

**CITY OF REDONDO BEACH  
CITY COUNCIL AGENDA  
Tuesday, August 3, 2021**

**415 DIAMOND STREET, REDONDO BEACH**

**VIRTUAL MEETING**



**Bill Brand, Mayor**

**Nils Nehrenheim, Councilmember, District 1**

**Todd Loewenstein, Councilmember, District 2**

**Christian Horvath, Councilmember, District 3**

**Zein Obagi, Jr., Councilmember, District 4**

**Laura Emdee, Councilmember, District 5**

**Michael W. Webb, City Attorney**

**Eleanor Manzano, City Clerk**

**Steven Diels, City Treasurer**

**AGENDA AND SUPPORTING MATERIALS** - An agenda packet is available 24 hours a day at the Redondo Beach Police Department and at [www.redondo.org](http://www.redondo.org) on the City Clerk page. Agenda packets are available during Library hours, at the reference desks at the Redondo Beach Main Library and Redondo Beach North Branch Library. During City Hall hours, agenda packets are available for review in the Office of the City Clerk, Door 1.

**AGENDA POSTING NOTIFICATION** - If you would like to receive notification of the agenda availability, please subscribe to our eNotify list at [www.redondo.org/services/subscribe.asp](http://www.redondo.org/services/subscribe.asp). You will receive notification when the agenda is available for viewing on the website and you may view and/or print a copy of the agenda.

**DOCUMENTS DISTRIBUTED FOLLOWING THE POSTING OF THE AGENDA (BLUE FOLDER ITEMS)** - Any writing that relates to an agenda item for an open session that is distributed within 72 hours of the meeting is available for public inspection at the City Clerk's Office, 415 Diamond Street, Door 1, Redondo Beach. In addition, such writings and documents will be posted on the City's website at [www.redondo.org](http://www.redondo.org)

**PUBLIC COMMENT** - The public is encouraged to address the City Council on any matter posted on the agenda or on any other matter within its jurisdiction. If you wish to address the City Council on non-agenda items, you may do so during the **PUBLIC PARTICIPATION ON NON-AGENDA ITEMS** section on the agenda. Each person is allotted three (3) minutes to speak.

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

**AMERICANS WITH DISABILITIES ACT** - It is the intention of the City of Redondo Beach to comply with the Americans with Disabilities Act (ADA) in all respects. If, as an attendee or a participant at this meeting, you will need special assistance beyond what is normally provided, the City will attempt to accommodate you in every reasonable manner. Please contact the City Clerk's Office at (310) 318-0656 at least forty-eight (48) hours prior to the meeting to inform us of your particular needs and to determine if accommodation is feasible. Please advise us at that time if you will need accommodations to attend or participate in meetings on a regular basis.

**CITY OF REDONDO BEACH  
CITY COUNCIL AGENDA  
Tuesday, August 3, 2021**

**415 DIAMOND STREET, REDONDO BEACH**

**VIRTUAL MEETING**

**4:30 PM - CANCELLED - CLOSED SESSION - ADJOURNED REGULAR MEETING**

**6:00 PM - OPEN SESSION - REGULAR MEETING**

**THIS VIRTUAL MEETING IS HELD PURSUANT TO EXECUTIVE ORDER N-29-20 ISSUED BY GOVERNOR NEWSOM ON MARCH 17, 2020.**

**ALL COUNCILMEMBERS ARE PARTICIPATING BY VIRTUAL MEETING. MEMBERS OF THE PUBLIC MAY ONLY PARTICIPATE BY ZOOM, eCOMMENT OR EMAIL.**

City Council meetings are broadcast live through Spectrum Cable, Channel 8, and Frontier Communications, Channel 41 and/or rebroadcast on Wednesday at 3PM and Saturday at 3PM following the date of the meeting. Live streams and indexed archives of meetings are available via internet. Visit the City's office website at [www.Redondo.org/rbtv](http://www.Redondo.org/rbtv).

TO WATCH MEETING LIVE ON CITY'S WEBSITE:

<https://redondo.legistar.com/Calendar.aspx>

\*Click "In Progress" hyperlink under Video section of meeting

TO WATCH MEETING LIVE ON YOUTUBE:

<https://www.youtube.com/c/CityofRedondoBeachIT>

TO JOIN ZOOM MEETING (FOR PUBLIC INTERESTED IN SPEAKING. OTHERWISE, PLEASE SEE ABOVE TO WATCH/LISTEN TO MEETING):

Register in advance for this meeting:

[https://us02web.zoom.us/webinar/register/WN\\_ye3JZhNUTQqth6\\_mSwBvXw](https://us02web.zoom.us/webinar/register/WN_ye3JZhNUTQqth6_mSwBvXw)

After registering, you will receive a confirmation email containing information about joining the meeting.

If you are participating by phone, be sure to provide your phone # when registering. You will be provided a Toll Free number and a Meeting ID to access the meeting. Note; press # to bypass Participant ID. Attendees will be muted until the public participation period is opened. When you are called on to speak, press \*6 to unmute your line. Note, comments from the public are limited to 3 minutes per speaker.

eCOMMENT: COMMENTS MAY BE ENTERED DIRECTLY ON WEBSITE AGENDA PAGE:

<https://redondo.granicusideas.com/meetings>

- 1) Public comments can be entered before and during the meeting.
- 2) Select a SPECIFIC AGENDA ITEM to enter your comment;
- 3) Public will be prompted to Sign-Up to create a free personal account (one-time) and then comments may be added to each Agenda item of interest.

4) Public comments entered into eComment (up to 2200 characters; equal to approximately 3 minutes of oral comments) will become part of the official meeting record. Comments may be read out loud during the meeting.

EMAIL: TO PARTICIPATE BY WRITTEN COMMUNICATION BEFORE 3:00PM DAY OF MEETING (EMAILS WILL NOT BE READ OUT LOUD): Written materials pertaining to matters listed on the posted agenda received after the agenda has been published will be added as supplemental materials under the relevant agenda item. Public comments may be submitted by email to [cityclerk@redondo.org](mailto:cityclerk@redondo.org). Emails must be received before 3:00 p.m. on the date of the meeting to ensure Council and staff have the ability to review materials prior to the meeting.

## **6:00 PM - OPEN SESSION - REGULAR MEETING**

**A. CALL TO ORDER**

**B. ROLL CALL**

**C. SALUTE TO THE FLAG AND INVOCATION**

**D. PRESENTATIONS/PROCLAMATIONS/ANNOUNCEMENTS**

**E. APPROVE ORDER OF AGENDA**

**F. AGENCY RECESS**

**F.1. [REGULAR MEETING OF THE COMMUNITY FINANCING AUTHORITY](#)**

**CONTACT:** JENNIFER PAUL, FINANCE DIRECTOR

**F.2. [SPECIAL MEETING OF THE REDONDO BEACH HOUSING AUTHORITY](#)**

**CONTACT:** CAMERON HARDING, COMMUNITY SERVICES DIRECTOR

**G. BLUE FOLDER ITEMS - ADDITIONAL BACK UP MATERIALS**

*Blue folder items are additional back up material to administrative reports and/or public comments received after the printing and distribution of the agenda packet for receive and file.*

**G.1. [For Blue Folder Documents Approved at the City Council Meeting](#)**

**H. CONSENT CALENDAR**

*Business items, except those formally noticed for public hearing, or those pulled for discussion are assigned to the Consent Calendar. The Mayor or any City Council Member may request that any Consent Calendar item(s) be removed, discussed, and acted upon separately. Items removed from the Consent Calendar will be taken up under the "Excluded Consent Calendar" section below. Those items remaining on the Consent Calendar will be approved in one motion. The Mayor will call on anyone wishing to address the City Council on any Consent Calendar item on the agenda, which has not been pulled by Council for discussion. Each speaker will be permitted to speak only once and comments will be limited to a total of three minutes.*

**H.1. [APPROVE AFFIDAVIT OF POSTING FOR THE CITY COUNCIL REGULAR MEETING OF AUGUST 3, 2021](#)**

**CONTACT:** ELEANOR MANZANO, CITY CLERK

**H.2. [APPROVE MOTION TO READ BY TITLE ONLY AND WAIVE FURTHER READING](#)**

OF ALL ORDINANCES AND RESOLUTIONS LISTED ON THE AGENDA.

**CONTACT:** ELEANOR MANZANO, CITY CLERK

**H.3.** APPROVE CONTRACTS UNDER \$35,000:

1. APPROVE TRANSIT SERVICE OPERATION AGREEMENTS WITH THE CITIES OF HERMOSA BEACH, MANHATTAN BEACH AND EL SEGUNDO FOR THE OPERATION OF BEACH CITIES TRANSIT LINE 109 FOR THE TERM JULY 1, 2021 TO JUNE 30, 2022.

2. APPROVE NO-COST FACILITY USE AGREEMENT WITH LOS ANGELES COUNTY REGISTRAR-RECORDER/COUNTY CLERK FOR THE PLACEMENT AND INSTALLATION OF ONE (1) 24-HOUR UNMANNED VOTE BY MAIL BALLOT DROP BOX AT DOMINGUEZ PARK FOR THE SEPTEMBER 14, 2021 GUBERNATORIAL RECALL ELECTION AND FUTURE ELECTIONS FOR THE TERM AUGUST 3, 2021 TO AUGUST 2, 2026.

3. APPROVE NO-COST FACILITY USE AGREEMENT AND ELECTION PLAN FOR USE OF ALTA VISTA PARK COMMUNITY CENTER AS AN 11-DAY VOTE CENTER WITH LOS ANGELES COUNTY REGISTRAR-RECORDER/COUNTY CLERK FOR THE SEPTEMBER 14, 2021 GUBERNATORIAL RECALL ELECTION FOR THE TERM AUGUST 3, 2021 TO SEPTEMBER 30, 2021.

**CONTACT:** JENNIFER PAUL, FINANCE DIRECTOR

**H.4.** APPROVE AGREEMENT WITH ALL CITY MANAGEMENT SERVICES, INC. FOR A CROSSING GUARD SERVICES PILOT PROGRAM FOR AN AMOUNT NOT TO EXCEED \$57,823 FOR THE TERM OF AUGUST 3, 2021 TO JUNE 30, 2022.

**CONTACT:** KEITH KAUFFMAN, POLICE CHIEF

**H.5.** APPROVE FIRST AMENDMENT TO PROJECT SERVICES AGREEMENT WITH NETFILE, INC. FOR AN ANNUAL AMOUNT NOT TO EXCEED \$8,300 OR \$24,900 FOR THE DURATION OF THE AGREEMENT FOR E-FILING AND PLATFORM ADMINISTRATION FOR CAMPAIGN FINANCE DISCLOSURE AND CONFLICT OF INTEREST STATEMENTS AND EXTEND THE TERM TO SEPTEMBER 5, 2024 WITH THE OPTION FOR TWO ADDITIONAL ONE-YEAR EXTENSIONS

**CONTACT:** ELEANOR MANZANO, CITY CLERK

**H.6.** EXCUSE ABSENCES OF VARIOUS COMMISSIONERS FROM VARIOUS COMMISSION MEETINGS

**CONTACT:** ELEANOR MANZANO, CITY CLERK

**H.7.** APPROVE THE AFFORDABLE HOUSING DOCUMENTS FOR THE SALE OF 2750 ARTESIA BOULEVARD, #117, REDONDO BEACH, CALIFORNIA 90278.

1. AGREEMENT CONTAINING COVENANTS, RESTRICTIONS AND OPTIONS TO PURCHASE [MODERATE INCOME]

2. ESCROW INSTRUCTIONS

**CONTACT:** CAMERON HARDING, COMMUNITY SERVICES DIRECTOR

**H.8.** [APPROVE THE PLANS AND SPECIFICATIONS FOR THE ALTA VISTA SEWER PUMP STATION PROJECT, JOB NO. 50300, AND AUTHORIZE THE CITY CLERK TO ADVERTISE FOR COMPETITIVE BIDS.](#)

**CONTACT:** TED SEMAAN, PUBLIC WORKS DIRECTOR

**H.9.** [APPROVE GRANT AGREEMENT 21-22/4-A WITH BEACH CITIES HEALTH DISTRICT FOR FIRE DEPARTMENT EMERGENCY MEDICAL SERVICES IN AN AMOUNT NOT TO EXCEED \\$58,000 AND FOR THE POLICE DEPARTMENT DOMESTIC VIOLENCE ADVOCACY PROGRAM IN AN AMOUNT NOT TO EXCEED \\$39,813 FOR THE TERM JULY 1, 2021 THRU JUNE 30, 2022](#)

**CONTACT:** KEITH KAUFFMAN, POLICE CHIEF

**I. EXCLUDED CONSENT CALENDAR ITEMS**

**J. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS**

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**J.1.** [For eComments and Emails Received from the Public](#)

**K. EX PARTE COMMUNICATIONS**

*This section is intended to allow all elected officials the opportunity to reveal any disclosure or ex parte communication about the following public hearings*

**L. PUBLIC HEARINGS**

**M. ITEMS CONTINUED FROM PREVIOUS AGENDAS**

**N. ITEMS FOR DISCUSSION PRIOR TO ACTION**

**N.1.** [DISCUSSION AND POSSIBLE ACTION TO APPROVE THE CITY OF REDONDO BEACH TRANSIT CENTER PROPERTY MANAGEMENT AND MAINTENANCE SERVICES REQUEST FOR PROPOSAL FOR THE NEW TRANSIT CENTER](#)

**CONTACT:** CAMERON HARDING, COMMUNITY SERVICES DIRECTOR

**N.2.** [DISCUSSION AND POSSIBLE ACTION REGARDING THE FISCAL YEAR 2021-2022 STOREFRONT IMPROVEMENT PROGRAM FOR THE ARTESIA BOULEVARD AND AVIATION BOULEVARD COMMERCIAL CORRIDORS](#)

**CONTACT:** STEPHEN PROUD, WATERFRONT & ECONOMIC DEVELOPMENT DIRECTOR

**O. CITY MANAGER ITEMS**

**O.1.** [STATUS REPORT ON CITY SERVICES AND PHASED REOPENING OF CITY FACILITIES DUE TO COVID-19](#)

**CONTACT:** JOE HOEFGEN, CITY MANAGER

**P. MAYOR AND COUNCIL ITEMS**

**P.1.** [DISCUSSION AND CONSIDERATION OF DESIGNATING THE VOTING DELEGATE AND ALTERNATE FOR 2021 LEAGUE OF CALIFORNIA CITIES ANNUAL CONFERENCE AND AUTHORIZE THE CITY CLERK TO FORWARD THE VOTING DELEGATE FORM](#)

**Q. ADJOURNMENT**

The next meeting of the City Council of the City of Redondo Beach will be an Adjourned Regular meeting to be held at 4:30 p.m. (Closed Session) and a Regular meeting to be held at 6:00 p.m. (Open Session) on Tuesday, August 10, 2021, in the Redondo Beach City Hall Council Chamber, 415 Diamond Street, Redondo Beach, California, via teleconference.



