN, UNDER OR ON THE ABOVE DESCRIBED LAND UNTIL FEBRUARY 2, 1974, AS RESERVED IN THE DEED FROM WALTER R. GISLER, TOM P. GISLER, HAROLD GISLER, EMMA G. STOFFEL, DELLA G. HARPSTER, AGNES G. MARSHALL AND LUCILLE G. ALLAIRE, ALSO KNOWN AS LUCILLE G. ALLARE, RECORDED MARCH 31, 1949 IN BOOK 1823, PAGE 196 OF OFFICIAL RECORDS WHICH DEED PROVIDES, THAT SHOULD OIL, GAS, MINERAL OR HYDROCARBON SUBSTANCES BE DISCOVERED PRIOR TO SAID FEBRUARY 2, 1974, OR BE DISCOVERED IN ANY WELL BEING DRILLED ON SAID PREMISES ON SAID DATE, OR BE DISCOVERED SUBSEQUENTLY TO SAID DATE IN ANY LEASE THAT IS IN EFFECT ON SAID FEBRUARY, 2, 1974, COVERING THE ABOVE DESCRIBED PROPERTY, OR ANY PART THEREOF, THEN AND IN THAT EVENT THE GRANTORS EXCEPT FROM THIS GRANT AND RESERVE TO ~~THEMSELVES, THEIR SUCCESSORS AND ASSIGNS,~~ ONE-HALF OF ALL OIL, GAS, MINERALS OR HYDROCARBON SUBSTANCES PRODUCED FROM SAID PROPERTY DURING THE TERMS OF SAID LEASE, AND SO LONG AS OIL, GAS, MINERAL OR HYDROCARBON SUBSTANCES ARE PRODUCED FROM SAID PROPERTY, ALSO RESERVING THE RIGHT OF ENTRY UPON THE SURFACE AND INTO THE SUBSURFACE OF SAID LAND FOR THE PURPOSE OF PROSPECTING FOR, DEVELOPING AND PRODUCING SAID SUBSTANCES, OR ANY OF THEM; AND FURTHER RESERVING ONE-HALF OF ANY BONUS OR RENTAL PAID BY ANY LESSEE ON ACCOUNT OF ANY SUCH OIL, GAS, MINERAL OR OTHER HYDROCARBON LEASE COVERING SAID PROPERTY.

PARCEL 2B:

THE NORTH 12 FEET OF THE WEST 400 FEET OF THE NORTH HALF OF THE NORTH HALF OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION THIRTY-FOUR, TOWNSHIP FOUR SOUTH, RANGE TEN WEST, IN THE RANCHO LAS BOLSAS AS SHOWN ON A MAP RECORDED IN BOOK 51, PAGE 10 OF MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY, CALIFORNIA.

APN: 231-521-01; 231-521-02

PARCEL 3

PARCEL 3A:

HAS BEEN INTENTIONALLY OMITTED.

EXHIBIT B

-2-

PARCEL 3B:

AN EASEMENT FOR INGRESS AND EGRESS AND FOR PUBLIC UTILITIES OVER THE NORTH 12 FEET OF THE WEST 400 FEET OF THE NORTH HALF OF THE NORTH HALF OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION THIRTY-FOUR, TOWNSHIP FOUR SOUTH, RANGE TEN WEST, IN THE RANCHO LAS BOLSAS AS SHOWN ON A MAP RECORDED IN BOOK 51, PAGE 10 OF MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY, CALIFORNIA.

PARCEL 3C:

THE NORTH 45 FEET OF THE SOUTH 200 FEET OF THE WEST 400 FEET OF THE NORTH HALF OF THE NORTH HALF OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 34, IN TOWNSHIP 4 SOUTH, RANGE 10 WEST, IN THE RANCHO LAS BOLSAS, AS SHOWN ON A MAP THEREOF RECORDED IN BOOK 51, PAGE 7, ET SEQ., MISCELLANEOUS MAPS, RECORDS OF SAID ORANGE COUNTY;

EXCEPT THEREFROM AN UNDIVIDED ONE-HALF INTEREST IN AND TO ALL OIL, GAS, MINERALS AND OTHER HYDROCARBON SUBSTANCES LYING IN, UNDER OR ON THE ABOVE DESCRIBED PROPERTY, UNTIL FEBRUARY 2, 1974; PROVIDED, HOWEVER, THAT SHOULD OIL, GAS, MINERAL OR HYDROCARBON SUBSTANCES BE DISCOVERED PRIOR TO SAID FEBRUARY 2, 1974, OR BE DISCOVERED IN ANY WELL BEING DRILLED ON SAID PREMISES ON SAID DATE, OR BE DISCOVERED SUBSEQUENTLY TO SAID DATE IN ANY LEASE THAT IS IN EFFECT ON SAID FEBRUARY 2, 1974, COVERING THE ABOVE DESCRIBED PROPERTY, OR ANY PART THEREOF, THEN AND IN THAT EVENT THE GRANTORS EXCEPT FROM THIS GRANT AND RESERVED TO THEMSELVES, THEIR SUCCESSORS AND ASSIGNS, ONE-HALF OF ALL OIL, GAS, MINERALS AND OTHER HYDROCARBON SUBSTANCES PRODUCED FROM SAID PROPERTY DURING THE TERM OF SAID LEASE, AND SO LONG AS OIL, GAS MINERAL OR HYDROCARBON SUBSTANCES ARE PRODUCED FROM SAID PROPERTY; ALSO RESERVING THE RIGHT OF ENTRY UPON THE SURFACE AND INTO THE SUBSURFACE OF SAID LAND FOR THE PURPOSE OF PROSPECTING FOR, DEVELOPING AND PRODUCING SAID SUBSTANCES, OR ANY OF THEM; AND FURTHER RESERVING ONE-HALF OF ANY BONUS OR RENTAL PAID BY ANY LESSEE ON ACCOUNT OF ANY SUCH OIL, GAS, MINERAL OR OTHER HYDROCARBON LEAS COVERING SAID PROPERTY, AS RESERVED BY WALTER R. GISLER, ET AL., IN DEED RECORDED MARCH 31, 1949 IN BOOK 1823, PAGE 196, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID ORANGE COUNTY.

PARCEL 3D:

A NON-EXCLUSIVE EASEMENT FOR THE OPERATION AND MAINTENANCE OF WATER PIPE LINES OVER THE EAST 6 FEET OF SAID WEST 400 FEET OF THE NORTH HALF OF THE NORTH HALF OF THE SOUTHWEST QUARTER OF THE

EXHIBIT B

-3-

NORTHEAST QUARTER OF SECTION 34, TOWNSHIP 4 SOUTH, RANGE 10 WEST, IN THE RANCHO LAS BOLSAS, IN THE CITY OF GARDEN GROVE, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SOWN ON A MAP RECORDED IN BOOK 51, PAGE 10 OF MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY, CALIFORNIA.

EXCEPT THEREFROM THE NORTH 12 FEET.

ALSO EXCEPTING THE SOUTH 200 FEET THEREOF.

PARCEL 3E:

THE SOUTH 200 FEET OF THE WEST 400 FEET OF THE NORTH HALF OF THE NORTH HALF OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 34 IN TOWNSHIP 4 SOUTH, RANGE 10 WEST, IN THE RANCHO LAS BOLSAS, IN THE CITY OF GARDEN GROVE, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SHOWN ON A MAP THEREOF RECORDED IN BOOK 51, PAGE 7, ET SEQ., MISCELLANEOUS MAPS, RECORDS OF SAID ORANGE COUNTY.

EXCEPT THE NORTH 45 FEET THEREOF;

ALSO EXCEPT THEREFROM THE SOUTH 84 FEET THEREOF;

ALSO EXCEPT THEREFROM AN UNDIVIDED ONE-HALF INTEREST IN AND TO ALL OIL, GAS, MINERALS AND OTHER HYDROCARBON SUBSTANCES LYING IN, UNDER OR ON THE ABOVE DESCRIBED PROPERTY, AS RESERVED BY WALTER R. GISLER, ET AL., IN DEED RECORDED IN BOOK 1823, PAGE 196, OFFICIAL RECORDS.

PARCEL 3F:

THE SOUTH 84 FEET OF THE WEST 400 FEET OF THE NORTH ONE-HALF OF THE NORTH ONE-HALF OF THE SOUTHWEST ONE-QUARTER OF THE NORTHEAST ONE-QUARTER OF SECTION 34, TOWNSHIP 4 SOUTH, RANGE 10 WEST, IN THE RANCHO LAS BOLSAS AS SHOWN ON A MAP THEREOF RECORDED IN BOOK 51, PAGE 10 ET SEQ., OF MISCELLANEOUS MAPS, RECORDS OF SAID ORANGE COUNTY.

EXCEPT ALL RIGHT, TITLE AND INTEREST IN ALL OIL, GAS, MINERALS AND OTHER HYDROCARBONS LYING IN AND UNDER THE SURFACE OF THE FOLLOWING DESCRIBED PROPERTY, BELOW THE DEPTH OF FIVE HUNDRED FEET, UNTIL FEBRUARY 2, 1974. PROVIDED, HOWEVER THAT SHOULD OIL, GAS, MINERAL OR HYDROCARBON SUBSTANCES BE DISCOVERED BELOW THE DEPTH OF FIVE HUNDRED FEET PRIOR TO FEBRUARY 2, 1974, OR BE DISCOVERED IN ANY WELL BEING DRILLED ON SAID DATE OR BE DISCOVERED SUBSEQUENTLY TO SAID DATE IN ANY LEASE THAT IS IN EFFECT ON FEBRUARY 2, 1974, COVERING SAID PROPERTY, OR ANY PART THEREOF, THEN AND IN THAT EVENT, THE ABOVE NAMED GRANTEE HEREIN, OR THEIR SUCCESSORS AND ASSIGNS, SHALL BE ENTITLED TO ALL OIL, GAS, MINERALS AND OTHER HYDROCARBON

EXHIBIT B

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SUBSTANCES PRODUCED FROM SAID PROPERTY BELOW SAID FIVE HUNDRED FOOT DEPTH DURING THE TERM OF SAID LEASE AND SO LONG AS OIL, GAS, MINERAL OR HYDROCARBON SUBSTANCES ARE SO PRODUCED, THEY HAVING THE RIGHT OF ENTRY INTO THE SUBSURFACE OF SAID LAND BELOW THE DEPTH OF FIVE HUNDRED FEET BY THE METHOD COMMONLY KNOWN AS WHIPSTOCKING OR SLANT DRILLING FOR THE PURPOSE OF PROSPECTING FOR, DEVELOPING AND PRODUCING SAID SUBSTANCES OR ANY OF THEM.

APN: 231-521-03, 231-521-04 & 05

PARCEL 4:

LOTS 215, 216 AND 217 OF TRACT NO. 2012, IN THE CITY OF GARDEN GROVE, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SHOWN ON A MAP RECORDED IN BOOK 55, PAGES 47, 48 AND 49 OF MISCELLANEOUS MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL OIL, GAS, MINERALS AND OTHER HYDROCARBONS, BELOW A DEPTH OF 500 FEET, WITHOUT THE RIGHT OF SURFACE ENTRY, AS RESERVED IN INSTRUMENTS OF RECORD.

ALSO EXCEPT THEREFROM ALL WATER AND SUBSURFACE WATER RIGHTS, WITHOUT THE RIGHT OF SURFACE ENTRY, BELOW A DEPTH OF 500 FEET, AS DEDICATED OR RESERVED IN INSTRUMENTS OF RECORD.

APN: 231-521-06; 231-521-07 and 231-521-08

PARCEL 5:

LOT 214 OF TRACT NO. 2012, IN THE CITY OF GARDEN GROVE, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SHOWN ON A MAP RECORDED IN BOOK 55, PAGES 47, 48, AND 49 OF MISCELLANEOUS MAPS, RECORDS OF SAID ORANGE COUNTY.

EXCEPTING ONE HALF OF ALL OIL, GAS, MINERALS, AND HYDROCARBON SUBSTANCES LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE OF SAID LAND, BUT WITHOUT THE RIGHT OF ENTRY UPON ANY PORTION OF THE SURFACE OF SAID LAND FOR THE PURPOSE OF EXPLORING FOR, BORING, EXTRACTING, DRILLING, MINING, PROSPECTING FOR, REMOVING OR MARKETING SAID SUBSTANCES, AS RESERVED IN THE DEED FROM ENEST JAMES SMALL, RECORDED IN JANUARY 14, 1954, IN BOOK 2649, PAGE 103 OF OFFICIAL RECORDS.

ALSO EXCEPTING AN UNDIVIDED ONE-QUARTER OF SAID OIL, GAS, MINERALS, AND HYDROCARBON SUBSTANCES LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE OF SAID LAND BUT WITHOUT THE RIGHT OF ENTRY UPON ANY PORTION OF THE SURFACE OF SAID LAND FOR THE PURPOSE OF EXPLORING FOR, BORING, EXCAVATION, DRILLING, MINING, PROSPECTING FOR, REMOVING OR

EXHIBIT B

-5-

MARKETING SAID SUBSTANCES, AS RESERVED IN THE DEED FROM LAMPSON HOMES, INC., RECORDED JUNE 21, 1955 IN BOOK 3110, PAGE 148 OF OFFICIAL RECORDS.

APN: 231-521-09

PARCEL 6:

LOT 213 OF TRACT NO. 2012, IN THE CITY OF GARDEN GROVE, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SHOWN ON A MAP RECORDED IN BOOK 55, PAGE(S) 47, 48 AND 49 OF MISCELLANEOUS MAPS, RECORDS OF SAID ORANGE COUNTY.

EXCEPTING ONE HALF OF ALL OIL, GAS, MINERALS AND HYDROCARBON SUBSTANCES LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE OF SAID LAND, BUT WITHOUT THE RIGHT OF ENTRY UPON ANY PORTION OF THE SURFACE OF SAID LAND FOR THE PURPOSE OF EXPLORING FOR, BORING, EXTRACTING, DRILLING, MINING, PROSPECTING FOR, REMOVING OR MARKETING SAID SUBSTANCES, AS RESERVED IN THE DEED FROM ERNEST JAMES SMALL, RECORDED JANUARY 14, 1954 IN BOOK 2649, PAGE 103 OF OFFICIAL RECORDS.

~~ALSO EXCEPTING AN UNDIVIDED ONE-QUARTER OF SAID OIL, GAS, MINERALS AND HYDROCARBON SUBSTANCES LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE OF SAID LAND BUT WITHOUT THE RIGHT OF ENTRY UPON ANY PORTION OF THE SURFACE OF SAID LAND FOR THE PURPOSE OF EXPLORING FOR, BORING, EXCAVATION, DRILLING, MINING, PROSPECTING FOR, REMOVING OR MARKETING SAID SUBSTANCES, AS RESERVED IN THE DEED FROM LAMPSON HOMES, INC., RECORDED AUGUST 5, 1954 IN BOOK 2785, PAGE 534 OF OFFICIAL RECORDS.~~

APN: 231-521-10

PARCEL 7:

THAT PARCEL IDENTIFIED AS ASSESSOR'S PARCEL NUMBER 231-491-18 ON THE SITE PLAN, BEING A PORTION OF LOT 7 IN TRACT NO. 2782, AS PER MAP RECORDED IN BOOK 89, PAGES 24 AND 25 OF MISCELLANEOUS MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY. AS OF THE DATE OF THIS AGREEMENT, THE PRECISE LEGAL DESCRIPTION FOR THIS PARCEL WAS NOT AVAILABLE. UPON WRITTEN APPROVAL OF BOTH CITY AND DEVELOPER, THE PRECISE LEGAL DESCRIPTION SHALL BE AUTOMATICALLY SUBSTITUTED FOR THIS DESCRIPTION.

APN: 231-491-18

PARCEL 8:

REAL PROPERTY IN THE CITY OF GARDEN GROVE, COUNTY OF ORANGE, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

EXHIBIT B

-6-

PARCEL 8A:

LOT 8 OF TRACT NO. 2782, AS PER MAP RECORDED IN BOOK 89, PAGES 24 AND 25 OF MISCELLANEOUS MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THE WESTERLY 65.75 FEET THEREOF.

PARCEL 8B:

THE WESTERLY 65.75 FEET OF LOT 8 OF TRACT NO. 2782, AS PER MAP RECORDED IN BOOK 89, PAGES 24 AND 25 OF MISCELLANEOUS MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 231-491-12 and 231-491-19

THIRD PARTY PROPERTY

Real property in the City of Garden Grove, County of Orange, State of California, described as follows:

THE NORTH 129.44 FEET OF THE SOUTH 258.88 FEET OF THE WEST HALF OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 34, TOWNSHIP 4 SOUTH, RANGE 10 WEST, SAN BERNARDINO BASE AND MERIDIAN, COUNTY OF ORANGE, STATE OF CALIFORNIA.

APN 231-491-21

EXHIBIT B

-7-

EXHIBIT C

SCOPE OF DEVELOPMENT

Unless otherwise specified herein, all capitalized terms in the Scope of Development shall have the meaning(s) set forth for the same in the Grove District Resort Hotel Development Agreement (RHDA) to which this Scope of Development is attached.

I. DEVELOPER IMPROVEMENTS

A. Retail/Restaurant/Entertainment

The following shall be the sole cost and expense of the Developer:

1. The Developer shall construct on the Site the Retail/Restaurant/Entertainment Component(s) consisting of a minimum of five thousand (5,000) and a maximum of sixty-five thousand (65,000) square feet of gross leaseable area and required parking (subject to Parking Structures). Those retail, restaurant and entertainment uses listed on Exhibit L to the RHDA shall be considered the City pre-approved list of Retail/Restaurant/Entertainment uses. The Developer, from time to time, may submit additional lists of possible retail, restaurant and entertainment uses for City review and approval, which shall not be unreasonably withheld.

The design and architecture of the improvements for the retail, restaurant, and entertainment uses shall follow the City's General Plan, the Land Use Approvals, the Governmental Requirements, and all other requirements and provisions of the RHDA, as applicable.

B. Hotels

The following shall be the sole cost and expense of the Developer:

1. The Developer shall construct an Upper Upscale Hotel of at least "upper upscale" quality, which contains no less than three hundred (300) rooms and not less than ten thousand (10,000) square feet of event/meeting space. Each Upper Upscale Hotel shall also include required parking, as well as a central lobby, full-service/specialty restaurant (with room service), cocktail bar, spa, gift shop(s), business center, fitness center, and concierge service consistent in quality with those hotels included on the list of Pre-Approved Upper-Upscale Flag(s)/Operator(s) (Exhibit L). Those Upper-Upscale Hotels listed on Exhibit L to the RHDA shall be considered the pre-approved list of Upper Upscale Flag(s)/Operator(s). The Developer, from time to time, may submit additional lists of possible Upper Upscale Flags/Operators for City review and approval, which shall not be unreasonably withheld.

EXHIBIT C

-1-

All Upper Upscale Hotel guest rooms shall range in size from 300 gross square feet to over 400 gross square feet. All rooms will include flat screen TV's and high speed internet access, and other standard items such as alarm clocks, hair dryers, irons and ironing boards. A limited number of larger suites will provide separate bedrooms, private bathrooms, and separate seating/living areas. There will also be suites with king beds, flat screen televisions and wireless internet access.

The Developer shall construct up to two (2) Additional Hotels of at least "midscale" quality, which, in the aggregate, contain no less than two hundred fifty (250) rooms and which, separately, contain no less than one hundred twenty-five (125) rooms each. Each Additional Hotel shall also include required parking, as well as a central lobby, business center, and fitness center consistent in quality with those hotels include on the list of Pre-Approved Additional Flag(s)/Operator(s) (Exhibit L). Those Additional Hotels listed on Exhibit L to the RHDA shall be considered the pre-approved list of Additional Hotel Flag(s)/Operator(s). The Developer, from time to time, may submit additional lists of possible Additional Hotel Flag(s)/Operator(s) for City review and approval, which shall not be unreasonably withheld.

All Additional Hotel guest rooms range in size from 300 gross square feet to over 400 gross square feet. All rooms will include flat screen TV's and high speed internet access, and other standard items such as alarm clocks, hair dryers, irons and ironing boards.

The design and architecture of the Hotels shall comply with the City's General Plan, the Land Use Approvals, the Governmental Requirements, and the all other requirements and provisions of the RHDA, as applicable, and shall be consistent with the cost estimates for construction provided in the Developer's Pro Forma, the Basic Concept and Design Development Drawings and the Construction Plans and Drawings. Particular attention shall be paid to massing, scale, color, and materials.

In addition to the minimum standards for the Hotel(s) associated with the Pre-Approved Additional Flag(s)/Operator(s) and Pre-Approved Upper Upscale Flag(s)/Operator(s), (i) the standards attached hereto as Attachment No. 1 shall also apply to the Upper Upscale Hotel(s), and (ii) notwithstanding anything to the contrary contained in the RHDA or this Exhibit C, (a) the finishes, standards and quality of the Upper Upscale Hotel(s) shall equal or exceed those of the Westin Pasadena as of the date of the RHDA, and (b) the finishes, standards and quality of the Additional Hotel(s) shall equal or exceed those of the Homewood Suites Garden Grove as of the date of the RHDA.

The RHDA and this Scope of Development shall not be interpreted to prohibit the Developer from developing and/or designating all or a portion

EXHIBIT C

of the Upper Upscale Hotel(s) and/or Additional Hotel(s) as a Vacation Ownership Resort (Timeshare) project, provided that (i) any such development and/or designation of all or a portion of the Hotel(s) as a Vacation Ownership Resort (Timeshare) project is consistent with the Land Use Approvals and applicable Governmental Requirements, and (ii) the City and the Developer reach an agreement acceptable to the City, in its sole and absolute discretion, providing for payment by Developer to City of an amount approximately equivalent to the amount of Transient Occupancy Tax Revenues, if any, that would be collected by City if such portion of the Hotel(s) was not developed and/or designated as a Vacation Ownership Resort (Timeshare) project.

2. In lieu of the combination of one Upper Upscale Hotel and up to two Additional Hotels described in Section I(B)(1) above, Developer may, in the alternative, elect to develop, in a manner consistent with the Land Use Approvals, (a) either, a single, larger, Upper Upscale Hotel, or a combination of multiple Upper Upscale Hotels, which, in the aggregate, contain no less than four hundred fifty (450) rooms, not less than fifteen thousand (15,000) square feet of meeting space, and at least two full-service restaurants, and which otherwise satisfy the hotel furniture, fixture and equipment and amenity standards for an Upper Upscale Hotel set forth in Section I(B)(1); and (b) at the Developer's option, one (1) or more Additional Hotels, which otherwise satisfy the hotel furniture, fixture and equipment and amenity standards for an Additional Hotel set forth in Section I(B)(1). The Developer expressly acknowledges and agrees that any and all Additional Land Use Approvals necessary for the development of the Hotels described in the foregoing alternative, including, without limitation, all additional environmental review, if any, determined by City to be required pursuant to the California Environmental Quality Act ("CEQA"), shall be secured at the Developer's sole cost and expense within the time periods set forth in the Schedule of Performance, and shall be subject to the discretionary approval of the City, acting in its municipal capacity and exercising its police powers.

C. Parking Structures

The following shall be the sole cost and expense of the Developer, except to the extent otherwise funded through CFD Financing pursuant to Section 301.3 of the RHDA:

1. The Developer shall construct, maintain and operate the Parking Structures as shown on the Conceptual Site Plan and/or any subsequent Additional Land Use Approvals approved by the City.

The vehicular entry points to the Parking Structures shall be located as shown on the Conceptual Site Plan and/or any subsequent Additional Land Use Approvals approved by the City.

EXHIBIT C

The Parking Structures shall be designed for ease of operations and patron convenience with one-way traffic lanes, angled parking stalls, no parking on ramps, two lanes of continuous vertical traffic flow, and separated inbound/outbound lanes.

D. Site Improvements

The following shall be the sole cost and expense of the Developer:

1. The Developer shall construct all improvements from the back of the curb face, including sidewalks, driveways, street lights, pedestrian light standards, signs, parkway landscape (but excluding traffic or pedestrian or traffic signal poles which are the responsibility of the City). All such improvements shall be constructed in accordance with the Harbor Boulevard Streetscape Improvement Plan, the Land Use Approvals, and the Governmental Requirements. Improvements include the east side of Harbor Boulevard from the most south boundary portion of the Site to the most north boundary portion of the Site.

E. Tentative and Final Map

Except as otherwise expressly provided below and in the RHDA, the Developer shall, at the sole cost and expense of the Developer, apply for and obtain any and all Additional Land Use approvals required in connection with the construction and operation of the Project, including, without limitation, a tentative and final Subdivision Map for the Site. Notwithstanding the foregoing sentence, provided the final proposed Project is substantially consistent with the Conceptual Site Plan, City shall pay for the costs associated with preparation of the tentative and final Subdivision Map. In the event the final proposed Project is not substantially consistent with the Conceptual Site Plan, the Developer shall be responsible for all costs and expenses associated with preparation of the tentative and final Subdivision Map.

II. CITY IMPROVEMENTS

The following shall be the sole cost and expense of the City:

1. Relocation of all occupants of the Site in compliance with all applicable federal, state and local laws and regulations concerning displacement and relocation, as applicable;
2. The demolition and removal of all existing structures and improvements, including foundations, and, subject to and as provided in Section 204, remediation of any Hazardous Materials on the City Property and the Agency Property, the proper disposal and mitigation of lead-based paint, asbestos and other environmental hazards pursuant to the requirements of the Department of Health Services in compliance with all applicable federal, state and local laws and

EXHIBIT C

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regulations with respect to demolition and/or disposal and mitigation as described above; and

3. Installation and completion of all Offsite Infrastructure (i.e., the traffic signal and raised median improvements described in Performance Standards Nos. 8 and 9, respectively, of the PUD, and such other public improvements required to be constructed and/or installed in the public right-of-way pursuant to the Land Use Approvals, but excluding any sidewalks, driveways, street lights, pedestrian light standards, signs, parkway landscaping, and/or other improvements to be constructed from the back of the curb face by Developer, including any required environmental mitigation measures directly related to the construction and/or installation of such public improvements).

III. ARCHITECTURE AND DESIGN

A. Building Design

The following shall be the sole cost and expense of the Developer:

1. The Developer shall develop construction plans and design documents, which shall be developed in compliance with the Land Use Approvals. ~~The architecture is expected to create a unique identity with a cohesive, integrated architectural style that complements the surrounding developments.~~ Particular attention shall be paid to massing, scale, color, and materials in order to articulate the buildings elevations. The elevations shall, to extent as possible, avoid flat or one-dimensional elevations. Architectural attention shall be given to the main entrance/lobby of the Hotel(s), which shall include a porte-cochere that complements the main building.

B. Building Service, Project Traffic and Management

The following shall be the sole cost and expense of the Developer:

1. The Developer shall develop a building service, project traffic and management plan. The plan shall be included within the Declaration and shall, at a minimum, include the following:
 - (a) A service plan that includes general times for deliveries, trash collection, street cleaning and the agreed upon routing for such service-vehicles. This plan shall include routing and stopping for patron drop-off and small service-vehicles including mail, overnight delivery and messengers as well as conference facility deliveries. This plan shall also include routing and marked areas for emergency services.
 - (b) A traffic plan that includes the Developer's commitment to pay for traffic control officers at the entrances to the Parking Structure(s)

EXHIBIT C

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during holiday peak periods and for special events that are expected to generate large volumes of traffic.

- (c) A maintenance and management plan that includes cleaning and refuse policing, no visibility into service areas from public streets, degreasing and deodorizing (particularly for the service, trash and garbage areas), re-stripping, re-painting, re-lighting, drainage cleaning, signage, graffiti management and security.
- (d) Repair and maintenance of the Project in accordance with Section 301.1 of the RHDA.

C. Landscaping

All areas of the Site that are not used for buildings, sidewalks, driveways or other hardscape improvements shall be landscaped in accordance with the Land Use Approvals and a landscaping plan to be approved by the City. The Developer, at its sole cost and expense, shall be responsible for all these areas. Landscaping shall consist of ground cover, trees, potted plants, and fountains, pools, or other water features, if applicable. A permanent automatic water sprinkler system shall be provided in all landscaped areas as required for adequate coverage/maintenance.

D. Refuse

Refuse areas shall be provided in accordance with the requirements of the Land Use Approvals.

E. Signs

The following shall be the sole cost and expense of the Developer:

1. The Developer shall develop a sign program. The Project shall have a comprehensive graphics/logos and sign program that shall govern the entire Project; all signs shall conform as to location, size, shape, illumination system, cabinet and copy face colors, letter style, shall be complementary to the overall architectural theme, and comply with the high standards of Underwriter Laboratories. The sign program must be approved by the City.

F. Utilities

The following shall be the sole cost and expense of the Developer:

The Developer shall be responsible for utility installations for the Project and hookups to public utility lines. All utility service for the Project shall be installed underground or concealed within buildings and any mechanical, electrical, fire

sprinkler or plumbing equipment that may be at ground level shall be aesthetically screened except where not permitted by the Garden Grove Municipal Code.

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ATTACHMENT NO. 1

UPPER UPSCALE HOTEL STANDARDS

Upper Upscale Hotel Prototype Summary

Cast in place concrete or steel frame construction

Program room mix - to be determined after significant market analysis and research with specificity to the Anaheim Resort Areas market needs

Swimming pool with spa

Exterior sun deck

Hotel Workout area

Porte-cochere sized to accommodate multiple vehicles

Efficient layout with a cost effective FTE requirement

Linen chute

In house food and beverage operations

In and/or Out of House Laundry operations

Upper-Upscale Hotel Executive Club Lounge, if applicable

Elevators - 3 guest, 1 service; all traction with a gearless upgrade option

Public Area Features

Full designed Urban Bar & Eatery concept for the food and beverage outlets

Flexible private dining area

Outlet seating; Eatery - 82 / Bar - 37, exact seating based upon market demand

Wireless high speed internet access throughout all public and function space

Free standing front desk POD design

Movable partitions with a 54 STC rating

Separate function space arrival area

Meeting space minimum pursuant to scope of work, divisible into independent rooms, full serviced

ATTACHMENT NO. 1

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Pre-function space as required including exterior pre-function area

Audio/Visual system

Full designed, FF&E specified, sourced and priced

Self-service sundry/business center area adjoining the front desk

Upper-Upscale Hotel's express checkout service

Guestroom Features

The Upper-Upscale Hotel Bed in accordance with Flag specified bed

Mixture of Large, three and four-fixture Baths

Upper-Upscale Hotel designed model room

Guestroom HVAC - 2-pipe specified with a 4-pipe option and digital wall thermostats

Two, two-line phone handsets and High Speed Internet Access

Large flat panel LCD television

Pay per view movie system

In room refreshment center

In room safe

Upper-Upscale Hotel Green Program

Electronic card key locks

Full designed, FF&E specified, sourced and priced

Upper-Upscale Hotel brand standard OS&E; specified, sourced and priced

EXHIBIT D

SCHEDULE OF PERFORMANCE – CONDENSED SCHEDULE

PERFORMANCE ITEM	DATE
1. City and Developer execute RHDA.	On or before April 15, 2013.
2. City and Developer open Escrow.	Within thirty (30) days after Date of Agreement.
3. City accepts conveyance of fee title to all Agency Property.	On or before September 1, 2013.*
4. Developer completes its Site Investigation pursuant to Section 204.	On or before the Due Diligence Date.
5. Developer notifies City of election of whether to include Third Party Property in Project and add to Site and, if applicable, provides City with evidence of acquisition of necessary interest in Third Party Property.	On or before January 1, 2014.
6. Developer submits completed application for tentative Subdivision Map, Development Agreement, and other necessary or desired Land Use Approvals.	On or before January 1, 2014.
7. City approves, conditionally approves or rejects tentative Subdivision Map, Development Agreement, and other necessary or desired discretionary Additional Land Use Approvals.	On or before May 1, 2014.
8. City and Developer agree in writing which Hotels constitute Upper Upscale Hotel(s) and Additional Hotel(s), respectively.	On or before October 1, 2014.

* If the City has not acquired fee title to all of the Agency Property by such date, then each subsequent date set forth in this Schedule of Performance will be extended on a day-for-day basis for each day after September 1, 2013 through and including the date upon which City acquires fee title to all of the Agency Property.

EXHIBIT D

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	PERFORMANCE ITEM	DATE
9.	Developer submits and obtains City approval of the identity of the Hotel Operators, Franchisors, and Franchise Agreements and Developer executes the approved Franchise Agreements.	On or before October 1, 2014.
10.	Developer submits and obtains City approval of Construction Drawings.	On or before February 1, 2015.
11.	Developer obtains necessary commitments for issuance of building permits and other similar required non-discretionary Land Use Approvals.	On or before March 1, 2015.
12.	Developer provides evidence of financing.	On or before May 15, 2015.
13.	City completes demolition, Site clearance and remediation, if applicable, pursuant to Paragraph II.1. of the Scope of Development	On or before August 15, 2015.
14.	Developer and City Close Escrow and Developer commences grading.	On or before September 1, 2015. ¹
15.	Construction Commencement Date.	On or before September 1, 2015.
16.	Offsite Infrastructure Completed by City	Concurrently with completion of the Developer Improvements.
17.	Developer Completes Construction of the Developer Improvements	Within twenty six (26) months after Close of Escrow.

¹ Although the outside date for the Closing of September 1, 2015, may not be extended for the events described in Section 602, the Closing may be extended until March 1, 2016 provided that, as of September 1, 2015, the Franchise Agreement for the Upper Upscale Hotel is still operative and neither the Developer nor the Franchisor is in breach or default thereunder. The Closing may also be extended until September 1, 2016 if on March 1, 2016, the Franchise Agreement for the Upper Upscale Hotel is still operative and neither the Developer nor Franchisor is in breach or default thereunder.

EXHIBIT D

EXHIBIT E

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (the "Assignment") is hereby made as of _____, 20____, by and between _____, a _____ ("____"), and _____, a _____ ("Assignee").

RECITALS

A. Assignor and the City of Garden Grove (the "City") have entered a Grove District Resort Hotel Development Agreement dated _____, 2013 (the "RHDA"). Pursuant to the RHDA, the City agreed to convey [or conveyed] to the Assignor a parcel of real property referred to in the RHDA as the "Site," and the Assignor agreed to construct [among other things] _____ thereon.