# Administrative Report

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F.1., File # 21-2788

Meeting Date: 8/3/2021

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**TITLE**

REGULAR MEETING OF THE COMMUNITY FINANCING AUTHORITY

**THIS VIRTUAL MEETING IS HELD PURSUANT TO  
EXECUTIVE ORDER N-29-20 ISSUED BY GOVERNOR  
NEWSOM ON MARCH 17, 2020**

**AGENDA  
REGULAR MEETING  
REDONDO BEACH COMMUNITY FINANCING AUTHORITY  
TUESDAY, AUGUST 3, 2021 - 6:00 P.M.  
REDONDO BEACH CITY COUNCIL CHAMBERS  
415 DIAMOND STREET**

The Community Financing Authority, a joint powers authority was formed on January 31, 2012, for the purpose of assisting in providing financing, for purposes which are authorized by law and which could finance, lease, own, operate and maintain public capital improvements for any of its members, or to be owned by any of its members.

**CALL MEETING TO ORDER**

**ROLL CALL**

**A. APPROVAL OF ORDER OF AGENDA**

**B. ADDITIONAL ITEMS FOR IMMEDIATE CONSIDERATION**

**B1. BLUE FOLDER ITEMS**

*Blue folder items are additional back up material to administrative reports and/or public comments received after the printing and distribution of the agenda packet for receive and file.*

**C. CONSENT CALENDAR**

*Business items, except those formally noticed for public hearing, or those pulled for discussion are assigned to the Consent Calendar. The Authority Members may request that any Consent Calendar item(s) be removed, discussed, and acted upon separately. Items removed from the Consent Calendar will be taken up under the "Excluded Consent Calendar" section below. Those items remaining on the Consent Calendar will be approved in one motion following Oral Communications.*

**C1. APPROVAL OF AFFIDAVIT OF POSTING** for the Regular Community Financing Authority meeting of August 3, 2021.

**C2. APPROVAL OF MOTION TO READ BY TITLE ONLY** and waive further reading of all Ordinances and Resolutions listed on the agenda.

**C3. APPROVAL OF MINUTES:**  
a. Regular Meeting of July 13, 2021.

**C4. APPROVAL OF CHECK NUMBERS 000479 THROUGH 000480 IN THE AMOUNT OF \$1,445.87.**

**D. EXCLUDED CONSENT CALENDAR ITEMS**

**E. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS**

*This section is intended to provide members of the public with the opportunity to comment on any subject that does not appear on this agenda for action. This section is limited to 30 minutes. Each speaker will be afforded three minutes to address the Community Financing Authority. Each speaker will be permitted to speak only once. Written requests, if any, will be considered first under this section.*

**F. EX PARTE COMMUNICATIONS**

- G. PUBLIC HEARINGS**
- H. OLD BUSINESS**
- I. NEW BUSINESS**
- J. MEMBERS ITEMS AND REFERRALS TO STAFF**
- K. ADJOURNMENT**

The next meeting of the Redondo Beach Community Financing Authority will be a regular meeting to be held at 6:00 p.m. on Tuesday, August 17, 2021, in the Redondo Beach City Hall Council Chambers, 415 Diamond Street, Redondo Beach, California.

*It is the intention of the City of Redondo Beach to comply with the Americans with Disabilities Act (ADA) in all respects. If, as an attendee or a participant of this meeting you will need special assistance beyond what is normally provided, the City will attempt to accommodate you in every reasonable manner. Please contact the City Clerk's Office at (310) 318-0656 at least forty-eight (48) hours prior to the meeting to inform us of your particular needs and to determine if accommodation is feasible. Please advise us at that time if you will need accommodations to attend or participate in meetings on a regular basis. An Agenda Packet is available 24 hours a day at [www.redondo.org](http://www.redondo.org) under the City Clerk and during City Hall hours. Agenda Packets are also available for review in the Office of the City Clerk.*

*Any writings or documents provided to a majority of the members of the Authority regarding any item on this agenda will be made available for public inspection at the City Clerk's Counter at City Hall located at 415 Diamond Street during normal business hours*



**Eleanor Manzano**  
City Clerk

415 Diamond Street, P.O. Box 270  
Redondo Beach, California 90277-0270  
www.redondo.org

tel 310 318-0656  
fax 310 374-0220

STATE OF CALIFORNIA            )  
COUNTY OF LOS ANGELES    )     SS  
CITY OF REDONDO BEACH        )

**AFFIDAVIT OF POSTING**

In compliance with the Brown Act, the following materials have been posted at the locations indicated below.

Legislative Body                Community Financing Authority  
Posting Type                     Regular Meeting Agenda  
Posting Locations                415 Diamond Street, Redondo Beach, CA 90277  
                                      ✓ Adjacent to Council Chambers  
Meeting Date & Time            August 3, 2021 6:00 p.m. Open Session

As City Clerk of the City of Redondo Beach, I declare, under penalty of perjury, the document noted above was posted at the date displayed below.

*Eleanor Manzano, City Clerk*  
*Redondo Beach Community Financing Authority*

Date: Jul 29, 2021

**MOTION TO READ BY TITLE ONLY**

and waive further reading of all  
Ordinances and Resolutions on the Agenda.

Recommendation - Approve

**CALL TO ORDER**

Via Teleconference, a Regular Meeting of the Community Financing Authority was called to order by Chairman Brand at 6:15 p.m. in the City Hall Council Chamber, 415 Diamond Street.

**ROLL CALL**

Members Present: Nehrenheim, Loewenstein, Horvath, Obagi, Emdee, Chairman Brand  
Members Absent: None  
Officials Present: Eleanor Manzano, City Clerk  
Michael Webb, City Attorney  
Joe Hoefgen, City Manager  
Vickie Kroneberger, Chief Deputy City Clerk

**A. APPROVAL OF ORDER OF AGENDA**

Motion by Member Nehrenheim, seconded by Member Obagi, to approve the Order of Agenda as presented. There being no objections, Chairman Brand so ordered.

**B. ADDITIONAL ITEMS FOR IMMEDIATE CONSIDERATION – NONE**

**B1. BLUE FOLDER ITEMS – NONE**

**C. CONSENT CALENDAR**

**C1. APPROVE AFFIDAVIT OF POSTING** for the Regular Community Financing Authority meeting of July 13, 2021.

**C2. APPROVE MOTION TO READ BY TITLE ONLY** and waive further reading of all Ordinances and Resolutions listed on the agenda.

**C3. APPROVE THE FOLLOWING MINUTES:**

a. Regular Meeting of June 15, 2021.

**C4. APPROVAL OF CHECK NUMBER 000478 IN THE AMOUNT OF \$10,332.88.**

Chairman Brand called for public comment via eComment and Zoom. There being no comments, Chairman Brand closed the public comment period.

Motion by Member Nehrenheim, seconded by Member Loewenstein, to approve Items C1 through C4. Motion carried unanimously, with the following roll call vote:

AYES: Nehrenheim, Loewenstein, Horvath, Obagi, Emdee  
NOES: None  
ABSENT: None

**D. EXCLUDED CONSENT CALENDAR ITEMS - NONE**

**E. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS**

Chairman Brand called for public comment via eComment and Zoom. There being no comments, Chairman Brand closed the public comment period.

- F. EX PARTE COMMUNICATIONS – NONE**
- G. PUBLIC HEARINGS – NONE**
- H. OLD BUSINESS – NONE**
- I. NEW BUSINESS – NONE**
- J. MEMBER ITEMS AND REFERRALS TO STAFF – NONE**
- K. ADJOURNMENT: 6:20 P.M.**

Motion by Member Emdee, seconded by Member Nehrenheim, to adjourn at 6:20 p.m. Motion carried unanimously, with the following roll call vote:

AYES: Nehrenheim, Loewenstein, Horvath, Obagi, Emdee  
NOES: None  
ABSENT: None

The next meeting of the Redondo Beach Community Financing Authority will be a regular meeting to be held at 6:00 p.m. on Tuesday, July 20, 2021, in the Redondo Beach City Hall Council Chambers, 415 Diamond Street, Redondo Beach, California.

Respectfully submitted,

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Eleanor Manzano, City Clerk



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# Administrative Report

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Authority Action Date: August 3, 2021

**To: CHAIRMAN & MEMBERS OF THE COMMUNITY FINANCING AUTHORITY**

**From: JENNIFER PAUL, FINANCE DIRECTOR**

**Subject: CHECK APPROVAL**

## **RECOMMENDATION**

Approve check numbers 000479 through 000480 in the amount of \$1,445.87.

## **EXECUTIVE SUMMARY**

The attached Summary Check Register lists check numbers 000479 through 000480 in the amount of \$1,445.87. Check numbers 000479 through 000480 are payments associated with the Kincaid's Restaurant building. Check 00479 is a payment to the City for quarterly sewer fees and check 000480 is a payment to the Redondo Pier Association for quarterly dues.

## **BACKGROUND**

The Redondo Beach Public Financing Authority ("PFA"), a joint powers authority, was formed on June 25, 1996, to provide financing for capital improvement projects. The former Redevelopment Agency of the City Redondo Beach, now known as the Successor Agency ("Agency"), joined with the City to form the PFA. The PFA operated rental property and issued bonds to provide funds for public capital improvements. The PFA has the same governing board as the City, which also performs all accounting and administrative functions for the PFA. With the elimination of the City's Redevelopment Agency, the Public Financing Authority has been renamed the Community Financing Authority ("CFA").

In 1997, the City leased the Pier pad known as 500 Fisherman's Wharf to the PFA. The PFA leased the site and acts as building owner and landlord to its tenant, RUI One Corp. ("RUI" dba Kincaid's). In negotiating the lease, the City was to own the building, but did not have the funding available to build the building. RUI had the ability to build the restaurant building at a lower cost than the City, and the PFA was able to obtain a loan to purchase the building. Thus, RUI built the restaurant building and the PFA utilized loan funds to purchase the building from RUI at completion.

Per the lease agreement, the City will be responsible for the cost of monthly service costs for water, sewer, and trash; possessory interest taxes; common area expenses as

defined; and the repairs to the structural portions of the Building. On a monthly basis, the City is reimbursed for such expenses by the CFA.

The payment to the City of Redondo Beach on check number 000479 in the amount of \$634.54 is for the April through June 2021 sewer fee in connection with the ownership of the Kincaid's Restaurant building.

The payment to the Redondo Pier Association on check number 000480 in the amount of \$811.33 is for the July through September 2021 dues in connection with the ownership of the Kincaid's Restaurant building.

**COORDINATION**

Disbursement of the checks will be coordinated with Financial Services.

**FISCAL IMPACT**

Check numbers 000479 through 000480 in the amount of \$1,445.87.

Submitted by:  
*Jennifer Paul, Finance Director*

Approved for forwarding by:  
*Joe Hoefgen, City Manager*

dkaku

**Attachment:**

- Summary Check Register

**COMMUNITY FINANCING AUTHORITY  
Summary Check Register**

| DATE     | CHECK NO | AMOUNT             | PAYEE                    | DESCRIPTION                   |
|----------|----------|--------------------|--------------------------|-------------------------------|
| 08/03/21 | 000479   | \$ 634.54          | City of Redondo Beach    | Sewer Fee - April - June 2021 |
| 08/03/21 | 000480   | \$ 811.33          | Redondo Pier Association | Dues - July - September 2021  |
|          |          | <u>\$ 1,445.87</u> |                          |                               |



# Administrative Report

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F.2., File # 21-2813

Meeting Date: 8/3/2021

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**TITLE**

SPECIAL MEETING OF THE REDONDO BEACH HOUSING AUTHORITY

**AGENDA  
SPECIAL MEETING  
REDONDO BEACH HOUSING AUTHORITY  
TUESDAY, AUGUST 3, 2021  
REDONDO BEACH COUNCIL CHAMBERS  
415 DIAMOND STREET**

**CALL MEETING**

**ROLL CALL**

**A. APPROVAL OF ORDER OF AGENDA**

**B. ADDITIONAL ITEMS FOR IMMEDIATE CONSIDERATION**

**C. CONSENT CALENDAR #C1 through #C4**

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**C1. APPROVAL OF AFFIDAVIT OF POSTING** for the Special Housing Authority Meeting of August 3, 2021.

**C2. APPROVAL OF MOTION TO READ BY TITLE ONLY** and waive further reading of all Ordinances and Resolutions listed on the agenda.

**C3. APPROVE THE AFFORDABLE HOUSING DOCUMENTS FOR THE SALE OF 2750 ARTESIA BOULEVARD #117, REDONDO BEACH, CALIFORNIA 90278.**

- 1. AGREEMENT CONTAINING COVENANTS, RESTRICTIONS AND OPTION TO PURCHASE [MODERATE INCOME]**
- 2. ESCROW INSTRUCTIONS**

**C4. APPROVE THE ACCEPTANCE OF HUD EMERGENCY HOUSING VOUCHERS (EHV) AND THE MEMORANDUM OF UNDERSTANDING WITH THE LOS ANGELES HOMELESS SERVICES AUTHORITY (LAHSA) FOR EHV REFERRALS FOR THE TERM JULY 1, 2021 THROUGH MARCH 3, 2022.**

Contact: CAMERON HARDING, COMMUNITY SERVICES DIRECTOR

**D. EXCLUDED CONSENT CALENDAR ITEMS**

**E. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS**

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**F. EX PARTE COMMUNICATIONS**

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**G. PUBLIC HEARINGS**

**H. OLD BUSINESS**

**I. NEW BUSINESS**

**J. MEMBERS ITEMS AND REFERRALS TO STAFF**

**K. ADJOURNMENT**

The next scheduled meeting of the Redondo Beach Housing Authority is a Regular meeting on Tuesday, September 7, 2021 at 6:00 p.m. in the City Hall Council Chambers, 415 Diamond Street, Redondo Beach, California.

It is the intention of the City of Redondo Beach to comply with the Americans with Disabilities Act (ADA) in all respects. If, as an attendee or a participant of this meeting you will need special assistance beyond what is normally provided, the City will attempt to accommodate you in every reasonable manner. Please contact the City Clerk's Office at (310) 318-0656 at least forty-eight (48) hours prior to the meeting to inform us of your particular needs and to determine if accommodation is feasible. Please advise us at that time if you will need accommodations to attend or participate in meetings on a regular basis.

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Recreation, Transit and  
Community Services Department  
Housing Authority

1922 Artesia Boulevard  
Redondo Beach, California 90278  
www.redondo.org

tel: 310 318-0635

STATE OF CALIFORNIA        )  
COUNTY OF LOS ANGELES    )       SS  
CITY OF REDONDO BEACH     )

**AFFIDAVIT OF POSTING**

In compliance with the Brown Act, the following materials have been posted at the locations indicated below.

|                     |   |                        |
|---------------------|---|------------------------|
| Legislative Body    | Housing Authority                           |                        |
| Posting Type        | Special Meeting Agenda                      |                        |
| Posting Locations   | 415 Diamond Street, Redondo Beach, CA 90277 |                        |
|                     | ✓ City Hall Kiosk                           |                        |
|                     | ✓ City Clerk’s Counter, Door “C”            |                        |
| Meeting Date & Time | August 3, 2021                              | 6:00 p.m. Open Session |

As Community Services Director of the City of Redondo Beach, I declare, under penalty of perjury, the document noted above was posted at the date displayed below.

*Cameron Harding, Community Services Director*

Date: July 28, 2021

**MOTION TO READ BY TITLE ONLY**

and waive further reading of all

Ordinances and Resolutions listed on the Agenda.