B. Assignor and Assignee desire to provide by this Assignment for Assignor to assign to Assignee all of its rights and obligations under the RHDA [with respect to the portion of the Site described on Exhibit "A" hereto] and for Assignee to accept such assignment and assume all rights and obligations thereunder [with respect to such portion of the Site].

C. Pursuant to Section 103 of the RHDA, City approval of a Transfer of Assignor's interest in the Agreement is required in connection with the construction of _____.

D. The parties also desire for City to consent to such assignment and assumption, and acknowledge that such assignment and assumption is permitted pursuant to Section 103 of the RHDA.

NOW, THEREFORE, Assignor and Assignee hereby agree as follows:

1. **Assignment and Assumption.** Assignor hereby assigns to Assignee all of its right, title and interest in and to the RHDA [with respect to the portion of the Site described on Exhibit "A" hereto], and Assignee hereby accepts such assignment and assumes performance of all terms, covenants and conditions on the part of Assignor to be performed, occurring or arising under the RHDA [with respect to such portion of the Site], from and after the date hereof with respect to _____. From and after the date hereof, Assignor shall be released from and have no further obligations under the RHDA [with respect to such portion of the Site], excluding actual claims of Default which City made against Assignor in writing prior to the date hereof, the responsibility for which claims have not been assumed by Assignee.

2. **Successors and Assigns.** This Assignment shall be binding upon and shall inure to the benefit of Assignor and Assignee, their respective successors and assigns and City as third party beneficiary hereof.

EXHIBIT E

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3. **Governing Law.** This Assignment has been entered into, is to be performed entirely within, and shall be governed by and construed in accordance with the laws of the State of California.

4. **Further Assurances.** Each party hereto covenants and agrees to perform all acts and things, and to prepare, execute, and deliver such written agreements, documents, and instruments as may be reasonably necessary to carry out the terms and provisions of this Assignment.

NOW, THEREFORE, the parties hereto have executed this Assignment as of the date set forth above.

ASSIGNOR:

_____,
a _____

By: _____

Its: _____

By: _____

Its: _____

ASSIGNEE:

_____, a

By: _____

Its: _____

EXHIBIT E

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CONSENT OF CITY TO ASSIGNMENT

City hereby acknowledges and consents to the above assignment, and releases Assignor from any further liability under the RHDA, except in Assignor's capacity as a member of Assignee.

CITY OF GARDEN GROVE,
a municipal corporation

By: _____

ATTEST:

City Clerk

EXHIBIT E

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EXHIBIT F

GRANT DEED

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO
AND SEND TAX STATEMENTS TO:
City of Garden Grove
11222 Acacia Parkway
Garden Grove, California 92840
Attention: City Manager

This document is exempt from the payment of a recording fee pursuant to Government Code Section 6103 and 27383.

GRANT DEED

For valuable consideration, receipt of which is hereby acknowledged,

The CITY OF GARDEN GROVE, a municipal corporation (the "Grantor") hereby grants to LAND & DESIGN, INC., a California corporation (the "Grantee"), the real property described in Exhibit A attached hereto and incorporated herein (the "Property"), subject to existing easements, restrictions and covenants of record and further subject to the provisions of this Grant Deed set forth below.

1. **Reservation of Mineral Rights.** Grantor excepts and reserves from the conveyance herein described all interest of the Grantor in oil, gas, hydrocarbon substances and minerals of every kind and character lying more than five hundred (500) feet below the surface, together with the right to drill into, through, and to use and occupy all parts of the property lying more than five hundred (500) feet below the surface thereof for any and all purposes incidental to the exploration for and production of oil, gas, hydrocarbon substances or minerals from said property or other lands, but without, however, any right to use either the surface of the Property or any portion thereof within five hundred (500) feet of the surface for any purpose or purposes whatsoever, or to use the property in such a manner as to create a disturbance to the use or enjoyment of the Property.

2. **Conveyance in Accordance with Grove District Resort Hotel Development Agreement.** The Grantor's grant of the Property to the Grantee is made in accordance with and subject to that certain Grove District Resort Hotel Development Agreement, dated _____, 2013, by and between Grantor and Grantee (the "Resort Hotel Development Agreement"), which is incorporated herein by reference. The Resort Hotel Development Agreement generally requires the Grantee to construct certain Hotels, Parking Structures, and a Retail/Restaurant/Entertainment Component (collectively, the "Developer Improvements") as more particularly described in the Resort Hotel Development Agreement and to operate and maintain such Developer Improvements in accordance with the requirements set forth therein for

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the Applicable Covenants Consideration Period. All capitalized terms not herein defined shall have the meanings defined in the Resort Hotel Development Agreement.

3. Permitted Uses. The Grantee covenants and agrees for itself, its successors, its assigns, and every successor in interest to the Property or any part thereof, that the Grantee shall develop, use, operate, and maintain the Property and the Development Improvements thereon in accordance with the Resort Hotel Development Agreement for the periods of time specified therein. The foregoing covenants shall run with the land.

4. Restrictions on Transfer. The Grantee further agrees as follows:

(A) For the period commencing upon the date of this Grant Deed and until expiration of the Applicable Covenants Consideration Period, no voluntary or involuntary successor in interest of the Grantee shall acquire any rights or powers under the Resort Hotel Development Agreement or this Grant Deed, nor shall the Grantee make any total or partial sale, transfer, conveyance, assignment, subdivision, financing, refinancing, lease, sublease, or license of the whole or any part of the Property without the prior written approval of the Grantor pursuant to Sections 103.1 and 103.3 of the Resort Hotel Development Agreement, except for a Permitted Transfer pursuant to Section 102 of the Resort Hotel Agreement. The Grantee further agrees that any right to transfer is subject to the provisions of this Grant Deed.

(B) Except with respect to Permitted Transfer pursuant to Section 103.2 of the Resort Hotel Agreement, prior to recordation of the final Release of Construction Covenants with respect to the Property, or applicable portion thereof, the Developer shall not place or suffer to be placed on the Property, or any portion thereof, any lien or encumbrance other than mortgages, deeds of trust, or other forms of conveyance required for the Construction Financing, unless approved in writing by the Grantor, in its sole and absolute discretion.

5. Grantor Right of Reentry.

(A) In accordance with Section 503 of the Resort Hotel Development Agreement, the Grantor has the right, at its election, to reenter and take possession of the Property, with all improvements thereon, and terminate and Revest in the Grantor the estate conveyed to the Grantee if after the Close of Escrow and prior to the issuance of the final Release of Construction Covenants with respect to the Property, or applicable portion thereof, the Grantee (or its successors in interest) shall:

(1) fail to start the construction of the Project as required by the Resort Hotel Development Agreement for a period of ninety (90) days after written notice thereof from the City; or

(2) abandon or substantially suspend construction of the Project required by the Resort Hotel Development Agreement for a period of ninety (90) days after written notice thereof from the Grantor; or

(3) contrary to the provisions of Sections 101 or 103 of the Resort Hotel Development Agreement, Transfer or suffer any involuntary Transfer in violation of the same,

EXHIBIT F

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and such Transfer, if it is a Transfer requiring approval by the Grantor, is not rescinded within thirty (30) days of Notice thereof from the Grantor to the Grantee.

(B) Such right to reenter, terminate and Revest is subject to the quiet enjoyment, and, if applicable, the right to continue to complete construction by (i) Tenants or other occupants who have (a) executed leases or subleases and (b) incurred substantial expenses in connection with the design and/or construction of improvements required to be constructed by such Tenant under such lease or sublease and (ii) a Holder, in the case where the Developer is in Default and, *vis à vis* a Holder, shall be exercisable only if:

(1) Such Holder (or its Nominee) (a) shall have failed to cure any Default within the applicable cure periods granted to such Holder (or its Nominee), or (b) shall have given City written notice that it will not cure any such Default or condition or that it will otherwise not comply with the terms and conditions of this Agreement, and

(2) The Grantor, within ninety (90) days after the occurrence of any events described in subparagraph (1) immediately above, shall commence the exercise of its right of entry and shall pay to Holder (or its Nominee) in immediately available funds, the Loan Balance prior to Revesting.

In the event of a failure or refusal to cure a Default, as described in subparagraph (b)(1), above, Grantor's sole remedy *vis à vis* Holder shall be the exercise of the re-entry right and Revesting in accordance herewith.

The conditions to the commencement of the exercise of the Grantor's right to re-enter and Revest as described above shall be applicable whether the re-entry and Revesting occurs (a) prior to foreclosure (or deed in lieu of foreclosure) by the Holder (or its Nominee) under its mortgage or deed of trust; or (b) after Holder (or its Nominee) acquires title to the Property by foreclosure (or deed-in-lieu of foreclosure) under its mortgage or deed of trust.

(C) Upon the revesting in the Grantor of title to the Property, as provided in this section, the Grantor shall use its reasonable efforts to resell the Property as soon and in such manner as the Grantor shall find feasible and consistent with the Resort Hotel Development Agreement and the Scope of Development to a qualified and responsible party or parties (as determined by the Grantor) who will assume the obligation of constructing or completing the Developer Improvements, or such improvements in their stead as shall be satisfactory to the Grantor and in accordance with the Scope of Development. The Grantee acknowledges that there may be substantial delays experienced by the Grantor if the Grantor must remarket the same for operation of a conference hotel following the revesting of the same in the Grantor. Upon such resale of the Property, the net proceeds thereof shall be applied:

(i) First, to reimburse the Grantor all costs and expenses incurred by the Grantor, excluding in-house Grantor staff costs, but specifically, including, but not limited to, any expenditures by the Grantor in connection with the recapture, management and resale of the Property or part thereof (but less any income derived by the Grantor from the Property or part thereof in connection with such management); all taxes, assessments and water or sewer charges

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with respect to the Property or part thereof which the Grantee has not paid (or, in the event that the Property is exempt from taxation or assessment of such charges during the period of ownership thereof by the Grantor, an amount, if paid, equal to such taxes, assessments, or charges as would have been payable if the Property were not so exempt); any payments made or necessary to be made to discharge any encumbrances or liens existing on the Property or part thereof at the time or re-vesting of title thereto in the Grantor, or to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults or acts of the Grantee, its successors or transferees; any expenditures made or obligations incurred with respect to the making or completion of the improvements or any part thereof on the Property, or part thereof; and any amounts otherwise owing the Grantor; and, in the event additional proceeds are thereafter available, then

(ii) Second, to reimburse the Grantee, its successor or transferee, up to the amount equal to the sum of (a) actual and direct third party costs incurred by the Grantee for the Developer Improvements existing on the Property at the time of the re-entry and possession, less (b) any gains or net income received by the Grantee from the Property, or the improvements thereon.

(iii) Any balance remaining after such reimbursements shall be retained by the Grantor as its property. The rights established in this section are not intended to be exclusive of any other right, power or remedy, but each and every such right, power, and remedy shall be cumulative and concurrent and shall be in addition to any other right, power and remedy authorized herein or in the Resort Hotel Development Agreement or now or hereafter existing at law or in equity. These rights are to be interpreted in light of the fact that the Grantor will have conveyed the Property and provided other financial assistance to the Grantee for development of a high quality hotel project, particularly for development and operation of the Project, and not for speculation in undeveloped land.

6. Nondiscrimination.

(A) The Grantee covenants by and for itself and any successors in interest that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, physical or mental disability or medical condition, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Developer Improvements or the Property, nor shall the Grantee itself or any person claiming under or through it establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the Project or the Property. The foregoing covenants shall run with the land.

(B) All deeds, leases or contracts with respect to the Project or the Property shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

(i) In deeds: "The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through

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them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, 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 practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land."

"Notwithstanding the immediately preceding paragraph, with respect to familial status, the immediately preceding paragraph shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in the immediately preceding paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to the immediately preceding paragraph."

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

"That there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the premises herein leased."

"Notwithstanding the immediately preceding paragraph, with respect to familial status, the immediately preceding paragraph shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in the immediately preceding paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the

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Government Code shall apply to the immediately preceding paragraph."

(iii) In contracts: "There shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises which are the subject of this Agreement, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land."

The Covenants against discrimination set forth in this Section 6 shall continue in effect in perpetuity.

7. Violations Do Not Impair Liens. No violation or breach of the covenants, conditions, restrictions, provisions or limitations contained in this Grant Deed shall defeat or render invalid or in any way impair the lien or charge of any mortgage or deed of trust or security interest permitted by this Grant Deed or the Resort Hotel Development Agreement; provided, however, that any subsequent owner of the Property shall be bound by such remaining covenants, conditions, restrictions, limitations and provisions, whether such owner's title was acquired by foreclosure, deed in lieu of foreclosure, trustee's sale or otherwise.

8. Grant Deed Binding on Successors and Assigns. All of the terms, covenants and conditions of this Grant Deed shall be binding upon the Grantee and the permitted successors and assigns of the Grantee. Whenever the term "Grantee" is used in this Grant Deed, such term shall include any other permitted successors and assigns as herein provided.

9. Covenants Run With Land. All covenants contained in this Grant Deed shall be covenants running with the land.

10. Covenants For Benefit of Grantor. All covenants without regard to technical classification or designation shall be binding for the benefit of the Grantor, and such covenants shall run in favor of the Grantor for the entire period during which such covenants shall be in force and effect, without regard to whether the Grantor is or remains an owner of any land or interest therein to which such covenants relate. The Grantor, in the event of any breach of any such covenants, shall have the right to exercise all the rights and remedies and to maintain any actions at law or suits in equity or other proper proceedings to enforce the curing of such breach.

11. Revisions to Grant Deed. Both Grantor, its successors and assigns, and Grantee and the successors and assigns of Grantee in and to all or any part of the fee title to the Property shall have the right with the mutual consent of the Grantor to consent and agree to changes in, or to eliminate in whole or in part, any of the covenants, easements or restrictions contained in this Grant Deed without the consent of any tenant, lessee, easement holder, licensee, mortgagee,

EXHIBIT F

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trustee, beneficiary under a deed of trust or any other person or entity having any interest less than a fee in the Property. However, Grantee and Grantor are obligated to give written notice to and obtain the consent of any first mortgagee prior to consent or agreement between the parties concerning such changes to this Grant Deed.

IN WITNESS WHEREOF, the Grantor and Grantee have caused this instrument to be executed on their behalf by their respective officers hereunto duly authorized, this ____ day of _____, 201__.

GRANTOR:
CITY OF GARDEN GROVE,
a municipal corporation

Dated: _____, 201__ By: _____
City Manager

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

The undersigned Grantee accepts title subject to the covenants hereinabove set forth.

GRANTEE:

LAND & DESIGN, INC., a California corporation

Dated: _____, 201__ By: _____
Its: _____

Dated: _____, 201__ By: _____
Its: _____

EXHIBIT F

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STATE OF CALIFORNIA)
)
COUNTY OF ORANGE) ss.

On _____ before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose names(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 OF NOTARY PUBLIC

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE) ss.

On _____ before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose names(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 OF NOTARY PUBLIC

EXHIBIT G

RELEASE OF CONSTRUCTION COVENANTS

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

_____, California _____
Attention: _____

This document is exempt from the payment of a recording fee pursuant to Government Code Section 27383.

RELEASE OF CONSTRUCTION COVENANTS

This RELEASE OF CONSTRUCTION COVENANTS (the "Release") is made by the CITY OF GARDEN GROVE, a municipal corporation (the "City"), in favor of _____, a _____ (the "Developer"), as of the date set forth below.

RECITALS

A. The City and the Developer have entered into that certain Grove District Resort Hotel Development Agreement dated _____ (the "RHDA") concerning the redevelopment of certain real property situated in the City of Garden Grove, California as more fully described in Exhibit "A" attached hereto and made a part hereof.

B. As referenced in Section 310 of the RHDA, the City is required to furnish the Developer or its successors with a Release of Construction Covenants (as defined in Section 100 of the RHDA) upon completion of construction of the Developer Improvements (as defined in Section 100 of the RHDA) or a portion thereof, which Release is required to be in such form as to permit it to be recorded in the Recorder's office of Orange County. This Release is conclusive determination of satisfactory completion of the construction and development required by the RHDA of the Developer Improvements or such portion thereof as described in Exhibit "A" attached hereto and incorporated herein by reference.

C. The City has conclusively determined that such construction and development of that portion of the Developer Improvements described in Exhibit "A" has been satisfactorily completed.

NOW, THEREFORE, the City hereby certifies as follows:

1. Those Developer Improvements described in Exhibit "A" to be constructed by the Developer have been fully and satisfactorily completed in conformance with the RHDA and are free of any claims and/or liens by City. Any operating requirements and all use, maintenance, security or nondiscrimination covenants contained in the RHDA and other documents executed

EXHIBIT G

and recorded pursuant to the RHDA shall remain in effect and enforceable according to their terms.

2. Nothing contained in this instrument shall modify in any other way any other provisions of the RHDA.

IN WITNESS WHEREOF, the City has executed this Release this _____ day of _____, 20____.

CITY:

CITY OF GARDEN GROVE, a municipal corporation

Dated: _____

By: _____
City Manager

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

DEVELOPER

a _____

Dated: _____

By: _____
Its: _____

Dated: _____

By: _____
Its: _____

EXHIBIT G

-2-

and recorded pursuant to the RHDA shall remain in effect and enforceable according to their terms.

2. Nothing contained in this instrument shall modify in any other way any other provisions of the RHDA.

IN WITNESS WHEREOF, the City has executed this Release this ____ day of _____, 20__.

CITY:

CITY OF GARDEN GROVE, a municipal corporation

Dated: _____

By: _____
City Manager

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

DEVELOPER

a _____

Dated: _____

By: _____
Its: _____

Dated: _____

By: _____
Its: _____

EXHIBIT G

-2-

STATE OF CALIFORNIA)
) ss.
COUNTY OF _____)

On _____ before me, _____, Notary
Public, personally appeared _____,
who proved to me on the basis of satisfactory evidence to be the person(s) whose names(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 OF NOTARY PUBLIC

STATE OF CALIFORNIA)
) ss.
COUNTY OF _____)

On _____ before me, _____, Notary
Public, personally appeared _____,
who proved to me on the basis of satisfactory evidence to be the person(s) whose names(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 OF NOTARY PUBLIC

EXHIBIT G

-4-

EXHIBIT H

RIGHT OF ENTRY AGREEMENT

This RIGHT OF ENTRY AGREEMENT (the "Agreement") is entered into _____, 20__, by and between LAND & DESIGN, INC., a California corporation ("GRANTEE") and the CITY OF GARDEN GROVE, a municipal corporation ("GRANTOR").

RECITALS

A. GRANTOR, as "City," and GRANTEE, as "Developer," entered into that certain Grove District Resort Hotel Development Agreement dated _____ (the "RHDA"), pursuant to which the GRANTOR agreed, subject to the fulfillment of the City's Conditions Precedent to convey the Site to the GRANTEE and GRANTEE agreed, subject to Developer's Conditions Precedent, to accept Conveyance of the Site and construct the Developer Improvements thereon. All capitalized terms not defined herein shall have the meaning set forth in the RHDA, unless the context dictates otherwise.

B. GRANTOR currently owns the City Property and is in the process of acquiring the Agency Property. If and to the extent the GRANTOR acquires the Agency Property or is granted the right of entry with respect to the Agency Property such Agency Property shall be deemed to be part of the City Property hereunder.

RIGHT OF ENTRY AGREEMENT

1. Grant of Right of Entry. The GRANTOR hereby grants the GRANTEE, its employees, consultants, contractors, subcontractors, agents, tenants, purchasers, and designees, permission to enter upon the City Property ("Right of Entry") for the purpose of performing or causing to be performed environmental, soils, and/or topographical tests and surveys ("Investigation") and for the purpose of clearing, demolishing and rough grading ("Grading").

2. Termination. This Agreement shall terminate upon the earlier to occur of (i) _____, 20__, (ii) the Closing or (iii) termination of the RHDA, unless otherwise extended by mutual agreement of the parties.

3. Assumption of Risk. GRANTEE enters the City Property and performs or causes to be performed the Investigation, at its own risk and subject to whatever hazards or conditions may exist on the City Property.

4. Condition of City Property Upon Termination of RHDA Prior to Conveyance. If the RHDA and this Agreement are terminated prior to Conveyance (a) in the case of Investigation, GRANTEE shall repair or replace any landscaping, structures, fences, driveways, or other improvements that are removed, damaged, or destroyed by GRANTEE's employees, contractors, subcontractors, agents and designees, and (b) in the case of Grading of the City Property, the GRANTEE shall provide a rough graded level site.

5. Indemnification and hold harmless. GRANTEE shall indemnify, defend and hold harmless the GRANTOR and the City of Garden Grove as Successor Agency to the Garden

EXHIBIT H

-1-

Grove Agency for Community Development, their officers, directors, employees, contractors, subcontractors, agents, and volunteers ("Indemnitees") from any and all claims, suits or actions of every name, kind and description, brought forth on account of injuries to or the death of any person or damage to property arising from or connected with the willful misconduct, negligent acts, errors or omissions, ultra-hazardous activities, activities giving rise to strict liability, or defects in design by the GRANTEE or any person directly or indirectly employed by or acting as agent for GRANTEE in the performance of this Right of Entry, except that such indemnity shall not apply to the extent such matters are caused by the negligence or willful misconduct of the GRANTOR, its officers, agents, employees or volunteers.

It is understood that the duty of GRANTEE to indemnify and hold harmless includes the duty to defend as set forth in Section 2778 of the California Civil Code.

Acceptance of insurance certificates and endorsements required under this Agreement does not relieve GRANTEE from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply whether or not such insurance policies shall have been determined to be applicable to any of such damages or claims for damages.

6. Insurance. During the term of this Agreement, GRANTEE and its contractors, subcontractors and agents shall fully comply with the terms of the law of the State of California concerning worker's compensation and shall provide insurance in accordance with the RHDA.

7. Recording. Neither GRANTOR nor GRANTEE shall record this Agreement.

8. Attorney's Fees. If any legal action or proceeding arising out of or relating to this Agreement is brought by either party to this Agreement, the prevailing party shall be entitled to receive from the other party, in addition to any other relief that may be granted, the reasonable attorneys' fees, costs, and expenses incurred in the action or proceeding by the prevailing party.

9. Notices. All notices required or permitted under the terms of this Agreement shall be in writing and sent to:

To Grantor: City of Garden Grove
11222 Acacia Parkway
Garden Grove, California 92840
Attention: City Manager

with a copy to: Garden Grove City Attorney
11222 Acacia Parkway
Garden Grove, California 92840

To Grantee: Matthew Reid
Land & Design, Inc.
3755 Avocado Boulevard, #516
La Mesa, California 91941

EXHIBIT H

-2-

with a copy to: David Rose
420 McKinley Street, Suite 111
Corona, California 92879

With a copy to: Allen Matkins Leck Gamble Mallory & Natsis LLP
501 West Broadway, 15th Floor
San Diego, California 92101
Attention: Tom Crosbie

10. Time is of the Essence; Entire Agreement. Time is of the essence of the terms and provisions of this Agreement. This Agreement constitutes the entire agreement between GRANTEE and GRANTOR with respect to the matters contained herein, and no alteration, amendment or any part thereof shall be effective unless in writing signed by parties sought to be charged or bound thereby.

11. Assignment. This Agreement shall be assignable as security to GRANTEE's Holder for the purposes and with the limitations set forth herein.

APPROVED BY: GRANTEE
LAND & DESIGN, INC.,
a California corporation

Dated: _____ By: _____
Its: _____

Dated: _____ By: _____
Its: _____

GRANTOR:
CITY OF GARDEN GROVE, a municipal
corporation

Dated: _____ By: _____
Its: _____

EXHIBIT H

EXHIBIT I

PREVAILING WAGE AND PUBLIC WORKS REQUIREMENTS

I. **Developer's Requirements:**

(1) Obtain the prevailing wage rate from the Director of Industrial Relations in accordance with Labor Code Sections 1771 and 1773.

(2) Specify the appropriate prevailing wage rates, in accordance with Labor Code Sections 1773.2 and 1777.5.

(A) The posting requirement is applicable for each job site.

EXCEPTION: If more than one worksite exists on any project, then the applicable rates may be posted at a single location which is readily available to all workers.

(B) If a wage rate for a craft, classification or type of worker is not published in the Director's general prevailing wage determinations, a request for a special determination should be made by the awarding body to Chief, Division of Labor Statistics and Research, P.O. Box 420603, San Francisco, CA 94142, at least 45 days prior to the project bid advertisement date.

(3) Notify the Division of Apprenticeship Standards, Department of Industrial Relations. See Labor Code Section 1773.3.

(4) Inform prime contractors, to the extent feasible, of relevant public work requirements:

NOTE: Requirement information may be disseminated at a pre-acceptance of bid conference or in a call for bids or at an award of bid conference.

The public works requirements are:

(A) the appropriate number of apprentices are on the job site, as set forth in Labor Code Section 1777.5.

(B) workers' compensation coverage, as set forth in Labor Code Sections 1860 and 1861.

(C) keep accurate records of the work performed on public works projects, as set forth in Labor Code Section 1812.

(D) inspection of payroll records pursuant to Labor Code Section 1776, and as set forth in Section 16400 (e) of Title 8 of the California Code of Regulations.

(E) and other requirements imposed by law.

(5) Withhold monies. See Labor Code Section 1727.

EXHIBIT I

-1-

(6) Ensure that public works projects are not split or separated into smaller work orders or projects for the purpose of evading the applicable provisions of Labor Code Section 1771.

(7) Deny the right to bid on public work contracts to contractors or subcontractors who have been debarred from bidding on public works contracts, as set forth in Labor Code Section 1777.7.

(8) Not permit workers on public works to work more than eight hours a day or 40 hours in any one calendar week, unless compensated at not less than time and a half as set forth in Labor Code Section 1815.

EXCEPTION: If the prevailing wage determination requires a higher rate of pay for overtime work than is required under Labor Code Section 1815, then that higher overtime rate must be paid, as specified in subsection 16200(a)(3)(F) of Title 8 of the California Code of Regulations.

(9) Not take or receive any portion of the workers' wages or accept a fee in connection with a public works project, as set forth in Labor Code Sections 1778 and 1779.

(10) Comply with those requirements as specified in Labor Code Sections 1776(g), 1777.5, 1810, 1813, and 1860.

II. Contractor and Subcontractor Requirements.

The contractor and subcontractors shall:

(1) Pay not less than the prevailing wage to all workers, as defined in Section 16000 of Title 8 of the California Code of Regulations, and as set forth in Labor Code Sections 1771 and 1774;

(2) Comply with the provisions of Labor Code Sections 1773.5, 1775, and 1777.5 regarding public works jobsites;

(3) Provide workers' compensation coverage as set forth in Labor Code Section 1861;

(4) Comply with Labor Code Sections 1778 and 1779 regarding receiving a portion of wages or acceptance of a fee;

(5) Maintain and make available for inspection payroll records, as set forth in Labor Code Section 1776;

(6) Pay workers overtime pay, as set forth in Labor Code Section 1815 or as provided in the collective bargaining agreement adopted by the Director of Industrial Relations as set forth in Section 16200 (a) (3) of Title 8 of the California Code of Regulations;

(7) Comply with Section 16101 of Title 8 of the California Code of Regulations regarding discrimination;

EXHIBIT I

-2-

(8) Be subject to provisions of Labor Code Section 1777.7 which specifies the penalties imposed on a contractor who willfully fails to comply with provisions of Section 1777.5;

(9) Comply with those requirements as specified in Labor Code Sections 1810 and 1813; and

(10) Comply with other requirements imposed by law.

EXHIBIT I

-3-

EXHIBIT J
CONCEPTUAL SITE PLAN

EXHIBIT J
-1-

PROJECT SUMMARY

PROJECT SITE 3.2 Acres

REQUIREMENTS

- TOTAL HOTEL ROOMS: 729 ROOMS
- TOTAL GARAGE SPACES: 1,337 SPACES
- TOTAL LANDSCAPING AREA: 45,496 SF (1.14 Acres)
- TOTAL CIRCULATION - PARKING AREA: 81,138 SF (1.86 Acres)

PLANNING BUILDING HEIGHTS

- Hotel Tower: 120' 0"
- Hotel Annex: 100' 0"
- Hotel Restaurant: 100' 0"
- Hotel Parking: 100' 0"
- Hotel Office: 100' 0"
- Hotel Retail: 100' 0"
- Hotel Restaurant: 100' 0"
- Hotel Parking: 100' 0"
- Hotel Office: 100' 0"
- Hotel Retail: 100' 0"

RESTAURANT/INTERMEDIATE: 45,200 SF

- Four (4) Floors: 1,200 SF
- One (1) Floor: 10,000 SF

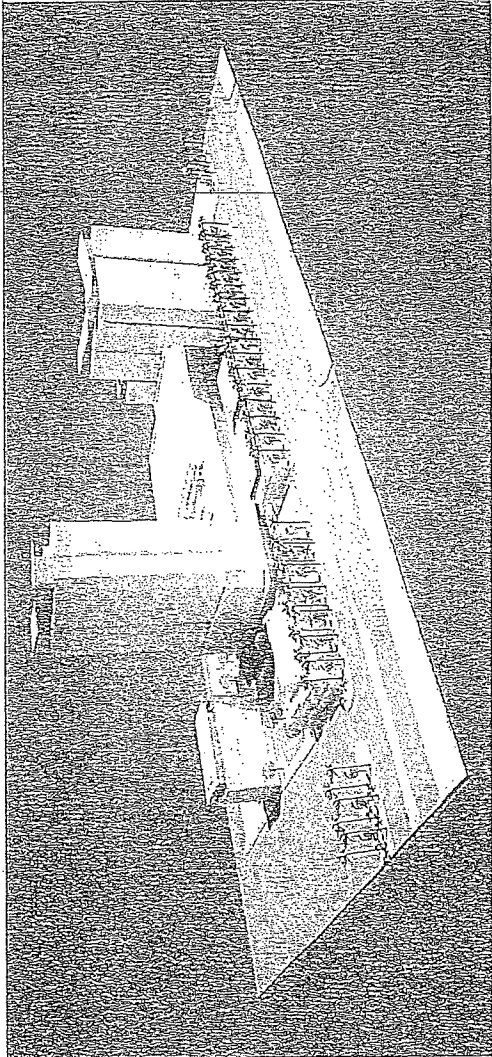
HOTEL RESTAURANT: 20,000 SF

- Additional Hotel Restaurant
- Open Kitchen, Restaurant, Bar, Private Room and Bar

COVERED WALKING BRIDGE: 10,000 SF

- Walking With By Pedestals

PARKING SPACES PROVIDED: 1,337



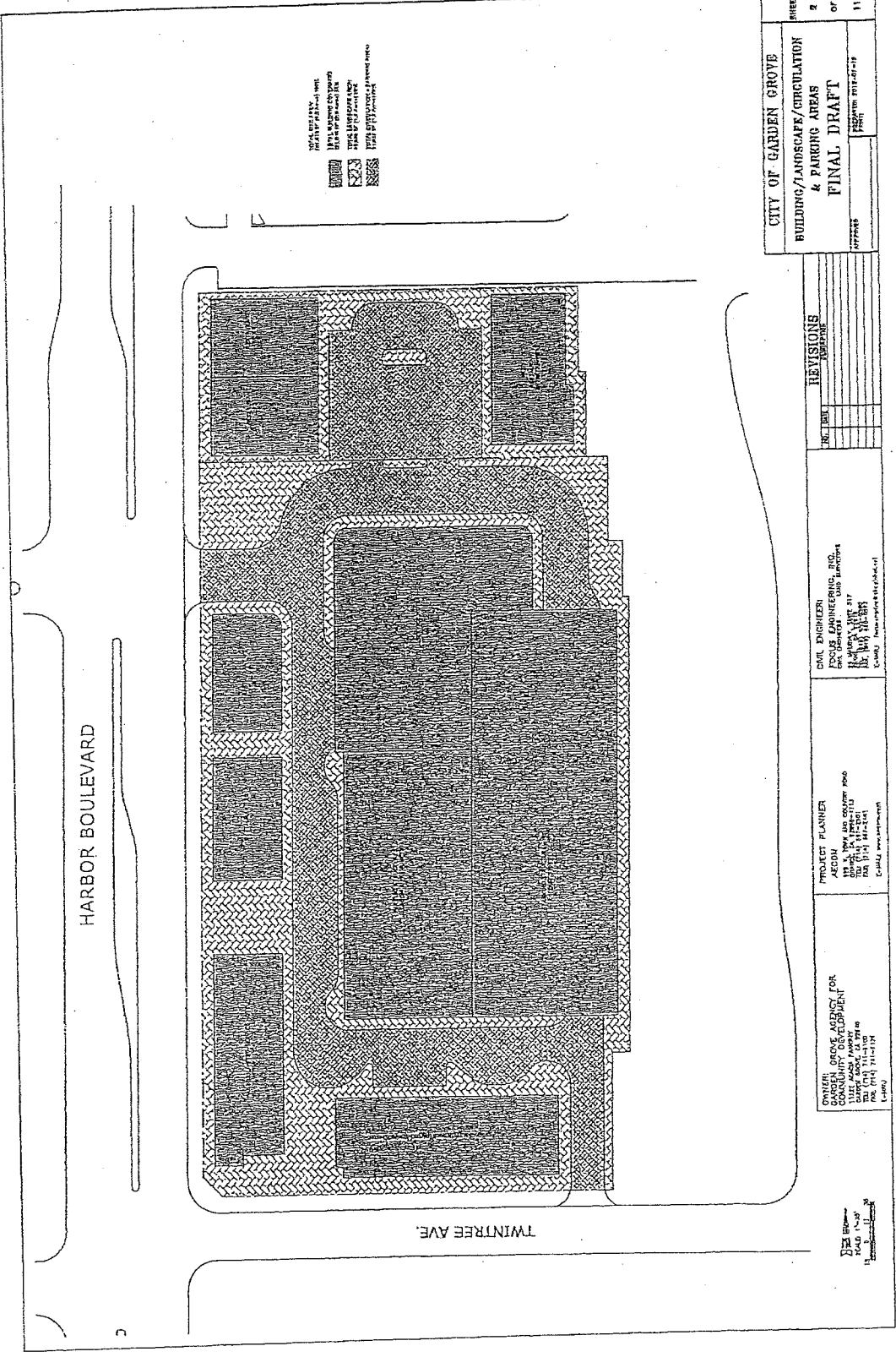
CITY OF GARDEN GROVE
 PARKER, C - COVER SHEET
 SHEET 1 OF 11
 FINAL DRAFT
 PROJECT: 1111-11-11-11
 DATE: 11/11/11

NO.	DATE	REVISIONS
1		REVISION
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		

CIVIL ENGINEER:
 FOCUS ENGINEERING, INC.
 1111 PARKWAY DRIVE
 SUITE 100
 GARDEN GROVE, CA 92640
 (714) 941-1111
 FAX: (714) 941-1111
 WWW.FOCUS-ENGINEERING.COM

PROJECT PLANNER:
 JACOB
 1111 PARKWAY DRIVE
 SUITE 100
 GARDEN GROVE, CA 92640
 (714) 941-1111
 FAX: (714) 941-1111
 WWW.JACOB-ENGINEERING.COM

OWNER:
 GARDEN GROVE AGENCY FOR
 ECONOMIC DEVELOPMENT
 1111 PARKWAY DRIVE
 SUITE 100
 GARDEN GROVE, CA 92640
 (714) 941-1111
 FAX: (714) 941-1111
 WWW.GGADP.COM



HARBOR BOULEVARD

TWINTREE AVE.

THIS DRAWING IS THE PROPERTY OF THE ENGINEER AND ARCHITECT. IT IS TO BE USED ONLY FOR THE PROJECT AND SITE SPECIFICALLY IDENTIFIED HEREON.

CITY OF GARDEN GROVE	
BUILDING/LANDSCAPE/CIRCULATION & PARKING AREAS	SHEET 2 OF 11
FINAL DRAFT	DATE: 07/11/18
PROJECT NO. 18-00000	DATE: 07/11/18

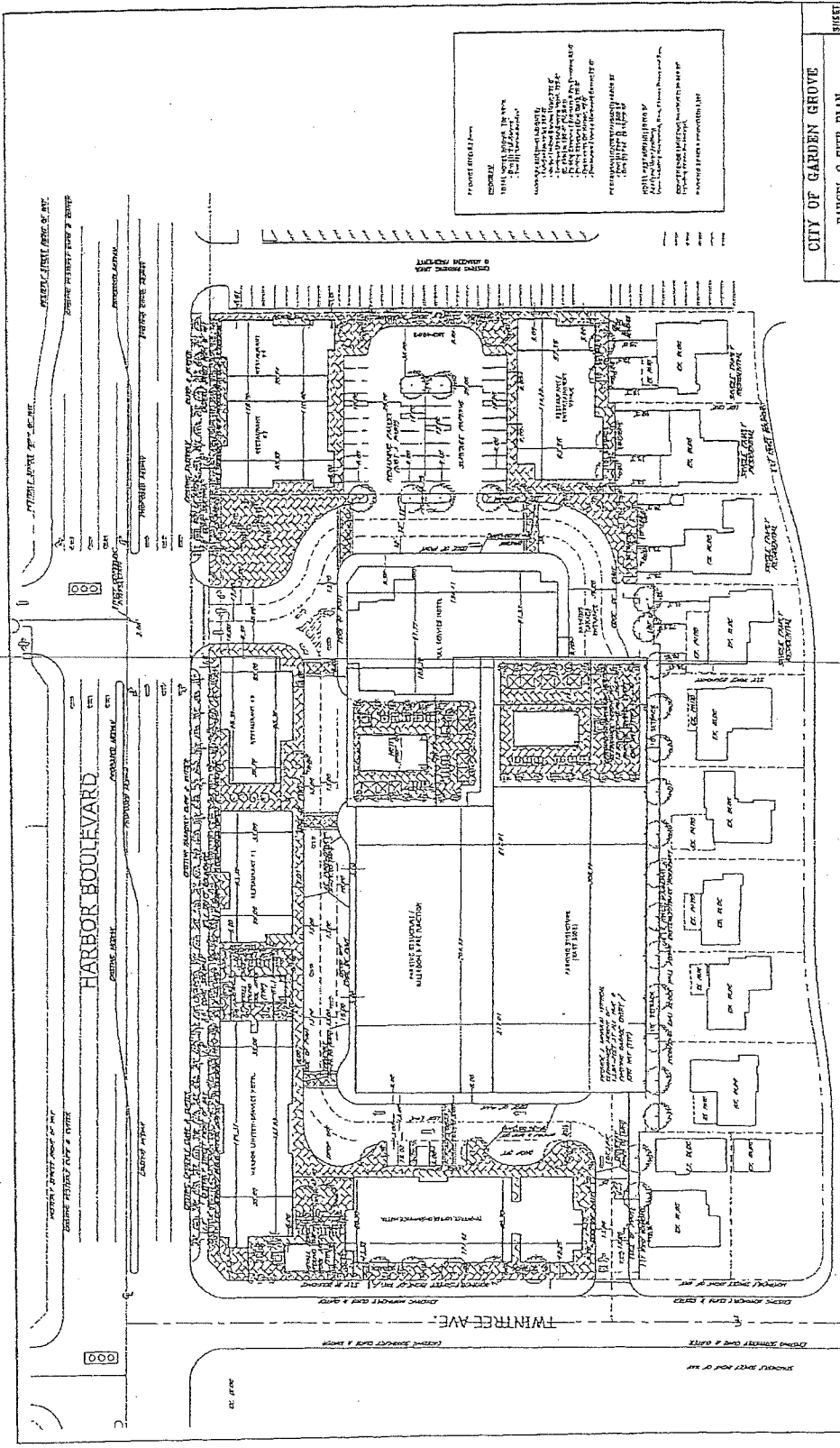
NO.	REVISIONS

CIVIL ENGINEER
 FREDERICK ENGINEERING, INC.
 10000 W. 11TH AVE. SUITE 217
 DENVER, CO 80202
 TEL: 303.751.1111
 FAX: 303.751.1112
 WWW.FREDEK.COM

PROJECT PLANNER
 AECOM
 1000 W. 11TH AVE. SUITE 217
 DENVER, CO 80202
 TEL: 303.751.1111
 FAX: 303.751.1112
 WWW.AECOM.COM

CITY OF GARDEN GROVE AGENCY FOR
 COMMUNITY DEVELOPMENT
 1000 W. 11TH AVE. SUITE 217
 DENVER, CO 80202
 TEL: 303.751.1111
 FAX: 303.751.1112
 WWW.CITYOFGARDEN.GOV

DATE: 07/11/18
 SCALE: AS SHOWN
 DRAWN BY: [Name]
 CHECKED BY: [Name]
 PROJECT NO. 18-00000



PROJECT NOTES:

1. ALL DIMENSIONS ARE IN FEET AND INCHES.
2. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
3. ALL DIMENSIONS ARE TO CENTERLINE UNLESS OTHERWISE NOTED.
4. ALL DIMENSIONS ARE TO THE CENTERLINE OF THE ROAD UNLESS OTHERWISE NOTED.
5. ALL DIMENSIONS ARE TO THE CENTERLINE OF THE SIDEWALK UNLESS OTHERWISE NOTED.
6. ALL DIMENSIONS ARE TO THE CENTERLINE OF THE CURB UNLESS OTHERWISE NOTED.
7. ALL DIMENSIONS ARE TO THE CENTERLINE OF THE DRIVE UNLESS OTHERWISE NOTED.
8. ALL DIMENSIONS ARE TO THE CENTERLINE OF THE LOT UNLESS OTHERWISE NOTED.
9. ALL DIMENSIONS ARE TO THE CENTERLINE OF THE BLOCK UNLESS OTHERWISE NOTED.
10. ALL DIMENSIONS ARE TO THE CENTERLINE OF THE CITY UNLESS OTHERWISE NOTED.

CITY OF GARDEN GROVE
PARCEL C SITE PLAN
FINAL DRAFT

NO.	DATE	DESCRIPTION
1	11/11/11	ISSUED FOR PERMITS
2	11/11/11	ISSUED FOR PERMITS
3	11/11/11	ISSUED FOR PERMITS
4	11/11/11	ISSUED FOR PERMITS
5	11/11/11	ISSUED FOR PERMITS
6	11/11/11	ISSUED FOR PERMITS
7	11/11/11	ISSUED FOR PERMITS
8	11/11/11	ISSUED FOR PERMITS
9	11/11/11	ISSUED FOR PERMITS
10	11/11/11	ISSUED FOR PERMITS
11	11/11/11	ISSUED FOR PERMITS

PROJECT PLANNER
DAVID J. HARRIS
DAVID J. HARRIS & ASSOCIATES
11111 GARDEN GROVE AVENUE
GARDEN GROVE, CA 92647
TEL: (714) 711-1111
FAX: (714) 711-1111

CIVIL ENGINEER
FOCUS ENGINEERING, INC.
11111 GARDEN GROVE AVENUE
GARDEN GROVE, CA 92647
TEL: (714) 711-1111
FAX: (714) 711-1111

DATE: 11/11/11
SCALE: AS SHOWN
PROJECT NO.: 11111

PROJECT: GARDEN GROVE COMMUNITY DEVELOPMENT
CLIENT: CITY OF GARDEN GROVE
ADDRESS: 11111 GARDEN GROVE AVENUE
CITY: GARDEN GROVE, CA 92647
TEL: (714) 711-1111
FAX: (714) 711-1111

DESIGNED BY: DAVID J. HARRIS
CHECKED BY: DAVID J. HARRIS
DATE: 11/11/11

PROJECT PLANNER
DAVID J. HARRIS
DAVID J. HARRIS & ASSOCIATES
11111 GARDEN GROVE AVENUE
GARDEN GROVE, CA 92647
TEL: (714) 711-1111
FAX: (714) 711-1111

CIVIL ENGINEER
FOCUS ENGINEERING, INC.
11111 GARDEN GROVE AVENUE
GARDEN GROVE, CA 92647
TEL: (714) 711-1111
FAX: (714) 711-1111

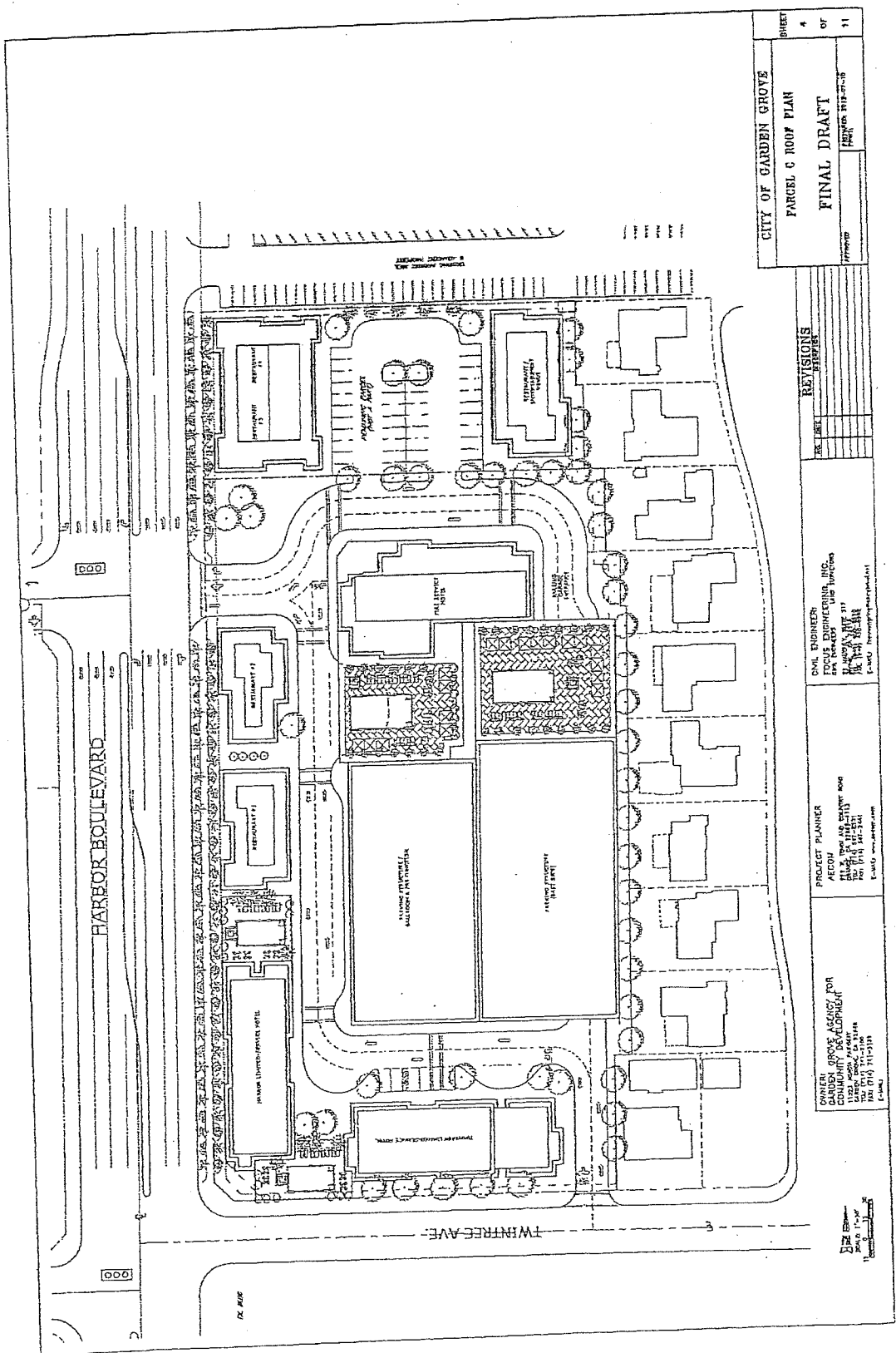
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SCALE: AS SHOWN
PROJECT NO.: 11111

PROJECT PLANNER
DAVID J. HARRIS
DAVID J. HARRIS & ASSOCIATES
11111 GARDEN GROVE AVENUE
GARDEN GROVE, CA 92647
TEL: (714) 711-1111
FAX: (714) 711-1111

CIVIL ENGINEER
FOCUS ENGINEERING, INC.
11111 GARDEN GROVE AVENUE
GARDEN GROVE, CA 92647
TEL: (714) 711-1111
FAX: (714) 711-1111

DATE: 11/11/11
SCALE: AS SHOWN
PROJECT NO.: 11111

PROJECT PLANNER
DAVID J. HARRIS
DAVID J. HARRIS & ASSOCIATES
11111 GARDEN GROVE AVENUE
GARDEN GROVE, CA 92647
TEL: (714) 711-1111
FAX: (714) 711-1111



CITY OF GARDEN GROVE
 PARCEL C ROOF PLAN
 FINAL DRAFT
 SHEET 4 OF 11
 DATE: 07/27/2016

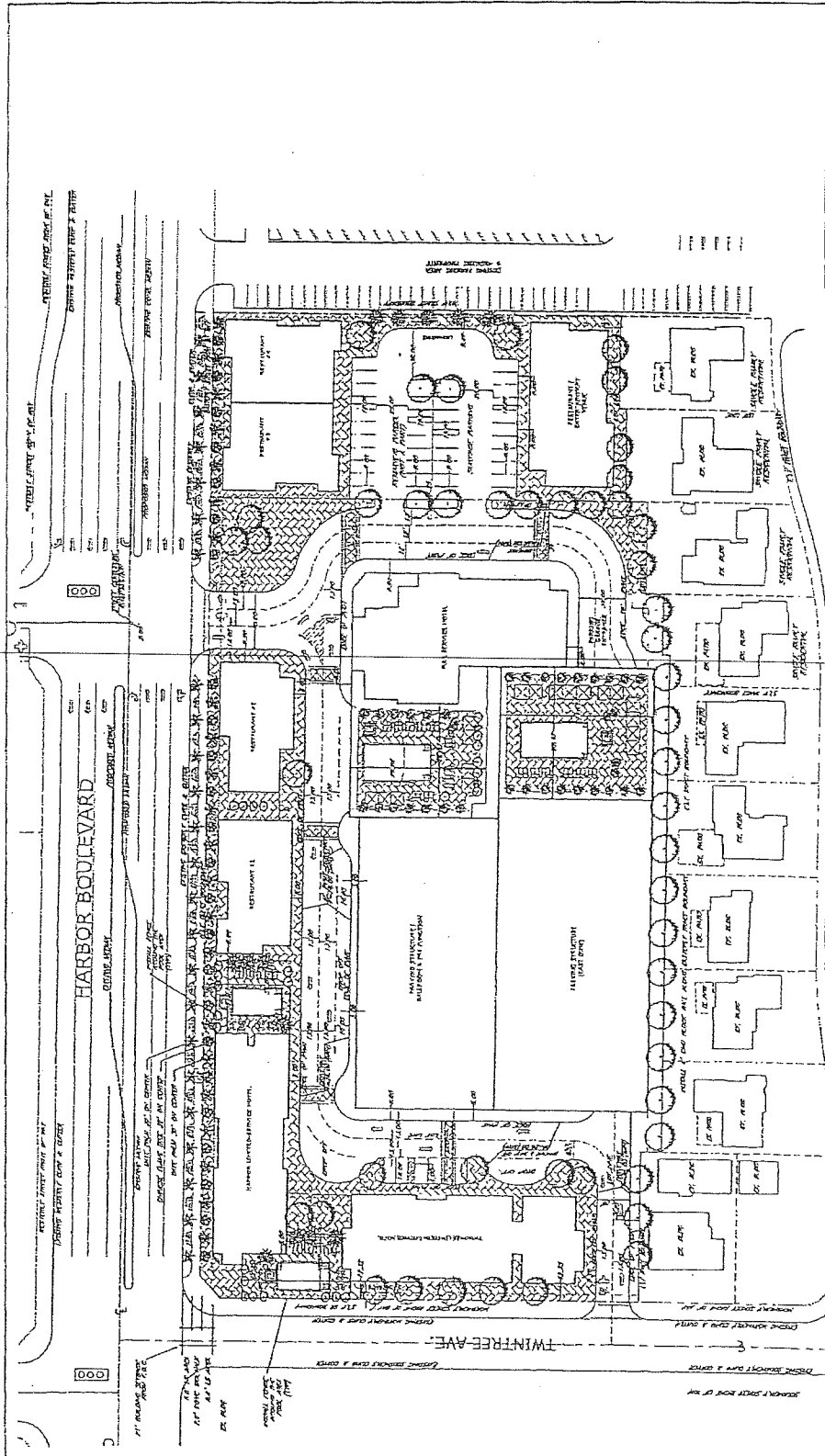
NO.	REVISIONS
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92	REVISED
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94	REVISED
95	REVISED
96	REVISED
97	REVISED
98	REVISED
99	REVISED
100	REVISED

CIVIL ENGINEERS
 EFCO ENGINEERING, INC.
 1100 S. GARDEN GROVE BLVD.
 SUITE 200
 GARDEN GROVE, CA 92640
 TEL: (714) 441-5841
 FAX: (714) 441-5842
 E-MAIL: info@efcoeng.com

PROJECT PLANNER
 AECOM
 1100 S. GARDEN GROVE BLVD.
 SUITE 200
 GARDEN GROVE, CA 92640
 TEL: (714) 441-5841
 FAX: (714) 441-5842
 E-MAIL: info@efcoeng.com

OWNER
 CLAYTON BROS. BAKERY, INC.
 1100 S. GARDEN GROVE BLVD.
 SUITE 200
 GARDEN GROVE, CA 92640
 TEL: (714) 441-5841
 FAX: (714) 441-5842
 E-MAIL: info@efcoeng.com

DATE: 07/27/2016
 DRAWN BY: [Name]
 CHECKED BY: [Name]
 PROJECT: [Name]



CITY OF GARDEN GROVE
 PARCEL G LANDSCAPE PLAN
 FINAL DRAFT
 SHEET 5 OF 11
 PROJECT NO. 11-11-11

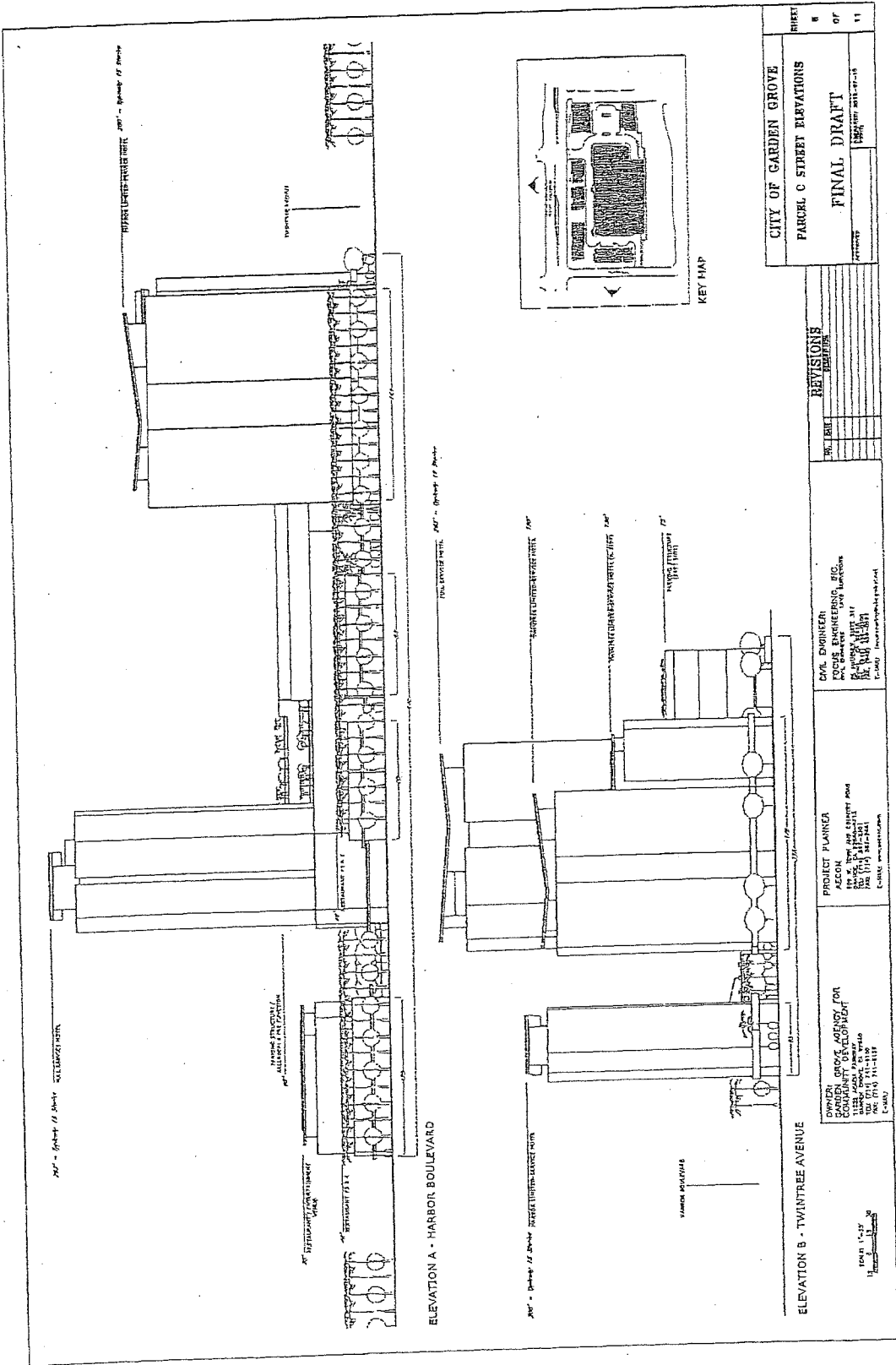
NO.	DATE	REVISIONS

OWNER: GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT
 1000 N. GARDEN GROVE BLVD.
 GARDEN GROVE, CA 92647
 TEL: (714) 714-1111
 FAX: (714) 714-1111
 E-MAIL: gca@cityofgarden Grove.org

PROJECT PLANNER:
 AECOM
 1000 N. GARDEN GROVE BLVD.
 GARDEN GROVE, CA 92647
 TEL: (714) 714-1111
 FAX: (714) 714-1111
 E-MAIL: aecom@aecom.com

DESIGNER:
 CARL DINKER
 FOCUS ENGINEERING, INC.
 1000 N. GARDEN GROVE BLVD.
 GARDEN GROVE, CA 92647
 TEL: (714) 714-1111
 FAX: (714) 714-1111
 E-MAIL: carl@focus-engineering.com

DATE: 11-11-11
 SCALE: 1"=40'
 DRAWN BY: [Name]
 CHECKED BY: [Name]



ELEVATION A - HARBOR BOULEVARD

ELEVATION B - TWINTREE AVENUE

CITY OF GARDEN GROVE
 PARCEL C STREET ELEVATIONS
 FINAL DRAFT

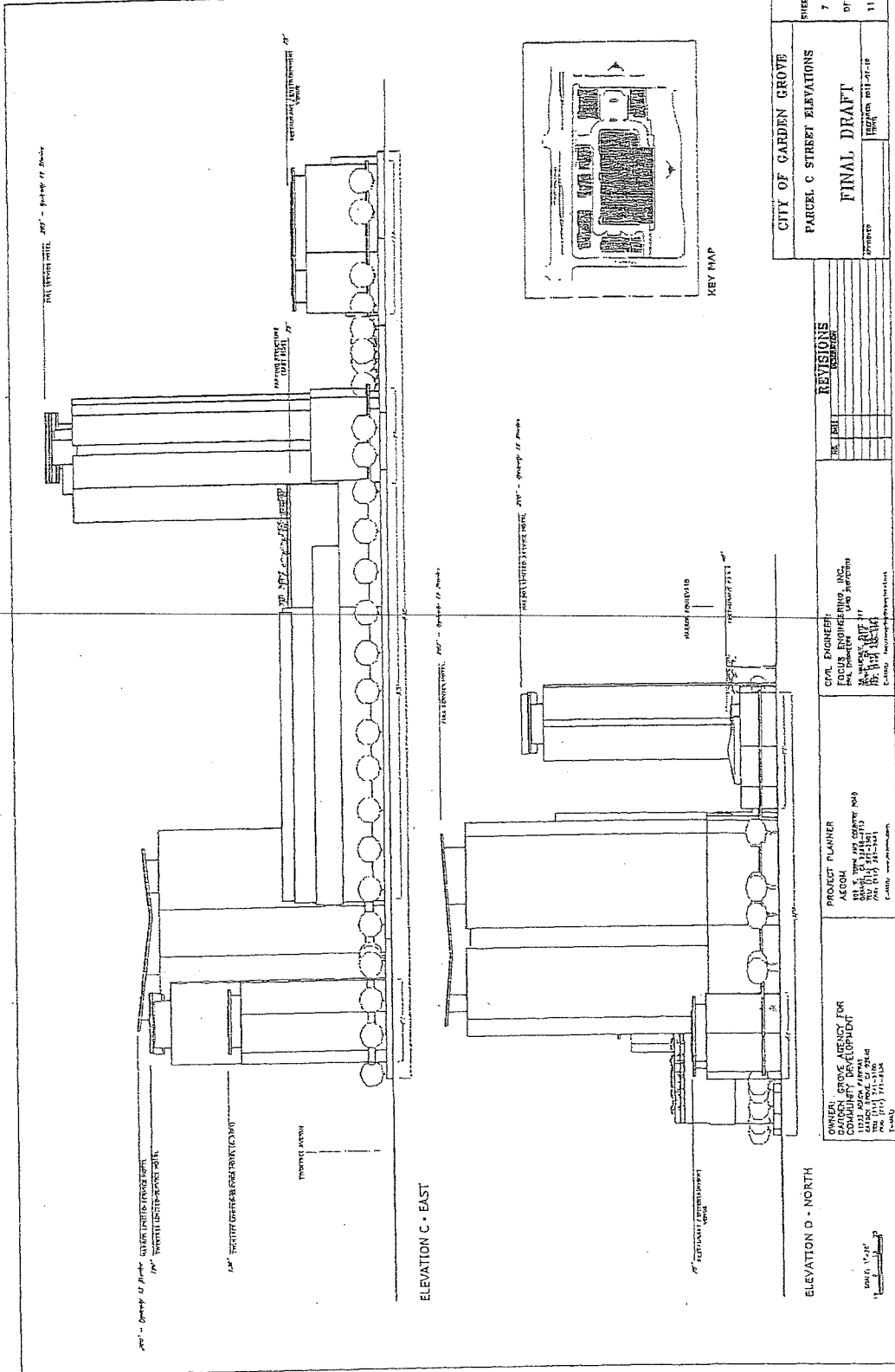
NO.	DATE	REVISIONS

DATE ENGINEER
 FOCUS ENGINEERING, INC.
 10000 W. 15th Street, Suite 100
 Garden Grove, CA 92647
 TEL: (714) 261-1111
 FAX: (714) 261-1112

PROJECT PLANNER
 AZCON
 100 W. Newport Street, Suite 200
 Garden Grove, CA 92647
 TEL: (714) 261-1111
 FAX: (714) 261-1112

CITY OF GARDEN GROVE AGENCY FOR
 COMMUNITY DEVELOPMENT
 10000 W. 15th Street, Suite 100
 Garden Grove, CA 92647
 TEL: (714) 261-1111
 FAX: (714) 261-1112

SCALE: 1/8" = 1'-0"



CITY OF GARDEN GROVE
 PARCEL C STREET ELEVATIONS
FINAL DRAFT

NO.	DATE	DESCRIPTION
1	08/11/16	ISSUED FOR PERMITS
2	08/11/16	ISSUED FOR PERMITS
3	08/11/16	ISSUED FOR PERMITS
4	08/11/16	ISSUED FOR PERMITS
5	08/11/16	ISSUED FOR PERMITS
6	08/11/16	ISSUED FOR PERMITS
7	08/11/16	ISSUED FOR PERMITS

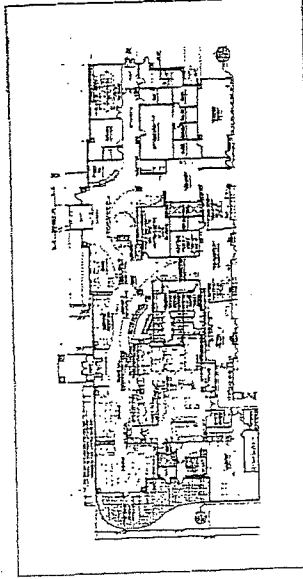
CIVIL ENGINEER:
 PAUL R. HENNING, INC.
 11111 W. 111th Street
 Suite 100, Overland Park, KS 66213
 PH: (913) 241-1111
 FAX: (913) 241-1111
 Email: paul@paulhenning.com

PROJECT PLANNER
 AECOM
 11111 W. 111th Street
 Suite 100, Overland Park, KS 66213
 PH: (913) 241-1111
 FAX: (913) 241-1111
 Email: paul@paulhenning.com

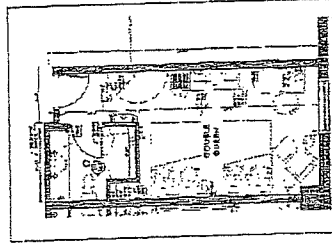
OWNER: GARDEN GROVE
 COMMUNITY DEVELOPMENT
 11111 W. 111th Street
 Suite 100, Overland Park, KS 66213
 PH: (913) 241-1111
 FAX: (913) 241-1111
 Email: paul@paulhenning.com

SCALE: 1/8" = 1'-0"
 SHEET 7 OF 11

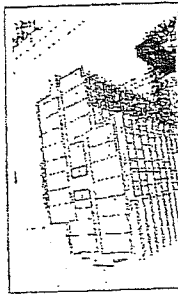
FULL SERVICE HOTEL



GROUND FLOOR PLAN (NOT TO SCALE)

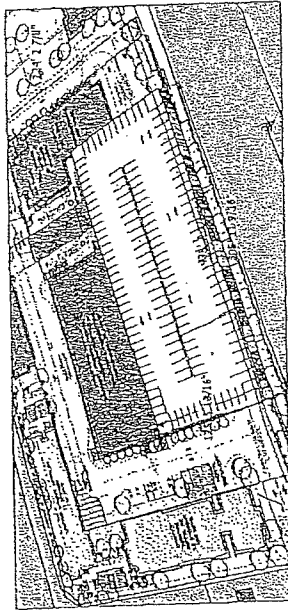


TYPICAL DOUBLE QUEEN GUEST ROOM
TRAD. 1'-0"

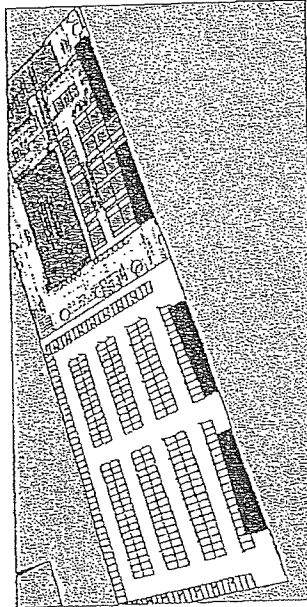


TYPICAL FLOOR PLAN
HOTEL TYPICAL FLOOR PLANS ARE FOR REFERENCE ONLY.
PROJECT: 04-1 ARCHITECTS

PARKING



TYPICAL PARKING STRUCTURE (USE 370 SF/STALL)



TYPICAL BELOW LEVEL PARKING (USE 400 SF/STALL)

HOTEL: 100% FINISHED FLOOR SLAB, 10' MIN. HEADROOM, 4000 SF/STALL
 AND 10' BELOW LEVEL PARKING: 10' MIN. HEADROOM, 400 SF/STALL (10' MIN. CLEARANCE)