Recommendation – Approve



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# Administrative Report

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Council Action Date: August 3, 2021

**To: CHAIRMAN AND MEMBERS OF THE HOUSING AUTHORITY**

**From: CAMERON HARDING, COMMUNITY SERVICES DIRECTOR**

**Subject: APPROVE THE AFFORDABLE HOUSING DOCUMENTS FOR THE SALE OF 2750 ARTESIA BOULEVARD, #117, REDONDO BEACH, CALIFORNIA 90278.**

- 1. AGREEMENT CONTAINING COVENANTS, RESTRICTIONS AND OPTION TO PURCHASE [MODERATE INCOME]**
- 2. ESCROW INSTRUCTIONS**

## **EXECUTIVE SUMMARY**

On February 17, 2004, the City Council adopted the Senior Housing Ordinance No. 2927-04, amending the zoning ordinance to establish standards for housing for senior citizens. On June 17, 2004, the Planning Commission subsequently approved a 192 unit senior citizen residential condominium project at 2750 Artesia Boulevard, Redondo Beach, CA, also known as "Breakwater". As required by Senior Housing Ordinance 2927-04, a condition of project approval requires that the developer enter into an Affordable Housing Agreement with the City to provide and restrict by deed twelve (12) units as affordable for moderate income households and eight (8) units for low income households for a period of not less than 55 years from the date of construction in accordance with all applicable state and local laws.

A moderate income family is defined as a household where the combined gross incomes of all persons residing in the unit exceeds the adjusted qualifying income limit for low income but does not exceed a maximum of 120% of the area median income (AMI) adjusted for household size as published annually by the California Department of Housing and Community Development.

A low income family is defined as a household where the combined gross income of all persons residing in the unit does not exceed a maximum of 80% of the area median income (AMI) adjusted for household size as published annually by the California Department of Housing and Community Development.

This Affordable Housing agreement is necessary due to the current owner's request to sell the moderate income unit located at 2750 Artesia Blvd., #117, Redondo Beach, CA 90278. This agreement will preserve the City's rights in the addendum to the Grant

Deed which includes the preservation of the applicable low/moderate income Housing Covenants and Restrictions. These Covenants and Restrictions also grant the City an option to purchase the unit in the case of an uncured default or upon the Owner's intent to transfer the residence.

### **BACKGROUND**

The City Council adopted Ordinance No. 2927-04 on February 17, 2004 amending the zoning ordinance to establish standards for housing for senior citizens. The Ordinance contains an inclusionary housing requirement for ten percent (10%) of the senior housing units to be affordable to low and moderate income households in proportion to the housing needs identified in the Housing Element of the General Plan. Such units must be maintained as affordable units for at least 55 years; the agreement was entered into on January 15, 2008.

Pursuant to State and local requirements, the income restricted unit at 2750 Artesia Blvd., #117 can be sold or rented only to qualified moderate income individuals. Moderate income levels are based on a County-wide formula with income levels determined based on household size and in comparison to county wide median income. The owner of this affordable housing unit made a request to sell their unit and has identified another qualified moderate income buyer. The Affordability Agreement is a recorded document to ensure maintenance of affordability levels. Provisions of the agreement will require housing staff to perform verification of buyer/tenant qualification and annual compliance reporting. The maximum sales price for this unit is \$187,375 and is calculated to be consistent with affordability criteria under State Law.

The Affordable Housing Agreement for the specific property being sold and the related documents include: 1) The covenants imposing restrictions on the property pursuant to the original agreement and providing notice of the restrictions to future purchasers and/or lenders, and 2) The Performance Deed of Trust for the developer and purchasers of this unit, securing the developer's and purchaser's obligations under the agreement to ensure the continued affordability of this unit throughout the term of this Agreement.

### **COORDINATION**

The City Attorney's office has approved the Affordability Housing Agreement and all necessary and related documents as to form.

**FISCAL IMPACT**

The Affordable Housing Program activities are processed through the City's Housing Authority office. As part of the adopted FY 2021-22 Budget, the City Council approved a fee for service for the City's Inclusionary Housing Programs. The Housing Authority has received a \$75.00 fee for this transaction.

**APPROVED BY:**

*Joe Hoefgen, City Manager*

**ATTACHMENT**

- Affordable Housing Agreement
- Maximum Sales Price Quote

RECORDING REQUESTED BY:

City of Redondo Beach

WHEN RECORDED MAIL TO:

City of Redondo Beach  
City Attorney's Office  
415 Diamond Street  
Redondo Beach, California 90277  
Attention: Michael W. Webb, Esq.

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*(No Fee per Government Code § 27383)*

**AGREEMENT CONTAINING  
COVENANTS, RESTRICTIONS AND OPTION TO PURCHASE  
[MODERATE INCOME]**

Owner: Johanna Luzietti

Residence Address: 2750 Artesia Boulevard, #117, Redondo Beach, California 90278

This agreement, entitled Agreement Containing Covenants, Restrictions and Option to Purchase (the "Agreement") is entered into as of this 3<sup>rd</sup> day of August, 2021 by and among the City of Redondo Beach, a chartered municipal corporation (the "City"), the Housing Authority of the City of Redondo Beach, a public body, corporate and politic (the "Authority") and Johanna Luzietti (the "Owner").

RECITALS

- A. The City and Authority have determined that it is desirable to stimulate the purchase of homes by Moderate Income Senior Households, and that such households should not be forced to pay housing costs in excess of an amount that is affordable.
- B. Concurrently with the execution of this Agreement, Owner is purchasing the Residence for a purchase price that is affordable to Owner as the result of that certain Affordable Housing Agreement Imposing Restrictions on Real Property (the "Affordable Housing Agreement") by and between the City and Anastasi Development Company, LLC, dated January 15, 2008.
- C. In order to preserve the affordability of the Residence for Moderate Income Senior Households, and in return for and in consideration of the opportunity for the seller to sell and the Owner to purchase the Residence under the above-referenced circumstances and for other good and valuable consideration, the receipt and legal sufficiency of which the undersigned hereby acknowledges, the Owner, on behalf of himself, herself, or themselves and with the express intent to bind all those defined as "Owner" in Section 1 below, has agreed to execute this Agreement.

- D. The purpose of this Agreement is to place certain use restrictions on the Residence, establish resale controls with respect to the Residence and reserve to the City and Authority an option to purchase or designate an Eligible Purchaser to purchase the Residence from Owner in order to provide for the continued availability of such Residence to Moderate Income Senior Households.

NOW, THEREFORE, in consideration of the benefits received by the Owner, the City and the Authority, the parties agree as follows:

1. DEFINITIONS

As used in this Agreement, the following capitalized terms shall have the corresponding meanings which follow, or are specifically defined in the sections indicated below.

- a. “Deficiencies” – Section 5.
- b. “Designee” – Section 6.
- c. “Eligible Purchaser” shall mean a prospective purchaser of the Residence who meets the then-current requirements established by the City or Authority.
- d. “Excess Proceeds” – Section 9.
- e. “Moderate Income Affordable Purchase Price” shall mean a purchase price resulting in a monthly housing cost to the buyer which does not exceed to one-twelfth (1/12) of the product of thirty-five percent (35%) of one hundred ten percent (110%) of the area median income for Los Angeles County, adjusted for household size appropriate to the unit, as published annually by the California Department of Housing and Community Development (“HCD”), and measured at the time the purchaser and the seller enter into a purchase and sale agreement for the Residence. For purposes of determining affordable sale price, the term “household size appropriate to the unit” shall mean the number of bedrooms in the unit plus one.
- f. “Moderate Income Senior Citizen Household” shall mean a Senior Citizen Household whose income level does not exceed a maximum of one hundred twenty percent (120%) of the area median income for Los Angeles County, as published annually by HCD, adjusted for the purchaser’s actual household size, and determined in accordance with California Health & Safety Code Section 50093 published criteria from time to time in effect.
- g. “Owner” shall mean the person or persons listed in the first sentence of this Agreement, as well as any and all assignees, transferees or successors-in-interest to the Residence.

- h. “Residence” – Section 2.
- i. “Restricted Period” shall mean fifty-five (55) years commencing from the date the first Certificate of Occupancy for the Residence is issued.
- j. “Sales Price” shall mean the total compensation payable by a purchaser for the Residence.
- k. “Senior Citizen Household” shall mean a household where at least one person in residence is fifty-five (55) years of age older and such person intends to reside in the Residence as his/her/their primary residence on a permanent basis. Any other person residing in the Residence shall be a “qualified permanent resident” or a “permitted health care resident” as provided in the Unruh Civil Rights Act, California Civil Code Section 51, et seq., or the Federal Fair Housing Act, 42 USC Section 3607, and all other applicable federal, state and local laws and regulations governing the use and occupancy of the development.
- l. “Transfer” shall mean any sale, assignment or transfer, voluntary or involuntary, of any interest in the Residence, including, but not limited to, a fee simple interest, a joint tenancy interest, a life estate, a leasehold interest, or an interest evidenced by a land contract by which possession of the Residence is transferred and Owner retains title. Any Transfer without satisfaction of the provisions of this Agreement is prohibited. Transfers by gift, devise, or inheritance to an existing spouse, surviving joint tenant, or a spouse as part of a dissolution proceeding or in connection with marriage, or by devise or inheritance to children, shall be a “Excluded Transfer” for purposes of this Agreement; provided, however, that transferees of any Excluded Transfer shall be bound by all covenants, conditions, restrictions, limitations and provisions contained in this Agreement, including, but not limited to, promptly providing the City and Authority with the “Notice of Excluded Transfer” upon any such Excluded Transfer.

## 2. DESCRIPTION OF PROPERTY

This Agreement concerns the real property commonly known as 2750 Artesia Boulevard., #117, Redondo Beach, California, 90278, which is more fully described in Exhibit A attached hereto and incorporated herein by reference (the “Residence”). The Residence shall also include any and all improvements constructed on the real property whether now or in the future.

## 3. OWNER CERTIFICATION

Owner certifies the following:

- a. The financial and other information provided in order to qualify to purchase the Residence is true and correct; and

- b. Owner shall occupy the Residence as Owner's principal place of residence.

4. OWNER-OCCUPANCY; LEASING OF RESIDENCE

- a. For the term of this Agreement, Owner shall occupy the Residence as his/her/their primary residence, and the Residence shall be used as the primary residence of Owner and Owner's household and for no other purpose.
- b. Except as provided herein, for the term of this Agreement, the Owner shall not lease the Residence. Notwithstanding the foregoing, the Owner may lease the Residence to Moderate Income Senior Citizen Households at a monthly rental rate not to exceed the amount needed to pay the monthly mortgage, taxes, insurance and other housing expenses to be paid by Owner for the Residence upon written consent by the City or designee. The Owner shall provide copies of all rental/lease agreements to the City and Authority. Any lease in violation of this restriction shall be void and shall constitute a default by the Owner under this Agreement.
- c. The Authority shall have the right to monitor compliance with this Section 4 by requesting that the Owner provide the Authority, not more frequently than annually, the following:
  - i. A written certification under penalty of perjury that the Residence is occupied by the Owner as his/her/their primary residence, accompanied by supporting documentation reasonably satisfactory to the Authority; or
  - ii. If the Residence is not owner-occupied, documentation evidencing the requirements of Section 4.b., including, without limitation, all of the following: a copy of the lease then in effect and the written consent signed by the Authority Executive Director or designee; a written certification under penalty of perjury stating when the Residence was last owner-occupied, accompanied by supporting documentation reasonably satisfactory to the Authority, and stating the amount of monthly rent collected under the lease; and documentation reasonably satisfactory to the Authority that the Owner is making a reasonable effort to sell the Residence to an Eligible Purchaser.
- d. In the event of a breach or threatened breach of this Section 4, in addition to any other rights and remedies available to the City and Authority, whether at law or in equity, the City and Authority shall be entitled to institute legal action to enforce performance of this Section 4, to enjoin any actions which are in breach of this Section 4, and to seek to recover any excess rent that may have been paid to Owner.

- e. These owner-occupancy restrictions may be modified or terminated only upon the written approval of the City and Authority. Any modification or termination must be in writing and recorded in the Official Records of the Office of the County Recorder of Los Angeles County.
- f. Owner shall be considered as occupying the Residence if Owner is living in the Residence for at least ten (10) months out of each calendar year.

5. MAINTENANCE OF PROPERTY

Owner agrees it shall maintain the interior and exterior of the Residence and any landscaping on the Residence in good condition and repair and in a manner consistent with the community standards which will uphold the value of the Residence, and in accordance with all applicable City codes. Failure to maintain the Residence in accordance with this Section 5, including, but not limited to, any violations of applicable building, plumbing, electric, fire, housing or other applicable City of Redondo Beach Building Codes, shall be a default by the Owner under this Agreement. In the event the City or Authority, in its sole discretion, determines that the Owner has failed to maintain the Residence, the City or Authority shall notify Owner with regard to any noted code violations and maintenance deficiencies (collectively, the "Deficiencies"), and Owner shall cure the Deficiencies in a reasonable manner, acceptable to the City or Authority, within sixty (60) days following the date of such notice. Should Owner fail to cure all the Deficiencies prior to the time set forth herein, the City, Authority, or designee, shall have the right, but not the obligation, to enter the Residence, correct any Deficiency, and hold the Owner responsible for the cost thereof. Any cost incurred by the City or Authority to cure any such Deficiency, until paid, shall constitute a lien on the Residence pursuant to Civil Code Section 2881.

6. NOTICE OF INTENDED TRANSFER

In the event Owner intends to Transfer the Residence, Owner shall promptly notify the Authority and City in writing of such intent ("Owner's Notice"). The written notice shall be given in accordance with Section 21 of this Agreement at least sixty (60) days prior to the actual date of any Transfer; provided, however, that in the event of an Excluded Transfer, the written notice shall occur within ninety (90) days after the date of such Excluded Transfer ("Notice of Excluded Transfer").

Following receipt of the Owner's Notice, the City or Authority shall notify Owner of the Resale Price that may be paid for the Residence and may exercise its Option, as defined below, to purchase the Residence or designate an Eligible Purchaser ("Designee") to purchase the Residence, as provided in Section 8, below.

7. DETERMINATION OF RESALE PRICE

The maximum sales price that the Owner may receive for any type of Transfer of the Residence ("Resale Price") shall be the lowest of the following: (1) the Moderate Income Affordable Purchase Price at the time of resale; or (2) the Increased Base Price (defined below), as adjusted pursuant to Section 7.b., below.

- a. Increased Base Price. The “Increased Base Price” means the purchase price that Owner paid for the Residence, increased by the percentage change in the Area Median Income for Los Angeles County, as published annually by HCD, determined in accordance with HCD published criteria, from the purchase date to the date of notification as indicated in Section 6, above. In the event that such income determination is no longer published, or has not been updated for a period of at least eighteen (18) months, the City or Authority may use or develop such other reasonable method as it may choose to determine the area median income for Los Angeles County.
- b. Adjusted Increased Base Price. The Increased Base Price shall also be adjusted for the “Value of Capital Improvements”. The “Value of Capital Improvements” shall mean the value of substantial structural or permanent fixed improvements which cannot be removed without substantial damage to the Residence or substantial or total loss of value of said improvements. No such valuation shall be made except for improvements: (a) made or installed by or under the direction of the Owner; (b) with an initial cost of One Thousand Dollars (\$1,000) or more; and (c) which can be documented by the Owner to the reasonable satisfaction of the City or Authority. The value of such improvements to be taken into account in calculation of the Increased Base Price shall be the appraised market value of the improvements when considered as additions or fixtures to the Residence (i.e., the amount by which said improvements enhance the market value of the Residence at the time of sale or valuation). The adjustment to the Increased Base Price for such improvements shall be limited to the increase in value, and shall be determined by the City or Authority and the Owner, or in the event of a failure to agree, by an independent residential appraiser selected by the Owner from a list of appraisers established by the City or Authority. The cost of the appraisal shall be borne by the Owner.