CITY OF GARDEN GROVE	SHEET
TYPICAL FLOOR PLANS	8
FINAL DRAFT	OF
DATE: 04-15-10	11

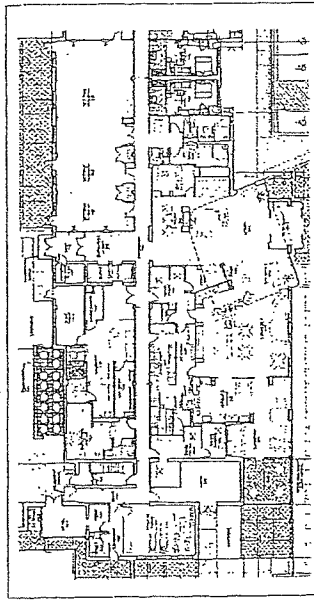
NO.	DATE	REVISIONS

CIVIL ENGINEER:
 FOCUS ENGINEERING, INC.
 1000 S. GARDEN GROVE BLVD
 SUITE 100
 GARDEN GROVE, CA 92640
 TEL: (714) 944-1111
 FAX: (714) 944-1111
 WWW.FOCUS-ENG.COM

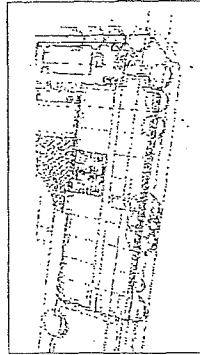
PROJECT PLANNER:
 AECOM
 100 W. 10TH AVE SUITE 1000
 DENVER, CO 80202
 TEL: (303) 733-7100
 FAX: (303) 733-7100
 WWW.AECOM.COM

OWNER:
 GARDEN GROVE AGENCY FOR
 COMMUNITY DEVELOPMENT
 100 W. 10TH AVE SUITE 1000
 DENVER, CO 80202
 TEL: (303) 733-7100
 FAX: (303) 733-7100
 WWW.AECOM.COM

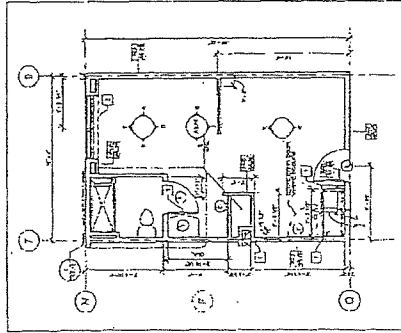
LIMITED SERVICE HOTEL (HARBOR)



GROUND FLOOR PLAN (NOT TO SCALE)



TYPICAL FLOOR PLAN
HOTEL TYPICAL FLOOR PLANS ARE FOR REFERENCE ONLY.
SOURCE: DTL ARCHITECT



TYPICAL KING SIZE
GUEST ROOM
SCALE 1/4"

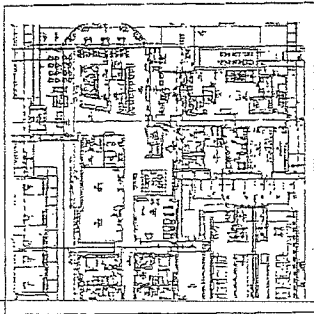
DRAWN:
GARDEN GROVE AGENCY FOR
LIFE/POST OCCUPATION
1121/1221 ALABAMA
TOLSON BLDG 1115-1114
WASHINGTON, DC 20535

PROJECT PLANNER:
ALCOH
1000 10th Ave SW
TOLSON BLDG 1115-1114
WASHINGTON, DC 20535

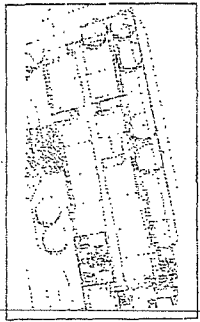
CIVIL ENGINEER:
FOCUS ENGINEERING, INC.
1000 10th Ave SW
TOLSON BLDG 1115-1114
WASHINGTON, DC 20535

NO.	DATE	REVISIONS

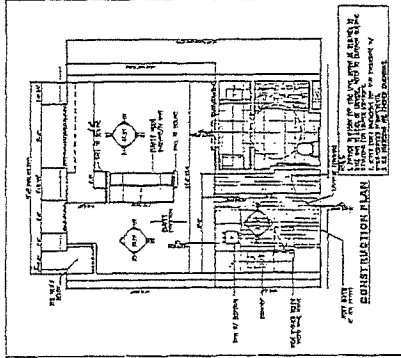
LIMITED SERVICE HOTEL (TWINTREE)



GROUND FLOOR PLAN (NOT TO SCALE)



TYPICAL FLOOR PLAN
HOTEL TYPICAL FLOOR PLANS ARE FOR REFERENCE ONLY.
SOURCE: DTL ARCHITECT



TYPICAL ROOM
SCALE 1/4"

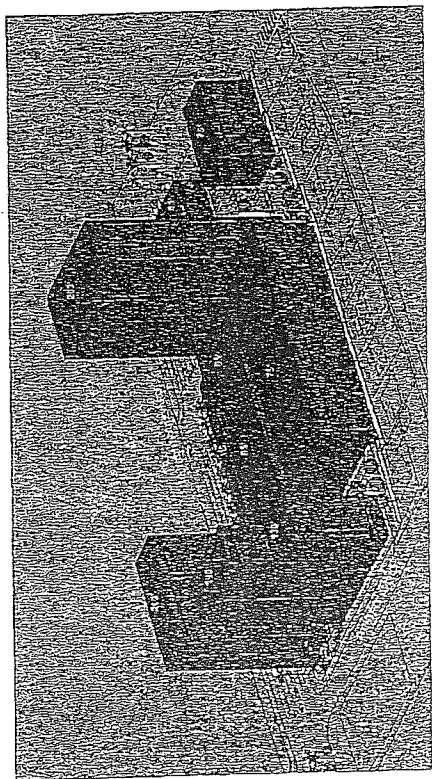
CITY OF GARDEN GROVE

TYPICAL FLOOR PLANS

FINAL DRAFT

SHEET	8
OF	11

DATE	10/24/2018
PROJECT	1000 10th Ave SW
SCALE	AS SHOWN



VIEW FROM TWINTREE AVENUE



VIEW FROM HARBOR BOULEVARD

NOT TO SCALE
 ARCHITECTURE
 1000 W. 10TH AVENUE
 SUITE 100
 DENVER, CO 80202
 PHONE: 303.733.1111
 WWW: WWW.A2AARCHITECTS.COM

OWNER:
 GARDEN GROVE AGENCY FOR
 COMMUNITY DEVELOPMENT
 1111 W. 10TH AVENUE
 DENVER, CO 80202
 PHONE: (303) 733-1111
 WWW: WWW.A2AARCHITECTS.COM

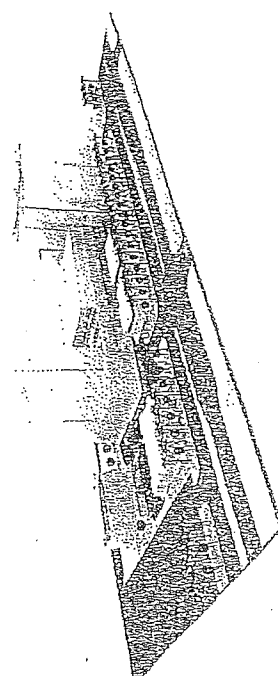
PROJECT PLANNER:
 A2A
 1111 W. 10TH AVENUE
 DENVER, CO 80202
 PHONE: (303) 733-1111
 WWW: WWW.A2AARCHITECTS.COM

CIVIL ENGINEER:
 FOCUS ENGINEERING, P.C.
 800 MARKET STREET
 DENVER, CO 80202
 PHONE: (303) 733-1111
 WWW: WWW.FOCUSENGINEERING.COM

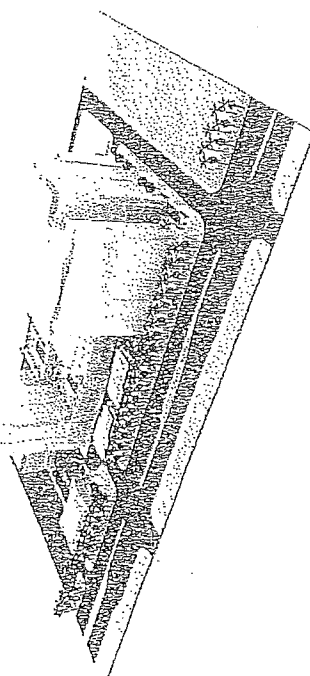
REVISIONS

NO.	DATE	DESCRIPTION

CITY OF GARDEN GROVE
 3D MASSING WITH MAXIMUM
 BUILDING ENVELOP
 FINAL DRAFT
 SHEET
 TO
 OF
 11



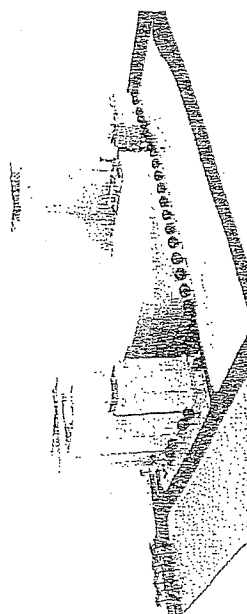
1) VIEW FROM HARBOUR BOULEVARD - NORTH



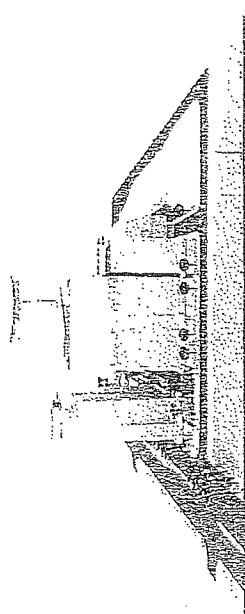
2) VIEW FROM HARBOUR BOULEVARD - SOUTH



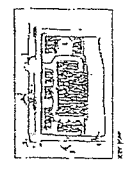
3) VIEW FROM HARBOUR BOULEVARD - CENTER



4) VIEW FROM TWENTY-ONE AVENUE - BACK



5) VIEW FROM TWENTY-ONE AVENUE



OWNER:
GARDEN GROVE AGENCY FOR
URBAN DEVELOPMENT
1211 ALCA STREET
MARCH 1964
FOR THE CITY OF GARDEN GROVE

PROJECT PLANNER:
ACCOM:
2414 7TH AND QUINCY AVE
LOS ANGELES, CALIF. 90015
ARCHITECT:
FOULKE ENGINEERING, INC.
1000 WEST 10TH STREET
LOS ANGELES, CALIF. 90015

SCALE: 1/8" = 1'-0"
DATE: 10/15/64
DRAWN BY: J. H. BROWN
CHECKED BY: J. H. BROWN

REVISIONS
DATE
BY
DESCRIPTION

CITY OF GARDEN GROVE	
RD MASSING MODEL	
SHEET	11
OF	11
FINAL DRAFT	
DATE	10/15/64

EXHIBIT K

MEMORANDUM OF AGREEMENT

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO
AND SEND TAX STATEMENTS TO:

City of Garden Grove
11222 Acacia Parkway
Garden Grove, California 92840
Attention: City Manager

This document is exempt from the payment of a recording fee pursuant to Government Code Section 27383.

MEMORANDUM OF AGREEMENT

This MEMORANDUM OF AGREEMENT (the "Agreement") is entered into as of _____, 201__ by and between the CITY OF GARDEN GROVE, a municipal corporation (the "City"), and LAND & DESIGN, INC., a California corporation (hereinafter referred to as "Developer").

RECITALS

1. Recordation of Memorandum of Agreement. This Memorandum of Agreement evidences that certain Grove District Resort Hotel Development Agreement between the City and the Developer dated _____ ("RHDA"). Capitalized terms not defined herein shall have the meaning set forth in the RHDA. When recorded at the Closing the RHDA is a burden against Developer's fee simple interest in the Site which Site is more particularly described in Attachment No. 1 attached hereto and incorporated herein by reference. The RHDA provides, among other things, and subject to the fulfillment of certain Conditions Precedent, for a conveyance of the Site to the Developer and for the development and operation by Developer thereon of Hotels, a Retail/Restaurant/Entertainment Component, and Parking Structures. The Covenants shall run with the land and be binding upon the heirs, successors and assigns of Developer.

[SIGNATURES FOLLOW ON NEXT PAGE]

EXHIBIT K

-1-

IN WITNESS WHEREOF, the undersigned have executed this Memorandum of Agreement as of the ____ day of _____, 201__.

CITY:

CITY OF GARDEN GROVE, a municipal corporation

Dated: _____, 201__

By: _____
City Manager

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

DEVELOPER

LAND & DESIGN, INC., a California corporation

Dated: _____, 201__

By: _____
Its: _____

Dated: _____, 201__

By: _____
Its: _____

EXHIBIT K

-2-

STATE OF CALIFORNIA)
) ss.
COUNTY OF _____)

On _____ before me, _____, Notary
Public, personally appeared _____,
who proved to me on the basis of satisfactory evidence to be the person(s) whose names(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 OF NOTARY PUBLIC

STATE OF CALIFORNIA)
) ss.
COUNTY OF _____)

On _____ before me, _____, Notary
Public, personally appeared _____,
who proved to me on the basis of satisfactory evidence to be the person(s) whose names(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 OF NOTARY PUBLIC

ATTACHMENT NO. 1 TO EXHIBIT K

LEGAL DESCRIPTION

ATTACHMENT NO. 1 TO EXHIBIT K

-1-

EXHIBIT L

**PRE-APPROVED HOTEL FLAGS/OPERATORS² AND
RETAIL/RESTAURANT/ENTERTAINMENT COMPONENT TENANTS/OPERATORS**

Pre-Approved Additional Hotels

Aloft (Starwood)
Cambria Suites (Choice Hotels)
Country Inn and Suites (Carlson)
Courtyard (Marriott)
Destination Hotels and Resorts
Doubletree Hotel (Hilton)
Element (Starwood)
Fairfield Inn and Suites (Marriott)
Four Points by Sheraton (Starwood)
Hard Rock Hotel
Hawthorne Suites
Hilton Grand Vacations
Hilton Hotel
Holiday Inn (IHG)
Holiday Inn Club Vacations (IHG)
Hotel Indigo (IHG)
Hyatt Place (Hyatt)
Hyatt Vacation Club
Kimpton Hotel
Landry's Restaurant Themed Hotel
Marriott Hotel(s)
Marriott Vacation Club
Nickelodeon Hotel
Radisson Hotel (Carlson)
Red Lion Hotel
Sheraton Hotel (Starwood)
Springhill Suites (Marriott)
Staybridge Suites (IHG)
Starwood Vacation Ownership
Summerfield Suites (Hyatt)
Towne Place Suites (Marriott)
Tryp by Wyndham (Wyndham)
Warner Hotels and Resorts
Wyndham Hotel
Wingate (Wyndham)
Worldmark by Wyndham
Wyndham Garden
Wyndham Resorts Vacation Ownerships

Pre Approved Upper Upscale Hotels

² Approval of those Hotels/Operators associated with Vacation Ownership Resort (Timeshare) projects are subject to City approval of construction / operation of a Vacation Ownership Resort (Timeshare) pursuant to the Scope of Development (Exhibit C).

EXHIBIT L

-1-

Andaz Hotel (Hyatt)
Autograph Collection (Marriott)
Destination Hotels and Resorts
Doral Hotel and Resorts
Dreamworks Hotel
Fairmont
Four Seasons
Grand Pacific Resorts
Hard Rock Hotel
Joie de Vivre Hotels
Jumeira Hotels
JW Marriott
Kessler Collection
KSL Resorts
Kimpton Hotel
Langham Hotel
Le Méridien
Loews
Luxury Collection (Starwood)
Mandarin Oriental Hotel
Marriott Hotels
Marriott Vacation Club
MGM Hotel

Millenium Hotels
Montage
Morgans Hotels Group
Nickelodeon Hotel
Omni Hotel and Resorts
Pan Pacific Hotel
Peabody Hotel
Planet Hollywood Hotel
Radisson Blu
Renaissance
Rosen Hotel
Sheraton Hotel
Sol Melia Hotels
Sonesta
Taj Hotel(s)
Thompson Hotel
Trump Hotel
W Hotels
Warner Hotels and Resorts
Westin
Wyndham Collection/Resort
Wyndham Resorts Vacation Ownership

Pre-Approved List of Full-Service Restaurants:

Applebees
Bahama Breeze
Bahama Breeze

EXHIBIT L

-2-

BJ's Restaurant and Brewery
Black Angus
Bonefish Grill
Buffalo Wild Wings Grill and Bar
Burgerville USA
California Pizza Kitchen
Capital Grill
Carrabba's Italian Grill
Cheeseburger in Paradise
Chevy's
Chili's Grill and Bar
Chuy's Mesquite Broiler
Claim Jumper
Daily Grill
Daily Grill/The Grill
Elephant Bar
Emerill's
Famous Dave's
Farrell's
Fleming's Steakhouse
Gladstones
Golden Corral
Grand Luxe Cafe
Granite City Food and Brewery
Hard Rock Café
Houston's
Il Fornaio Cucina Italiano
Islands
Johnny Carino's
Johnny Rockets
King's Fish House
Landry's Seafood
Landry's Aquarium Restaurant
Logan's Roadhouse
Lone Star Steakhouse
LongHorn Steakhouse
Lucilles BBQ
Maggiano's/Corner Bakery Café
Maloney's
Margaritaville
Marie Callendar's/Babe's BBQ
Moe's Southwest Grill
Nascar Café
Nobu
Old Chicago
Olive Garden
On the Border
Panda Inn
Papa Bello
Pat and Oscars
Pizzeria Uno

EXHIBIT L

Prego
Qdoba Mexican Grill
RA Sushi Bar
Roadhouse Grill
RockSugar
Romano's Macaroni Grill
Ruby Tuesday's
Ruby's Diner
Season's 52
Sevilla
Smith & Wollensky
Smokey Bones BBQ
Spaghetti Factory
Texas Roadhouse
TGI Fridays
T-Rex
Uno Chicago
Wolfgang Pucks
Yard House
Z Tejas Grill

Pre-Approved List of Quick-Service Restaurants/Retail:

Crepe Café
Earl of Sandwich
Five Guys Hamburgers
Jerry Woodfired Hot Dogs
Panda Express
Panera Bread
Pink's Famous Hot Dogs
Portillos
Quiznos
Subway
The Hat
Togo's
Tommy's World Famous Hamburgers

EXHIBIT L

-4-

Pre-Approved List of Specialty Restaurants:

California Welcome Center (official State of California Retail Storefront)
Coffee Bean
Coffee Bean and Tea Leaf
Dunkin Donuts
Ghirardelli Soda Fountain & Chocolate Shop
Haagen Dazs
Jamba Juice
Lego Store
Peet's Coffee
Pink Berry
Sea World Store
Southern Maid Donut Shops
Starbucks
Universal Studios Store
Wetzels Pretzels
Yogurt Land

Pre-Approved List of Entertainment Uses

B.B. King's Blues Cafe
Fox Sports Grill
House of Blues
Howl at the Moon
Improv
Jillians
Landry's Aquarium
Laugh Out Loud Comedy
Madame Tussauds
NBA Café/City
Ripley's Aquarium
Ripley's Believe It or Not (or similar Ripley's Entertainment Venue)
Sea Life Centre
Warren and Annabelle's Magic Show or affiliate
Wonderworks

Attachment 2

Site C Project History

June 2011	Former Redevelopment Agency enters into Disposition and Development Agreement with Land & Design, Inc. Approved through Resolution No. 698	City Council and Former Redevelopment Agency
June 2011	Redevelopment Dissolution effective date per Assembly Bill x1 26	State
February 2012	The City of Garden Grove as Successor Agency to the Garden Grove Agency for Community Development ("Successor Agency") and 7-Member Oversight Board formed. Oversight Board deemed Site C DDA enforceable.	City Council
May 2012	DOF denies Site C as an Enforceable Obligation	State
October 2012	First Meet & Confer – DOF denies Site C as an Enforceable Obligation	State
November 2012	City Council Approves PUD 128-12 and General plan Amendment	City Council
April 2013	City enters into Resort Development Agreement with Land & Design, Inc.	City Council
November 2013	DOF letter approving Long Range Property Management Plan (LRPMP) – Site C	State
March 2014	LRPMP Approved by DOF including Site C DDA	State
January 2015	Compensation Agreement approved (January 1, 2018 deadline to dispose of property for Economic use) – However, March 2015 is when all signatures were attained – Tied to resort agreement.	Successor Agency
May-July 2015	Site C parcels transferred from Successor Agency to the City	State
August 2015	City Council Closed Session regarding Potential DOF Litigation per Council Direction	City Council
November 2015	Meet & Confer – DOF denies Site C as enforceable obligation.	State
July 2016	Assignment of Resort Agreement to SCG America (see schedule).	City

Development Highlights:

Site	5+ Acres
Location	South of Target, East Site of Harbor Blvd., North of Twintree
Guestrooms	769 Suites
Restaurants	45,000 sf/4 Venues
Meeting	39,000 sf
Parking	1,297 structure
Total Cost	\$180MM
Entitlements	Complete

VIA EMAIL & OVERNIGHT FEDEX

Scott Stiles
Director, City of Garden Grove as Successor Agency
to the Garden Grove Agency for Community Development
11222 Acacia Parkway
Garden Grove, CA 92840

Re: Grove District Resort Hotel Development Agreement ("GDRHD") dated April 9, 2013 by and between the City of Garden Grove (the "City") and Land & Design, Inc. ("L&D")

Dear Mr. Stiles:

Pursuant to Section 1.03 of GDRHD, this letter constitutes L&D's formal request for approval of the assignment of L&D's rights and obligations under the GDRHD to Investel Garden Resorts, LLC ("Investel") pursuant to that certain Agreement for Assignment of Development Rights and Escrow Instructions attached hereto, including all exhibits attached thereto (collectively, the "Agreement").

If such assignment and the Agreement are acceptable and approved, please take such action as is appropriate to provide all necessary approvals and authorizations thereof on behalf of the City. Please contact me with any questions or comments.

LAND & DESIGN, INC., a California corporation

By: _____

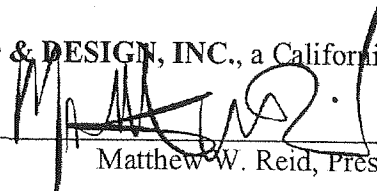

Matthew W. Reid, President

EXHIBIT "B"ASSIGNMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (the "Assignment") is hereby made as of June __, 2016, by and between Land & Design, Inc., a California corporation ("Assignor"), and Investel Garden Resorts, LLC, a Delaware limited liability company ("Assignee").

RECITALS

A. Assignor and the City of Garden Grove (the "City") have entered a Grove District Resort Hotel Development Agreement dated April 9, 2013 (the "RHDA"). Pursuant to the RHDA, the City agreed to convey to the Assignor a parcel of real property referred to in the RHDA as the "Site," and the Assignor agreed to construct, among other things, a mixed use hotel and retail project thereon (the "Project").

B. Assignor and Assignee desire to provide by this Assignment for Assignor to assign to Assignee all of its rights and obligations under the RHDA and for Assignee to accept such assignment and assume all rights and obligations thereunder.

C. Pursuant to Section 103 of the RHDA, City approval of a Transfer of Assignor's interest in the Agreement is required in connection with the construction of the Project.

D. The parties also desire for City to consent to such assignment and assumption, and acknowledge that such assignment and assumption is permitted pursuant to Section 103 of the RHDA.

NOW, THEREFORE, Assignor and Assignee hereby agree as follows:

1. **Assignment and Assumption.** Assignor hereby assigns to Assignee all of its right, title and interest in and to the RHDA, and Assignee hereby accepts such assignment and assumes performance of all terms, covenants and conditions on the part of Assignor to be performed, occurring or arising under the RHDA, from and after the date hereof with respect to the Project. From and after the date hereof, Assignor shall be released from and have no further obligations under the RHDA, excluding actual claims of Default which City made against Assignor in writing prior to the date hereof, the responsibility for which claims have not been assumed by Assignee.

2. **Successors and Assigns.** This Assignment shall be binding upon and shall inure to the benefit of Assignor and Assignee, their respective successors and assigns and City as third party beneficiary hereof.

3. **Governing Law.** This Assignment has been entered into, is to be performed entirely within, and shall be governed by and construed in accordance with the laws of the State of California.

4. **Further Assurances.** Each party hereto covenants and agrees to perform all acts and things, and to prepare, execute, and deliver such written agreements, documents, and

EXHIBIT "B"

-1-

instruments as may be reasonably necessary to carry out the terms and provisions of this Assignment.

NOW, THEREFORE, the parties hereto have executed this Assignment as of the date set forth above.

ASSIGNOR:

LAND & DESIGN, INC.
a California corporation

By: _____
Name: _____
Its: _____

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

EXHIBIT "B"

-2-

ASSIGNEE:

INVESTEL GARDEN RESORTS, LLC
a Delaware limited liability company

By: _____
Name: _____
Its: _____

EXHIBIT "B"

-3-

EXHIBIT "F"DDA AMENDMENT

Scott C. Stiles
 City Manager
 City of Garden Grove
 11222 Acacia Parkway
 Garden Grove, CA 92840

RE: Amendments to Grove District Resort Hotel Development Agreement between City of Garden Grove, a municipal corporation (the "City") and Land & Design, Inc., a California corporation ("L&D") dated April 9, 2013 (as may be amended from time to time, the "GDRHDA") in conjunction with assignment of the GDRHDA.

Dear Mr. Stiles:

The letter confirms our understanding that upon the approval by the City of the assignment of all right, title and interest in the GDRHDA from L&D to Investel Garden Resorts, LLC, a Delaware limited liability company ("**Joint Venture**") that the GDRHDA will be amended as set forth in the numbered paragraphs below. Capitalized terms used but not otherwise set forth herein shall have the same meanings as set forth in the GDRHDA.

1. All references in the GDRHDA to Developer shall mean the Joint Venture.
2. The Parties mutually acknowledge that each of the following conditions precedent to conveyance of the Site to the Developer pursuant to the terms of the GDRHDA has already occurred: The Agency has received a Finding of Completion; a Long-Range Property Management Plan has been approved by the Agency, Oversight Board, and Department of Finance; and the Agency Property has been transferred to the City.
3. The Schedule of Performance set forth on Exhibit D of the GDRHDA shall be amended and restated in its entirety and replaced by the Schedule of Performance set forth on Attachment 1 hereof. In the event of any conflict with dates set forth in the amended and restated Schedule of Performance and the GDRHDA, the dates set forth in the amended and restated Schedule of Performance shall supersede and control.
4. The Pre-Approved Hotel Flags/Operators and Retail/Restaurant /Entertainment Component Tenants/Operators shall be amended to include the additional parties set forth on Attachment 2 hereof.
5. City and Developer mutually acknowledge and agree that City's conveyance of the Site to Developer pursuant to the terms of the GDRHDA is subject to the provisions and limitations of that certain "Compensation Agreement" between the City and the "Other Taxing Entities," which City was required to enter into pursuant to California Health and Safety Code section 34180(f) and by the DOF as a condition

EXHIBIT "F"

-1-

of the Agency Property being transferred to the City pursuant to the Long-Range Property Management Plan.

Except as otherwise expressly set forth in this Amendment, the GDRHDA shall remain unchanged. Thank you for your cooperation in this matter.

Investel Garden Resorts LLC

Accepted and agreed this __ day of June, 2016

City of Garden Grove

By: _____

Scott C. Stiles, City Manager

ATTACHMENT 1

SCHEDULE OF PERFORMANCE – CONDENSED SCHEDULE

PERFORMANCE ITEM	DATE
1. City and Developer execute RHDA.	Completed
2. City and Developer open Escrow.	Completed
3. City accepts conveyance of fee title to all Agency Property.	Completed
4. Developer completes its Site Investigation pursuant to Section 204.	Completed
5. Reserved	
6. City and Developer agree which Hotel(s) constitute Upper Upscale Hotel(s)	September 1, 2016
7. Developer notifies City of election of whether to include Third Party Property in Project and add to Site and, if applicable, provides City with evidence of acquisition of necessary interest in Third Party Property.	December 31, 2016
8. Developer submits and obtains City approval of the identity of the Hotel Operators, Franchisor and Franchise Agreements and Developer executes the approved Franchise Agreement for the Upper Upscale Hotel	December 31, 2016
9. Developer submits completed application for tentative Subdivision Map, Development Agreement, and other necessary or desired Land Use Approvals.	December 31, 2016
10. City and Developer agree which Hotel(s) constitute Additional Hotels	December 31, 2016
11. City approves, conditionally approves or rejects tentative Subdivision Map Development Agreement, and other necessary or desired discretionary Additional Land Use Approvals	May 1, 2017
12. Developer submits and obtains City approval of the identity of the Hotel Operators, Franchisor and Franchise Agreement and Developer executes the Franchise Agreement for the Upper Upscale Hotel.	June 1, 2017

- | | | |
|-----|--|-------------------|
| 13. | Developer submits and obtains City approval of Construction Drawings for the Upper Upscale Hotel. | September 1, 2017 |
| 14. | Developer obtains necessary commitments for issuance of building permits and other similar required non-discretionary Land Use Approvals for the Upper Upscale Hotel. | October 1, 2017 |
| 15. | City completes demolition, site clearance and remediation, if applicable, pursuant to Paragraph II.1 of the Scope of Development | November 1, 2017 |
| 16. | Developer provides evidence of financing (which may be in the form for the Developer Improvements which may be in the form of a commitment letter from a lender and is a form acceptable to the City). | December 1, 2017 |
| 17. | Developer submits and obtains City approval of the identity of the Hotel Operator, Franchisor and Franchise Agreement and Developer executes the Franchise Agreement for the Additional Hotel. | December 1, 2017 |
| 18. | Developer and City Close Escrow and Developer commences grading. | December 15, 2017 |
| 19. | Construction Commencement Date for the Upper Upscale Hotel(s). | February 1, 2018 |
| 20. | Developer submits and obtains City approval of Construction Drawings for the Additional Hotel(s) | March 1, 2018 |
| 21. | Developer obtains necessary commitments for issuance of building permits and other similar non-discretionary Land Use Approvals for the Additional Hotel(s) | April 1, 2018 |
| 22. | Offsite Infrastructure Completed by City | February 1, 2020 |
| 23. | Developer Completes Construction of the Upper Scale Hotel | February 1, 2020 |
| 24. | Developer completes construction of the remainder of the Developer Improvements. | July 1, 2020 |

*Notwithstanding anything contained in this Schedule of Performance and provided that Developer is not otherwise in default beyond any applicable cure period, that except as set forth in no. 18 above, all of the dates set forth above shall be extended by one (1) day on a cumulative basis for each day of delay caused by the City.

ATTACHMENT 2

ADDITIONAL PRE-APPROVED HOTEL FLAGS/OPERATORS AND
RETAIL/RESTAURANT /ENTERTAINMENT COMPONENT TENANTS/OPERATORS

Pre-Approved Additional Hotel

- AC Hotels (Marriott)
- Candlewood Suites (IHG)
- Canopy (Hilton)
- Citizen M
- Commune Hotels/Destination Hotels and Resorts
- Curio (Hilton)
- Delta Hotels (Marriott)
- Even Hotels (IHG)
- Hampton Inn (Hilton)
- Hard Rock International (3-star select service brand)
- Hilton Garden Inn
- Homewood Suites (Hilton)
- Home2 (Hilton)

- Hyatt Centric
- Hyatt House (Hyatt)
- Hyatt Residence Club
- Moxy Hotels (Marriot)
- Protea Hotels (Marriot)
- Residence Inn (Marriot)
- The Unbound Collection (Hyatt)
- Tribute Portfolio (Starwood)
- Tru (Hilton)
- Virgin Hotels
- Wyndham Hotel
- Wyndham Garden
- Wyndham Resorts Vacation Ownerships

Pre Approved Upper Upscale Hotels

- Canopy (Hilton)
- Commune Hotels/Destination Hotels and Resorts
- Conrad (Hilton)
- Curio (Hilton)
- Edition Hotel (Marriott)
- Gaylord Hotels (Marriott)
- Grand Hyatt
- Hilton Hotels
- Hyatt Centric

- Intercontinental Hotels (IHC)
- Le Meridien (Starwood)
- Park Hyatt
- Ritz Carlton
- SBE/Morgans Hotel Group
- St Regis (Starwood)
- The Unbound Collection (Hyatt)
- Tribute Portfolio (Starwood)
- Viceroy Hotels
- Virgin Hotels
- Waldorf Astoria (Hilton)

Projected Hotel Revenues

March 20, 2013 Horwath HTL Summary Report Development Highlights:

Location	East Side of Harbor Boulevard, South of Target, North of Twintree Lane
Site C	5+ Acres
Hotel Mix/Guest Rooms	300 Room Upper Upscale Hotel with additional 150 Room Suites Hotel and 150 Room Select Service Hotel for a total of 600 rooms
Restaurants	45,000 sf/4 Venues
Meeting Space	39,000 sf
Parking	1,297 space structure
Total Construction Cost	\$147MM
Market Value	\$116MM
Economic Assistance	\$31.5MM

HTL Assumptions Yr 2 Proposed 2018	Occupancy	ADR	Inflated ADR
300 Room Upper Upscale	71%	\$171	\$197
150 Room Suites Hotel	71%	\$116	\$132
150 Room Select Service Hotel	71%	\$125	\$137

2013 HTL Report (City Annual Revenues)	Net Revenues (600 Rooms)	Net Revenues (769 Rooms)
Hotel TOT	\$1,925,000	\$2,365,000
Sales Tax	\$80,000	\$80,000
Property Tax	\$96,000	\$96,000
Total	\$2,101,000	\$2,541,000
20 Year City Revenue Total	\$50,424,000	\$60,984,000

Source: Horwath HTL report March 20, 2013, assumes a 2% growth rate



Hotel, Tourism and Leisure

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415.925.8804 Fax
www.HorwathHTL.com

March 20, 2013

Mr. Greg Blodgett
Project Manager
City of Garden Grove
11222 Acacia Parkway, 3rd Floor
Garden Grove, CA 92840

Sent via: greg1@ci.garden-grove.ca.us
714-741-5124

Re: *Proposed Upper-Upscale and Full Service, Select-Service and Suites Hotels Located in Garden Grove, California*

Dear Mr. Blodgett:

We have completed our analysis of the potential performance of the aforementioned hotels to be developed in Garden Grove, California, to the south of the Disneyland Resort and Anaheim Convention Center. This summary report is subject to the attached statement of general assumptions and limiting conditions.