## 8. OPTION

As a material part of the consideration for this Agreement, Owner covenants and agrees for itself, its successors and its assigns and every successor in interest to the Residence, that for the Restricted Period, Owner hereby grants the City an option to purchase the Residence or designate an Eligible Purchaser to purchase the Residence from Owner (the “Option”) on the terms and conditions set forth in this Section 8 and in the manner set forth herein.

- a. Events Precipitating City’s Option to Purchase. The Owner agrees the City’s Option may be exercised upon the occurrence of any of the following:
  - i. An uncured default by Owner under this Agreement, subject to the notice and cure provisions of Section 10;

- ii. An uncured default under any promissory note, deed of trust or any other lien, including, without limitation, a judgment lien, recorded against, secured by, or encumbering the Residence; or
  - iii. Owner's Notice of Intent to Transfer the Residence.
- b. Time and Manner of Exercising Option. The Option may be exercised by the City delivering to Owner written notice of such exercise. Upon the City's knowledge of the occurrence of any event listed in subsection a. above, the City shall have sixty (60) days to notify Owner of its decision to exercise its Option. The notification to Owner regarding the Option exercise shall be pursuant to Section 21 of this Agreement. The City shall have the right, in its sole discretion, to assign the Option to the Authority upon written notice to the Owner that the Option has been assigned to the Authority. In the event the Option is assigned to the Authority, the Authority shall be entitled to the rights of the City in relation to the Option as set forth herein and shall be obligated under the terms and the covenants of this Section 8.
- c. Payment for Option. Upon the occurrence of an event listed in subsection a. above, and the exercise by the City of its Option, the City shall pay (or in the event City designates an Eligible Purchaser, cause to be paid by such Designee), the Resale Price to Owner at the close of escrow, pursuant to subsection d, below.
- d. Escrow. Within thirty (30) days following the exercise of the Option, the parties agree that the City shall open, or cause to be opened, an escrow with a title insurance company or such other escrow agent reasonably acceptable to the City (the "Escrow Agent") and the parties agree to execute escrow instructions with Escrow Agent as may be required by Escrow Agent, or to implement or give effect to the terms and conditions of this Agreement. The parties agree to the following escrow terms and conditions:
  - i. The escrow shall be for a period of ninety (90) days or sooner if mutually agreed by the parties;
  - ii. The City agrees that it will pay, or cause to be paid by the Designee, the Resale Price upon the close of escrow or as otherwise mutually agreed to by the parties. Notwithstanding the foregoing, should Owner fail to cure all Deficiencies, if any, in accordance with Section 5 prior to the close of escrow, the Owner hereby agrees that the Escrow Agent shall withhold that portion of the Resale Price necessary to pay for curing the Deficiencies, based upon written estimates obtained and submitted to the Escrow Agent by the City. The City and/or Designee shall cause the Deficiencies to be cured and, upon certification of completion of work by the City and/or Designee, the Escrow Agent shall disburse such funds to the City

and/or Designee to pay for said work. Any remaining funds shall be disbursed by the Escrow Agent to Owner;

- iii. The Owner agrees that it shall pay the premium for a standard C.L.T.A. policy of owner's title insurance issued by the Escrow Agent or title insurance company reasonably acceptable to the City in the amount of the Resale Price, insuring title to the Residence in the City's (or Designee's, as the case may be) name, subject only to those matters approved by the City or Designee in writing. In the event the City (or Designee, as the case may be) requests an A.L.T.A. policy of owner's insurance and/or any title endorsements, the additional costs associated with the issuance of an A.L.T.A. policy or the endorsements shall be paid by the City (or Designee, as the case may be);
  - iv. In the event the City exercises its Option pursuant to Section 8.a.3, the Owner and City agree that all costs and fees charged in connection with the closing and escrow shall be borne one-half (1/2) by the City (or Designee, as the case may be) and one-half (1/2) by the Owner. In the event the City exercises its Option pursuant to Section 8.a.1 or Section 8.a.2, the Owner agrees to pay all costs and fees charged in connection with the closing and escrow;
  - v. The Owner agrees that it shall deposit in escrow for delivery to the City (or Designee, as the case may be) a grant deed to the City or Designee (in such form as may be reasonably acceptable to the City or Designee in his/her/their sole discretion);
  - vi. Taxes and assessments shall be prorated at the close of escrow with Owner paying all such taxes and assessments due and payable prior to the close of escrow and City (or Designee, as the case may be) paying all such taxes and assessments due and payable following the close of escrow;
  - vii. Owner agrees that title shall be conveyed by Owner at the close of escrow to the City (or Designee, as the case may be) free and clear of all mortgages, deeds of trust, liens and encumbrances. Owner agrees that any costs to remove or satisfy any mortgages, deeds of trusts, liens or encumbrances shall be the responsibility of Owner, at Owner's sole cost and expense; and
  - viii. Any other terms or conditions mutually agreed to by the parties.
- e. Priority of Option. The Option granted pursuant to this Agreement shall be senior in priority to any lien or encumbrance.

9. RESTRICTED TRANSFER BY OWNER

- a. In the event the City does not exercise its Option pursuant to Section 8, above, Owner may Transfer the Residence to an Eligible Purchaser for not more than the Resale Price.
- b. In the event the City does not exercise its Option pursuant to Section 8, above, and Owner experiences an extreme hardship, Owner may submit written request to the City or Authority to waive the requirement that the purchaser of the Residence be an Eligible Purchaser and/or the requirement that the Sales Price not exceed the Resale Price. Within one hundred and twenty (120) days of such written request, the City may, in its sole discretion, approve the Transfer of the Residence to a non-Eligible Purchaser and/or the Transfer of the Residence in excess of the Resale Price. Upon the issuance by the City or Authority of a written waiver of the requirement that the purchaser be an Eligible Purchaser and/or the requirement that the Sales Price not exceed the Resale Price, subject to the provisions of this Section 9.b. and 9.c., Owner may Transfer the Residence to the non-Eligible Purchaser and/or may Transfer the Residence for an amount in excess of the Resale Price, as applicable. Any such transferee shall execute and record a covenant against the Residence, running to the benefit of the City and Authority, requiring that the transferee will occupy the Residence, subject to limited leasing rights, as provided in Section 4, of this Agreement.
- c. In the event the City or Authority waives the requirement that the Sales Price not exceed the Resale Price, the City shall be entitled to receive, and Owner shall pay to the City, an amount equal to 50% of the "Excess Proceeds". "Excess Proceeds" shall mean the Sales Price minus the sum of the following: repayment in full of any mortgage encumbering the Residence, and reimbursement to the Owner in the amount of the sum of the Owner's original down payment, the cost of any Capital Improvements made by the Owner and any payments made by the Owner to reduce to the principal balance of the mortgage prior to the sale.

#### 10. DEFAULTS AND REMEDIES

Upon a violation of any of the provisions of this Agreement by Owner, the City or Authority shall give written notice to Owner specifying the nature of the violation. If the violation is not corrected to the satisfaction of City or Authority within thirty (30) days after the date the notice is mailed, or within such further time as City or Authority determines is necessary to correct the violation, City or Authority may declare a default under this Agreement. Upon the declaration of a default or if Owner makes any misrepresentation in connection with receiving any benefits under this Agreement, City or Authority may apply to a court of competent jurisdiction for specific performance of the obligations of this Agreement, for an injunction prohibiting a proposed Transfer in violation of this Agreement, for a declaration that a Transfer in violation of the provisions of this Agreement is void or any such relief at law or in equity as may be appropriate. Owner, and/or Owner's purchaser or transferee in those circumstances where a Transfer

has occurred in violation of this Agreement, shall hold the City, Authority and their employees or other agents harmless and reimburse the expenses, legal fees and costs for any action the City, the Authority or their employees or other agents take in enforcing the provisions of this Agreement.

Except as otherwise expressly stated in this Agreement, the rights and remedies of the parties are cumulative, and the exercise or failure to exercise one or more of such rights or remedies by either party shall not preclude the exercise by it, at the same time or different times, of any right or remedy for the same default or any other default by the other party. Rights and remedies hereunder shall be in addition to and shall in no way limit any other rights and remedies provided by law or in equity. No waiver by the City or Authority of any default or breach by the Owner hereunder shall be implied from any omission by the City or Authority to take action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the waiver, and such waiver shall be operative only for the time and to the extent therein stated. 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. The consent or approval by the City or Authority to or of any act by the Owner requiring further consent or approval shall not be deemed to waive or render unnecessary the consent or approval to or of any subsequent similar act. The exercise of any right, power, or remedy shall in no event constitute a cure or a waiver of any default under this Agreement, nor shall it invalidate any act done pursuant to notice of default, or prejudice the City or Authority in the exercise of any right, power, or remedy hereunder.

#### 11. NOTICE OF DEFAULT AND FORECLOSURE

Owner agrees the City and Authority shall have the right to record against title to the Residence a request for notice of default and any notice of sale under any deed of trust or mortgage with power of sale encumbering the Residence in the Office of the Recorder of Los Angeles County in substantially the form attached hereto as Exhibit B ("Notice of Sale"). The Owner shall provide to the City and Authority a written copy of any notice of default or notice of sale under any deed of trust or mortgage with power of sale encumbering the Residence immediately upon receipt by the Owner. The City or Authority may declare a default under this Agreement upon receipt of any notice given to the City and Authority pursuant to Civil Code Section 2924b or pursuant to this Section, and may exercise its remedies as provided in Section 8 and Section 10. In the event of default or foreclosure of such deed of trust or mortgage, the City or Authority shall have the same right as the Owner to cure defaults and redeem the Residence prior to foreclosure sale. Nothing contained herein shall be construed as creating any obligation of the City or Authority to cure any such default, nor shall this right to cure and redeem operate to extend any time limitations in the default provisions of the underlying deed of trust or mortgage.

#### 12. NON-LIABILITY OF THE CITY AND AUTHORITY

In no event shall the City or Authority become in any way liable or obligated to Owner or to any successor-in-interest of Owner by reason of the Option, nor shall the City

or Authority be in any way obligated or liable to Owner or any successor- in-interest of Owner for any failure to exercise such Option.

### 13. BINDING ON SUCCESSOR AND ASSIGNS

Notwithstanding any other provision of law, this Agreement shall run with the land and shall be enforceable against the Owner, his/her/their heirs, legal representatives, executors, successors-in-interest, assigns and transferees by the City, the Authority and their successors. Without limiting the generality of the foregoing, any party, and its successors and assigns, receiving title to the Residence through a trustee's sale, a judicial foreclosure sale, or deed in lieu of foreclosure of such deed of trust or mortgage, and any conveyance or transfer thereafter, shall be bound by all covenants, conditions, restrictions, limitations and provisions contained in this Agreement.

### 14. SUPERIORITY OF AGREEMENT

Owner covenants that the Owner has not, and will not, execute any other agreement with provisions contradictory to, or in opposition to, the provisions hereof, and that, in any event, the Owner understands and agrees that this Agreement shall control the rights and obligations between the parties.

### 15. OBLIGATION TO REFRAIN FROM DISCRIMINATION

Owner covenants and agrees for itself, its successors, its assigns and every successor in interest to the Residence or any part thereof, that there shall be no discrimination against or segregation of any person, or group of persons, on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Residence nor shall Owner 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 Residence. This covenant shall run in perpetuity.

### 16. FORM OF NONDISCRIMINATION AND NONSEGREGATION CLAUSES

All deeds, leases or contracts relating or pertaining to the Residence shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

- a. In deeds: "The grantee herein covenants by and for itself, its successors and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin, or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall the grantee itself or any person claiming under or through it, 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 land herein conveyed. The foregoing covenants shall run with the land.”

- b. In leases: “The lessee herein covenants by and for itself, its successors and assigns, and all persons claiming under or through them, and this lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin, or ancestry in the leasing, subleasing, renting, transferring, use, occupancy, tenure or enjoyment of the land herein leased, nor shall the lessee itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the land herein leased.”
- c. In contracts: “There shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin, or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land, nor shall the transferee itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the land.”

#### 17. TERMINATION OF COVENANTS, RESTRICTIONS AND OPTION TO PURCHASE

The covenants, conditions, restrictions, limitations and provisions of this Agreement shall remain in effect with respect to the Residence for the longest feasible time, as determined by the City or Authority, but not less than the Restricted Period, except for the covenants, conditions, restrictions, limitations and provisions contained in Section 15 and 16 which shall run in perpetuity.

#### 18. DEED OF TRUST

Each and every condition, obligation, covenant and agreement contained in this Agreement shall at all times throughout the term be secured by a deed of trust in favor of the City and the Authority (“Deed of Trust”), substantially in the form attached hereto as Exhibit C. Owner agrees to execute and deliver the Deed of Trust (in recordable form) and it shall be recorded against the Residence. The Deed of Trust will be subordinate to any liens securing financing for Owner’s purchase of the Residence, but this Agreement shall be senior to any such liens and shall not be extinguished by foreclosure, a deed in lieu of foreclosure or power of sale, or sale.

## 19. ENFORCEMENT

The City, the Authority, and their successors and assigns are deemed to be the beneficiaries of the terms and provisions of this Agreement and the covenants herein, both for and in their own right and for the purposes of protecting the interests of the community and other parties, public or private, for whose benefit this Agreement and the covenants running with the land have been provided. The City and the Authority shall have the right if any covenants are breached, to exercise all rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which it is entitled. No remedy herein conferred upon or reserved by the City and Authority is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law, in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of such right or power, but any such right or power may be exercised from time to time and as often as City or Authority may deem expedient. In order to entitle the City and Authority to exercise any remedy reserved to it in this Agreement, it shall not be necessary to give any notice, other than such notice as may be herein expressly required or required by law to be given. The City and Authority may, in their sole discretion, designate, appoint or contract with any other public agency, for-profit or non-profit organization as a beneficiary of this Agreement.

## 20. INVALID PROVISIONS

If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

## 21. CONTROLLING LAW

The terms of this Agreement shall be interpreted under the laws of the State of California.

## 22. NOTICES

All notices required herein shall be sent by certified mail, return receipt requested, as follows:

To the Owner:

Johanna Luzietti  
2750 Artesia Boulevard, #117  
Redondo Beach, California 90278

To the City:

City of Redondo Beach  
City Attorney's Office  
415 Diamond Street  
Redondo Beach, California 90277  
Attention: Michael W. Webb

To the Authority

The Housing Authority of the City of Redondo Beach  
415 Diamond Street  
Redondo Beach, California 90277  
Attention: Director of Community Services  
Attention: Housing Supervisor

or such other address that the City, the Authority of Owner may subsequently request in writing.

23. INTERPRETATION OF AGREEMENT

The terms of this Agreement shall be interpreted to encourage to the extent possible that the Sales Price and any mortgage payments of the Residence remain affordable to Moderate Income Senior Citizen Households.

By signature herein below the Owner hereby accepts and approves the foregoing, agrees to be bound by the provisions of this deed, and grants to the City and Authority such powers and rights that are set forth in this Agreement.