Background

It is our understanding that you require an analysis for the support of the subject properties for your internal purposes. The development is proposed for a city owned parcel referred to as Site C situated on the northeast quadrant of Harbor Boulevard and Twintree Lane. The hotels will be a component of a mixed-use development site, with inline entertainment, retail and restaurants along Harbor Boulevard. It is estimated the project will take approximately 12 to 18 months to complete the working drawings and obtain financing, and approximately 18 to 24 months to construct. Horwath has assumed 2017 as the first full operating year of the subject hotels.

You are in negotiations with a developer for potential city subsidies for a development on Site C. General assumptions, published data, the developer's estimates as well as primary research have been considered to develop estimates of the future performance for the proposed project. It is our understanding that the project as proposed will consist of the following:

- 360-room full service, upper upscale hotel with approximately 15,000 square feet of conference/meeting space (including a 10,000-square foot ballroom), spa and fitness center
- 150-room suites oriented hotel property
- 150-room select service hotel property

Our analysis has consisted of researching published information on statistics and trends in the lodging industry in the Garden Grove/Anaheim area, demographic/economic trends, phone calls with principals knowledgeable of the area lodging market, in-house market data, and direct interviews with hotel companies and hotel management. Our market research and analysis was conducted in March 2013. Horwath previously researched support for the upper upscale hotel in a report dated March 25, 2011. Please refer to the previous report for expanded regional information and detail on the area and site. Where appropriate, Horwath has noted relevant updates to our assumptions contained in the previous report.

Our conclusions assume that the subject properties will be operated and marketed by a competent and efficient management company and affiliated with a national chain. Further, the properties will be constructed and furnished with quality materials commensurate with their targeted level of service prototype(s) and be well maintained over the projection period. Our projections of occupancy and average daily rate (ADR) are based on the level of services envisioned for the subject properties.

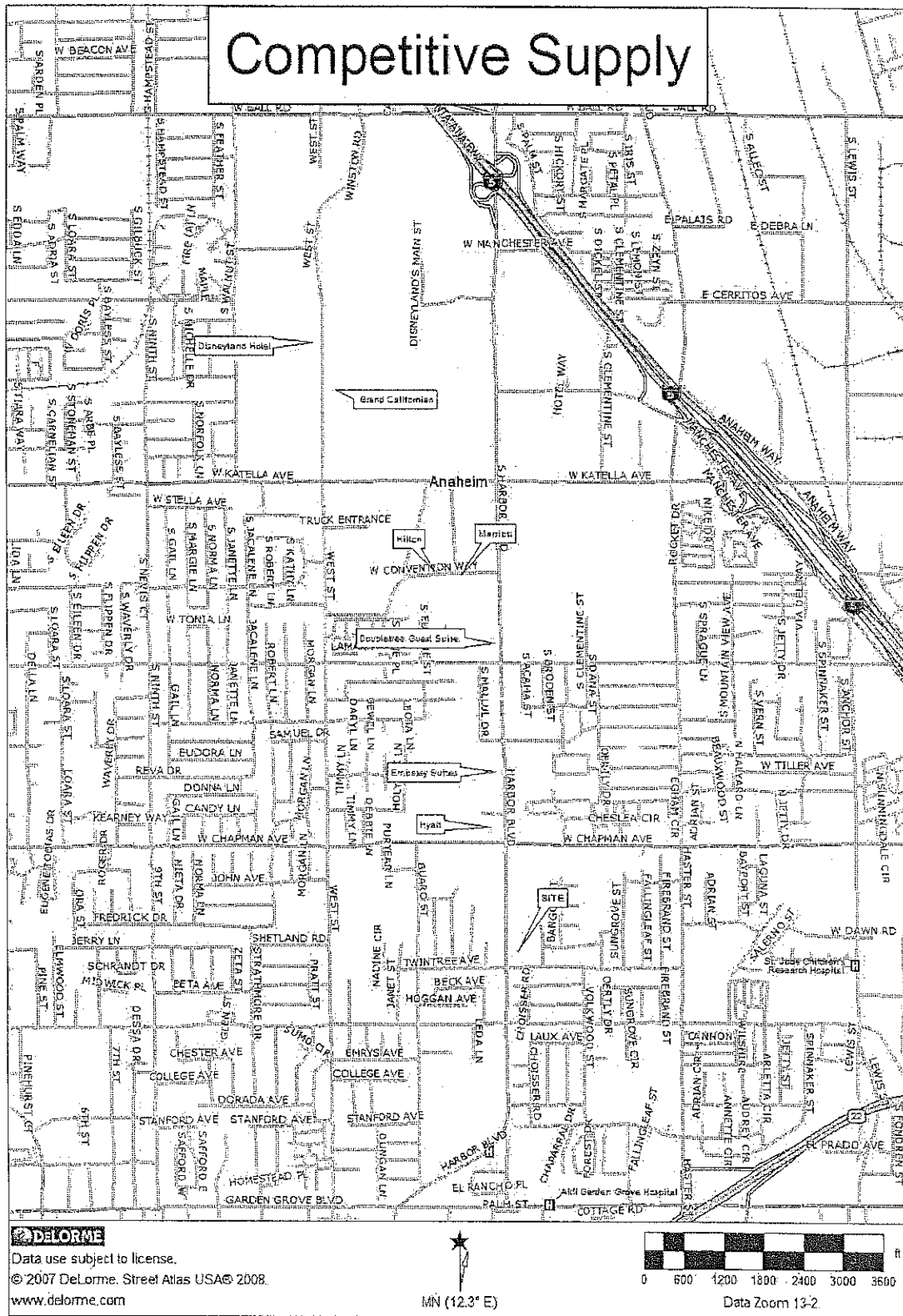
Competitive Lodging Market

There are numerous hotels within the competitive market area. In order to identify trends in the lodging market as well as support for the subject properties, we have identified a set of properties that we feel have successfully captured area demand in terms of occupancy and ADR. Assuming a ceiling in terms of ADR for the upper upscale property, we then determined a tiered capture of demand for the suites and select service properties due to their proximity and synergies within the proposed development.

There are seven full service properties that are achieving the highest average rates in the Garden Grove/Anaheim area. Chain affiliation and/or location relative to the Disneyland theme park are strong determinants as to the magnitude of both quoted and achieved rates. The locations of the properties are identified on the following map. A summary of these properties is presented as follows, followed by a map.

Competitive Set	Rooms	Open
Grand Californian Hotel	948	2001
Disneyland Hotel	969	1955
Hilton Anaheim	1,572	1984
Hyatt Regency Orange County	654	1987
Marriott Anaheim	1,030	1981
Embassy Suites Anaheim South	375	2002
Doubletree Guest Suites Anaheim Resort	251	2006
Total Keys	5,799	

Source: Hotel management & published sources



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Data Zoom 13-2



As indicated on the previous competitive supply chart, in 2012, there were seven properties totaling 5,799 guest rooms considered as the potential Garden Grove/Anaheim competitive supply for the subject upper upscale hotel. These properties were selected due to their ADR, size, facilities and amenities, quality and/or national brand affiliations, locations and market orientations.

With the exception of the two Disneyland hotels (Grand Californian Hotel and the Disneyland Hotel), all of the properties were nationally branded, chain-affiliated hotels. While there are some high-quality, independently owned and operated properties catering to Disneyland or the convention center, the importance of a chain affiliation is that it provides a recognizable, corporately mandated prototype that has been developed with a consistency in standard of operation, and benefits from shared support services such as marketing, reservations and frequent traveler reward programs. The independent properties were especially negatively impacted during the 2008/2009/2010 economic downturn, underscoring the importance of a recognized, national (or international) marketing program during downturns and/or off peak periods. As such, independently owned/operated properties were not included in the subject's competitive supply. Further, it should be noted that a Sheraton hotel in Garden Grove and one in Anaheim were not included in the competitive set as they share a reservation system with a third Sheraton property located closer to the Disneyland theme park, which has diluted their market share. As such, these properties have been negatively impacted by their lack of a brand differentiation coupled with secondary locations relative to the theme park, which impacted ADR. As this would have skewed the market set, they were not considered in the subject's competitive supply set.

The properties range in age from the 55 year-old Disneyland Hotel to the 203-room expansion of the Grand Californian Hotel in September 2009. All of the non-Disney properties are chain affiliated, and oriented toward either group or leisure visiting the Anaheim Convention Center or Disneyland. With the exception of the Hyatt Regency Orange County and Embassy Suites Garden Grove, all of the competitive properties are located within the city limits of Anaheim.

Competitive Supply Summary

The key similarities between the properties considered in the competitive set are their primary dependence upon Disneyland and/or convention center demand (or overflow compression), strong brand name affiliations, extent and quality of amenities, good physical conditions and their higher ADRs. As Harbor Boulevard develops with retail, commercial, and possibly a third gate in the future for Disneyland, and the Anaheim Convention Center expands, the Garden Grove properties will benefit. However, most of the Garden Grove properties do not have enough facilities or amenities to be considered "destinations" in this market. In other words, the subject will compete directly for the higher rated leisure demand staying in the competitive set, provide more of a focus of activity south along the Garden Grove portion of Harbor Boulevard, and help "drive rate" for the existing Garden Grove hotels. As of the date of this report, there is no upper upscale hotel located in the Garden Grove sector of the delineated Anaheim/Garden Grove competitive area.

Additions to Future Supply

We have concentrated on properties entering the Garden Grove/Anaheim area that would compete primarily for the higher rated (upscale) base leisure demand along Harbor Boulevard visiting the Disneyland Resort, or properties with significant meeting space. Due to the estimated size of the subject, as well as its proposed facilities and amenities, we have considered the following properties in

the future competitive supply. Although we are aware of other rumored and potential property additions, we have considered the status of their financing as our criteria for inclusion. Since the proposed additions to supply will benefit from public/private partnerships with the cities of Garden Grove and Anaheim, it is our opinion that they have a high probability of construction. The following chart summarizes our research, and further detail follows the chart.

Proposed Additions to Supply	Rooms	Open	Location
600-Key Great Wolf Lodge (1/3 competitive)	200	Jan-2017	Garden Grove
GardenWalk Hotel	466	Sep-2017	Anaheim
Total	666		

While approximately 90% of the hotel rooms accommodating Disneyland visitors are located in Anaheim, many are independent, older or "mom and pop" operations, representing an under utilization of their sites, in many cases. Over time, it is highly likely that many of these properties will be redeveloped or demolished and replaced with newer hotels. Due to the smaller land sizes of these properties and height restrictions in Anaheim, some of them may not be financially feasible, eventually pushing most of the future new development into the Garden Grove area (which lacks height restrictions). In the short term, however, we have considered only those properties that we estimate can obtain financing.

We are aware of no other hotels in the planning stages for inclusion in our projections of future supply. However, if additional rooms other than those mentioned in this report were to be added to the competitive supply, it could have a material impact on the market and the projected performance of the subject. The following chart reflects our estimate of the rooms included in the subject's future competitive supply.

Proposed Additions to Supply	2012	2013	2014	2015	2016	2017	2018
Current Rooms Supply	5,668						
Proposed Upscale Hotel- Garden Grove						360	
2 Disneyland Hotels (net)*	131						
Garden Walk District hotel Phase I (3rd Q 2017)						117	349
Great Wolf Lodge & Water Park (1/3 comp)						200	
Cumulative Rooms Supply	5,799	5,799	5,799	5,799	5,799	6,476	6,825
Total Annual Rooms Supply	2,116,635	2,116,635	2,116,635	2,116,635	2,116,635	2,363,558	2,490,943
Growth Over the Prior Year	2.3%	0.0%	0.0%	0.0%	0.0%	11.7%	5.4%

*impact of rooms expansion

Hotel Rooms Demand

Historical Operating Performance

According to our research, the individual occupancies within the delineated competitive supply ranged from 72% to 84%, with the largest (the group hotels) reflecting the lower occupancies. Average daily rates ranged from \$131 to \$304. The highest rate was achieved by the two Disney hotels combined.

The following chart presents the aggregated historical supply and demand for the properties considered in the competitive market from 2008 through 2012.

Historical Market Performance of the Competitive Supply									
Year	Annual Supply	Percent Change	Occupied Rooms	Percent Change	Market Occupancy	Average Daily Rate	Percent Change	RevPAR	Percent Change
2008	2,050,205	N/A	1,516,580	N/A	74.0%	\$188.20	N/A	\$139.22	N/A
2009	2,050,205	0.0%	1,409,352	-7.1%	68.7%	173.29	-7.9%	119.12	-14.4%
2010	2,050,205	0.0%	1,442,765	2.4%	70.4%	172.49	-0.5%	121.38	1.9%
2011	2,068,820	0.9%	1,488,477	3.2%	71.9%	182.24	5.7%	131.12	8.0%
2012	2,116,635	2.3%	1,627,453	9.3%	76.9%	193.52	6.2%	148.80	13.5%
CAC	0.8%		1.8%			0.7%		1.7%	

Source: Horwath, STR CAC = compound annual change

As can be seen from the previous table, due to a gradual recovery from the economic recession, the downward trend began to reverse itself in 2010, which escalated in 2011 and continued into 2012 reflecting a 9.3% increase in occupied rooms. According to interviews, the strong recovery has continued into 2013, and several predict they are out of the recessionary period altogether. The significant uptick in both occupancy and ADR achieved in 2012 was also due to the completion of Disney's \$1.1 billion renovation which included the summer opening of Cars Land.

The ADR in the market increased at a 0.7% compound annual rate from 2008 to 2012, with increases in 2011 and 2012 erasing the declines from 2008 to 2010, resulting in revenue per available room (RevPAR) compound annual increase of 1.7%.

Estimated Growth in Supply and Demand

Based on our interviews, whether due to an improving economy, completion of renovations, reservations already on their books and a stronger January than expected, management at the delineated competitive set anticipates a stronger 2013 over 2012. Presented in the following table is a summary of the projected growth in supply, demand, and the resulting occupancy levels for the competitive market for the period 2013 to 2019, when the market is anticipated to stabilize.

Projected Market Performance of the Competitive Supply						
Year	Annual Supply	Percent Change	Occupied Rooms	Percent Change	Market Occupancy	
2013	2,116,635	0.0%	1,660,000	2.0%	78%	
2014	2,116,635	0.0%	1,676,600	1.0%	79%	
2015	2,116,635	0.0%	1,715,300	2.3%	81%	
2016	2,116,635	0.0%	1,773,900	3.4%	84%	
2017	2,363,558	11.7%	1,837,500	3.6%	78%	
2018	2,490,943	5.4%	1,901,800	3.5%	76%	
2019	2,490,943	0.0%	1,920,800	1.0%	77%	
CAAG	2.8%		2.5%			

Source: HorwathHTL

A continued recovery is estimated for the market. The higher increases in occupied rooms beginning in 2015 reflect the completion of the expansion of the convention center (impact to be recognized in the 3rd quarter of 2015). There will be an absorption period whereby new room supply additions will negatively impact the occupancy of the existing supply beginning in 2017. Specifically, market occupancy peaks in 2016 at 84%, but declines as a percentage, as new rooms enter the competitive supply beginning in 2017. Market occupancy will continue to increase gradually as the new rooms are absorbed, due to no new supply additions and the marketing efforts of the individual properties. Market occupancy is anticipated to stabilize at 77% in 2019. While 77% is slightly less than the 78% anticipated in 2013, it is closer to the 76.9% occupancy experienced in 2012, which is felt to be more representative of a stable market. Further, according to our interviews, hoteliers anticipate pushing ADRs, which could potentially impact rising occupancies. A stabilized market occupancy reflects an even, sustainable rate that takes into account the peaks in excess of 77%, and the valleys that occur during the cyclical fluctuations of the economy. Further, new rooms are apt to be added to the supply when occupancies rise. A stabilized occupancy of 77% reflects a healthy lodging market.

Subject Occupancy and Average Daily Rate Estimates

Our estimates of occupancy and ADR are based on a survey of competitive hotels, an analysis of the segmentation of demand in the market, and our assessment of the subject hotels' expected market position. The occupancy of the subject hotel was estimated based on its ability to penetrate each market segment. The "penetration rate" of a hotel is the percentage of room nights captured relative to the property's "fair share" based on its number of rooms in relation to its competitive supply. Factors indicating a hotel would possess competitive advantages suggest a market penetration in excess of 100% of fair market share, while competitive weaknesses are reflected in penetration rates of less than 100%.

Blending the penetration rates estimated for the individual demand segments (leisure and group) results in an overall market penetration rate of 98% of market share in the stabilized (3rd) operating year for the subject due primarily to its distance from Disneyland. The foregoing assumptions result in an estimated occupancy beginning at 64% and stabilizing at 75% in the third operating year.

The subject's stabilized market mix, based on the penetration levels estimated previously, would be approximately 52% group and 48% leisure demand. A summary of the penetration levels and subsequent occupancies is shown as follows.

Proposed Upper Upscale Hotel – Garden Grove Market Penetration and Projected Occupancy			
	2017	2018	2019
TOTAL ROOMS AVAILABLE			
Proposed Hotel	131,400	131,400	131,400
Competitive Market	2,363,558	2,490,943	2,490,943
Fair Share of Supply	5.6%	5.3%	5.3%
ESTIMATED TOTAL MARKET DEMAND			
Leisure	914,100	946,100	955,600
Group	923,400	955,700	965,200
TOTAL	1,837,500	1,901,800	1,920,800
FAIR SHARE OF DEMAND			
Leisure	50,800	49,900	50,400
Group	51,300	50,400	50,900
TOTAL	102,100	100,300	101,300
SUBJECT PENETRATION			
Leisure	85%	95%	95%
Group	80%	90%	100%
ROOM NIGHTS CAPTURED			
Leisure	43,200	47,400	47,900
Group	41,100	45,400	50,900
TOTAL CAPTURED DEMAND	84,300	92,800	98,800
MARKET SHARE CAPTURED	4.6%	4.9%	5.1%
OVERALL MARKET PENETRATION			
	83%	93%	98%
SUBJECT OCCUPANCY			
	64%	71%	75%
MARKET MIX			
Leisure	51%	51%	48%
Group	49%	49%	52%
TOTAL	100%	100%	100%

Source: Horwath

We have stabilized the subject at 75% occupancy in 2019. A stabilized occupancy is recognized as a typical and sustainable rate, though some years it may fluctuate due to local economic conditions and/or new supply additions.

Based on rates being achieved by the competitive supply as well as the amenities and facilities to be offered by the subject, we then estimated its potential achievable ADR.

Average rates peaked in 2008 at \$188, before declining \$15 in 2009. While a slight recovery (\$1.00) was evident in 2010, it must be noted that this coincided with the rooms addition at the very pricey Grand Californian located on the grounds of Disneyland. A \$10 recovery occurred in 2011, followed by an additional \$12 increase in 2012, resulting in a \$6 increase over the 2008 ADR level. As noted previously, the aggregated ADR of the two Disney properties was \$278 in 2008, dropping to \$248 in 2010, but estimated at \$304 by year end 2012. It should also be noted that even with these strong ADRs, the aggregated occupancy of the Disney hotels in 2008 and 2012 was 87% and 81%, respectively. The Garden Grove properties will not be able to successfully compete on ADR with the

Disney hotels without the amenities to create a competitive “destination” to the Disneyland theme park. As the subject is located the farthest distance from the Disneyland Resort, it is more vulnerable to rate discounting and/or additions to supply. While the subject is anticipated to fill the upper upscale market niche as well as benefit from the Anaheim convention center, the Disneyland properties garner a premium due to their locations (and the upper upscale accommodations at the Grand Californian). Therefore, we have considered only the non-Disney properties in our analysis of a potential rate.

As noted previously, we are anticipating a premium over the non-Disney properties due to the quality of the facilities at the subject. We also anticipate continuing increases in ADRs due to an improving economy, the numerous renovations within the subject’s delineated competitive supply, along with the \$1.1 billion renovation/expansion of Disneyland and compression created by the expansion of the convention center.

To estimate the most probable rate for the subject, we focused on the highest ADR of the non-Disneyland properties. Assuming 2008 was a representative year (prior to the economic downturn), and affording a premium of \$8.00 to the ADR achieved by the Embassy Suites, we have considered a \$155 ADR in 2008 value dollars if the subject were open and operating at that time. Inflating the rate considering a 3% annual inflation rate, we have estimated a market recovery ADR of \$170 by the subject in 2013 value dollars. We believe this rate positioning is appropriate taking into consideration the property’s location, quality of the product, market orientation, and presumed brand identity.

The following table presents our assumptions regarding the potential occupancy and ADR achievable by the subject over the five-year period beginning January 1, 2017. While rate discounting is typical in the early years, with real rate growth over and above inflation in subsequent years, we do not anticipate the property will be able to push ADR further, unless a “destination” for increased visitation is introduced in the Garden Grove area. We have assumed a general inflation assumption of 3.0% annually, consistent with the historic levels over the past 20 years.

Proposed Upper Upscale Hotel – Garden Grove - Projected Performance			
Year	Occupancy	ADR¹	Inflated ADR²
2017	64%	\$170.00	\$191.00
2018	71%	170.00	197.00
2019 ³	75%	170.00	203.00
2020	75%	170.00	209.00
2021	75%	170.00	215.00

¹ Average daily rate, presented in 2013 value dollars, rounded to the nearest \$1.00
² Average daily rate, presented in inflated dollars at 3% annually, rounded to the nearest \$1.00
³ Stabilized occupancy year

Suites and Select Service Hotels

In order to assess support for the operating performance estimated by the developer for the two other properties within the development, Horwath considered the operating performance of individual properties within the subjects’ market area as well as reviewed published market projections. We have made the following assumptions regarding some of the positive factors for the proposed hotels:

- A selection of lodging alternatives offering tiered pricing of hotel product (upper upscale, all suite and select service) for referral/overflow;
- Location within a mixed-use development, offering retail and entertainment venues;
- Synergies related to sales and marketing campaigns and strategies as well as shared transportation options to the convention center, Disneyland park and other venues;
- A location along Harbor Boulevard that will benefit from the future location of a proposed third gate for Disneyland.

It should be noted that the suite and select service properties will have more competition than the upper upscale property in terms of supply, as well as not offer the meeting space and amenities to justify higher room rates. Further, we have estimated 2.5% annual inflation for ADR. Considering these and other factors, we have assumed the developers estimates as reasonable for the suites and select service properties as follows:

Proposed Hotels – Projected Performance						
Year	150-Room Suite Hotel			150-Room Select Service Hotel		
	Occ.	ADR ¹	ADR ²	Occ.	ADR ¹	ADR ²
2017	69%	\$116	\$125	68%	\$125	\$135
2018	71%	116	132	71%	125	137
2019 ³	74%	116	143	74%	125	149
2020	74%	116	147	74%	125	154
2021	74%	116	152	74%	125	158

¹ Average daily rate, presented in 2013 value dollars, rounded to the nearest \$1.00

² Average daily rate, presented in inflated dollars

³ Stabilized occupancy year

Land Residual Analysis

Subject to the terms and conditions of the proposed resort hotel development agreement between the City of Garden Grove and the developer, the city will provide the site to the developer at no cost, free and clear. The residual value is based on estimating the value of the completed and operating project less all development costs (which includes an allocation for developer profit). The remainder represents the amount the developer could afford to pay for the site. The indicated residual land value, including city assistance, is summarized as follows.

Residual Land Value	
	Total
ProjectMarket Value	\$116,200,000
Construction Cost	(147,700,000)
Land Value	(\$31,500,000)
Rounded:	(\$31,500,000)

Source: HorwathHL

Therefore, based on our research and assumptions, as well as information provided by the developer, it is our opinion that the negative residual land value totals approximately \$31.5 million.

Our assumptions and conclusions are based on a number of factors, which may or may not occur. Assets such as hotels are able to recover increases in costs through increases in rates, which can vary daily. This is not an option for many other real estate uses that are locked into annual lease terms. In addition to new future hotel supply securing financing, unanticipated events and circumstances can affect the forecasted estimate. Therefore, our estimated result may vary from the actual result, and the variation may be material. However, we have considered this level of residual land value as reasonable.

We appreciate the opportunity to present this report to you. If there are any questions after you have had the opportunity to review it, please do not hesitate to call us at your convenience. Thank you once again for the opportunity to be of service.

Sincerely,



Florida T. Booth, MAI, CCIM
Managing Director
Horwath Hospitality & Leisure LLC

ADDENDA

Statement of Assumptions and Limiting Conditions

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS

Economic and Social Trends - The consultant assumes no responsibility for economic, physical or demographic factors which may affect or alter the opinions in this report if said economic, physical or demographic factors were not present as of the date of the letter of transmittal accompanying this report. The consultant is not obligated to predict future political, economic or social trends.

Information Furnished by Others - In preparing the report, the consultant was required to rely on information furnished by other individuals or found in previously existing records and/or documents. Unless otherwise indicated, such information is presumed to be reliable. However, no warranty, either expressed or implied, is given by the consultant for the accuracy of such information and the consultant assumes no responsibility for information relied upon later found to have been inaccurate. The consultant reserves the right to make such adjustments to the analyses, opinions and conclusions set forth in this report as may be required by consideration of additional data or more reliable data that may become available.

Hidden Conditions - The consultant assumes no responsibility for hidden or unapparent conditions of the properties, subsoil, ground water or structures. No responsibility is assumed for arranging for engineering, geologic or environmental studies that may be required to discover such hidden or unapparent conditions.

Hazardous Materials - The consultant has not been provided any information regarding the presence of any material or substance on or in any portion of the subject property, which material or substance possesses or may possess toxic, hazardous and/or other harmful and/or dangerous characteristics. Unless otherwise stated in the report, the consultant did not become aware of the presence of any such material or substance during the consultant's inspection of the subject property. However, the consultant is not qualified to investigate or test for the presence of such materials or substances. The consultant assumes no responsibility for the presence of any such substance or material on or in the subject property, nor for any expertise or engineering knowledge required to discover the presence of such substance or material. Unless otherwise stated, this report assumes the subject property is in compliance with all federal, state and local environmental laws, regulations and rules.

Zoning and Land Use - Unless otherwise stated, the subject property is assumed to be in full compliance with all applicable zoning and land use regulations and restrictions.

Licenses and Permits - Unless otherwise stated, the property is assumed to have all required licenses, permits, certificates, consents or other legislative and/or administrative authority from any local, state or national government or private entity or organization that have been or can be obtained or renewed for any use on which the performance estimates contained in this report are based.

Engineering Survey - No engineering survey has been made by the consultant. Except as specifically stated, data relative to size and area of the subject property was taken from sources considered reliable and no encroachment of the subject property is considered to exist.

Subsurface Rights - No opinion is expressed as to the value of subsurface oil, gas or mineral rights or whether the property is subject to surface entry for the exploration or removal of such materials, except as is expressly stated.

Maps, Plats and Exhibits - Maps, plats and exhibits included in this report are for illustration only to serve as an aid in visualizing matters discussed within the report. They should not be considered as surveys or relied upon for any other purpose, nor should they be removed from, reproduced or used apart from the report.

Legal Matters - No opinion is intended to be expressed for matters which require legal expertise or specialized investigation or knowledge beyond that customarily employed by real estate consultants.

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS

(Continued)

Right of Publication - Possession of this report, or a copy of it, does not carry with it the right of publication. Without the written consent of the consultant, this report may not be used for any purpose by any person other than the party to whom it is addressed. In any event, this report may be used only with properly written qualification and only in its entirety for its stated purpose.

Archeological Significance - No investigation has been made by the consultant and no information has been provided to the consultant regarding potential archeological significance of the subject property or any portion thereof. This report assumes no portion of the subject property has archeological significance.

Compliance with the Americans with Disabilities Act - The Americans with Disabilities Act ("ADA") became effective January 26, 1992. It is assumed that the property will be in direct compliance with the various detailed requirements of the ADA.

Definitions and Assumptions - The definitions and assumptions upon which our analyses, opinions and conclusions are based are set forth in appropriate sections of this report and are to be part of these general assumptions as if included here in their entirety.

Utilization of the Land and/or Improvements - It is assumed that the utilization of the land and/or improvements is within the boundaries or property described herein and that there is no encroachment or trespass.

Dissemination of Material - Neither all nor any part of the contents of this report shall be disseminated to the general public through advertising or sales media, public relations media, new media or other public means of communication without the prior written consent and approval of the consultant(s).

Distribution and Liability to Third Parties - The party of whom this report was prepared may distribute copies of this report only in its entirety to such third parties as may be selected by the party for whom this report was prepared; however, portions of this report shall not be given to third parties without our written consent. Liability to third parties will not be accepted.

Use in Offering Materials - This report, including all cash flow forecasts, market surveys and related data, conclusions, exhibits and supporting documentation may not be reproduced or references made to the report or to the Consultant in any sale offering, prospectus, public or private placement memorandum, proxy statement or other document ("Offering Material") in connection with a merger, liquidation or other corporate transaction unless The Consultant has approved in writing the text of any such reference or reproduction prior to the distribution and filing thereof.

Limits to Liability - The Consultant cannot be held liable in any cause of action resulting in litigation for any dollar amount which exceeds the total fees collected from this individual engagement.

Legal Expenses - Any legal expenses incurred in defending or representing ourselves concerning this assignment will be the responsibility of the client.

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To:	Scott C. Stiles	From:	William E. Murray
Dept.:	City Manager	Dept.:	Public Works
Subject:	Approval of an Agreement with West Coast Arborists, Inc., RFP No. S-1188, for tree maintenance services. (Cost: not to exceed \$290,000 per year) (<i>Action Item</i>)	Date:	6/28/2016

OBJECTIVE

To receive City Council approval to enter into an agreement with West Coast Arborists, Inc. (WCA), RFP No. S-1188, for tree maintenance services in an amount not to exceed \$290,000 per year.

BACKGROUND

The City has an urban forest of approximately 19,000 trees. A combination of contractual and in-house staff is strategically used to maintain the City's urban forest that encompasses a variety of trees in the right of way and residential parkway areas. This approach allows for an in-house staff of six (6) full time employees and two (2) part time employees to handle an average of 1,100 citizen requests annually; in addition to tree planting, emergencies and other priorities. The contractual services include tree removal, tree trimming with a cost effective grid pruning system and an up-to-date GPS tree inventory. The City's urban forest brings many benefits to the community such as adding shade to reduce the Heat Island Effect from surrounding pavement and concrete, stabilizing soils by protecting landscapes from storm events, along with minimizing the City's carbon footprint by absorbing pollutants and cleaning the air.

DISCUSSION

The existing tree maintenance contract expires on October 11, 2016. RFP No. S-1188 was advertised on March 4, 2016. The proposal document was posted on the City's website on March 4, 2016, via the Planet Bids on-line bidding system. A mandatory pre-proposal meeting was held on March 16, 2016, with seven (7) companies in attendance. Three (3) proposals were received and opened on April 4, 2016. The Source Selection Committee (SSC) review scores were completed on May

4, 2016. The analysis below indicates the Proposal Pricing and the SSC scores:

COMPANY NAME	FINAL SSC SCORES
West Coast Arborist, Inc.	2,886
Great Scott Tree Service, Inc.	2,370
Trimming Land Co.	1,647

WCA has the highest scoring proposal, based on the widest selection and most current equipment, positive references, and most competitive pricing that best fits the needs of the City.

FINANCIAL IMPACT

The new contract for tree services is not-to-exceed \$290,000 per year. Funds are available in the Fiscal Year 2016/17 budget.

RECOMMENDATION

It is recommended that the City Council:

- Award the contract to West Coast Arborists, Inc., in the firm, fixed price amount of \$290,000 per year with an option to extend one year at a time, not to exceed the amount of \$1,450,000, over a five-year period; and
- Authorize the City Manager to execute the agreement on behalf of the City and make minor modifications as appropriate thereto.

By: Richard Gosselin
Public Works Supervisor

ATTACHMENTS:

Description	Upload Date	Type	File Name
Agreement	6/15/2016	Cover Memo	West_Coast_Agreement_2016.pdf

PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT is made this _____ day of _____, 2016, by the **CITY OF GARDEN GROVE**, a municipal corporation, ("CITY") and **West Coast Arborists, Inc.**, herein after referred to as "CONTRACTOR".

RECITALS

The following recitals are a substantive part of this Agreement:

1. This Agreement is entered into pursuant to Garden Grove COUNCIL AUTHORIZATION, DATED _____.
2. CITY desires to utilize the services of CONTRACTOR to Furnish all Labor, Materials, Equipment, and Traffic Control for Arborist Services, including Emergency Services, at Various Locations in the City of Garden Grove.
3. CONTRACTOR is qualified by virtue of experience, training, education and expertise to accomplish services.

AGREEMENT

THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. **Term and Termination.** The initial term of the Agreement shall be from July 1, 2016 through June 30, 2017, with an option to extend said agreement an additional four (4) years, for a total performance period of five (5) years. Option years shall be exercised one (1) year at a time, at the sole option of the CITY. This agreement may be terminated by the CITY without cause. In such event, the CITY will compensate CONTRACTOR for work performed to date in accordance with PROPOSAL PRICING form (Attachment B). Contractor is required to present evidence to support performed work completion.
2. **Services to be Provided.** The services to be performed by CONTRACTOR shall consist of tasks as set forth in the Scope of Work. The Scope of Work is attached as Attachment A, and is incorporated herein by reference. The Scope of Work and this Agreement do not guarantee any specific amount of work.
3. **Compensation.** CONTRACTOR shall be compensated as follows:
 - 3.1 **AMOUNT.** Total Compensation under this agreement shall not exceed (NTE) amount of Two Hundred Ninety Thousand Dollars (\$290,000.00), per year, payable in arrears and in accordance with PROPOSAL PRICING form, Attachment B. All work shall be in accordance with RFP No. S-1188.
 - 3.2 **Payment.** For work under this Agreement, payment shall be made per invoice for work completed. For extra work not a part of this Agreement,

a written authorization by CITY will be required, and payment shall be based on schedule included in PROPOSAL PRICING sheet (Attachment B).

- 3.3 Records of Expenses. CONTRACTOR shall keep complete and accurate records of all costs and expenses incidental to services covered by this Agreement. These records will be made available at reasonable times to CITY.
- 3.4 Termination. CITY shall have the right to terminate this agreement, without cause, by giving thirty (30) days written notice of termination. If the Agreement is terminated by CITY, then the provisions of paragraph 3 would apply to that portion of the work completed.

4. Insurance Requirements.

- 4.1 COMMENCEMENT OF WORK. CONTRACTOR shall not commence work under this Agreement until all certificates and endorsements have been received and approved by the CITY. All insurance required by this Agreement shall contain a Statement of Obligation on the part of the carrier to notify the CITY of any material change, cancellation, or termination at least thirty (30) days in advance.
- 4.2 WORKERS COMPENSATION INSURANCE. During the duration of this Agreement, CONTRACTOR shall maintain Workers Compensation Insurance in the amount and type required by law, if applicable.
- 4.3 INSURANCE AMOUNTS. CONTRACTOR shall maintain the following insurance for the duration of this Agreement:
- (a) Commercial general liability in an amount not less than of \$1,000,000.00 per occurrence (**claims made and modified occurrence policies are not acceptable**); Insurance companies must be acceptable to CITY and have a Best's Guide Rating of A-, Class VII or better, as approved by the CITY.
- (b) Automobile liability in an amount not less than \$1,000,000.00 combined single limit (**claims made and modified occurrence policies are not acceptable**); Insurance companies must be acceptable to CITY and have a Best's Guide Rating of A-, Class VII or better, as approved by the CITY.

An Additional Insured Endorsement, **ongoing and completed operations**, for the policy under section 4.3 (a) shall designate CITY, its officers, officials, employees, agents, and volunteers as additional insureds for liability arising out of work or operations performed by or on behalf of the CONTRACTOR. CONTRACTOR shall provide to CITY

proof of insurance and endorsement forms that conform to city's requirements, as approved by the CITY.

An Additional Insured Endorsement for the policy under section 4.3 (b) shall designate CITY, its officers, officials, employees, agents, and volunteers as additional insureds for automobiles owned, leased, hired, or borrowed by the CONTRACTOR. CONTRACTOR shall provide to CITY proof of insurance and endorsement forms that conform to CITY's requirements, as approved by the CITY.

For any claims related to this Agreement, CONTRACTOR's insurance coverage shall be primary insurance as respects CITY, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the CITY, its officers, officials, employees, agents, or volunteers shall be in excess of the CONTRACTOR's insurance and shall not contribute with it.

If CONTRACTOR maintains higher insurance limits than the minimums shown above, CONTRACTOR shall provide coverage for the higher insurance limits otherwise maintained by the CONTRACTOR.

5. **Non-Liability of Officials and Employees of the CITY.** No official or employee of CITY shall be personally liable to CONTRACTOR in the event of any default or breach by CITY, or for any amount which may become due to CONTRACTOR.
6. **Non-Discrimination.** CONTRACTOR covenants there shall be no discrimination against any person or group due to race, color, creed, religion, sex, marital status, age, handicap, national origin, or ancestry, in any activity pursuant to this Agreement.
7. **Independent Contractor.** It is agreed to that CONTRACTOR shall act and be an independent contractor and not an agent or employee of the CITY, and shall obtain no rights to any benefits which accrue to CITY'S employees.
8. **Compliance with Law.** CONTRACTOR shall comply with all applicable laws, ordinances, codes, and regulations of the federal, state, and local government. CONTRACTOR shall comply with, and shall be responsible for causing all contractors and subcontractors performing any of the work pursuant to this Agreement to comply with, all applicable federal and state labor standards, including; to the extent applicable, the prevailing wage requirements promulgated by the Director of Industrial Relations of the State of California Department of Labor. The City makes no warranty or representation concerning whether any of the work performed pursuant to this Agreement constitutes public works subject to the prevailing wage requirements.

9. **Notices.** All notices shall be personally delivered or mailed to the below listed address, or to such other addresses as may be designated by written notice. These addresses shall be used for delivery of service of process.

a. (Contractor)
West Coast Arborists, Inc.
Attention: Patrick Mahoney
2200 E. Via Burton
Anaheim, CA 92806

b. (Address of CITY) (with a copy to):
City of Garden Grove Garden Grove City Attorney
11222 Acacia Parkway 11222 Acacia Parkway
Garden Grove, CA 92840 Garden Grove, CA 92840

10. **CONTRACTOR'S PROPOSAL.** This Agreement shall include CONTRACTOR'S proposal or bid which shall be incorporated herein by reference. In the event of any inconsistency between the terms of the proposal and this Agreement, this Agreement shall govern.

11. **Licenses, Permits, and Fees.** At its sole expense, CONTRACTOR shall obtain a Garden Grove Business License, all permits, and licenses as may be required by this Agreement.

12. **Familiarity with Work.** By executing this Agreement, CONTRACTOR warrants that: (1) it has investigated the work to be performed; (2) it has investigated the site of the work and is aware of all conditions there; and (3) it understands the facilities, difficulties, and restrictions of the work under this Agreement. Should Contractor discover any latent or unknown conditions materially differing from those inherent in the work or as represented by CITY, it shall immediately inform CITY of this and shall not proceed, except at CONTRACTOR'S risk, until written instructions are received from CITY.

13. **Time of Essence.** Time is of the essence in the performance of this Agreement.

14. **Limitations Upon Subcontracting and Assignment.** The experience, knowledge, capability, and reputation of CONTRACTOR, its principals and employees were a substantial inducement for CITY to enter into this Agreement. CONTRACTOR shall not contract with any other entity to perform the services required without written approval of the CITY. This Agreement may not be assigned voluntarily or by operation of law, without the prior written approval of CITY. If CONTRACTOR is permitted to subcontract any part of this Agreement, CONTRACTOR shall be responsible to CITY for the acts and omissions of its subcontractor as it is for persons directly employed. Nothing contained in this Agreement shall create any contractual relationship between any subcontractor and CITY. All persons engaged in the work will be considered employees of CONTRACTOR. CITY will deal directly with and will make all payments to CONTRACTOR.

15. **Authority to Execute.** The persons executing this Agreement on behalf of the parties warrant that they are duly authorized to execute this Agreement and that by executing this Agreement, the parties are formally bound.

16. **Indemnification.** CONTRACTOR agrees to protect, defend, and hold harmless CITY and its elective or appointive boards, officers, agents, and employees from any and all claims, liabilities, expenses, or damages of any nature, including attorneys' fees, for injury or death of any person, or damage to property, or interference with use of property, arising out of, or in any way connected with performance of the Agreement by CONTRACTOR, CONTRACTOR'S agents, officers, employees, subcontractors, or independent contractors hired by CONTRACTOR. The only exception to CONTRACTOR'S responsibility to protect, defend, and hold harmless CITY, is due to the sole negligence of CITY, or any of its elective or appointive boards, officers, agents, or employees.

This hold harmless agreement shall apply to all liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by CONTRACTOR.

17. **Prevailing Wages.** The CITY has been advised that the Prevailing Wages Law applies to the work. CONTRACTOR and its subcontractors must be registered with the California Department of Industrial Relations pursuant to Labor Code Section 1725.5. This Agreement shall not be effective until CONTRACTOR provides proof of registration to the CITY. CONTRACTOR shall be responsible for CONTRACTOR's compliance in all respects with the Prevailing Wage Law, including the payment of the prevailing wage rates to all the laborers involved, and with California Labor Code Section 1770 et seq., including the keeping of all records required by the provisions of Labor Code Section 1776 and the implementing administrative regulations. CONTRACTOR shall submit payroll records to the Labor Commissioner pursuant to Labor Code section 1771.4(a)(3) and shall comply with the job site notices posting requirements established by the Labor Commissioner pursuant to Title 8, California Code of Regulations Section 16461(e) or other regulation promulgated pursuant to Labor Code Section 1771.4(a)(2). Pursuant to Labor Code Section 1771.4, this Project is subject to compliance monitoring and enforcement by the California Department of Industrial Relations. The CITY shall be a third party beneficiary of the forgoing covenant with rights to enforce the same as against the CONTRACTOR.

(Agreement Signature Block on Next Page)

IN WITNESS THEREOF, these parties have executed this Agreement on the day and year shown below.

Date: _____

"CITY"
CITY OF GARDEN GROVE

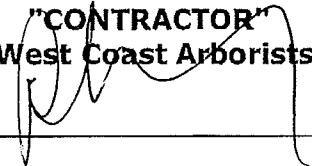
By: _____
City Manager

ATTESTED:

City Clerk

Date: _____

"CONTRACTOR"
West Coast Arborists, Inc.

By: _____


Name: Patrick Mahoney

Title: President

Date: 6/8/16

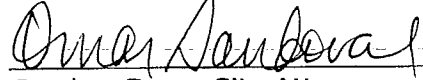
Tax ID No. 95-3250682

Contractor's License: 366764

Expiration Date: 12/31/16

If CONTRACTOR is a corporation, a Corporate Resolution and/or Corporate Seal is required. If a partnership, Statement of Partnership must be submitted to CITY.

APPROVED AS TO FORM:


Garden Grove City Attorney

6-15-16

**ATTACHMENT "A"
SCOPE OF WORK
RFP NO. S-1188**

**Furnish all Labor, Materials, Equipment, and Traffic Control for
Arborist Services, including Emergency Services, at Various
Locations in the City of Garden Grove**

PART I: TREE TRIMMING

PART II: TREE WORK INCLUDING STUMP
REMOVAL

PART III: TREE STUMP REMOVAL ONLY

PART IV: TREE ROOT PRUNING

PART I

Trimming, Removal and Disposal of Trimmings and other Vegetation from Trees Growing in the Parkways, Landscaped Medians, Frontages, Greenbelts, and Parks

SPECIFICATIONS FOR TREE TRIMMING

I. GENERAL INFORMATION: For information and inspections as required, call the Tree Maintenance Section.

II. GIS TREE INVENTORY SYSTEM

Contractor shall provide a GIS tree inventory system to track maintenance and inventory throughout the contract. Contractor shall have GIS inventory completed and operational within the first six (6) months of the contract period.

During the term of the contract, City shall have full and complete access to inventory system.

Upon termination of the contract, the GIS tree inventory system and all information collected, will be turned over to the City

III. TYPE OF WORK

- A. Trimming, removal and disposal of trimmings and other vegetation from various broad leaf trees, conifers, and palm trees.
- B. Bidder must hold a State of California Contractor's License (C-27) and be a certified Arborist. At the time of bid submittal.

IV. PURPOSE OF WORK

- A. Provide street and sidewalk clearance to prescribed height
- B. Remove dead branches.
- C. Enhance tree health, and appearance.
- D. Prune any undesirable conditions as may be required by the City. The work shall begin within ten (10) days after each request and shall be diligently pursued until completion.
- E. Contractor shall, if necessary, make all arrangements necessary to have all power lines or utility lines temporarily disconnected for the safe trimming of the tree.

V. SPECIFICATIONS FOR WORK: COMPLETE TRIM, THIN, SHAPE, BALANCE

- A. Low branches overhanging streets shall be removed, where practical, to a minimum height above the street grade to fifteen feet (15'). Low branches overhanging sidewalks and parkways shall be removed to a minimum height of ten feet (10') and without detracting from the natural shape of the tree or as specified by the City.
- B. Shorten the length of limbs that extend beyond the natural perimeter of an otherwise symmetrical form.
- C. Prune end branches to lighten end weight where such overburden appears likely to cause breakage of limbs. Remove cross limbs, water sprouts and suckers.
- D. All trees on which vines are growing shall have said vines removed. Vine tendrils shall be removed in a manner, which will not injure trees or cause scarring of low branches and/or tree trunks.
- E. Topping and lion tailing shall be unacceptable pruning practices for trees.
- F. Dominant leaders should be selected for development as appropriate.
- G. Pruning cuts that removes a branch at its point of origin shall be made close to the trunk or parent branch without cutting into the branch bark ridge or branch collar or leaving a stub. The cambium tissues at the edge of the cuts are alive and healthy. Extreme flush cuts, which produce large wounds that weaken trees, shall not be allowed.
- H. The Contractor shall use lopper type trimming tools when requested. Standard chain saw type cutting tool will be acceptable.
- I. Pruning and cutting tools shall be kept sharpened to a condition that will permit leaving an untorn cambium edge on

final cuts. Such tools shall also be kept clean and free from infectious materials.

- J. All tree pruning shall be in accordance with the National Arborist Association pruning standard for shade trees, with ANSI A300 standard for tree care operation.

VI. SPECIFICATIONS FOR WORK: CANOPY RAISE

- A. Raise up canopy, removing cross limbs, water sprouts and suckers, leaving lower structural branches free of foliage, with a light symmetrical canopy remaining to a minimum of 15 ft. over the street and 10 ft. sidewalks and parkways or as specified by the City.
- B. Reduce the width of the canopy and its lower outer structural branches 25%.
- C. Shorten the length of limbs, which extend beyond the natural perimeter of an otherwise symmetrical form.
- D. All trees on which vines are growing shall have said vines removed. Vine tendrils shall be removed in a manner that will not injure trees or cause scarring of low branches and/or tree trunks.
- E. Final pruning cuts shall be made to favor the earliest covering of the wound by callus growth. This requires that the wood be as small as practicable, and the cut be reasonably flush within the shoulder ring area and that the cambium tissues at the edge of the cut be alive and healthy. Extreme flush cuts that produce large wounds and weaken the tree at the cut shall not be allowed.
- F. Standard chain saw type cutting tools is acceptable. The Contractor shall use lopper type trimming tools when requested.
- G. Pruning and cutting tools shall be kept sharpened to a condition that will permit leaving an untorn cambium edge on final cuts. Such tools shall also be kept clean and free from infectious materials.

- H. The use of climbing or spike shoes is not permitted.
- I. Trimming of trees should also provide adequate clearance for any obstructed street standard, mast-arm, globe, or public sign.
- J. Trim to clear all adjacent structures by a minimum of five feet (5').

VII. SPECIFICATIONS FOR WORK: PALM TREE TRIMMING

A. Standard Trim

- Live healthy fronds should not be removed. Live, healthy fronds above horizontal shall not be removed. Exception: Palms encroaching electrical supply lines.

B. Full Trim

- All dead fronds or parts thereof shall be removed from the surface of the trunk of the tree, leaving a clean, unscathed appearance throughout the entire length of the palm. Fronds removed should be pruned close to petiole base without damaging living trunk. All loose fronds sheaths shall be removed from the entire length of the palm.

VIII. CONDUCT OF OPERATION

- A. Cooperation with Others: The Contractor shall endeavor to maintain good customer service at all times. The work shall be conducted in a manner that will cause no interference and/or annoyance to the public.
- B. Supervision: The Contractor will assure that a qualified English speaking supervisor is present at all times when work is being performed. If a citizen has a complaint or concern about work being performed, the Contractor's supervisor shall make initial contact with the citizen and endeavor to resolve the problem.
- C. Inclement Weather: Work in trees shall be suspended during the periods of inclement weather, as determined by the Tree crew leader and City. Exceptions will be made for emergency calls.
- D. Emergency calls: Emergency response for tree related service needs to be within ninety minutes or less regardless of the weather condition and be available 24 Hrs a day, 365 days a year.
- E. Preservation of Property: The Contractor shall carefully protect from damage all existing trees, shrubs, plants and other growth and features, which remain. Contractor shall be liable for any and all damage to private property such as trees, plants, shrubs, other growth, irrigation systems, block walls, fences, etc., and under and

above ground public utilities. Property shall be replaced or restored to its original condition within a 48-hour period, to the satisfaction of the City.

F. Traffic Control: Pedestrian and vehicular traffic shall be allowed to pass through the work area, whenever possible to do so, safely and with as little inconvenience and delay as possible. The Contractor shall provide and maintain adequate barricades and warning devices. Flagmen shall be stationed as reasonably necessary for the safety of persons and vehicles.

1. All traffic control and work area setup shall be in accordance with the Work Area Traffic Control Handbook of the Southern California Chapter American Public Works Association latest edition.
2. The Contractor shall supply each crew of workers with a sign for each end of the work, 36 inches by 36 inches (36" x 36"), with an appropriate stand, and flags for each worksite. The sign shall have orange background with black letters and shall read as follows: "Men working in trees."
3. The Contractor shall post "No Parking - Tow Away" signs at the locations of work to be completed. A minimum of 24 hours prior to work. Signs are to be removed when work is completed.

G. Storm Water Quality: Tree work activity Best Management Practices (BMP) shall be adhered to at all times. Tree work activity shall be in compliance with the City of Garden Grove Local Implementation Plan (LIP), and the storm water quality municipal code. See the attached BMP R-6 Disposal of Green Wastes.

H. Contractor shall participate and provide Public information on the benefits and importance of Urban Forestry at certain City sponsored events.

I. Removal of Brush and Debris: All trimmings, debris and other vegetation resulting from tree trimming tree removal or stumping operations shall be promptly removed from the work site and shall be reduced, revised, recycled, and/or transformed at the

Contractor's expense. Weight slips will be required as proof of final disposal. All laws and ordinances applicable to and governing such disposal shall be fully complied with. Upon request of the resident or City, the wood shall remain and be stacked on the property in an orderly manner so as not to cause an obstruction to pedestrians or vehicular traffic.

- J. Daily Cleaning: The street, parkway, sidewalk, and yard areas of all property shall be left free of debris at the close of each day's operation. See the attached BMP R-6 Disposal of Green Wastes.
- K. The Contractor shall notify the City two working days in advance before starting the work required by the contractor.
- L. If the Contractor, after having officially started said project area, should discontinue work for any cause, he shall notify the City of his intent to do so, and shall further notify the City of the date of restarting operations.
- M. Parking of the Contractor's vehicles at any given location on City residential streets for more than 24 hours, shall not be permitted. Vehicles shall not park in posted street sweeping zones on street sweeping day.
- N. All work shall be completed to the satisfaction and under the supervision of the City.
- O. Work Outside Regular Hours: Normal working hours shall be between the hours of 7:00 a.m. and 4:00 p.m., Monday thru Friday, excluding normal working days or holidays recognized by the City of Garden Grove. The City may allow the Contractor to work overtime in order that he may finish work within his time limit for completion, but the expense for such work shall be included in his bid prices, and will not be considered as an addition to the contract. The Contractor shall reimburse the City for the actual cost of overtime inspection.
- P. The Contractor to whom the contract is awarded shall not subcontract any portion of the contract to another party or contractor without the specific written approval of the City.
- Q. The Contractor shall be required to remove and dispose of any fallen or hanging limbs or palm fronds for a period of thirty (30) calendar days after the completion of tree pruning in a project area.

R. The Contractor, at their own expense, shall be responsible for contacting a licensed pest control applicator to eradicate beehives when they are located in a city tree.

S. Any structural weakness of a tree, decayed trunk or branches, shall be reported to the City with in two days, in writing (email/fax/letter), noting the location of hazard found in the tree by street address. If the problem is of a nature that it needs to be addressed right away, the site supervisor is to ensure the hazard is removed.

IX. INSPECTION

A. The Contractor shall provide to the City each morning a list of all trees to be trimmed, removed, or stumped. A City representative shall accompany contractor on daily inspection of each tree to make certain that the trees have been trimmed, removed or stumped to the satisfaction of the City.

X. PAYMENT BY CITY

A. The City shall make payment only for the actual number of trees trimmed, removed or stumped and then only after proper inspection has been made will authorization for payment be approved.

PART II

**TREE WORK INCLUDING
TREE STUMP REMOVAL**

TREE AND TREE STUMP REMOVAL

I. Type of Work

- A. Provide complete tree removal and stump removal.

II. Specifications for Tree Removal

- A. Removal of entire tree, stump remaining shall be no higher than 4 inches above soil grade and shall be removed within 24 hours after tree removal.
- B. Work shall begin within 10 days after each request and be diligently pursued until completion.
- C. Contractor shall make all arrangements necessary to have power or utility lines temporarily disconnected if necessary for the safe removal of the tree.
- D. When the removal requires special or additional means, there shall be no additional units or overall cost to the city without the authorization of the Streets Manager or authorized representative.
- E. Contractor is responsible for all underground service alerts (U.S.A.) 48 hrs before work is to begin. Contractor is also responsible to remove underground service alert paint markings, following all environmental laws, when the job is completed.

TREE STUMPING

I. Type of Work

- A. Provide complete tree stump and surface root removal.

II. Specifications for stump and surface root removal:

- A. Removal of entire stump to a depth of 18 inches below average soil grade.
- B. Removal of all lateral surface roots to a depth of 8 inches below average soil grade as indicated 10 feet from the base of the stump.
- C. When sidewalk is present, remove all surface roots between the curb and sidewalk to ten feet of both sides of the stump.
- D. When no sidewalk present, remove surface roots to a ten-foot radius of the stump.
- E. Backfill material shall be compacted to provide for minimal settling. It shall consist of an equal mixture of soil and stumped material, which shall be 3 inches above grade to provide for any soil settlement.
- F. Contractor is responsible for all underground service alerts (U.S.A.) 48 hrs before work is to begin. Contractor is also responsible to remove underground service alert paint markings, following all environmental laws, when the job is completed.

PART III

TREE STUMP REMOVAL ONLY

TREE STUMP REMOVAL ONLY

- I. Type of Work
 - A. Provide complete tree stump and surface root removal.
- II. Specifications for stump and surface root removal
 - A. Removal of entire stump to a depth of 18 inches below average soil grade.
 - B. Removal of all lateral surface roots to a depth of 8 inches below average soil grade as indicated 10' feet from the base of the stump.
 - C. When sidewalk is present, remove all surface roots between the curb and sidewalk to ten feet of both sides of the stump.
 - D. When no sidewalk present, remove surface roots to a ten-foot radius of the stump.
 - E. Backfill material shall be compacted to provide for minimal settling. It shall consist of an equal mixture of soil and stumped material, which shall be 3 inches above grade to provide for any soil settlement.
 - F. Contractor is responsible for all underground service alerts (U.S.A.) 48 hrs before work is to begin. Contractor is also responsible to remove underground service alert paint markings, following all environmental laws, when the job is completed.

PART IV
TREE ROOT PRUNING

SPECIFICATIONS FOR "ROOT PRUNING"

Root pruning work will be specified on work orders to the contractor with specific street address and location, as well as identifying root pruning along the sidewalk or curb.

Roots shall be pruned immediately adjacent to the edge of the sidewalk or curb or other improvement. Root pruning cuts shall be four (4) inches wide, ten (10) inches deep as measured from the top of sidewalk, eighteen (18) inches deep as measured from top of curb or adjacent improvement and extended eight (8) feet in each direction from the centerline of the tree; for a total of sixteen (16) feet in total length.

Root pruning equipment shall be specifically designed for this purpose with cutting teeth sharpened adequately to sever roots in a clean manner and equipped with padded tracks or rubber tires to prevent scraping or marking of sidewalks.

All cuts shall be backfilled and compacted immediately upon completion of root pruning at each location. Backfill material shall consist of soil and/or mulch from root pruning and shall be free from rocks. All excess debris generated by these operations shall be immediately removed from the site and properly disposed of outside the right-of-way.

Contractor is responsible for all underground service alerts (U.S.A.) 48 hrs before work is to begin. Contractor is also responsible to remove underground service alert paint markings, following all environmental laws, when the job is completed.

PROPOSAL PRICING SHEET (Page 1 of 2)

ATTACHMENT "B"

RFP NO. S-1188

Please DO NOT change/alter this page in any way! This page must be submitted with your proposal to be considered complete.

	TREE MAINTENANCE SERVICE:	UNIT	UNIT PRICE	UNIT PRICE IN WRITING
1.	GRID PRUNING	EA.	\$63.00	Sixty-three dollars
2.	SVC RQST PRUNING 0"- 6" DSH	EA.	\$24.00	Twenty-four dollars
3.	SVC RQST PRUNING 7"- 12" DBH	EA.	\$63.00	Sixty-three dollars
4.	SVC RQST PRUNING 13"- 18" DBH	EA.	\$78.00	Seventy-eight dollars
5.	SVC RQST PRUNING 19"- 24" DBH	EA.	\$118.00	One hundred eighteen dollars
6.	SVC RQST PRUNING 25"- 30" DSH	EA.	\$158.00	One hundred fifty-eight dollars
7.	SVC RQST PRUNING > 31" DSH	EA.	\$158.00	One hundred fifty-eight dollars
8.	SVC RQST PRUNING WA ROBUSTA	EA.	\$63.00	Sixty three dollars
9.	SVC RQST PRUNING WA FILIFERA	EA.	\$63.00	Sixty three dollars
10.	SVC RQST PRUNING PHOENIX CAN	EA.	\$98.00	Ninety eight dollars
11.	PALM SKINNING	FT.	\$10.00	Ten dollars
12.	TREE AND STUMP REMOVAL	IN.	\$28.00	Twenty eight dollars
13.	TREE ONLY REMOVAL	IN.	\$18.00	Eighteen dollars
14.	STUMP ONLY REMOVAL	IN.	\$10.00	Ten dollars
15.	WA ROBUSTA REMOVAL	FT.	\$20.00	Twenty dollars
16.	WA FILIFERA REMOVAL	FT.	\$20.00	Twenty dollars
17.	PHOENIX CAN REMOVAL	FT.	\$25.00	Twenty five dollars
18.	ROOT PRUNING	FT.	\$15.00	Fifteen dollars
19.	ROOT BARRIER INSTALLATION	FT.	\$15.00	Fifteen dollars
20.	PLANT 15 GALLON TREE	EA.	\$95.00	Ninety five dollars
21.	PLANT 24" BOX TREE	EA.	\$145.00	One hundred forty five dollars
22.	PLANT 36" BOX TREE	EA.	\$175.00	One hundred seventy five dollars
23.	ROOT SHAVING	HR.	\$50.00	Fifty dollars
24.	SERVICE REQUEST PRUNING	HR.	\$70.00	Seventy dollars
25.	CREW RENTAL- 1 MAN	HR.	\$70.00	Seventy dollars
26.	CREW RENTAL-ONE - 3 MAN	HR.	\$210.00	Two hundred ten dollars
27.	EMERGENCY CREW RENTAL- PER MAN	HR.	\$90.00	Ninety dollars

ALL LINES OF THIS PRICING SHEET MUST BE FILLED OR YOUR PROPOSAL MAY BE DEEMED AS NON-RESPONSIVE!

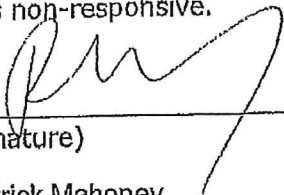
"ATTACHMENT B" (Page 2 of 2)
RFP NO. S-1188
(Arborist Services)

PROPOSAL PRICING SHEET

The undersigned hereby certifies that this Proposal is genuine and is not sham or collusive, or made in the interest or in behalf of any person not herein named, and that the undersigned has not directly or indirectly induced or solicited any other bidder to put in a sham bid, or any other person, firm or corporation to refrain from bidding, and that the undersigned has not in any manner sought, by collusion, to secure for himself an advantage over any other bidder.

Please check your calculations before submitting your Proposal; the City of Garden Grove will not be responsible for Proposer miscalculations and may deem your proposal as non-responsive.

BY:



(Signature)

(714) 991-1900

Telephone Number

Patrick Mahoney

(Type or Print Name)

President

(Title)

vgonzalez@wcainc.com

(Email Address)

COOPERATIVE PURCHASING

It is intended that any other public agency (e.g., city, county, school district, public authority, public agency, municipality, and other political subdivision or public corporation) shall have the option to participate in any award made as a result of this solicitation at the same prices. The City of Garden Grove shall incur no financial responsibility in connection with any purchase by another public agency. The public agency shall accept sole responsibility for placing orders and making payments to the vendor.

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Scott C. Stiles From: William E. Murray
 Dept.: City Manager Dept.: Public Works
 Subject: Award of Contract to Penco Engineering, Inc. for on-call Engineering and Engineering Staff Services. (Cost: not to exceed \$500,000) (*Action Item*) Date: 6/28/2016

OBJECTIVE

To request City Council authorization to award a contract to Penco Engineering, Inc. for on-call professional engineering and engineering staff services.

BACKGROUND

The Engineering Services Division seeks to retain a consultant for on-call professional engineering services to assist staff in accommodating unforeseen projects, particularly during periods of peak workload.

DISCUSSION

Staff solicited proposals from three consultant firms for on-call engineering services. Three of the consultants submitted a proposal. A panel consisting of three staff members rated the proposals on the basis of qualifications, work plan and references. Based on the evaluation results, Penco Engineering Inc. rated the highest. The following is a summary of the ratings:

Consultant	Rater A	Rater B	Rater C	Totals
Harris & Associates	193	183	203.5	579.5
Engineering Resources	201	173.5	201.5	576.0
Penco Engineering	214	195	209.5	618.5

FINANCIAL IMPACT

There will be no impact to the General Fund. The contract is in the amount of \$500,000.

The services will be funded by the various projects requiring professional engineering or engineering staff services.

engineering staff services.

RECOMMENDATION

Staff recommends that the City Council:

- Award a three year contract for on-call professional engineering and engineering staff services to Penco Engineering, in the amount of \$500,000; and
- Authorize the City Manager to execute the professional service agreement with Penco Engineering, Inc., on behalf of the City.