“OWNER”

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

By: \_\_\_\_\_  
Johanna Luzietti

[remainder of page left intentionally blank]

[signatures continue on the following page]

Accepted and agreed to by the City this 3<sup>rd</sup> day of August, 2021.

CITY OF REDONDO BEACH, a chartered  
municipal corporation

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

By: \_\_\_\_\_  
William C. Brand  
Mayor

APPROVED AS TO FORM:  
Michael W. Webb  
City Attorney

By: \_\_\_\_\_  
Michael W. Webb

ATTEST:

By: \_\_\_\_\_  
Eleanor Manzano  
City Clerk

[Signatures continue on following page]

Accepted and agreed to by the Authority this 3<sup>rd</sup> day of August, 2021.

HOUSING AUTHORITY OF THE CITY OF  
REDONDO BEACH, a public body, corporate  
and politic

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

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

William C. Brand  
Chairman

APPROVED AS TO FORM:  
Michael W. Webb  
General Counsel for Authority

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

Michael W. Webb

ATTEST:

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

Eleanor Manzano  
Secretary

A notary public or other officer completing this certificate only verifies the identity of the individuals who signed documents to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

**STATE OF CALIFORNIA**

COUNTY OF LOS ANGELES

On this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, before me, \_\_\_\_\_, Notary Public, personally appeared, \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: \_\_\_\_\_ (Seal)

A notary public or other officer completing this certificate only verifies the identity of the individuals who signed documents to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

**STATE OF CALIFORNIA**

COUNTY OF LOS ANGELES

On this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, before me, \_\_\_\_\_, Notary Public, personally appeared, \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: \_\_\_\_\_ (Seal)

**EXHIBIT "A"**  
**LEGAL DESCRIPTION**

All that certain property situated in the County of Los Angeles, State of California, described as follows:

A CONDOMINIUM COMPOSED OF:

PARCEL 1:

THAT PORTION OF LOT 1 OF TRACT NO. 60638, IN THE CITY OF REDONDO BEACH, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1328, PAGE(S) 44 AND 45 OF MAPS, DEFINED AS UNIT 117 OF MODULE 2 ON THAT CERTAIN CONDOMINIUM PLAN ("PLAN") RECORDED ON JANUARY 24, 2008, AS INSTRUMENT NO. 08-149822, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 2:

AN UNDIVIDED 1/47TH FEE SIMPLE INTEREST AS TENANT IN COMMON IN AND TO THE COMMON AREA OF MODULE 2 ON LOT 1 OF TRACT NO. 60638, AS MORE PARTICULARLY DESCRIBED AND DELINEATED ON THE CONDOMINIUM PLAN REFERRED TO ABOVE.

EXCEPT THEREFROM UNITS 116 THROUGH 118, INCLUSIVE, 121 THROUGH 132, INCLUSIVE, 216 THROUGH 218, INCLUSIVE, 221 THROUGH 233, INCLUSIVE, 316 THROUGH 318, INCLUSIVE, AND 321 THROUGH 333, INCLUSIVE AS DEFINED AND DELINEATED ON A CONDOMINIUM PLAN RECORDED JANUARY 24, 2008, AS INSTRUMENT NO. 08-149822, OF OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM, ALL MINERALS, OILS, GASES AND OTHER HYDROCARBONS BY SOEVER NAME KNOWN THAT MAY BE WITHIN OR UNDER SAID PORTION OF SAID LAND, WITHOUT, HOWEVER, THE RIGHT TO DRILL, DIG OR MINE THROUGH THE SURFACE THEREOF, AS ACCEPTED IN THE DEED FROM THE STATE OF CALIFORNIA, RECORDED ON FEBRUARY 28, 1968, AS DOCUMENT NO. 2480 IN BOOK D-3925, PAGE 100, OFFICIAL RECORDS, IN SAID OFFICE OF THE COUNTY RECORDER.

RESERVING THEREFROM, AN EXCLUSIVE EASEMENT, FOR ALL USES AND PURPOSES OF A BALCONY AREA AND/OR DECK AREA, TOGETHER WITH THE RIGHT TO GRANT TO OTHERS, OVER AND ACROSS THOSE PORTIONS OF LOT 1 OF TRACT 60638, SHOWN AND DEFINED AS EXCLUSIVE USE COMMON AREA", ON THE ABOVE REFERRED TO CONDOMINIUM PLAN.

RESERVING THEREFROM, AN EXCLUSIVE EASEMENT FOR ALL USES AND PURPOSES OF A PARKING SPACE AREA TOGETHER WITH THE RIGHT TO GRANT TO OTHERS, OVER AND ACROSS THOSE PORTIONS OF SAID LAND DEFINED AND DELINEATED AS P-I THROUGH P-191 ON THE ABOVE REFERRED TO CONDOMINIUM PLAN.

ALSO RESERVING THEREFROM, FOR THE BENEFIT OF GRANTOR, ITS SUCCESSORS IN INTEREST AND OTHERS, EASEMENTS FOR ACCESS, USE, ENJOYMENT, CONSTRUCTION, REPAIRS, DRAINAGE AND FOR OTHER PURPOSES, ALL AS MORE FULLY DESCRIBED IN THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR BREAKWATER VILLAGE HOMEOWNERS ASSOCIATION, RECORDED ON JANUARY 11, 2008, AS INSTRUMENT NO. 08-63812, OFFICIAL RECORDS AND ALL AMENDMENTS AND SUPPLEMENTS THERETO.

PARCEL 3

AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF A BALCONY AREA AND/OR DECK AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 2 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED AS EXCLUSIVE USE COMMON AREA, WHICH BEARS THE SAME NUMBER AS TO THE UNIT REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "Y" ON THE ABOVE REFERENCED CONDOMINIUM PLAN.

PARCEL 4

AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF A PARKING SPACE AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 2 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED AS EXCLUSIVE USE COMMON AREA, ON THE CONDOMINIUM PLAN REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "P-79".

APN: 4082-012-112

**EXHIBIT B  
NOTICE OF SALE**

**[BEHIND THIS PAGE]**

RECORDING REQUESTED BY:

City of Redondo Beach

WHEN RECORDED MAIL TO:

Housing Authority of the  
City of Redondo Beach  
415 Diamond Street  
Redondo Beach, California 90277  
Attention: Angelica Zavala, Housing Supervisor

---

*(No Fee per Government Code § 27383)*

**REQUEST FOR NOTICE  
Under Section 2924b Civil Code**

In accordance with Section 2924b, Civil Code, request is hereby made that copies of any NOTICE OF DEFAULT and copies of any NOTICE OF SALE under the DEED OF TRUST dated as of August 3, 2021 and recorded as Instrument No. \_\_\_\_\_, in the Official Records of Los Angeles County on \_\_\_\_\_, 2021, and describing the following real property, located in Los Angeles County, California as

[See Exhibit "A" attached hereto and incorporated herein]

executed by Johanna Luzietti, a Widow as sole owner and Trustor, in which the City of Redondo Beach, California and the Housing Authority of the City of Redondo Beach, California are collectively names as Beneficiary and Chicago Title Insurance Company, as Trustee, be mailed to:

City of Redondo Beach  
The Housing Authority of the City of Redondo Beach  
415 Diamond Street  
Redondo Beach, California 90277  
Attention: Director of Community Services  
Attention: Housing Supervisor

NOTICE: A copy of any notice of default and of any notice of sale, will be sent only to the address contained in this recorded request. If your address changes, a new request must be recorded.

CITY OF REDONDO BEACH, a chartered  
municipal corporation

HOUSING AUTHORITY OF THE CITY OF  
REDONDO BEACH, a public body corporate  
and politic

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

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

William C. Brand  
Mayor and Chairman

APPROVED AS TO FORM:  
Michael W. Webb  
City Attorney and General Counsel for Authority

By: \_\_\_\_\_  
Michael W. Webb

ATTEST:

By: \_\_\_\_\_  
Eleanor Manzano  
City Clerk and Secretary for Authority

A notary public or other officer completing this certificate only verifies the identity of the individuals who signed documents to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

**STATE OF CALIFORNIA**

COUNTY OF LOS ANGELES

On this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, before me, \_\_\_\_\_, Notary Public, personally appeared, \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: \_\_\_\_\_ (Seal)

A notary public or other officer completing this certificate only verifies the identity of the individuals who signed documents to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

**STATE OF CALIFORNIA**

COUNTY OF LOS ANGELES

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WITNESS my hand and official seal.

Signature: \_\_\_\_\_ (Seal)

**EXHIBIT "A"**  
**LEGAL DESCRIPTION**

All that certain property situated in the County of Los Angeles, State of California, described as follows:

A CONDOMINIUM COMPOSED OF:

PARCEL 1:

THAT PORTION OF LOT 1 OF TRACT NO. 60638, IN THE CITY OF REDONDO BEACH, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1328, PAGE(S) 44 AND 45 OF MAPS, DEFINED AS UNIT 117 OF MODULE 2 ON THAT CERTAIN CONDOMINIUM PLAN ("PLAN") RECORDED ON JANUARY 24, 2008, AS INSTRUMENT NO. 08-149822, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 2:

AN UNDIVIDED 1/47TH FEE SIMPLE INTEREST AS TENANT IN COMMON IN AND TO THE COMMON AREA OF MODULE 2 ON LOT 1 OF TRACT NO. 60638, AS MORE PARTICULARLY DESCRIBED AND DELINEATED ON THE CONDOMINIUM PLAN REFERRED TO ABOVE.

EXCEPT THEREFROM UNITS 116 THROUGH 118, INCLUSIVE, 121 THROUGH 132, INCLUSIVE, 216 THROUGH 218, INCLUSIVE, 221 THROUGH 233, INCLUSIVE, 316 THROUGH 318, INCLUSIVE, AND 321 THROUGH 333, INCLUSIVE AS DEFINED AND DELINEATED ON A CONDOMINIUM PLAN RECORDED JANUARY 24, 2008, AS INSTRUMENT NO. 08-149822, OF OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM, ALL MINERALS, OILS, GASES AND OTHER HYDROCARBONS BY SOEVER NAME KNOWN THAT MAY BE WITHIN OR UNDER SAID PORTION OF SAID LAND, WITHOUT, HOWEVER, THE RIGHT TO DRILL, DIG OR MINE THROUGH THE SURFACE THEREOF, AS ACCEPTED IN THE DEED FROM THE STATE OF CALIFORNIA, RECORDED ON FEBRUARY 28, 1968, AS DOCUMENT NO. 2480 IN BOOK D-3925, PAGE 100, OFFICIAL RECORDS, IN SAID OFFICE OF THE COUNTY RECORDER.

RESERVING THEREFROM, AN EXCLUSIVE EASEMENT, FOR ALL USES AND PURPOSES OF A BALCONY AREA AND/OR DECK AREA, TOGETHER WITH THE RIGHT TO GRANT TO OTHERS, OVER AND ACROSS THOSE PORTIONS OF LOT 1 OF TRACT 60638, SHOWN AND DEFINED AS EXCLUSIVE USE COMMON AREA", ON THE ABOVE REFERRED TO CONDOMINIUM PLAN.

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PARCEL 3

AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF A BALCONY AREA AND/OR DECK AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 2 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED AS EXCLUSIVE USE COMMON AREA, WHICH BEARS THE SAME NUMBER AS TO THE UNIT REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "Y" ON THE ABOVE REFERENCED CONDOMINIUM PLAN.

PARCEL 4

AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF A PARKING SPACE AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 2 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED AS EXCLUSIVE USE COMMON AREA, ON THE CONDOMINIUM PLAN REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "P-79".

APN: 4082-012-112

RECORDING REQUESTED BY:

City of Redondo Beach

WHEN RECORDED MAIL TO:

City of Redondo Beach  
City Attorney's Office  
415 Diamond Street  
Redondo Beach, California 90277  
Attention: Michael W. Webb, Esq.

---

*(No Fee per Government Code § 27383)*

**REQUEST FOR NOTICE  
Under Section 2924b Civil Code**

In accordance with Section 2924b, Civil Code, request is hereby made that copies of any NOTICE OF DEFAULT and copies of any NOTICE OF SALE under the DEED OF TRUST dated as of August 3, 2021 and recorded as Instrument No. \_\_\_\_\_, in the Official Records of Los Angeles County on \_\_\_\_\_, 2021, and describing the following real property, located in Los Angeles County, California as

[See Exhibit "A" attached hereto and incorporated herein]

executed by Johanna Luziatti, a Widow as sole owner and Trustor, in which the City of Redondo Beach, California and the Housing Authority of the City of Redondo Beach, California are collectively names as Beneficiary and Chicago Title Insurance Company, as Trustee, be mailed to:

City of Redondo Beach  
415 Diamond Street  
Redondo Beach, California 90277  
Attention: City Attorney

NOTICE: A copy of any notice of default and of any notice of sale, will be sent only to the address contained in this recorded request. If your address changes, a new request must be recorded.

CITY OF REDONDO BEACH, a Chartered  
Municipal Corporation

HOUSING AUTHORITY OF THE CITY OF  
REDONDO BEACH, a Public Body Corporate  
and Politic

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

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

William C. Brand  
Mayor and Chairman

APPROVED AS TO FORM:  
Michael W. Webb  
City Attorney and General Counsel for Authority

By: \_\_\_\_\_  
Michael W. Webb

ATTEST:

By: \_\_\_\_\_  
Eleanor Manzano  
City Clerk and Secretary for Authority

A notary public or other officer completing this certificate only verifies the identity of the individuals who signed documents to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

**STATE OF CALIFORNIA**

**COUNTY OF LOS ANGELES**

On this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, before me, \_\_\_\_\_, Notary Public, personally appeared, \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: \_\_\_\_\_ (Seal)

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**STATE OF CALIFORNIA**

**COUNTY OF LOS ANGELES**

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I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: \_\_\_\_\_ (Seal)

**EXHIBIT "A"**  
**LEGAL DESCRIPTION**

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A CONDOMINIUM COMPOSED OF:

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PARCEL 2:

AN UNDIVIDED 1/47TH FEE SIMPLE INTEREST AS TENANT IN COMMON IN AND TO THE COMMON AREA OF MODULE 2 ON LOT 1 OF TRACT NO. 60638, AS MORE PARTICULARLY DESCRIBED AND DELINEATED ON THE CONDOMINIUM PLAN REFERRED TO ABOVE.

EXCEPT THEREFROM UNITS 116 THROUGH 118, INCLUSIVE, 121 THROUGH 132, INCLUSIVE, 216 THROUGH 218, INCLUSIVE, 221 THROUGH 233, INCLUSIVE, 316 THROUGH 318, INCLUSIVE, AND 321 THROUGH 333, INCLUSIVE AS DEFINED AND DELINEATED ON A CONDOMINIUM PLAN RECORDED JANUARY 24, 2008, AS INSTRUMENT NO. 08-149822, OF OFFICIAL RECORDS.

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RESERVING THEREFROM, AN EXCLUSIVE EASEMENT FOR ALL USES AND PURPOSES OF A PARKING SPACE AREA TOGETHER WITH THE RIGHT TO GRANT TO OTHERS, OVER AND ACROSS THOSE PORTIONS OF SAID LAND DEFINED AND DELINEATED AS P-I THROUGH P-191 ON THE ABOVE REFERRED TO CONDOMINIUM PLAN.