By: Mark Uphus, Sr. Civil Engineer

ATTACHMENTS:

Description	Upload Date	Type	File Name
RATING SHEETS	6/17/2016	Cover Memo	6-28-16_pencoratingsheets.pdf
PENCO AGREEMENT	6/17/2016	Cover Memo	6-28-16_pencoagrmentstf.pdf

PROPOSAL EVALUATION FORM

Consultant Harris & Associates Date 6/19/16

Project On-Call Engineering and Engineering Staff Services

CRITERION	(a) Weight	(b) Score (0-10)	(a) x (b) Weighted Score	Comments & Notes
INTRODUCTION (Proposal) o Comprehension of the RFP	2.0	8	16	
QUALIFICATIONS (Proposal) A. Experience of the firm on similar engagements/projects B. Qualifications & Experience of Personnel o Project Manager o Engineering Support Staff o Engineering Candidate(s)	2.0 2.0 2.0 2.0 2.0	9 9 8 8	18 18 16 16	
WORK PLAN (Proposal) o Knowledge of engineering issues o Knowledge of Garden Grove's unique engineering needs o Initiative & Creativity o Coverage of work o Flexibility o Availability of team members o Quality Assurance & Supervision	2.0 2.0 1.5 1.5 1.0 2.0 1.0	8 8 8 8 9 9 8	16 16 12 12 9 18 8	
SCHEDULE (Proposal) o Timeliness to target dates in the Scope of Work	N/A			
REFERENCES o The firm's past record of performance on similar projects	2.0	9	18	
A. TOTAL (Proposal)			193	
QUALIFICATIONS (Interview) o Qualifications and experience of the Project Manager and Team Members	2.5			N/A
WORK PLAN (Interview) o Feasibility o Availability of Team Members o Quality Control & Supervision o Project Manager & Expertise o Initiative & Creativity o Quality of Graphic Designs	1.0 1.5 2.0 1.5 1.0 1.0			N/A
B. GRAND TOTAL				N/A

Signature  Page 465 of 508

PROPOSAL EVALUATION FORM

Consultant Penco Date 6/19/16

Project On-Call Engineering and Engineering Staff Services

CRITERION	(a) Weight	(b) Score (0-10)	(a) x (b) Weighted Score	Comments & Notes
INTRODUCTION (Proposal) o Comprehension of the RFP	2.0	9	18	
QUALIFICATIONS (Proposal) A. Experience of the firm on similar engagements/projects B. Qualifications & Experience of Personnel o Project Manager o Engineering Support Staff o Engineering Candidate(s)	2.0 2.0 2.0 2.0	9 9 10 10	18 18 20 20	
WORK PLAN (Proposal) o Knowledge of engineering issues o Knowledge of Garden Grove's unique engineering needs o Initiative & Creativity o Coverage of work o Flexibility o Availability of team members o Quality Assurance & Supervision	2.0 2.0 1.5 1.5 1.0 2.0 1.0	9 10 8 8 10 10 10	18 20 12 12 10 20 10	Extensive knowledge in hydrology, grading public works; - Ex Great coverage
SCHEDULE (Proposal) o Timeliness to target dates in the Scope of Work	N/A			
REFERENCES o The firm's past record of performance on similar projects	2.0	9	18	- Excellent work on all previous projects
A. TOTAL (Proposal)			214	
QUALIFICATIONS (Interview) o Qualifications and experience of the Project Manager and Team Members	2.5			N/A
WORK PLAN (Interview) o Feasibility o Availability of Team Members o Quality Control & Supervision o Project Manager & Expertise o Initiative & Creativity o Quality of Graphic Designs	1.0 1.5 2.0 1.5 1.0 1.0			N/A
B. GRAND TOTAL				N/A

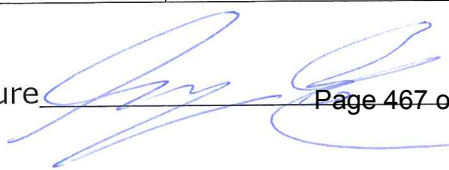
Signature 

PROPOSAL EVALUATION FORM

Consultant Engineering Resources Date 6/9/16

Project On-Call Engineering and Engineering Staff Services

CRITERION	(a) Weight	(b) Score (0-10)	(a) x (b) Weighted Score	Comments & Notes
INTRODUCTION (Proposal) o Comprehension of the RFP	2.0	8	16	
QUALIFICATIONS (Proposal) A. Experience of the firm on similar engagements/projects B. Qualifications & Experience of Personnel o Project Manager o Engineering Support Staff o Engineering Candidate(s)	2.0 2.0 2.0 2.0	9 10 8 7	18 20 16 14	
WORK PLAN (Proposal) o Knowledge of engineering issues o Knowledge of Garden Grove's unique engineering needs o Initiative & Creativity o Coverage of work o Flexibility o Availability of team members o Quality Assurance & Supervision	2.0 2.0 1.5 1.5 1.0 2.0 1.0	9 10 8 8 9 9 10	18 20 12 12 9 18 10	
SCHEDULE (Proposal) o Timeliness to target dates in the Scope of Work	N/A			
REFERENCES o The firm's past record of performance on similar projects	2.0	9	18	
A. TOTAL (Proposal)			201	
QUALIFICATIONS (Interview) o Qualifications and experience of the Project Manager and Team Members	2.5			N/A
WORK PLAN (Interview) o Feasibility o Availability of Team Members o Quality Control & Supervision o Project Manager & Expertise o Initiative & Creativity o Quality of Graphic Designs	1.0 1.5 2.0 1.5 1.0 1.0			N/A
B. GRAND TOTAL				N/A

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PROPOSAL EVALUATION FORM

Consultant Perco Engineering Date 6/14/16

Project On-Call Engineering and Engineering Staff Services

CRITERION	(a) Weight	(b) Score (0-10)	(a) x (b) Weighted Score	Comments & Notes
INTRODUCTION <i>(Proposal)</i> o Comprehension of the RFP	2.0	9	18	
QUALIFICATIONS <i>(Proposal)</i> A. Experience of the firm on similar engagements/projects B. Qualifications & Experience of Personnel o Project Manager o Engineering Support Staff o Engineering Candidate(s)	2.0 2.0 2.0 2.0	9 9 10 10	18 18 20 20	
WORK PLAN <i>(Proposal)</i> o Knowledge of engineering issues o Knowledge of Garden Grove's unique engineering needs o Initiative & Creativity o Coverage of work o Flexibility o Availability of team members o Quality Assurance & Supervision	2.0 2.0 1.5 1.5 1.0 2.0 1.0	9 9 10 10 9 9 9	18 18 12 13.5 9 18 9	
SCHEDULE <i>(Proposal)</i> o Timeliness to target dates in the Scope of Work	N/A			
REFERENCES o The firm's past record of performance on similar projects	2.0	9	18	
A. TOTAL <i>(Proposal)</i>			209.5	
QUALIFICATIONS <i>(Interview)</i> o Qualifications and experience of the Project Manager and Team Members	2.5			N/A
WORK PLAN <i>(Interview)</i> o Feasibility o Availability of Team Members o Quality Control & Supervision o Project Manager & Expertise o Initiative & Creativity o Quality of Graphic Designs	1.0 1.5 2.0 1.5 1.0 1.0			N/A
B. GRAND TOTAL				N/A

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PROPOSAL EVALUATION FORM

Consultant Harris & Associates

Date 6/11/16

Project On-Call Engineering and Engineering Staff Services

CRITERION	(a) Weight	(b) Score (0-10)	(a) x (b) Weighted Score	Comments & Notes
INTRODUCTION <i>(Proposal)</i> o Comprehension of the RFP	2.0	9	18	
QUALIFICATIONS <i>(Proposal)</i> A. Experience of the firm on similar engagements/projects B. Qualifications & Experience of Personnel o Project Manager o Engineering Support Staff o Engineering Candidate(s)	2.0 2.0 2.0 2.0	9 9 9 9	18 18 16 18	
WORK PLAN <i>(Proposal)</i> o Knowledge of engineering issues o Knowledge of Garden Grove's unique engineering needs o Initiative & Creativity o Coverage of work o Flexibility o Availability of team members o Quality Assurance & Supervision	2.0 2.0 1.5 1.5 1.0 2.0 1.0	9 9 8 8 8 8 8	18 18 12 13.5 8 16 8	
SCHEDULE <i>(Proposal)</i> o Timeliness to target dates in the Scope of Work	N/A			
REFERENCES o The firm's past record of performance on similar projects	2.0	9	18	
A. TOTAL <i>(Proposal)</i>			203.5	
QUALIFICATIONS <i>(Interview)</i> o Qualifications and experience of the Project Manager and Team Members	2.5			N/A
WORK PLAN <i>(Interview)</i> o Feasibility o Availability of Team Members o Quality Control & Supervision o Project Manager & Expertise o Initiative & Creativity o Quality of Graphic Designs	1.0 1.5 2.0 1.5 1.0 1.0			N/A
B. GRAND TOTAL				N/A

Signature

PROPOSAL EVALUATION FORM

Consultant Engineering Resources Date 6/14/16

Project On-Call Engineering and Engineering Staff Services

CRITERION	(a) Weight	(b) Score (0-10)	(a) x (b) Weighted Score	Comments & Notes
INTRODUCTION <i>(Proposal)</i> o Comprehension of the RFP	2.0	9	18	
QUALIFICATIONS <i>(Proposal)</i> A. Experience of the firm on similar engagements/projects B. Qualifications & Experience of Personnel o Project Manager o Engineering Support Staff o Engineering Candidate(s)	2.0 2.0 2.0 2.0	9 9 9	18 18 16 18	
WORK PLAN <i>(Proposal)</i> o Knowledge of engineering issues o Knowledge of Garden Grove's unique engineering needs o Initiative & Creativity o Coverage of work o Flexibility o Availability of team members o Quality Assurance & Supervision	2.0 2.0 1.5 1.5 1.0 2.0 1.0	8 8 8 8 8 8 8	16 16 13.5 13.5 9 16 9	
SCHEDULE <i>(Proposal)</i> o Timeliness to target dates in the Scope of Work	N/A			
REFERENCES o The firm's past record of performance on similar projects	2.0	9	18	
A. TOTAL <i>(Proposal)</i>			201.5	
QUALIFICATIONS <i>(Interview)</i> o Qualifications and experience of the Project Manager and Team Members	2.5			N/A
WORK PLAN <i>(Interview)</i> o Feasibility o Availability of Team Members o Quality Control & Supervision o Project Manager & Expertise o Initiative & Creativity o Quality of Graphic Designs	1.0 1.5 2.0 1.5 1.0 1.0			N/A
B. GRAND TOTAL				N/A

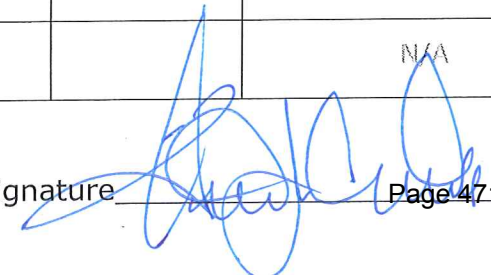
Signature MA Page 470 of 508

PROPOSAL EVALUATION FORM

Consultant Harris & Associates Date 6/9/16

Project On-Call Engineering and Engineering Staff Services

CRITERION	(a) Weight	(b) Score (0-10)	(a) x (b) Weighted Score	Comments & Notes
INTRODUCTION (Proposal) o Comprehension of the RFP	2.0	9	18	
QUALIFICATIONS (Proposal) A. Experience of the firm on similar engagements/projects B. Qualifications & Experience of Personnel o Project Manager o Engineering Support Staff o Engineering Candidate(s)	2.0 2.0 2.0 2.0	8 8 8	16 16 12 16	
WORK PLAN (Proposal) o Knowledge of engineering issues o Knowledge of Garden Grove's unique engineering needs o Initiative & Creativity o Coverage of work o Flexibility o Availability of team members o Quality Assurance & Supervision	2.0 2.0 1.5 1.5 1.0 2.0 1.0	8 8 8 8 8 8 8	16 16 12 12 8 16 9	
SCHEDULE (Proposal) o Timeliness to target dates in the Scope of Work	N/A			
REFERENCES o The firm's past record of performance on similar projects	2.0	8	16	
A. TOTAL (Proposal)			183	
QUALIFICATIONS (Interview) o Qualifications and experience of the Project Manager and Team Members	2.5			N/A
WORK PLAN (Interview) o Feasibility o Availability of Team Members o Quality Control & Supervision o Project Manager & Expertise o Initiative & Creativity o Quality of Graphic Designs	1.0 1.5 2.0 1.5 1.0 1.0			N/A
B. GRAND TOTAL				N/A

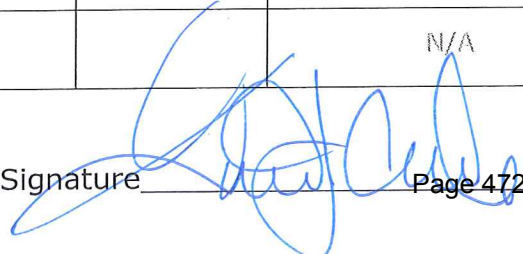
Signature  Page 471 of 508

PROPOSAL EVALUATION FORM

Consultant Engineering Resources Date 6/11/16

Project On-Call Engineering and Engineering Staff Services

CRITERION	(a) Weight	(b) Score (0-10)	(a) x (b) Weighted Score	Comments & Notes
INTRODUCTION (Proposal) o Comprehension of the RFP	2.0	9	18	
QUALIFICATIONS (Proposal) A. Experience of the firm on similar engagements/projects B. Qualifications & Experience of Personnel o Project Manager o Engineering Support Staff o Engineering Candidate(s)	2.0 2.0 2.0 2.0	7 8 7 7	14 16 14 14	
WORK PLAN (Proposal) o Knowledge of engineering issues o Knowledge of Garden Grove's unique engineering needs o Initiative & Creativity o Coverage of work o Flexibility o Availability of team members o Quality Assurance & Supervision	2.0 2.0 1.5 1.5 1.0 2.0 1.0	7 8 8 7 8 8	14 16 12 10.5 8 8	
SCHEDULE (Proposal) o Timeliness to target dates in the Scope of Work	N/A			
REFERENCES o The firm's past record of performance on similar projects	2.0	7	14	
A. TOTAL (Proposal)			173.5	
QUALIFICATIONS (Interview) o Qualifications and experience of the Project Manager and Team Members	2.5			N/A
WORK PLAN (Interview) o Feasibility o Availability of Team Members o Quality Control & Supervision o Project Manager & Expertise o Initiative & Creativity o Quality of Graphic Designs	1.0 1.5 2.0 1.5 1.0 1.0			N/A
B. GRAND TOTAL				N/A

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PROPOSAL EVALUATION FORM

Consultant Penco Date 6/9/16

Project On-Call Engineering and Engineering Staff Services

CRITERION	(a) Weight	(b) Score (0-10)	(a) x (b) Weighted Score	Comments & Notes
INTRODUCTION (Proposal) o Comprehension of the RFP	2.0	9	18	
QUALIFICATIONS (Proposal) A. Experience of the firm on similar engagements/projects B. Qualifications & Experience of Personnel o Project Manager o Engineering Support Staff o Engineering Candidate(s)	2.0 2.0 2.0 2.0	9 10 10 9	18 16 16 18	
WORK PLAN (Proposal) o Knowledge of engineering issues o Knowledge of Garden Grove's unique engineering needs o Initiative & Creativity o Coverage of work o Flexibility o Availability of team members o Quality Assurance & Supervision	2.0 2.0 1.5 1.5 1.0 2.0 1.0	10 9 10 10 10 10 10	16 18 12 15 10 20 10	
SCHEDULE (Proposal) o Timeliness to target dates in the Scope of Work	N/A			
REFERENCES o The firm's past record of performance on similar projects	2.0	9	18	
A. TOTAL (Proposal)			195	
QUALIFICATIONS (Interview) o Qualifications and experience of the Project Manager and Team Members	2.5			N/A
WORK PLAN (Interview) o Feasibility o Availability of Team Members o Quality Control & Supervision o Project Manager & Expertise o Initiative & Creativity o Quality of Graphic Designs	1.0 1.5 2.0 1.5 1.0 1.0			N/A
B. GRAND TOTAL				N/A

Signature [Signature] Page 473 of 508

CONSULTANT AGREEMENT

THIS AGREEMENT is made this **28th** day of **June 2016**, by the CITY OF GARDEN GROVE, a municipal corporation, ("CITY"), and Penco Engineering, Incorporated, a California Corporation ("CONSULTANT").

RECITALS

The following recitals are a substantive part of this Agreement:

1. This Agreement is entered into pursuant to GARDEN GROVE CITY COUNCIL authorization dated **June 28, 2016**.
2. CITY desires to utilize the services of CONSULTANT to provide **On-Call Engineering and Staff Services**.
3. CONSULTANT is qualified by virtue of experience, training, education and expertise to accomplish services.

AGREEMENT

THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. **Term of Agreement:** This Agreement shall cover services rendered for a period of three (3) years commencing upon the date of full execution of the Agreement.
2. **Services to be Provided:** The services to be performed by CONSULTANT shall consist of the services as further specified in CONSULTANT'S proposal attached hereto as Exhibit "A" and incorporated herein by reference. CONSULTANT agrees that the provision of Services under this agreement shall be within accepted accordance with customary and usual practices in CONSULTANT'S profession. By executing this Agreement, CONSULTANT warrants that it has carefully considered how the work should be performed and fully understands the facilities, difficulties, and restrictions attending performance of the work under this agreement.
3. **Compensation.** CONSULTANT shall be compensated as follows:
 - 3.1 **Amount.** CONSULTANT shall be compensated in accordance with the rate schedule set forth in Exhibit "A".
 - 3.2 **Not to Exceed.** The Parties agree that CONSULTANT shall bill for the Services provided by CONSULTANT to City on an hourly basis, except where otherwise set forth herein, provided compensation under this Proposal shall not exceed **\$500,000**. CONSULTANT warrants that all services will be performed in a competent, professional and satisfactory manner in accordance with the standards prevalent in the industry for such services. CONSULTANT shall not be compensated for any services rendered in connection with its performance of this Agreement, which

are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the City Manager. The Proposal and this Agreement do not guarantee any specific amount of work.

- 3.3 Payment. For work under this Agreement, payment shall be made per monthly invoice. For extra work not a part of this Agreement, a written authorization by CITY will be required and payment shall be based on hourly rates as provided in Exhibit "A".
- 3.4 Records of Expenses. CONSULTANT shall keep complete and accurate records of payroll costs, travel and incidental expenses. These records will be made available at reasonable times to CITY.
- 3.5 Termination. CITY and CONSULTANT shall each have the right to terminate this Agreement, without cause, by giving thirty-(30) days written notice of termination to the other party. If CITY terminates the project, then the provisions of paragraph 3 shall apply to that portion of the work completed.

4. **Insurance Requirements**

- 4.1 Commencement of Work CONSULTANT shall not commence work under this Agreement until all certificates and endorsements have been received and approved by the CITY. All insurance required by this Agreement shall contain a Statement of Obligation on the part of the carrier to notify the CITY of any material change, cancellation, or termination at least thirty (30) days in advance. All subcontractors shall be provide the same insurance as required of CONSULTANT below. CONSULTANT shall be responsible to collect and maintain all insurance from subcontractors and shall provide the insurance to CITY upon request.
- 4.2 Workers Compensation Insurance For the duration of this Agreement, CONSULTANT shall maintain Workers Compensation Insurance in the amount and type required by California law, if applicable. The insurer shall waive its rights of subrogation against the CITY, its officers, officials, agents, employees, and volunteers.
- 4.3 Insurance Amounts CONSULTANT shall maintain the following insurance for the duration of this Agreement:
 - a) Commercial general liability in an amount not less than \$1,000,000 per occurrence; (claims made and modified occurrence policies are not acceptable); Insurance companies must be admitted and licensed in California and have a Best's Guide Rating of A-, Class VII or better, as approved by the CITY;

- b) Automobile liability in an amount not less than \$1,000,000 per occurrence; (claims made and modified occurrence policies are not acceptable) Insurance companies must be admitted and licensed in California and have a Best's Guide Rating of A-, Class VII or better, as approved by the CITY.
- c) Professional liability in an amount not less than \$1,000,000 per claim/occurrence; Insurance companies must be acceptable to CITY and have an AM Best's Guide Rating of A-, Class VII or better, as approved by the CITY. If the policy is written on a "claims made" basis, the policy shall be continued in full force and effect at all times during the term of the agreement, and for a period of three (3) years from the date of the completion of services provided. In the event of termination, cancellation, or material change in the policy, professional/consultant shall obtain continuing insurance coverage for the prior acts or omissions of professional/consultant during the course of performing services under the term of the agreement. The coverage shall be evidenced by either a new policy evidencing no gap in coverage, or by obtaining separate extended "tail" coverage with the present or new carrier.

An Additional Insured Endorsement, **ongoing and products-completed operations**, for the policy under section 4.3 (a) shall designate CITY, its officers, officials, employees, agents, and volunteers as additional insureds for liability arising out of work or operations performed by or on behalf of the CONSULTANT. CONSULTANT shall provide to CITY proof of insurance and endorsement forms that conform to city's requirements, as approved by the CITY.

An Additional Insured Endorsement for the policy under section 4.3 (b) shall designate CITY, its officers, officials, employees, agents, and volunteers as additional insureds for automobiles owned, lease, hired, or borrowed by CONSULTANT. CONSULTANT shall provide to CITY proof of insurance and endorsement forms that conform to CITY's requirements, as approved by the CITY.

For any claims related to this Agreement, CONSULTANT's insurance coverage shall be primary insurance as respects to CITY, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the CITY, its officers, officials, employees, agents, or volunteers shall be excess of the CONSULTANT's insurance and shall not contribute with it.

If CONTRACTOR maintains higher insurance limits than the minimums shown above, CONTRACTOR shall provide coverage for the higher insurance limits otherwise maintained by the CONTRACTOR.

5. **Non-Liability of Officials and Employees of the CITY.** No official or employee of CITY shall be personally liable to CONSULTANT in the event of any default or breach by CITY, or for any amount, which may become due to CONSULTANT.
6. **Non-Discrimination.** CONSULTANT covenants there shall be no discrimination against any person or group due to race, color, creed, religion, sex, marital status, age, handicap, national origin or ancestry, in any activity pursuant to this Agreement.
7. **Independent Contractor.** It is agreed to that CONSULTANT shall act and be an independent contractor and not an agent or employee of CITY, and shall obtain no rights to any benefits which accrue to CITY'S employees.
8. **Compliance With Law.** CONTRACTOR shall comply with all applicable laws, ordinances, codes, and regulations of the federal, state, and local government. CONTRACTOR shall comply with, and shall be responsible for causing all contractors and subcontractors performing any of the work pursuant to this Agreement to comply with, all applicable federal and state labor standards, including, to the extent applicable, the prevailing wage requirements promulgated by the Director of Industrial Relations of the State of California Department of Labor. The City makes no warranty or representation concerning whether any of the work performed pursuant to this Agreement constitutes public works subject to the prevailing wage requirements.
9. **Disclosure of Documents.** All documents or other information developed or received by CONSULTANT are confidential and shall not be disclosed without authorization by CITY, unless disclosure is required by law.
10. **Ownership of Work Product.** All documents or other information developed or received by CONSULTANT shall be the property of CITY. CONSULTANT shall provide CITY with copies of these items upon demand or upon termination of this Agreement.
11. **Conflict of Interest and Reporting.** CONSULTANT shall at all times avoid conflict of interest or appearance of conflict of interest in performance of this Agreement.
12. **Notices.** All notices shall be personally delivered or mailed to the below listed addresses, or to such other addresses as may be designated by written notice. These addresses shall be used for delivery of service of process.

(a) Address of CONSULTANT is as follows:

Jeffrey M. Cooper, P.E.
Vice President
16842 Von Karman Avenue, Suite 150
Irvine, CA 92606

(b) Address of CITY is as follows (with a copy to):

Engineering:
Mark Uphus, P.E.
City of Garden Grove
11222 Acacia Pkwy
Garden Grove, CA 92840

City Attorney
City of Garden Grove
11222 Acacia Pkwy
Garden Grove, CA 92840

13. **CONSULTANT'S Proposal.** This Agreement shall include CONSULTANT'S proposal, Exhibit "A" hereto, which shall be incorporated herein. In the event of any inconsistency between the terms of the proposal and this Agreement, this Agreement shall govern.
14. **Licenses, Permits and Fees.** At its sole expense, CONSULTANT shall obtain a **Garden Grove Business License**, all permits and licenses as may be required by this Agreement.
15. **Familiarity With Work.** By executing this Agreement, CONSULTANT warrants that: (1) it has investigated the work to be performed; (2) it has investigated the site of the work and is aware of all conditions there; and (3) it understands the facilities, difficulties and restrictions of the work under this Agreement. Should CONSULTANT discover any latent or unknown conditions materially differing from those inherent in the work or as represented by CITY, it shall immediately inform CITY of this and shall not proceed, except at CONSULTANT'S risk, until written instructions are received from CITY.
16. **Time of Essence.** Time is of the essence in the performance of this Agreement.
17. **Limitations Upon Subcontracting and Assignment.** The experience, knowledge, capability and reputation of CONSULTANT, its principals and employees were a substantial inducement for CITY to enter into this Agreement. CONSULTANT shall not contract with any other entity to perform the services required without written approval of the CITY. This Agreement may not be assigned voluntarily or by operation of law, without the prior written approval of CITY. If CONSULTANT is permitted to subcontract any part of this Agreement, CONSULTANT shall be responsible to CITY for the acts and omissions of its subcontractor as it is for persons directly employed. Nothing contained in this Agreement shall create any contractual relationship between any subcontractor and CITY. All persons engaged in the work will be considered employees of CONSULTANT. CITY will deal directly with and will make all payments to CONSULTANT.
18. **Authority to Execute.** The persons executing this Agreement on behalf of the parties warrant that they are duly authorized to execute this Agreement and that by executing this Agreement, the parties are formally bound.

19. **Indemnification.** To the fullest extent permitted by law, CONSULTANT agrees to protect, defend, and hold harmless CITY and its elective or appointive boards, officers, agents, and employees from any and all claims, liabilities, expenses, or damages of any nature, including attorneys' fees, for injury or death of any person, or damages of any nature, including interference with use of property, arising out of, or in any way connected with the negligence, recklessness and/or intentional wrongful conduct of CONSULTANT, CONSULTANT'S agents, officers, employees, subcontractors, or independent contractors hired by CONSULTANT in the performance of the Agreement. The only exception to CONSULTANT'S responsibility to protect, defend, and hold harmless CITY, is due to the negligence, recklessness and/or wrongful conduct of CITY, or any of its elective or appointive boards, officers, agents, or employees.

This hold harmless agreement shall apply to all liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by CONSULTANT.

20. **Modification.** This Agreement constitutes the entire agreement between the parties and supersedes any previous agreements, oral or written. This Agreement may be modified only by subsequent mutual written agreement executed by CITY and CONSULTANT.
21. **Waiver.** All waivers of the provisions of this Agreement must be in writing by the appropriate authorities of the CITY and CONSULTANT.
22. **California Law.** This Agreement shall be construed in accordance with the laws of the State of California. Any action commenced about this Agreement shall be filed in the central branch of the Orange County Superior Court.
23. **Interpretation.** This Agreement shall be interpreted as though prepared by both parties
24. **Preservation of Agreement.** Should any provision of this Agreement be found invalid or unenforceable, the decision shall affect only the provision interpreted, and all remaining provisions shall remain enforceable.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS THEREOF, these parties hereto have caused this Agreement to be executed as of the date set forth opposite the respective signatures.

**"CITY"
CITY OF GARDEN GROVE**

Dated: _____, 2016

By: _____
City Manager

ATTEST

"CONSULTANT"

City Clerk

By: _____
Title: _____

Dated: _____, 2016

Dated: _____, 2016

APPROVED AS TO FORM:

If CONSULTANT/CONTRACTOR is a corporation, a Corporate Resolution and/or Corporate Seal is required. If a partnership, Statement of Partnership must be submitted to CITY



Garden Grove City Attorney

Dated: 6-12, 2016

sewer pipes.

DISCUSSION

Staff solicited bids to construct the East Garden Grove Storm Drain and Sewer Improvements Project. Five (5) bids were received and opened in the City Clerk's Office at 11:00 a.m. on May 24, 2016. The lowest qualified bidder is Mamco, Inc., with a total bid of \$1,876,543.21. This bid is within the current project budget. The licenses and references of the contractor have been reviewed and verified by staff, and all other documentation is in order.

The anticipated contract schedule is as follows:

<i>Award contract</i>	<i>- June 28, 2016</i>
<i>Begin construction (estimated)</i>	<i>- August 1, 2016</i>
<i>Complete construction (estimated)</i>	<i>- June 8, 2017</i>

FINANCIAL IMPACT

The East Garden Grove Storm Drain and Sewer Improvements Project is included in the 2015-16 Capital Improvement Budget and will be financed with Drainage Fee Funds in the amount of \$242,530.00 and Sewer Funds in the amount of \$1,634,013.21. There will be no impact to the General Fund.

RECOMMENDATION

The following actions are recommended:

City Council

- Award a contract to Mamco, Inc., for City Project No. 7405 that includes Sanitary District Project Nos. 7834 and 7837 - East Garden Grove Storm Drain Improvements Project for a total amount of \$1,876,543.21; and
- Authorize the City Manager to execute the agreement, and make minor modifications as appropriate thereto, on behalf of the City.

Sanitary District

- Award a Contract to Mamco, Inc., for Sanitary District Project Nos. 7834 and 7837 that includes City Project No. 7405 - East Garden Grove Sewer Improvements Project for a total amount of \$1,876,543.21; and
- Authorize the General Manager to execute the agreement, and make minor modifications as appropriate thereto, on behalf of the District.

By: Myung Joon Chun, P.E., Associate Engineer

ATTACHMENTS:

Description	Upload Date	Type	File Name
Agreement	6/20/2016	Backup Material	Agreement_with_MAMCO_- _6-28-16.pdf
BID SUMMARY SHEET	6/14/2016	Backup Material	6- 28_16_bidsummarysheet.pdf

CONSTRUCTION AGREEMENT

MAMCO, INC.

THIS AGREEMENT is made this **28th** day of **June, 2016**, by and between the **CITY OF GARDEN GROVE ("CITY")**, the **GARDEN GROVE SANITARY DISTRICT**, a California Special District ("**DISTRICT**"), and **MAMCO, INC.**, hereinafter referred to as ("**CONTRACTOR**")

RECITALS:

The following recitals are a substantive part of this Agreement:

1. This Agreement is entered into pursuant to the City of Garden Grove and the Garden Grove Sanitary District Board of Directors Authorization dated **June 28, 2016**.
2. City/District desires to utilize the services of CONTRACTOR to furnish material, equipment, and labor for the **PROJECT NOS. 7405, 7834, AND 7837 - EAST GARDEN GROVE STORM DRAIN AND SEWER IMPROVEMENTS PROJECT**.
3. CONTRACTOR is qualified by virtue of experience, training, education, and expertise to accomplish services.

AGREEMENT

THE PARTIES MUTUALLY AGREE AS FOLLOWS:

- 5.1 General Conditions.** CONTRACTOR certifies and agrees that all the terms, conditions and obligations of the Contract Documents as hereinafter defined, the location of the job site, and the conditions under which the work is to be performed have been thoroughly reviewed, and enters into this Contract based upon CONTRACTOR'S investigation of all such matters and is in no way relying upon any opinions or representations of CITY/DISTRICT. It is agreed that this Contract represents the entire agreement. It is further agreed that the Contract Documents including the Notice Inviting Bids, Special Instructions to Bidders, if any, Plans, Specifications and CONTRACTOR's Proposal, are incorporated in this Contract by reference, with the same force and effect as if the same were set forth at length herein, and that CONTRACTOR and its subcontractors, if any, will be and are bound by any and all of said Contract Documents insofar as they relate in any part or in any way, directly or indirectly, to the work covered by this Contract.

"Project" as used herein defines the entire scope of the work covered by all the Contract Documents. Anything mentioned in the Specifications and not indicated in the Plans, or indicated in the Plans and not mentioned in the Specifications, shall be of like effect as if indicated and mentioned in both. In case of discrepancy in the Plans or Specifications, the matter shall be immediately submitted to CITY/DISTRICT'S Engineer, without whose decision CONTRACTOR shall not adjust said discrepancy save only at CONTRACTOR'S own risk and expense. The decision of the Engineer shall be final.

SECTION 5 - AGREEMENT

Attachment # 2

5.2 **Materials and Labor.** CONTRACTOR shall furnish, under the conditions expressed in the Plans and Specifications, at CONTRACTOR'S own expense, all labor and materials necessary, except such as are mentioned in the Specifications to be furnished by the CITY/DISTRICT, to construct and complete the project, in good workmanlike and substantial order. If CONTRACTOR fails to pay for labor or materials when due, CITY/DISTRICT may settle such claims by making demand upon the surety to this Agreement. In the event of the failure or refusal of the surety to satisfy said claims, CITY/DISTRICT may settle them directly and deduct the amount of payments from the Contract price and any amounts due to CONTRACTOR. In the event CITY/DISTRICT receives a stop notice from any laborer or material supplier alleging non-payment by CONTRACTOR, CITY/DISTRICT shall be entitled to deduct all of its costs and expenses incurred relating thereto, including but not limited to administrative and legal fees.

5.3 **Project.** The PROJECT is described as: **PROJECT NOS. 7405, 7834, AND 7837 – EAST GARDEN GROVE STORM DRAIN AND SEWER IMPROVEMENTS PROJECT.**

5.4 **Plans and Specifications.** The work to be done is shown in a set of detailed Plans and Specifications entitled: **PROJECT NOS. 7405, 7834, AND 7837 – EAST GARDEN GROVE STORM DRAIN AND SEWER IMPROVEMENTS PROJECT.**

Said Plans and Specifications and any revision, amendments or addenda thereto are attached hereto and incorporated herein as part of this Contract and referred to by reference. The work to be done must also be in accordance with the General Provisions, Standard Specifications and Standard Plans of the CITY/DISTRICT, which are also incorporated herein and referred to by, reference.

5.5 **Time of Commencement and Completion.** CONTRACTOR shall have **twenty-one (21) calendar days from the award of the Contract** to execute the Contract and supply CITY/DISTRICT with all of the documents and information required by the Instruction to Bidders and the other Contract Documents, including but not limited to, the necessary bonds and insurance certificates and endorsements. Once the City/District receives the executed Contract and all of the other properly drafted and executed documents and information, it may issue a Notice to Proceed to the Contractor. If CONTRACTOR refuses or fails to execute the Contract or refuses or fails to provide the required documents and information within the twenty-one (21) calendar days, the CITY/DISTRICT may then rescind the award of the Contract and then award the Contract to the next lowest responsive and responsible bidder.

Upon receipt of the Notice to Proceed, CONTRACTOR agrees to submit shop drawings and traffic control plans **within fourteen (14) calendar days**. Further, upon receipt of the Notice to Proceed the CONTRACTOR shall diligently prosecute the work to completion for the storm drain and sewer construction work as follows:

Segment I: Lampson Avenue Storm Drain: The Construction start date shall be August 1, 2016 and shall be completed within thirty (30) working days.

Segment II: Rancho Way Storm Drain and Alley Rehabilitation: The Construction start date shall be September 6, 2016 and shall be completed within thirty (30) working days.

SECTION 5 - AGREEMENT

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Segment III: Nutwood Street, Imperial Avenue, and Central Avenue Sewer Improvements: The Construction start date shall be upon receipt of the Notice to Proceed shall diligently prosecute the work to completion of the sewer construction work within **one hundred and sixty (160) working days** excluding delays caused or authorized by the DISTRICT as set forth in Sections 5.7, 5.8 and 5.9 hereof.

5.6 Time is of the Essence. Time is of the essence of this Contract. As required by the Contract Documents, CONTRACTOR shall prepare and obtain approval of all shop drawings, details and samples, and do all other things necessary and incidental to the prosecution of CONTRACTOR'S work in conformance with an approved construction progress schedule. CONTRACTOR shall coordinate the work covered by this Contract with that of all other CONTRACTORS, subcontractors and of the CITY/DISTRICT, in a manner that will facilitate the efficient completion of the entire work in accordance with Section 5.5 herein. CITY/DISTRICT shall have complete control of the premises on which the work is to be performed and shall have the right to decide the time or order in which the various portions of the work shall be installed or the priority of the work of other subcontractors, and, in general, all matters representing the timely and orderly conduct of the work of CONTRACTOR on the premises.

5.7 Excusable Delays. CONTRACTOR shall be excused for any delay in the prosecution or completion of the Project caused by acts of God; inclement weather; damages caused by fire or other casualty for which CONTRACTOR is not responsible; any act of negligence or default of CITY/DISTRICT; failure of CITY/DISTRICT to make timely payments to CONTRACTOR; late delivery of materials required by this CONTRACT to be furnished by CITY/DISTRICT; combined action of the workers in no way caused by or resulting from default or collusion on the part of CONTRACTOR; a lockout by CITY/DISTRICT; or any other delays unforeseen by CONTRACTOR and beyond CONTRACTOR'S reasonable control.

CITY/DISTRICT shall extend the time fixed in Section 5.5 herein for completion of the Project by the number of days CONTRACTOR has thus been delayed, provided that CONTRACTOR presents a written request to CITY/DISTRICT for such time extension within fifteen (15) days of the commencement of such delay and CITY/DISTRICT finds that the delay is justified. CITY/DISTRICT'S decision will be conclusive on the parties to this Contract. Failure to file such request within the time allowed shall be deemed a waiver of the claim by CONTRACTOR.

No claims by CONTRACTOR for additional compensation or damages for delays will be allowed unless CONTRACTOR satisfies CITY/DISTRICT that such delays were unavoidable and not the result of any action or inaction of CONTRACTOR and that CONTRACTOR took all available measures to mitigate such damages. Extensions of time and extra compensation as a result of incurring undisclosed utilities would be determined in accordance with SPECIAL PROVISIONS and Section 3-3 of the Standard Specifications for Public Works Construction 2015 Edition (GREEN BOOK). The CITY/DISTRICT'S decision will be conclusive on all parties to this Contract.

5.8 Extra Work. The Contract price includes compensation for all work performed by CONTRACTOR, unless CONTRACTOR obtains a written change order signed by a designated representative of CITY/DISTRICT specifying the exact nature of the extra work and the amount of extra compensation to be paid all as more particularly set forth in Section 5.9 hereof.

CITY/DISTRICT shall extend the time fixed in Section 5.5 for completion of the Project by the number of days reasonably required for CONTRACTOR to perform the extra work, as determined by CITY/DISTRICT'S Engineer. The decision of the Engineer shall be final.

5.9 Changes in Project.

5.9.1 CITY/DISTRICT may at any time, without notice to any surety, by written order designated or indicated to be a change order, make any change in the work within the general scope of the Contract, including but not limited to changes:

- a. In the Specifications (including drawings and designs);
- b. In the time, method or manner of performance of the work;
- c. In the CITY/DISTRICT -furnished facilities, equipment, materials, services or site; or
- d. Directing acceleration in the performance of the work.

If CONTRACTOR believes that the written order issued as part of this Section 5.9.1 has caused an increase in costs or time, the CONTRACTOR shall submit a written request for equitable adjustment to the CITY/DISTRICT that includes a detailed cost breakdown and time impact analysis in sufficient detail to allow the CITY/DISTRICT to analyze the request. Said notice shall be submitted via certified mail within twenty (20) days of the CONTRACTOR'S receipt of the written order. CONTRACTOR'S failure to submit the written request for equitable adjustment within the required twenty (20) days shall constitute a waiver of any potential change order or claim for said alleged change. The CITY/DISTRICT shall review CONTRACTOR'S request and shall provide a written response within thirty (30) days of receipt of the request either approving or denying the request.

5.9.2 A change may also be any other conflict, difficulty or issue which the CONTRACTOR believes caused any change to the CONTRACTOR'S costs or project schedule, provided CONTRACTOR gives the CITY/DISTRICT written notice and a request for equitable adjustment that includes a detailed cost breakdown and time impact analysis in sufficient detail to allow the CITY/DISTRICT to analyze the request. The notice shall also state the date the CONTRACTOR became aware of the issue, circumstances and source of the issue and that CONTRACTOR regards the issue as a change order. Said written notice shall be delivered to the CITY/DISTRICT via certified mail within twenty (20) days of CONTRACTOR'S first notice of the issue. CONTRACTOR'S failure to submit the notice, which includes the written request for equitable adjustment within the required twenty (20) days shall constitute a waiver of any potential change order or claim for said alleged change. The CITY/DISTRICT shall review CONTRACTOR'S request and shall provide a written response within thirty (30) days of receipt of the request either approving or denying the request.

5.9.3 Except as provided in this Section 5.9, no order, statement or conduct of the CITY/DISTRICT or its representatives shall be treated as a change under this Section 5.9 or entitle CONTRACTOR to an equitable adjustment.

SECTION 5 - AGREEMENT

Attachment # 2

- 5.9.4 Except for claims based on defective specifications, no claim for any change under paragraph 5.9.1 or 5.9.2 above shall be allowed for any work performed more than 20 days before the CONTRACTOR gives written notice as required in paragraphs 5.9.1 and 5.9.2. In the case of defective specifications for which the CITY/DISTRICT is responsible, the equitable adjustment shall include any increased direct cost CONTRACTOR reasonably incurred in attempting to comply with those defective specifications.
- 5.9.5 If CONTRACTOR intends to assert a claim for an equitable adjustment under this Section 5.9, it must, within thirty (30) days after receipt of a denial of a request for equitable adjustment under paragraphs 5.9.1 and 5.9.2, submit a written statement to the CITY/DISTRICT setting forth the general nature and monetary extent of such claim. The CITY/DISTRICT may extend the 30 day period. CONTRACTOR'S failure to submit the notice of a claim, within the required thirty (30) days shall constitute a waiver of the claim by the CONTRACTOR.
- 5.9.6 No claim by CONTRACTOR for an equitable adjustment shall be allowed if made after final payment under this Agreement.
- 5.9.7 CONTRACTOR hereby agrees to make any and all changes, furnish the materials and perform the work that CITY/DISTRICT may require without nullifying this Contract. CONTRACTOR shall adhere strictly to the Plans and Specifications unless a change there from is authorized in writing by the CITY/DISTRICT. Under no condition shall CONTRACTOR make any changes to the Project, either in additions or deductions, without the written order of the CITY/DISTRICT and the CITY/DISTRICT shall not pay for any extra charges made by CONTRACTOR that have not been agreed upon in advance in writing by the CITY/DISTRICT. CONTRACTOR shall submit immediately to the CITY/DISTRICT written copies of its firm's cost or credit proposal for change in the work. Disputed work shall be performed as ordered in writing by the CITY/DISTRICT and the proper cost or credit breakdowns therefore shall be submitted without delay by CONTRACTOR to CITY/DISTRICT.
- 5.10 **Liquidated Damages for Delay.** The parties agree that if the total work called for under this Contract, in all parts and requirements, is not completed within the time specified in Section 5.5 herein, plus the allowance made for delays or extensions authorized under Sections 5.7, 5.8, and 5.9 herein, the CITY/DISTRICT will sustain damage which would be extremely difficult and impractical to ascertain. The parties therefore agree that CONTRACTOR will pay to the CITY the sum of **Five Hundred dollars (\$500.00) per day** for the storm drain work and CONTRACTOR will pay to the DISTRICT the sum of **One Thousand Five Hundred dollars (\$1,500.00) per day** for the sewer work, for each and every calendar day during which completion of the Project is so delayed. CONTRACTOR agrees to pay such liquidated damages and further agrees that CITY/DISTRICT may offset the amount of liquidated damages from any monies due or that may become due CONTRACTOR under the Contract.
- 5.11 **Contract Price and Method of Payment.** CITY/DISTRICT agrees to pay and the CONTRACTOR agrees to accept as full consideration for the faithful performance of this Contract, subject to any subsequent additions or deductions as provided in approved change orders, the sum of **One Million Eight Hundred and Seventy Six Thousand Five Hundred and Forty Three dollars and Twenty one Cents (\$ 1,876,543.21)** as itemized in the bid proposal.

Progress payments shall be made to the CONTRACTOR on a monthly basis for each successive month as the work progresses. The CONTRACTOR shall be paid such sum as will bring the total payments received since the commencement of the work up to ninety – five percent (95%) of the value of the work completed, less all previous payments, provided that the CONTRACTOR submits the request for payment prior to the end of the day required to meet the payment schedule. The CITY/DISTRICT will retain five percent (5%) of the amount of each such progress estimate and material cost until 30 days after the recordation of the Notice of Completion.

Payments shall be made on demands drawn in the manner required by law, accompanied by a certificate signed by the CITY/DISTRICT'S Engineer, stating that the work for which payment is demanded has been performed in accordance with the terms of the Contract. Partial payments of the Contract price shall not be considered as an acceptance of any part of the work.

5.12 Substitution of Securities in Lieu of Retention of Funds. Pursuant to California Public Works Contract Code § 22300, the CONTRACTOR will be entitled to post approved securities with the CITY/DISTRICT or an approved financial institution in order to have the CITY/DISTRICT release funds retained by the CITY/DISTRICT to ensure performance of the Contract. CONTRACTOR shall be required to execute an addendum to this Contract together with escrow instructions and any other documents in order to effect this substitution.

5.13 Completion. Within 10 days after the contract completion date of the Project, CONTRACTOR shall file with the CITY/DISTRICT'S Engineer its affidavit stating that all workers and persons employed, all firms supplying materials, and all subcontractors upon the Project have been paid in full, and that there are no claims outstanding against the Project for either labor or material, except those certain items, if any, to be set forth in an affidavit covering disputed claims, or items in connection with Stop Notices which have been filed under the provisions of the statutes of the State of California. CITY/DISTRICT may require affidavits or certificates of payment and/or releases from any subcontractor, laborer or material supplier.

5.14 CONTRACTOR'S Employees Compensation

5.14.1 General Prevailing Rate. CITY/DISTRICT has ascertained from the State of California Director of Industrial Relations, the general prevailing rate of per diem wages and the general prevailing rate for legal holiday and overtime work in the locality in which the work is to be performed for each craft or type of work needed to execute this Contract, and copies of the same are on file in the Office of the City Engineer. The CONTRACTOR agrees that not less than said prevailing rates shall be paid to workers employed on this public works contract as required by Labor Code Section 1774 of the State of California.

5.14.2 Forfeiture for Violation. CONTRACTOR shall, as a penalty to the CITY/DISTRICT, forfeit one hundred dollars (\$100.00) for each calendar day or portion thereof for each worker paid (either by the CONTRACTOR or any subcontractor under it) less than the prevailing rate of per diem wages as set by the Director of Industrial Relations, in accordance with Sections 1770-1780 of the California Labor Code for the work provided for in this Contract, all in accordance with Section 1775 of the Labor Code of the State of California.

SECTION 5 - AGREEMENT

Attachment # 2

- 5.14.3 Apprentices.** Section 1777.5, 1777.6 and 1777.7 of the Labor Code of the State of California, regarding the employment of apprentices is applicable to this Contract and the CONTRACTOR shall comply therewith if the prime contract involves thirty thousand dollars (\$30,000.00) or more or twenty (20) working days, or more; or if contracts of specialty CONTRACTORs not bidding for work through the general or prime CONTRACTOR are two thousand dollars (\$2,000.00) or more for five (5) working days or more.
- 5.14.4 Workday.** In the performance of this Contract, not more than eight (8) hours shall constitute a day's work, and CONTRACTOR shall not require more than eight (8) hours of labor in a day from any person employed by him hereunder except as provided in paragraph (5.14.2) above. CONTRACTOR shall conform to Article 3, Chapter 1, Part 7 (Sections 1810 et seq.) of the Labor Code of the State of California and shall forfeit to the CITY/DISTRICT as a penalty, the sum of twenty-five Dollars (\$25.00) for each worker employed in the execution of this Contract by CONTRACTOR or any subcontractor for each calendar day during which any worker is required or permitted to labor more than eight (8) hours in any one calendar day and forty (40) hours in any one week in violation of said Article. CONTRACTOR shall keep an accurate record showing the name and actual hours worked each calendar day and each calendar week by each worker employed by CONTRACTOR in connection with the Project.
- 5.14.5 Record of Wages: Inspection.** CONTRACTOR agrees to maintain accurate payroll records showing the name, address, social security number, work classification, straight-time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker or other employee employed by it in connection with the Project and agrees to require that each of its subcontractors does the same. The applicable CONTRACTOR or subcontractor or its agent having authority over such matters shall certify all payroll records as accurate. CONTRACTOR further agrees that its payroll records and those of its subcontractors shall be available to the employee or employee's representative, the Division of Labor Standards Enforcement, and the Division of Apprenticeship Standards and shall comply with all of the provisions of Labor Code Section 1776, in general. CONTRACTOR shall comply with all the provisions of Labor Code Section 1776, and shall submit payroll records to the Labor Commissioner pursuant to Labor Code Section 1771.4(a) (3). The CONTRACTOR shall submit copies of certified payroll reports **and cancelled checks** for labors, every two weeks to the Engineer. Certified payroll and cancelled checks submittals are due one month after start of construction and every two weeks thereafter. *If the certified payroll and cancelled checks are not submitted, the CONTRACTOR will be notified that compliance is required within five (5) working days or contract work must cease. The CITY/DISTRICT will not be responsible for any delay or acceleration charges or any incurred costs or damages as a result of the work stoppage due to CONTRACTOR's failure to comply.* Work shall be cease in an orderly, safe fashion with all vehicle access restored, should this not occur, CITY/DISTRICT will correct the deficiencies and deduct the cost from funds due to the Contractor. In addition, no progress payment shall be made until the copies of certified payroll reports and cancelled checks are submitted.

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5.15 Surety Bonds. CONTRACTOR shall, upon entering into performance of this Agreement, furnish bonds in the amount of one hundred percent (100%) of the Contract price bid, to guarantee the faithful performance of the work, and the other in the amount of one hundred percent (100%) of the Contract price bid to guarantee payment of all claims for labor and materials furnished. This Contract shall not become effective until such bonds are supplied to and approved by the CITY/DISTRICT.

5.16 Insurance.

- 5.16.1 CONTRACTOR is also aware of the provisions of Section 3700 of the Labor Code, which requires every employer to be insured against liability for Workers' Compensation or undertake self-insurance in accordance with the provisions of that Code, and will comply with such provisions before commencing the performance of the work of this Contract.
- 5.16.2 CONTRACTOR and all subcontractors shall carry workers' compensation insurance for the protection of its employees during the progress of the work. The insurer shall waive its rights of subrogation against the CITY/DISTRICT, its officers, agents and employees and shall issue a certificate to the policy evidencing same.
- 5.16.3 CONTRACTOR shall at all times carry, on all operations hereunder, bodily injury, including death, and property damage liability insurance, including automotive operations bodily injury and property damage coverage; and builders' all risk insurance. All insurance coverage shall be in amounts specified by the CITY/DISTRICT in the Insurance Requirements and shall be evidenced by the issuance of a certificate and additional insured endorsement in forms prescribed by the CITY/DISTRICT and shall be underwritten by insurance companies satisfactory to the CITY/DISTRICT for all operations, subcontract work, contractual obligations, product or completed operations, all owned vehicles and non-owned vehicles. Said insurance coverage obtained by the CONTRACTOR, excepting workers' compensation coverage, shall name the CITY/DISTRICT, its Officers, Agents, Employees, Engineers, and Consultants for this Contract, and all public agencies from whom permits will be obtained and their Directors, Officers, Agents and Employees, as determined by the CITY/DISTRICT, as additional insured on said policies. Additional insured status shall be evidenced in the form of an Additional insured Endorsement (CG 20 10 1185). A sample is included in the appendix of the specifications for reference.

For any claims related to this Project, the Contractor's insurance coverage shall be primary insurance as respects the City of Garden Grove, Garden Grove Sanitary District and their respective Officers, Officials, Agents, Employees, Engineers, Volunteers, and Consultants for this Contract, and all public agencies from whom permits will be obtained and their Directors, Officers, Agents and Employees, as determined by the City of Garden Grove/Garden Grove Sanitary District. Any insurance or self-insurance maintained by the City of Garden Grove/Garden Grove Sanitary District, and/or their respective Officers, Officials, Agents, Employees, Engineers, Volunteers, and Consultants for this Contract, and all public agencies from whom permits will be obtained and their Directors, Officers, Agents and Employees, as determined by the City of Garden Grove/Garden Grove Sanitary District shall be excess of the Contractor's insurance and not contribute with it.

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- 5.16.4 Before CONTRACTOR performs any work at, or prepares or delivers materials to, the site of construction, CONTRACTOR shall furnish:

COMMENCEMENT OF WORK. CONTRACTOR shall not commence work under this Agreement until all certificates and endorsements have been received and approved by the City of Garden Grove/Garden Grove Sanitary District. All insurance required by this Agreement shall contain a Statement of Obligation on the part of the carrier to notify the City of Garden Grove/Garden Grove Sanitary District of any material change, cancellation, or termination at least thirty (30) days in advance. Contractor shall also provide a **waiver of subrogation for each policy.**

INSURANCE AMOUNTS. CONTRACTOR shall maintain all of the foregoing insurance coverage in force until the work under this Contract is fully completed. The requirement for carrying the foregoing insurance shall not derogate from the provisions for indemnification of the Garden Grove Sanitary District and/or City of Garden Grove by CONTRACTOR under Section 5.17 of this Contract. Notwithstanding nor diminishing the obligations of CONTRACTOR with respect to the foregoing, CONTRACTOR shall subscribe for and maintain in full force and effect during the life of this Contract, the following insurance in amounts not less than the amounts specified and issued by a company admitted and licensed in California and having a Best's Guide Rating of A-Class VII or better (**Claims made and modified occurrence policies are not acceptable**):

Workers' Compensation	As required by the State of California.
Employer's Liability	\$1,000,000 per accident for bodily injury or disease.
Commercial General Liability (including operations, products and completed operations, and not excluding XCU)	\$5,000,000 per occurrence for bodily injury, personal injury and property damage. Coverage shall include mobile equipment.
Automobile Liability, including non-owned and hired vehicles	\$2,000,000 combined single limit for bodily injury and property damage.
Course of Construction	Completed value of the project with no coinsurance penalty provisions.

Excess liability, follows form coverage, shall be provided for any underlying policy that does not meet the policy limits required and set forth herein. Insurance companies must be acceptable to the City of Garden Grove/Garden Grove Sanitary District and have a Best's Guide Rating of A-, Class VII or better, as approved by the City of Garden Grove/Garden Grove Sanitary District.

An Additional Insured Endorsement, **ongoing and products-completed operations**, and including mobile equipment, for the Commercial General Liability policy shall designate the City of Garden Grove/Garden Grove Sanitary District and their respective Officers, Officials, Agents, Employees, Engineers, Volunteers, and Consultants for this Contract, and all public agencies from whom permits will be obtained and their Directors, Officers, Agents and Employees, as determined by the City of Garden Grove/ Garden Grove Sanitary District as

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additional insureds for liability arising out of work or operations performed by or on behalf of the CONTRACTOR. CONTRACTOR shall provide to the City of Garden Grove/Garden Grove Sanitary District proof of insurance and endorsement forms that conform to the City of Garden Grove/Garden Grove Sanitary District's requirements, as approved by the City of Garden Grove/Garden Grove Sanitary District.

An Additional Insured Endorsement for Automobile Liability policy, shall designate Garden Grove Sanitary District, City of Garden Grove, and their respective Officers, Officials, Agents, Employees, Engineers, Volunteers, and Consultants for this Contract, and all public agencies from whom permits will be obtained and their Directors, Officers, Agents and Employees, as determined by the City of Garden Grove/Garden Grove Sanitary District as additional insureds for automobiles owned, leased, hired, or borrowed by the CONTRACTOR. CONTRACTOR shall provide to the City of Garden Grove/Garden Grove Sanitary District proof of insurance and endorsement forms that conform to Garden Grove Sanitary District's requirements, as approved by the City of Garden Grove/Garden Grove Sanitary District.

A Loss Payee Endorsement for the Course of Construction policy shall designate the City of Garden Grove/Garden Grove Sanitary District as loss payee. CONTRACTOR shall provide to the City of Garden Grove/Garden Grove Sanitary District proof of insurance and endorsement forms that conform to City's requirements, as approved by the City of Garden Grove/Garden Grove Sanitary District.

In the event any of CONTRACTOR'S underlying policies do not meet policy limits within the insurance requirements, CONTRACTOR shall provide coverage under an excess liability policy. The policy must be a follows form excess/umbrella policy. CONTRACTOR shall provide the **schedule of underlying polices** for an excess/umbrella liability policy, state that the excess/umbrella policy **follows form** on the insurance certificate, and provide an **additional insured endorsement** for the excess/umbrella liability policy designating Garden Grove Sanitary District, the City of Garden Grove, and their respective Officers, Officials, Agents, Employees, Engineers, Volunteers, and Consultants for this Contract, and all public agencies from whom permits will be obtained and their Directors, Officers, Agents and Employees, as determined by the City of Garden Grove/Garden Grove Sanitary District as additional insureds.

A primary/non-contributory endorsement shall be provided to the City of Garden Grove/Garden Grove Sanitary District for each policy. For any claims related to this Agreement, CONTRACTOR's insurance coverage shall be primary insurance as respects Garden Grove Sanitary District, the City of Garden Grove, and their respective officers, officials, agents, employees, and volunteers for this contract and all public agencies from whom permits will be obtained and their directors, officers, agents, and employees as determined by the City of Garden Grove/Garden Grove Sanitary District. Any insurance or self-insurance maintained by Garden Grove Sanitary District, City of Garden Grove, and/or their respective officers, officials, agents, employees, and volunteers for this contract and all public agencies from whom permits will be obtained and their directors, officers, agents, and employees, as determined by the City of Garden

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Grove/Garden Grove Sanitary District shall be excess of the CONTRACTOR's insurance and shall not contribute with it. CONTRACTOR shall provide to the City of Garden Grove/Garden Grove Sanitary District proof of insurance and endorsement forms that conform to the City of Garden Grove/Garden Grove Sanitary District's requirements, as approved by the City of Garden Grove/Garden Grove Sanitary District.

The City of Garden Grove/Garden Grove Sanitary District or its representatives shall at all times have the right to inspect and receive the original or a certified copy of all said policies of insurance, including certificates. CONTRACTOR shall pay the premiums on the insurance hereinabove required.

If CONTRACTOR maintains higher insurance limits than the minimums shown above, CONTRACTOR shall provide coverage for the higher insurance limits otherwise maintained by the CONTRACTOR.

5.17 Risk and Indemnification. All work covered by this Contract done at the site of construction or in preparing or delivering materials to the site shall be at the risk of CONTRACTOR alone. CONTRACTOR agrees to save, indemnify and keep the Garden Grove Sanitary District, City of Garden Grove, and their respective Officers, Agents, Employees, Engineers, and Consultants for this Contract, and all public agencies from whom permits will be obtained and their directors, Officers, Agents and Employees harmless against any and all liability, claims, judgments, costs and demands, including demands arising from injuries or death of persons (CONTRACTOR'S employees included) and damage to property, arising directly or indirectly out of the obligations herein undertaken or out of the operations conducted by CONTRACTOR, save and except claims or litigation arising through the sole negligence or sole willful misconduct of CITY/DISTRICT and will make good to reimburse CITY/DISTRICT for any expenditures, including reasonable attorneys' fees CITY/DISTRICT may incur by reason of such matters, and if requested by CITY/DISTRICT, will defend any such suits at the sole cost and expense of CONTRACTOR.

5.18 Termination.

5.18.1 This Contract may be terminated in whole or in part in writing by the CITY/DISTRICT for its convenience, provided that the CONTRACTOR is given (1) not less than ten (10) calendar days written notice (delivered by certified mail, return receipt requested) of intent to terminate, and (2) an opportunity for consultation with the terminating party prior to termination.

5.18.2 If termination for default or convenience is effected by the CITY/DISTRICT, an equitable adjustment in the price provided for in this Contract shall be made, but (1) no amount shall be allowed for anticipated profit on unperformed services or other work, and (2) any payment due to the CONTRACTOR at the time of termination may be adjusted to cover any additional costs to the CITY/DISTRICT because of the CONTRACTOR'S default.

5.18.3 Upon receipt of a termination action under paragraph (5.18.1) or (5.18.2) above, the CONTRACTOR shall (1) promptly discontinue all affected work (unless the notice directs otherwise), and (2) deliver or otherwise make available to the CITY/DISTRICT all data, drawings, specifications, reports, estimates, summaries

SECTION 5 - AGREEMENT

Attachment # 2

and such other information and materials as may have been accumulated by the CONTRACTOR in performing this Contract whether completed or in process.

5.18.4 Upon termination under paragraphs (5.18.1) and (5.18.2) above, the CITY/DISTRICT may take over the work and may award another party an agreement to complete the work under this Contract.

5.19 Warranty. The CONTRACTOR agrees to perform all work under this Contract in accordance with the CITY/DISTRICT's designs, drawings and specifications.

The CONTRACTOR guarantees for a period of one (1) year from the date of the notice of completion of the work that the completed work is free from all defects due to faulty materials, equipment or workmanship and that he shall promptly make whatever adjustments or corrections which may be necessary to cure any defects, including repairs or any damage to other parts of the system resulting from such defects. The CITY/DISTRICT shall promptly give notice to the CONTRACTOR of observed defects. In the event that the CONTRACTOR fails to make adjustments, repairs, corrections or other work made necessary by such defects, the CITY/DISTRICT may do so and charge the CONTRACTOR the cost incurred. The performance bond shall remain in full force and effect through the guarantee period.

The CONTRACTOR'S obligations under this clause are in addition to the CONTRACTOR'S other express or implied assurances of this Contract or state law and in no way diminish any other rights that the CITY/DISTRICT may have against the CONTRACTOR for faulty materials, equipment or work.

5.20 Attorneys' Fees. If any action at law or in equity is necessary to enforce or interpret the terms of this Contract, each shall bear its own attorneys' fees, costs and necessary disbursements. Notwithstanding the foregoing, if any action is brought against the CONTRACTOR or any subcontractor to enforce a Stop Notice or Notice to Withhold, which named the CITY/DISTRICT as a party to said action, the CITY/DISTRICT shall be entitled to reasonable attorneys' fees, costs and necessary disbursements arising out of the defense of such action by the CITY/DISTRICT. The CITY/DISTRICT shall be entitled to deduct its costs for any Stop Notice filed, whether court action is involved or not.

5.21 Notices. Any notice required or permitted under this Contract may be given by ordinary mail at the address set forth below. Any party whose address changes shall notify the other party in writing.

TO CITY/DISTRICT:

TO CONTRACTOR:

The City of Garden Grove/
Garden Grove Sanitary District
Public Works Department
Attention: Myung J. Chun, P.E.
13802 Newhope Street
Garden Grove, CA 92843
(714) 741-5977
(714) 638-9906 Fax

Mamco, Inc.
Attention: Rumzi Alabbasi, Vice President
764 W. Ramona Expwy, Ste C
Perris, CA 92571
(951) 776-9300
(951) 776-0404

SIGNATURE ON NEXT PAGE

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Attachment # 2

IN WITNESS THEREOF, these parties have executed this Construction Agreement on the day and year shown below.

**"CITY"
CITY OF GARDEN GROVE**

Date: _____ By: _____
**Scott C. Stiles
City Manager**

**"DISTRICT"
GARDEN GROVE SANITARY DISTRICT**

Date: _____ By: _____
**Scott C. Stiles
General Manager**

ATTEST:

City Clerk/ District Secretary

Date: _____

"CONTRACTOR"

Mamco, Inc.

CONTRACTOR'S State License No. 883649
(Expiration Date: 9/30/2016)

By: _____

Title: Rumzi AlAbbasi- Vice President

Date: 6/16/2016

APPROVED AS TO FORM:

Omar Dandora
Garden Grove City Attorney/
Sanitary District General Counsel

Date: 6-20-16

If CONTRACTOR is a corporation, a Corporate Resolution and/or Corporate Seal is required.

**CITY OF GARDEN GROVE
PUBLIC WORKS DEPARTMENT
Engineering Division**

BID SUMMARY SHEET

FOR

EAST GARDEN GROVE STORM DRAIN AND SEWER IMPROVEMENTS

**PROJECT NO. 7405 - LAMPSON AVENUE AND RANCHERO WAY STORM DRAIN
AND ALLEY REHABILITATION**

PROJECT NO. 7834 - CENTRAL AVENUE SEWER IMPROVEMENTS PROJECT

**PROJECT NO. 7837 - NUTWOOD STREET/IMPERIAL AVENUE SEWER
IMPROVEMENTS PROJECT**

BID OPENING: DATE: May 24, 2016

TIME: 11:00 A.M.

ENGINEER'S ESTIMATE: \$ 2,250,000.00

	Bidder's Name	Total Bid	% Under/Over Engrs. Est
1	Mamco, Inc., Brea	\$ 1,876,543.21	16.60 % Under
2	Ramona, Inc., Arcadia	\$ 2,036,024.00	9.51 % Under
3	Paulus Engineering, Anaheim	\$ 2,299,371.00	2.19 % Over
4	Blois Construction, Inc., Long Beach	\$ 2,383,210.00	5.92 % Over
5	Excel Paving Company, Long Beach	\$ 2,570,116.00	14.23 % Over

- Conduct the first reading and introduce the Ordinance establishing the Paramedic Tax Override Rate for Fiscal Year 2016-17 at 7 cents/\$100 of full assessed value.

ATTACHMENTS:

Description	Upload Date	Type	File Name
Ordinance	6/21/2016	Ordinance	Paramedic_Ordinance.pdf

ORDINANCE NO.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE
ESTABLISHING THE AMOUNT OF MONEY FOR PARAMEDIC SERVICES THAT MUST
BE RAISED BY AN AD VALOREM TAX OVERRIDE AND THE SETTING OF THE TAX
RATE OF SAID OVERRIDE

THE CITY COUNCIL OF THE CITY OF GARDEN GROVE DOES ORDAIN AS
FOLLOWS:

SECTION 1: In June 1974, over sixty percent (60%) of the Garden Grove voters approved an ad valorem tax override to provide emergency medical care service (Paramedic Services) to the community and thereby incurring a debt consisting of personnel and equipment payment obligations.

SECTION 2: Property taxes for indebtedness approved by the voters prior to July 1, 1978, are authorized pursuant to Section 93 of the Revenue and Taxation Code.

SECTION 3: The City Council of the City of Garden Grove hereby declares it is necessary to raise an estimated \$8,799,000 through the use of an ad valorem tax override on the taxable property within the City of Garden Grove to maintain and pay for the emergency medical care services. Such indebtedness to be paid includes personnel salaries, training costs, equipment purchases, and maintenance of all equipment acquired previously for paramedic services purpose.

SECTION 4: The tax rate for the authorized ad valorem tax override as approved by voters of all assessable real and personal property for the Fiscal Year 2016-17 shall be 7.0 cents (\$.070) per one-hundred dollars (\$100) of assessed valuation, using as a basis the value of the property as assessed and equalized by the County of Orange, State of California, and shown on the 2016-17 assessment roll of said county.

SECTION 5: This ordinance shall exclude from Section 4 annexations of assessable, real and personal property to the City of Garden Grove after July 1, 1978, indicated by the listing on the attached document designated Exhibit "A".

SECTION 6: Severability. If any section, subsection, subdivision, sentence, clause, phrase, word, or portion of this Ordinance is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance and each section, subsection, subdivision, sentence, clause, phrase, word, or portion thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases, words, or portions thereof be declared invalid or unconstitutional.

SECTION 7: The Mayor shall sign and the City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same, or the summary thereof, to be published and posted pursuant to the provisions of law and this Ordinance shall take effect thirty (30) days after adoption.

EXHIBIT "A"

Listed Annexations Finalized After July 1, 1978 and
Not Subject to Paramedic Tax Override

Annexation No./ Reorganization No.	City Resolution Number	Date Completed
1-78	5573-78	August 8, 1978
2-78	5634-78	October 24, 1978
3-78	5637-78	November 28, 1978
4-78	5670-78	November 30, 1978
5-78	5671-78	November 30, 1978
7-78	5731-79	March 30, 1979
1-79	5813-79	July 30, 1979
141	7875-96	May 29, 1996

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Scott C. Stiles From: Maria Stipe
Dept.: City Manager Dept.: City Manager
Subject: Consideration of a Resolution Date: 6/28/2016
appointing Omar Sandoval as
City Attorney. (Action Item)

OBJECTIVE

The purpose of this report is to provide a resolution for City Council consideration appointing Omar Sandoval as City Attorney.

BACKGROUND

At the July 14, 2016, City Council Meeting, Council Member Phan requested and a majority of the City Council supported listing an action item to consider appointing Acting City Attorney Omar Sandoval to serve as City Attorney.

DISCUSSION

A resolution appointing the City Attorney is attached for City Council consideration.

FINANCIAL IMPACT

None. Funds for City Attorney Services are contained in the Fiscal Year 2016-17 Budget.

RECOMMENDATION

It is recommended that the City Council:

- Consider the attached resolution appointing Omar Sandoval as City Attorney.

ATTACHMENTS:

Table with 4 columns: Description, Upload Date, Type, File Name. Row 1: Resolution, 6/20/2016, Backup Material, Resolution_appointing_City_Attorney_-

CITY OF GARDEN GROVE

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE
APPOINTING THE CITY ATTORNEY.

WHEREAS, the City has contracted with Woodruff, Spradlin & Smart to provide city attorney services to the City of Garden Grove; and

WHEREAS, Omar Sandoval, a principal of Woodruff, Spradlin & Smart, has served as Acting City Attorney since August 1, 2015; and

WHEREAS, the City Council wishes to appoint Omar Sandoval as the designated principal of Woodruff, Spradlin & Smart to serve as the Garden Grove City Attorney.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Garden Grove that Omar Sandoval of Woodruff, Spradlin & Smart shall be appointed and serve as City Attorney of the City of Garden Grove.

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Scott C. Stiles From: Maria Stipe
 Dept.: City Manager Dept.: City Manager
 Subject: Consideration to adopt a Resolution establishing a vehicle stipend for members of the City Council. (Action Item) Date: 6/28/2016

OBJECTIVE

The purpose of this report is to provide a resolution for City Council consideration establishing a vehicle stipend for Members of the City Council.

BACKGROUND

At the June 14, 2016, City Council Meeting, Council Member Phan requested and a majority of the City Council supported listing an action item to consider implementing a small vehicle stipend for Members of the City Council.

DISCUSSION

A resolution implementing a vehicle stipend for City Council Members is attached for City Council consideration. The effective date on the resolution is July 1, 2017, which is the start of the following fiscal year. Staff surveyed Garden Grove’s benchmark and neighboring cities and identified five cities that currently provide vehicle stipends for city council members, ranging from \$223 to \$715 per month (see attached benchmark report).

FINANCIAL IMPACT

Funds for a vehicle stipend would be included in the Fiscal Year 2017-18 Budget.

RECOMMENDATION

It is recommended that the City Council:

- Consider the attached resolution establishing a vehicle stipend of \$200.00 per month for Members of the City Council.

ATTACHMENTS:

Description	Upload Date	Type	File Name
Resolution	6/21/2016	Cover Memo	GG_RESOLUTION_ESTABLISHING_A_VEHICLE_STIPEND_FOR_MEMBERS_OF_THE_CITY_COUNCIL_(1).docx
Benchmark Report	6/21/2016	Cover Memo	Council--BoardMemberBenchmarkReport_2016_(3).xlsx

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE ESTABLISHING A VEHICLE STIPEND FOR MEMBERS OF THE CITY COUNCIL.

WHEREAS, each member of the City Council incurs actual and necessary vehicle expenses that are difficult to itemize and report, such as gasoline, vehicle depreciation, insurance and other expenses of operating a personal automobile incurred in connection with the members' duties as a member of the City Council.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Garden Grove as follows:

Section 1. Each Member of the City Council shall receive a vehicle stipend in the sum of \$200.00 per month in addition to actual travel expenses, such as airfare or rental vehicles, which may be easily itemized and supported by actual cash receipts incurred while on official City business.

Section 2. This resolution shall become effective on July 1, 2017.

PASSED, APPROVED, AND ADOPTED this 28th day of June, 2016.

COUNCIL/BOARD MEMBER Benchmark Report - 06/17/16

Agency	Bench title	Agency Title	Auto
ANAHEIM	COUNCIL/BOARD MEMBER	COUNCIL MEMBER	300
BUENA PARK	COUNCIL/BOARD MEMBER	COUNCIL MEMBER	223
DANA POINT	COUNCIL/BOARD MEMBER	CITY COUNCIL MEMBER	275
IRVINE	COUNCIL/BOARD MEMBER	COUNCIL MEMBER	715
SANTA ANA	COUNCIL/BOARD MEMBER	COUNCILMEMBER	500