ALSO RESERVING THEREFROM, FOR THE BENEFIT OF GRANTOR, ITS SUCCESSORS IN INTEREST AND OTHERS, EASEMENTS FOR ACCESS, USE, ENJOYMENT, CONSTRUCTION, REPAIRS, DRAINAGE AND FOR OTHER PURPOSES, ALL AS MORE FULLY DESCRIBED IN THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR BREAKWATER VILLAGE HOMEOWNERS ASSOCIATION, RECORDED ON JANUARY 11, 2008, AS INSTRUMENT NO. 08-63812, OFFICIAL RECORDS AND ALL AMENDMENTS AND SUPPLEMENTS THERETO.

PARCEL 3

AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF A BALCONY AREA AND/OR DECK AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 2 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED AS EXCLUSIVE USE COMMON AREA, WHICH BEARS THE SAME NUMBER AS TO THE UNIT REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "Y" ON THE ABOVE REFERENCED CONDOMINIUM PLAN.

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AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF A PARKING SPACE AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 2 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED AS EXCLUSIVE USE COMMON AREA, ON THE CONDOMINIUM PLAN REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "P-79".

APN: 4082-012-112

**EXHIBIT C  
PERFORMANCE DEED OF TRUST**

**[BEHIND THIS PAGE]**

RECORDING REQUESTED BY:

Housing Authority of the  
City of Redondo Beach

WHEN RECORDED MAIL TO:

Housing Authority of the City of Redondo Beach  
415 Diamond Street  
Redondo Beach, California 90277  
Attention: Angelica Zavala, Housing Supervisor

---

*(No Fee per Government Code § 27383)*

**PERFORMANCE DEED OF TRUST  
(Option to Cure and Purchase Agreement)**

**THIS PERFORMANCE DEED OF TRUST** (this “Deed of Trust”) dated as of August 3, 2021 is entered into by Johanna Luziotti, a Widow (“Trustor”) whose address is 2750 Artesia Boulevard, #117, Redondo Beach, California 90278 in favor of Chicago Title Company (“Trustee”), for the benefit of the City of Redondo Beach, a chartered municipal corporation (the “City”) whose address is 415 Diamond Street, Redondo Beach, California 90277 and the Housing Authority of the City of Redondo Beach, a public body, corporate and politic (the “Authority”) whose address is also 415 Diamond Street, Redondo Beach, California 90277 (the City and Authority are referred to hereinafter collectively and individually as the “Beneficiary”).

Trustor, in consideration of the obligations referred to below and the trust hereby created, irrevocably grants, transfers, conveys, and assigns to Trustee, in trust, with power of sale, Trustor’s fee interest in and to that real property located in the City of Redondo Beach, County of Los Angeles, State of California, described in Exhibit “A” attached hereto and incorporated herein by this reference.

**FOR THE PURPOSE OF SECURING:** performance of Trustor’s obligation to allow the Beneficiary to cure any default or otherwise purchase the Property in accordance with, and subject to, the terms and conditions of the August 3, 2021 Agreement Containing Covenants, Restrictions and Option to Purchase (“Covenant Agreement”) executed by Trustor and Beneficiary, recorded concurrently herewith and incorporated herein by reference.

**TO MAINTAIN AND PROTECT THE SECURITY OF THIS DEED OF TRUST,  
TO SECURE THE FULL AND TIMELY PERFORMANCE BY TRUSTOR OF  
THE SECURED OBLIGATION, TRUSTOR HEREBY COVENANTS AND  
AGREES AS FOLLOWS:**

1. Maintenance of the Property. Trustor will:
  - a. keep the Property in good condition;
  - b. not permit any mechanic's or materialman's lien to arise against the Property;
  - c. comply with all laws having a material effect on the Property; and
  - d. not commit or permit waste on or to the Property.
2. Taxes and Other Sums Due. Trustor will promptly pay, satisfy and discharge when due:
  - a. prior to delinquency, all general and special taxes, and assessments, water and sewer district charges, rents and premiums affecting the Property; and
  - b. all encumbrances, charges and liens on the Property, with interest thereon, which are prior or superior to the lien of this Deed of Trust. Upon request by Beneficiary, Trustor will promptly furnish Beneficiary with all notices of sums due for any amounts specified in subparagraph (a) hereof, and upon payment of any such sum by Trustor, Trustor will promptly furnish Beneficiary with written evidence of such payment. Should Trustor fail promptly to make any payment required hereunder, Beneficiary may (but is not obligated to), at Beneficiary's sole expense, make such payment. Trustor will notify Beneficiary immediately upon receipt by Trustor of notice of any increase in the assessed value of the Property and agrees that Beneficiary, in the name of Trustor, may (but is not obligated to), at Beneficiary's expense, contest by appropriate proceedings such increase in assessment.
3. Lease of the Property by Trustor. Except as permitted under the Covenant Agreement, Trustor shall not enter into a lease for all or any portion of the Property.
4. Defense of Deed of Trust; Litigation. Trustor will give Beneficiary immediate written notice of any action or proceeding (including, without limitation, any judicial or non-judicial proceeding to foreclose the lien of a junior or senior mortgage or deed of trust) affecting or purporting to affect the Property or this Deed of Trust. Trustor shall commence, appear in, prosecute, defend, compromise and settle, and incur necessary costs and expenses, including reasonable attorneys' fees, in so doing, any action or proceeding, whether judicial or non-judicial, deemed necessary in Beneficiary's reasonable judgment to preserve or protect the Property or this Deed of Trust. Trustor shall utilize counsel reasonably satisfactory to Beneficiary in connection with any such action or proceeding. Trustor will pay all costs and expenses of Beneficiary and Trustee, including costs of evidence of title and reasonable attorneys' fees, in any such action or proceeding in which Beneficiary or Trustee may appear or for which legal counsel is sought, whether by

virtue of being made a party defendant or otherwise, and whether or not the interest of Beneficiary or Trustee in the Property is directly questioned in such action or proceeding, including, without limitation, any action for the condemnation or partition of all or any portion of the Property and any action brought by Beneficiary to foreclose this Deed of Trust or to enforce any of its terms or provisions.

5. Failure of Trustor to Comply with Deed of Trust. Should Trustor fail to do any act required by this Deed of Trust, or should there be any action or proceeding (including, without limitation, any judicial or non-judicial proceeding to foreclose the lien of a junior or senior mortgage or deed of trust) affecting or purporting to affect the Property or this Deed of Trust, Beneficiary or Trustee may (but is not obligated to):
  - a. Make any such payment or do any such act in such manner and to such extent as either deems necessary to preserve or protect the Property or this Deed of Trust, Beneficiary and Trustee being authorized to enter upon the Property for any such purpose; and
  - b. In exercising any such power, pay necessary expenses, employ attorneys and pay reasonable attorneys' fees incurred in connection therewith, without notice to or demand upon Trustor and without releasing Trustor from any obligation hereunder.
6. Amounts Advanced to Bear Interest. At Beneficiary's request, Trustor will immediately pay any expenses or other amounts advanced or paid by Beneficiary or Trustee under any provision of this Deed of Trust. Until so repaid, all such amounts shall be added to, and become a part of, the indebtedness secured hereby and bear interest from the date of advancement or payment by Beneficiary or Trustee at the highest rate then allowed by applicable law.
7. Default. Each of the following shall constitute a "**Default**" under this Deed of Trust:
  - a. The filing by Trustor of any petition or action for relief under any bankruptcy, reorganization, insolvency or moratorium law, or any other law or laws for the relief of, or relating to, debtors; or
  - b. In the event that after the date hereof, except as provided in the Covenant Agreement Trustor sells, contracts to sell, gives an option to purchase, conveys, transfers or alienates the Property, or suffers its title to, or any interest in the Property to be divested, whether voluntarily or involuntarily; or
  - c. Trustor defaults under the terms and conditions of the Covenant Agreement.
8. Remedies on Default. In the event of any Default hereunder which remains uncured following notice from Beneficiary and any cure period for such Default set forth

herein, Beneficiary, at Beneficiary's option, and to the extent permitted by applicable law, may, by delivering to Trustee a written declaration of default and demand for sale, executed by Beneficiary and reciting facts demonstrating such default by Trustor, together with a written notice of default, cure any defaults or purchase the Property pursuant to the terms of the Covenant Agreement. Beneficiary shall also deposit with Trustee the Covenant Agreement (including any amendments thereto), this Deed of Trust and such other documents necessary or appropriate. Upon receipt by Trustee of such affidavit or declaration of default and such notice of default and election to sell, Trustee shall accept as true and conclusive all facts and statements contained in such affidavit or declaration of default and shall cause such notice of default and election to sell to be recorded as required by applicable law. Upon the expiration of such period as may then be required by applicable law following recordation of such notice of default, and after notice of sale has been given in the manner and for the period required by applicable law, Trustee, without demand on Trustor, shall sell the entire Property at the time and place fixed in such notice of sale, to Beneficiary, subject to the minimum bid requirement, for cash in lawful money of the United States, payable at the time of sale. Such sale shall be subject to all of the terms and conditions of the Covenant Agreement. Trustee may postpone the sale of all or any portion of the Property by public announcement made at the initial time and place of sale, and from time to time thereafter by public announcement made at the time and place of sale fixed by the preceding postponement. Trustee shall deliver to Beneficiary at such sale its deed conveying the Property, but without any covenant or warranty, express or implied. The recital in such deed of any matter of fact shall be conclusive proof of the truthfulness thereof. After deducting all costs, fees, and expenses of Trustee under this Section, including costs of procuring evidence of title and Trustee's and Trustee's attorneys' fees incurred in connection with such sale. Trustee shall deliver all proceeds up to the purchase price to Trustor and any excess to Beneficiary.

9. **Obligation to Inform Beneficiary of Default.** Trustor will notify Beneficiary in writing, at or prior to the time of the occurrence of any Default event described in Section 7 hereof, of such event and will promptly furnish Beneficiary with any and all information concerning such event which Beneficiary may request.
10. **Remedies Cumulative.** Each remedy provided by this Deed of Trust is separate and distinct and is cumulative to all other rights and remedies provided hereby or by applicable law, and each may be exercised concurrently, independently or successively, in any order whatsoever.
11. **Trustee.** The Trustee shall be deemed to have accepted the terms of this Trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. Trustee shall not be obligated to notify any party hereto of any pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee is a party, unless such sale relates to or reasonably might affect the Property or this Deed of Trust, or unless such action or proceeding has been instituted by Trustee against the Property, Trustor or Beneficiary.

12. Reconveyance. Upon written request of Beneficiary reciting that the right to cure or purchase will not be exercised by Beneficiary, surrender of this Deed of Trust to Trustee for cancellation, and payment by Beneficiary of any reconveyance fees customarily charged by Trustee, Trustee shall reconvey, without warranty, the Property as directed by Beneficiary and Trustor in a joint writing. The recitals in such reconveyance of any matters of fact shall be conclusive proof of the truthfulness thereof.
13. Substitution of Trustee. Beneficiary, at Beneficiary's option, may from time to time, by written instrument approved in writing by Trustor, substitute a successor to Trustee named herein or acting hereunder, which instrument, when executed and acknowledged by Beneficiary and Trustor and recorded in the office of the Recorder of the county in which the Property is located, shall constitute conclusive proof of the proper substitution of such successor Trustee, who shall, without conveyance from the predecessor Trustee, succeed to all right, title, estate, powers and duties of such predecessor Trustee, including without limitation, the power to reconvey the Property. To be effective, such instrument must contain the name of the original Trustor, Trustee, and Beneficiary hereunder, the book and page at which, and the county in which, this Deed of Trust is recorded and the name and address of the substitute Trustee and be signed by Trustor. If any notice of default has been recorded hereunder, this power of substitution cannot be exercised until all costs, fees and expenses of the then acting Trustee have been paid. Upon such payment, the then acting Trustee shall endorse receipt thereof upon the instrument of substitution. The procedure herein provided for substitution of Trustees shall be exclusive of other provisions for substitution provided by applicable law.
14. No Waiver by Beneficiary. No waiver by Beneficiary of any right or remedy provided by the Covenant Agreement, this Deed of Trust or applicable law shall be effective unless such waiver is in writing and subscribed by Beneficiary. Waiver by Beneficiary of any right or remedy granted to Beneficiary under the Covenant Agreement or any provision thereof, this Deed of Trust or applicable law as to any transaction or occurrence shall not be deemed a waiver as to any future transaction or occurrence. The assertion by Beneficiary of any right or remedy provided by this Deed of Trust shall not constitute a waiver of Beneficiary's right to require prompt performance of the Secured Obligation and Trustor's obligations under this Deed of Trust.
15. Consents and Approvals to be in Writing. Whenever the consent or approval of Beneficiary or Trustor is specified as a condition of any provision of this Deed of Trust, such consent or approval by Beneficiary or Trustor, as applicable, shall not be effective unless such consent or approval is in writing, subscribed by Beneficiary or Trustor, as applicable. Such consent shall not be unreasonably withheld, delayed or conditioned.
16. Notices. All notices, demands, consents, requests or other communications required to or permitted to be given pursuant to this Agreement shall be in writing, shall be given only in accordance with the provisions of this Section, shall be addressed to

the parties in the manner set forth below, and shall be conclusively deemed to have been properly delivered:

- a. upon receipt when hand delivered during normal business hours (provided that notices which are hand delivered shall not be effective unless the sending party obtains a signature of a person at such address that the notice has been received);
- b. upon receipt when sent by facsimile to the number set forth below (provided, however, that notices given by facsimile shall not be effective unless the sending party delivers the notice also by one other method permitted under this Section);
- c. upon the day of delivery if the notice has been deposited in an authorized receptacle of the United States Postal Service as first-class, registered or certified mail, postage prepaid, with a return receipt requested (provided that the sender has in its possession the return receipt to prove actual delivery); or
- d. one (1) business day after the notice has been deposited with either FedEx or United Parcel Service to be delivered by overnight delivery (provided that the sending party receives a confirmation of actual delivery from the courier).

The addresses of the parties to receive notices are as follows:

TO BENEFICIARY:

City of Redondo Beach  
415 Diamond Street  
Redondo Beach, California 90277  
Attention: City Manager, Joe Hoefgen  
Attention: Director of Community Services  
Facsimile: (310) 543-1730

Housing Authority of the City of Redondo Beach  
415 Diamond Street  
Redondo Beach, California 90277  
Attention: Housing Supervisor

TO TRUSTOR:

Johanna Luzietti  
2750 Artesia Boulevard, #117  
Redondo Beach, California 90278

TO TRUSTEE:  
Chicago Title Company  
500 North Brand Boulevard, Suite 120  
Glendale, California 91203  
Email: aline@glendaleescrow.com

17. Request for Notice of Default. The undersigned Trustor requests that a copy of any Notice of Default and any Notice of Sale hereunder be mailed to it at the address specified herein.
18. Governing Law. This instrument shall be governed by and construed in accordance with the laws of the State of California.
19. Severability. If any paragraph, clause or provision of the Covenant Agreement or this Deed of Trust is construed or interpreted by a court of competent jurisdiction to be void, invalid or unenforceable, such decision shall affect only those paragraphs, clauses or provisions so construed or interpreted and shall not affect the remaining paragraphs, clauses and provisions of the Covenant Agreement or this Deed of Trust.
20. Relationship. Nothing contained herein or in the Covenant Agreement shall be deemed to create or construed to create a partnership, joint venture or any relationship other than that of Trustor and Beneficiary. Trustor and Beneficiary expressly disclaim any intent to create a partnership or joint venture pursuant to this Deed of Trust or the Covenant Agreement.
21. Attorney Fees. If any party to this Deed of Trust shall bring any action for any relief against any other party, declaratory or otherwise, arising out of this Deed of Trust, the losing party shall pay to the prevailing party a reasonable sum for attorney fees incurred in bringing such suit and/or enforcing any judgment granted therein, all of which shall be deemed to have accrued upon commencement of such action and shall be paid whether or not such action is prosecuted to judgment. Any judgment or order entered in such action shall contain a specific provision providing for the recovery of attorney fees and costs incurred in enforcing such judgment. For the purpose of this Section, attorney fees shall include, without limitation, fees incurred in the following:
  - a. post-judgment motions;
  - b. contempt proceedings;
  - c. garnishment, levy, and debtor and third party examinations;
  - d. discovery; and
  - e. bankruptcy litigation.

22. General Provisions.

- a. This Deed of Trust applies to, inures to the benefit of, and binds the respective heirs, legatees, devisees, administrators, executors, successors and assigns of each of the parties hereto.
- b. As used herein, the word "person" shall mean and include natural persons, corporations, partnerships, unincorporated associations, joint ventures and any other form of legal entity.
- c. As used herein, the word "Property" shall mean and include the Property and part thereof.
- d. As used herein and unless the context otherwise provides, the words "herein," "hereunder" and "hereof" shall mean and include this Deed of Trust as a whole, rather than any particular provision hereof.
- e. In exercising any right or remedy, or taking any action provided herein, Beneficiary may act through its employees, agents or independent contractors, as authorized by Beneficiary.
- f. Wherever the context so requires herein, the masculine gender includes the feminine and neuter, the singular number includes the plural, and vice versa.
- g. Captions and paragraph headings used herein are for convenience only, are not a part of this Deed of Trust and shall not be used in construing it.

IN WITNESS WHEREOF, the parties have entered into this Deed of Trust as of the date first written above.

**TRUSTOR:**

**Johanna Luzietti, a Widow**

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Johanna Luzietti

A notary public or other officer completing this certificate only verifies the identity of the individuals who signed documents to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

**STATE OF CALIFORNIA**

**COUNTY OF LOS ANGELES**

On this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, before me, \_\_\_\_\_,  
Notary Public, personally appeared, \_\_\_\_\_, who proved  
to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are  
subscribed to the within instrument and acknowledged to me that he/she/they executed the  
same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the  
instrument the person(s), or the entity upon behalf of which the person(s) acted, executed  
the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the  
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: \_\_\_\_\_ (Seal)

**EXHIBIT "A"**  
**LEGAL DESCRIPTION**

All that certain property situated in the County of Los Angeles, State of California, described as follows:

A CONDOMINIUM COMPOSED OF:

PARCEL 1:

THAT PORTION OF LOT 1 OF TRACT NO. 60638, IN THE CITY OF REDONDO BEACH, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1328, PAGE(S) 44 AND 45 OF MAPS, DEFINED AS UNIT 117 OF MODULE 2 ON THAT CERTAIN CONDOMINIUM PLAN ("PLAN") RECORDED ON JANUARY 24, 2008, AS INSTRUMENT NO. 08-149822, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 2:

AN UNDIVIDED 1/47TH FEE SIMPLE INTEREST AS TENANT IN COMMON IN AND TO THE COMMON AREA OF MODULE 2 ON LOT 1 OF TRACT NO. 60638, AS MORE PARTICULARLY DESCRIBED AND DELINEATED ON THE CONDOMINIUM PLAN REFERRED TO ABOVE.

EXCEPT THEREFROM UNITS 116 THROUGH 118, INCLUSIVE, 121 THROUGH 132, INCLUSIVE, 216 THROUGH 218, INCLUSIVE, 221 THROUGH 233, INCLUSIVE, 316 THROUGH 318, INCLUSIVE, AND 321 THROUGH 333, INCLUSIVE AS DEFINED AND DELINEATED ON A CONDOMINIUM PLAN RECORDED JANUARY 24, 2008, AS INSTRUMENT NO. 08-149822, OF OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM, ALL MINERALS, OILS, GASES AND OTHER HYDROCARBONS BY SOEVER NAME KNOWN THAT MAY BE WITHIN OR UNDER SAID PORTION OF SAID LAND, WITHOUT, HOWEVER, THE RIGHT TO DRILL, DIG OR MINE THROUGH THE SURFACE THEREOF, AS ACCEPTED IN THE DEED FROM THE STATE OF CALIFORNIA, RECORDED ON FEBRUARY 28, 1968, AS DOCUMENT NO. 2480 IN BOOK D-3925, PAGE 100, OFFICIAL RECORDS, IN SAID OFFICE OF THE COUNTY RECORDER.

RESERVING THEREFROM, AN EXCLUSIVE EASEMENT, FOR ALL USES AND PURPOSES OF A BALCONY AREA AND/OR DECK AREA, TOGETHER WITH THE RIGHT TO GRANT TO OTHERS, OVER AND ACROSS THOSE PORTIONS OF LOT 1 OF TRACT 60638, SHOWN AND DEFINED AS EXCLUSIVE USE COMMON AREA", ON THE ABOVE REFERRED TO CONDOMINIUM PLAN.

RESERVING THEREFROM, AN EXCLUSIVE EASEMENT FOR ALL USES AND PURPOSES OF A PARKING SPACE AREA TOGETHER WITH THE RIGHT TO GRANT TO OTHERS, OVER AND ACROSS THOSE PORTIONS OF SAID LAND DEFINED AND DELINEATED AS P-I THROUGH P-191 ON THE ABOVE REFERRED TO CONDOMINIUM PLAN.

ALSO RESERVING THEREFROM, FOR THE BENEFIT OF GRANTOR, ITS SUCCESSORS IN INTEREST AND OTHERS, EASEMENTS FOR ACCESS, USE, ENJOYMENT, CONSTRUCTION, REPAIRS, DRAINAGE AND FOR OTHER PURPOSES, ALL AS MORE FULLY DESCRIBED IN THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR BREAKWATER VILLAGE HOMEOWNERS ASSOCIATION, RECORDED ON JANUARY 11, 2008, AS INSTRUMENT NO. 08-63812, OFFICIAL RECORDS AND ALL AMENDMENTS AND SUPPLEMENTS THERETO.

PARCEL 3

AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF A BALCONY AREA AND/OR DECK AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 2 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED AS EXCLUSIVE USE COMMON AREA, WHICH BEARS THE SAME NUMBER AS TO THE UNIT REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "Y" ON THE ABOVE REFERENCED CONDOMINIUM PLAN.

PARCEL 4

AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF A PARKING SPACE AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 2 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED AS EXCLUSIVE USE COMMON AREA, ON THE CONDOMINIUM PLAN REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "P-79".

APN: 4082-012-112



**Community Services Department**  
Housing Authority

1922 Artesia Boulevard  
Redondo Beach, California 90278  
[www.redondo.org](http://www.redondo.org)

tel: 310 318-0635  
fax: 310 798-8463

August 3, 2021

Virginia Moreno  
Escrow Officer  
Infinity Escrow  
2501 West 237<sup>th</sup> Street, #C  
Torrance, California 90501

Re: Escrow No. 21-1241VM

Dear Ms. Moreno:

These instructions are submitted by the City of Redondo Beach (the **"City"**) and the Housing Authority of the City of Redondo Beach (the **"Authority"**) in connection with the following transaction.

Anthony Kim (the **"Seller"**) and Johanna Luzietti (the **"Buyer"**) have entered into that certain California Residential Purchase Agreement and Joint Escrow Instructions dated June 17, 2021 relating to the sale of the residential unit located at 2750 Artesia Blvd., #117, Redondo Beach, California 90278. The **"Unit"** is more particularly described in the legal description attached to this letter as Exhibit A.

The Unit is subject to the covenants, conditions, restrictions, limitations and provisions contained in the Agreement Containing Covenants, Restrictions and Option to Purchase [Moderate Income] dated December 6, 2011 and recorded in the Official Records of Los Angeles County on June 7, 2012, as Instrument No. 20120850860 (the **"Existing Covenants Agreement"**).

The Existing Covenants Agreement places certain income and sale price limits on the Unit to assure that the Unit remains affordable to moderate income senior households. Performance of these obligations are secured by that certain Performance Deed of Trust dated December 6, 2011 and recorded in the land records of Los Angeles County on June 7, 2012 as Instrument No. 1200850862. The Seller is the trustor, the City is the beneficiary and Lawyers Title Company is the trustee of the Performance Deed of Trust.

The Buyer, the City, and the Authority will execute an Agreement Containing Covenants, Restrictions and Option to Purchase [Moderate Income] (the "**2021 Covenants Agreement**") for recordation against the Unit. The 2021 Covenants Agreement also requires the Buyer to execute a Performance Deed of Trust (Option to Cure and Purchase Agreement) in favor of the City and the Authority, for recordation against the Unit (the "**2021 Performance Deed of Trust**").

The purpose of this letter is to provide the City's and Authority's instructions relating to the above referenced transaction. Your recordation of the "**Recording Documents**" shall be deemed to be your acceptance of these escrow instructions. However, we ask that you return to the undersigned a copy of this letter signed by you, indicating your acceptance of these instructions.

The City and Authority hereby instruct the Escrow Agent as follows. The transaction will close when all conditions precedent to the transaction have been satisfied.

**I. DOCUMENTS**

Enclosed herewith are the following documents that will need to be signed and returned to the City and Authority prior to execution by the City and the Authority.

1. One original of the 2021 Covenants Agreement that has been signed by the Buyer.
2. One original of the 2021 Performance Deed of Trust that has been signed by the Buyer.

The signed and notarized documents are to be returned to the following address:

Angelica Zavala, Housing Supervisor  
Housing Authority of the City of Redondo Beach  
1922 Artesia Boulevard  
Redondo Beach, California 90278

## II. CLOSING PROCEDURES

You are instructed to close this transaction when and only when all of the following occurs:

1. The City and the Authority have deposited into escrow one original 2021 Covenants Agreement executed in recordable form by the Buyer, the City and the Authority.
2. The Buyer has deposited into escrow one original Performance Deed of Trust, executed in recordable form by the Buyer.
3. The City and the Authority have deposited into escrow one original Request for Notice Under Section 2924b Civil Code - City, and one Request for Notice Under Section 2924b Civil Code - Authority executed in recordable form by the City and the Authority (the **"Request for Notice"**).
4. All of the Buyer's and Seller's conditions precedent to closing this transaction have either been satisfied or waived by the party to be benefited and you have received confirmation from the Buyer and the Seller that you are to proceed with this transaction.
5. You are committed to complying with all the instructions contained in these escrow instructions.

In closing escrow, you will adhere to the procedures set forth in the instructions below. All requirements with respect to closing shall be considered as having taken place simultaneously and no delivery shall be considered as having been made until all deliveries and closing transactions have been accomplished. Do not record or deliver any of the documents described above unless all conditions to closing are satisfied. When all conditions precedent to the close of escrow have been satisfied, you are authorized to:

1. With respect to any documents that have not been dated (whether or not such documents are to be recorded), fill in the date of recordation. With respect to any other blanks in the documents, fill in the appropriate information (for example, recording information or dates of other documents). If you have any questions regarding how to fill in any blanks, contact the undersigned immediately.
2. With respect to any documents that do not have a legal description appended, insert the legal description attached to this letter as Exhibit A.

3. Record the following documents (the "Recording Documents") in the Land Records of Los Angeles County, California, in the following order and in no other order:
  - a. The grant deed conveying fee title to the Unit from the Seller to the Buyer
  - b. The 2021 Covenants Agreement
  - c. The 2021 Performance Deed of Trust
  - d. The Request for Notice
4. Promptly after recordation, conformed and certified copies of the Recording Documents (showing all recording information) and a copy of these escrow instructions signed by you in the space provided at the conclusion of this letter to indicate your acceptance are to be delivered to:

Angelica Zavala, Housing Supervisor  
Housing Authority of the City of Redondo Beach  
1922 Artesia Boulevard  
Redondo Beach, California 90278

5. These instructions may be modified only by written or telephonic instructions from the undersigned. If any of the instructions in this letter cannot be followed for any reason, please call the undersigned immediately.
6. Please bill the Seller for any charges you incur associated with the foregoing documents. Any documents signed by the City or the Authority are entitled to free recording pursuant to Government Code §§ 6103 and 27383:
  - a. If any of such documents do not contain a legend to that effect, please insert the legend in the upper left corner of such documents.
  - b. Neither the City nor the Authority shall incur any expense in connection with the fulfillment of these escrow instructions.
  - c. All costs incurred by you with respect to this escrow shall be the sole obligation of the Seller.

Very truly yours,

City of Redondo Beach, a chartered municipal corporation

Housing Authority of the City of Redondo Beach, a public body, corporate and politic

By: \_\_\_\_\_  
William C. Brand  
Mayor and Chairman

The undersigned acknowledges receipt of the within escrow instructions and agrees to proceed in accordance therewith.

Infinity Escrow

By: \_\_\_\_\_  
Virginia Moreno  
Escrow Officer

**EXHIBIT "A"**  
**LEGAL DESCRIPTION**

All that certain property situated in the County of Los Angeles, State of California, described as follows:

A CONDOMINIUM COMPOSED OF:

PARCEL 1:

THAT PORTION OF LOT 1 OF TRACT NO. 60638, IN THE CITY OF REDONDO BEACH, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1328, PAGE(S) 44 AND 45 OF MAPS, DEFINED AS UNIT 117 OF MODULE 2 ON THAT CERTAIN CONDOMINIUM PLAN ("PLAN") RECORDED ON JANUARY 24, 2008, AS INSTRUMENT NO. 08-149822, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 2:

AN UNDIVIDED 1/47TH FEE SIMPLE INTEREST AS TENANT IN COMMON IN AND TO THE COMMON AREA OF MODULE 2 ON LOT 1 OF TRACT NO. 60638, AS MORE PARTICULARLY DESCRIBED AND DELINEATED ON THE CONDOMINIUM PLAN REFERRED TO ABOVE.

EXCEPT THEREFROM UNITS 116 THROUGH 118, INCLUSIVE, 121 THROUGH 132, INCLUSIVE, 216 THROUGH 218, INCLUSIVE, 221 THROUGH 233, INCLUSIVE, 316 THROUGH 318, INCLUSIVE, AND 321 THROUGH 333, INCLUSIVE AS DEFINED AND DELINEATED ON A CONDOMINIUM PLAN RECORDED JANUARY 24, 2008, AS INSTRUMENT NO. 08-149822, OF OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM, ALL MINERALS, OILS, GASES AND OTHER HYDROCARBONS BY SOEVER NAME KNOWN THAT MAY BE WITHIN OR UNDER SAID PORTION OF SAID LAND, WITHOUT, HOWEVER, THE RIGHT TO DRILL, DIG OR MINE THROUGH THE SURFACE THEREOF, AS ACCEPTED IN THE DEED FROM THE STATE OF CALIFORNIA, RECORDED ON FEBRUARY 28, 1968, AS DOCUMENT NO. 2480 IN BOOK D-3925, PAGE 100, OFFICIAL RECORDS, IN SAID OFFICE OF THE COUNTY RECORDER.

RESERVING THEREFROM, AN EXCLUSIVE EASEMENT, FOR ALL USES AND PURPOSES OF A BALCONY AREA AND/OR DECK AREA, TOGETHER WITH THE RIGHT TO GRANT TO OTHERS, OVER AND ACROSS THOSE PORTIONS OF LOT 1 OF TRACT 60638, SHOWN AND DEFINED AS EXCLUSIVE USE COMMON AREA", ON THE ABOVE REFERRED TO CONDOMINIUM PLAN.

RESERVING THEREFROM, AN EXCLUSIVE EASEMENT FOR ALL USES AND PURPOSES OF A PARKING SPACE AREA TOGETHER WITH THE RIGHT TO GRANT TO OTHERS, OVER AND ACROSS THOSE PORTIONS OF SAID LAND DEFINED AND DELINEATED AS P-I THROUGH P-191 ON THE ABOVE REFERRED TO CONDOMINIUM PLAN.

ALSO RESERVING THEREFROM, FOR THE BENEFIT OF GRANTOR, ITS SUCCESSORS IN INTEREST AND OTHERS, EASEMENTS FOR ACCESS, USE, ENJOYMENT, CONSTRUCTION, REPAIRS, DRAINAGE AND FOR OTHER PURPOSES, ALL AS MORE FULLY DESCRIBED IN THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR BREAKWATER VILLAGE HOMEOWNERS ASSOCIATION, RECORDED ON JANUARY 11, 2008, AS INSTRUMENT NO. 08-63812, OFFICIAL RECORDS AND ALL AMENDMENTS AND SUPPLEMENTS THERETO.

PARCEL 3

AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF BALCONY AREA AND/OR DECK AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 2 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED AS EXCLUSIVE USE COMMON AREA, WHICH BEARS THE SAME NUMBER AS TO THE UNIT REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "Y" ON THE ABOVE REFERENCED CONDOMINIUM PLAN.

PARCEL 4

AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF A PARKING SPACE AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 2 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED AS EXCLUSIVE USE COMMON AREA, ON THE CONDOMINIUM PLAN REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "P-79".

APN: 4082-012-112



**KEYSER MARSTON ASSOCIATES™**  
ADVISORS IN PUBLIC/PRIVATE REAL ESTATE DEVELOPMENT

May 25, 2021

**ADVISORS IN:**  
Real Estate  
Affordable Housing  
Economic Development

**BERKELEY**  
A. Jerry Keyser  
Debbie M. Kern  
David Doezema  
Kevin Feeney

**LOS ANGELES**  
Kathleen H. Head  
James A. Rabe  
Gregory D. Soo-Hoo  
Kevin E. Engstrom  
Julie L. Romey  
Tim R. Bretz

**SAN DIEGO**  
Paul C. Marra

Anthony Kim  
2750 Artesia Boulevard #117  
Redondo Beach, California 90278

Re: Maximum Sales Price Request

Dear Mr. Kim:

The City of Redondo Beach Housing Authority (Housing Authority) has engaged Keyser Marston Associates, Inc. (KMA) to provide consulting services related to the affordable housing units located in the Breakwater Village project. The following letter is a response to your request for an assessment of the maximum allowable sales price for the Moderate-Income unit you own at 2750 Artesia Boulevard #117, Redondo Beach, California 90278.

The conditions imposed on the resale of the residence are presented in the Agreement Containing Covenants, Restrictions and Option to Purchase [Moderate Income], which is dated December 6, 2011 and was recorded on June 7, 2012 by the Los Angeles County Recorder as Instrument No. 2012-0850861. Under the terms and conditions included in Section 7 of the Agreement Containing Covenants, Restrictions and Option to Purchase [Moderate Income], the maximum sales price that you may receive for any type of Transfer of your residence ("Resale Price") shall be the lesser of the following:

1. The Moderate Income Affordable Purchase Price at the time of Resale; or
2. The Increased Base Price plus the "Value of Capital Improvements" that have been approved by the City of Redondo Beach, if any.

Anthony Kim  
2750 Artesia Boulevard, Unit #117

May 25, 2021

Page 2

The Unit Resale Determination Worksheet follows this letter. Based on the calculations included in the Worksheet, the Resale Price is based on the Increased Base Price. As of today's date, the maximum Resale Price is \$187,375.

The Resale Price provided to you will be valid for three months from the date of this letter. Should the Resale Price expire, a new Maximum Sales Price Request must be submitted. In that case a completed application (and fee payment, if applicable) should be submitted to the Housing Authority.

Sincerely,

Keyser Marston Associates, Inc.

A handwritten signature in cursive script that reads "Kathleen Head".

Kathleen Head

## UNIT RESALE PRICE DETERMINATION WORKSHEET

|                              |                    |
|------------------------------|--------------------|
| Owner's Name                 | Anthony Kim        |
| Development                  | Breakwater Village |
| Unit Number                  | 117                |
| Assessor Parcel Number (APN) | 4082012112         |
| Income Level                 | Moderate           |
| Number of Bedrooms           | 1                  |

The Maximum Resale Price is equal to the Lesser of:

1. The Increased Base Price, and the
2. The Moderate Income Affordable Purchase Price.

### Increased Base Price

|  |                  |
|--|------------------|
| Current Owner's Purchase Price                           | \$151,803        |
| Current Owner's Purchase Date (HCD Income 2012)          | 6/7/12           |
| Area Median Income at Time of Owner's Purchase           | \$51,850         |
| Area Median Income at Calculation Date (HCD Income 2021) | \$64,000         |
| Percentage Increase in Area Median Income                | 23.43%           |
| Increased Base Value                                     | \$187,375        |
| Increase in Value Due to Capital Improvements            | \$0              |
| <b>Increased Base Price</b>                              | <b>\$187,375</b> |

|  |                  |
|--|------------------|
| <b>Moderate Income Affordable Purchase Price</b> | <b>\$324,400</b> |
|--|------------------|

|   |                  |
|---|------------------|
| <b>Maximum Resale Price</b>   | <b>\$187,375</b> |
| <b>Calculation is Valid Through:</b>  | <b>8/23/21</b>   |
| <i>After this date, if Owner has not entered into a purchase and sale agreement, the sales price will need to be recalculated to take into consideration any changes in the Area Median Income, HOA dues, etc. Please see below for additional information.</i> |                  |

|   |               |
|---|---------------|
| Prepared by Keyser Marston Associates, Inc. | Kathleen Head |
| Date the Calculation is Completed           | 5/25/21       |

*The Maximum Sales Price is based on the formula included in the Addendum to Grant Deed recorded on the property with the County of Los Angeles. The formula takes into consideration the Area Median Income as determined by the State of California and makes allowances for utilities, HOA dues, taxes, PMI, homeowners insurance, etc. Additionally, calculations are subject to change at any time due to changes in the abovementioned information. Please check with the Housing Authority prior to entering into a purchase and sale agreement.*



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# Administrative Report

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**Council Action Date: August 3, 2021**

**To: CHAIRMAN AND MEMBERS OF THE HOUSING AUTHORITY**

**From: CAMERON HARDING, COMMUNITY SERVICES DIRECTOR**

**Subject: APPROVE THE ACCEPTANCE OF HUD EMERGENCY HOUSING VOUCHERS (EHV) AND THE MEMORANDUM OF UNDERSTANDING WITH THE LOS ANGELES HOMELESS SERVICES AUTHORITY (LAHSA) FOR EHV REFERRALS FOR THE TERM JULY 1, 2021 THROUGH MARCH 3, 2022.**

## **EXECUTIVE SUMMARY**

The Emergency Housing Voucher (EHV) program is available through the American Rescue Plan Act. Through EHV, HUD is providing 70,000 housing choice vouchers to local Public Housing Authorities (PHAs) in order to assist individuals and families who are (1) homeless, (2) at risk of homelessness, (3) fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking, (4) recently homeless.

On May 10, 2021, the Department of Housing and Urban Development (HUD) offered the City of Redondo Beach Housing Authority (RBHA) \$419,268 plus ongoing administrative fee funding to house 29 EHV eligible families in Redondo Beach. One of the requirements of the EHV program is that the Housing Authority enter into a Memorandum of Understanding with a Continuum of Care, to help ensure that the vouchers are being issued fairly and that they are being distributed amongst populations in greatest need. If authorized to accept these vouchers, RBHA will be partnering with the Los Angeles Homeless Services Authority, LAHSA, for program support and family referrals. The EHV Vouchers will be administered under the City's Housing Choice Voucher Program policies and procedures.

## **BACKGROUND**

The American Rescue Plan allowed the Department of Housing and Urban Development (HUD) to allocate additional vouchers to public housing authorities (PHAs) operating in areas of greatest population need. These vouchers, known as the Emergency Housing Vouchers (EHV), are targeted to individuals and families who are experiencing homelessness; at risk of experiencing homelessness; fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or

human trafficking; or were recently homeless and for whom providing rental assistance will prevent the family's homelessness or having high risk of housing instability.

HUD has awarded the Redondo Beach Housing Authority \$419,268 to administer 29 Emergency Housing Vouchers. Three months of Housing Assistance Payment (HAP) disbursements will be automatically scheduled beginning July 1, 2021. Future disbursements will be calculated using actual HAP expenses incurred. Additionally, the Housing Authority will receive ongoing administrative fee funding for any eligible administrative expenses related to the administration of the EHV program.

The Redondo Beach Housing Authority will be partnering with the Los Angeles Homeless Services Authority (LAHSA) for referrals of program eligible families and individuals. Apart from referring EHV eligible families to the Housing Authority, LAHSA will assist the family in attaining all documentation the Housing Authority requires to move forward with voucher issuance and will provide supportive services to EHV participants as needed.

The Emergency Housing Vouchers will be administered under the Housing Choice Voucher Program. Families accepted through the EHV program will be subject to the same criminal background and income eligibility screening as families accepted through the waiting list. Additionally, EHV families will be responsible for complying with the same program rules and federal regulations to maintain their housing assistance.

It should be noted that the City Attorney's office is concerned that the effective date of this is contract is July 1, 2021, yet, the Housing Authority has yet to receive referrals from LAHSA. Referrals will commence once this contract has been fully executed.

### **COORDINATION**

The Memorandum of Understanding with the Los Angeles Homeless Services Authority was prepared by and approved as to form by the City Attorney's Office.

### **FISCAL IMPACT**

The Housing Authority will receive additional housing assistance funding and administrative fees funding to cover all costs associated with the administration of the Emergency Housing Vouchers.

### **APPROVED BY:**

*Joe Hoefgen, City Manager*

### **ATTACHMENT**

- Emergency Housing Vouchers Award Letter
- Memorandum of Understanding with LAHSA

May 10, 2021

Joe Hoefgen, Executive Director  
Housing Authority Of The City Of Redondo Beach (CA103)

Dear Executive Director:

I am pleased to notify you that your public housing agency (PHA) is eligible for new Emergency Housing Vouchers (EHVs) and funding as authorized by the American Rescue Plan Act of 2021 (Public Law No: 117-2). The American Rescue Plan Act allowed the Department of Housing and Urban Development (HUD) to allocate additional vouchers to PHAs through an allocation formula designed to direct emergency vouchers to the PHAs operating in areas where the EHV's eligible populations have the greatest need while also taking into account PHA capacity and the requirement to ensure geographic diversity, including rural areas. The EHVs are provided to help assist individuals and families who are (1) homeless, (2) at risk of homelessness, (3) fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking, or (4) recently homeless.

The following table provides the details for your agency's EHV award:

| Emergency Housing Vouchers Award |                |               |                 |
|----------------------------------|----------------|---------------|-----------------|
| Initial Award Amount             | Effective Date | Contract Term | Number of Units |
| \$419,268                        | 7/1/2021       | 18            | 29              |

The effective date of your EHV award will be July 1, 2021 with the exception of certain fees with an effective date of June 1, 2021 as detailed below. These dates cannot be changed. HUD is providing 12 months of budget authority upfront and will provide additional budget authority as necessary based upon actual PHA needs. Once funding for the award has been fully processed, the FMC will provide your agency with an amended Consolidated Annual Contributions Contract (CACC) that reflects the obligation of funds and monthly disbursements will be scheduled. Three months of HAP disbursements will automatically be scheduled beginning July 1, 2021 equal to 1/12<sup>th</sup> of the initial award. Future disbursements will be calculated using actual HAP expenses incurred.

Your agency must follow applicable Housing Choice Voucher (HCV) program requirements, when administering EHV, including the regulations at 24 CFR part 982, and the requirements in Notice PIH 2021-15 (HA), referred to hereafter as Implementation Notice.

The following table provides the details of your agency’s administrative fees and other eligible fees under this award:

| <b>EHV Eligible Fees</b>                      |  |   |
|---|--|---|
| <b>Category</b>                               | <b>Effective Date</b>                        | <b>Fee Amount</b>   |
| Preliminary Fee                               | 6/1/2021                                     | <i>\$400 x Unit Allocation Accepted</i>   |
| Placement/Issuance Reporting Fee <sup>1</sup> | After Reporting Received by HUD <sup>1</sup> | <i>\$500 for HAP contracts in place by 11/1/21; \$250 for HAP contracts in place by 1/1/22; \$100 for each voucher leased provided PHA reported the EHV issuance date in PICNG within the qualifying time period.</i> |
| On-going Administrative Fee <sup>2</sup>      | 7/1/2021                                     | <i>Column A Admin Fee Rate x Unit Allocation Accepted</i>   |
| Service Fee <sup>3</sup>                      | 6/1/2021                                     | <i>\$3,500 x Unit Allocation Accepted</i>   |
| <b>Total</b>                                  |  |   |

<sup>1</sup> The fee is dependent upon the timeframe in which an EHV family is placed under a HAP contract. \$500 for each EHV family placed under a HAP contract that is in place no later than four months from the award date (11/1/21), \$250 for each EHV family under a HAP contract that is in place no later than six months from the award effective date (1/1/22). An additional \$100 will be provided if the PHA reports or reported the voucher issuance date for a leased voucher in the forthcoming PIC-NG system within 14 days of the later of the voucher issuance date or when PIC-NG system becomes available for reporting. This Issuance Fee can be earned at any time that the voucher is placed under lease, regardless of whether the leased voucher also qualified for the \$500 or \$250 component of the fee. Initially HUD will provide these fees based on information reported in VMS with the exception of the \$100 issuance fee. HUD will collect issuance data in PICNG, once the system is in place later in 2021.

<sup>2</sup> PHAs will receive the full Column A administrative fee amount for each EHV that is under HAP contract as of the first day of each month and reported in VMS. PHAs will receive an initial advance for the first 3 months as per Notice PIH 2021-15 (HA).

<sup>3</sup> One-time fee will be provided for every unit allocation accepted.

Two types of EHV-related funding, preliminary fees and service fees, will be provided in advance in accordance with Notice PIH 2021-15 (HA). The eligible uses of these funds are described in the Notice PIH 2021-15 (HA).

Leasing and expenses for these vouchers should be reported in the Voucher Management System (VMS) under the appropriate fields. The VMS is being updated to reflect fields that will be used to capture this information and additional details will be provided once the fields are available.

This letter has indicated the specific number of vouchers allocated to your PHA in accordance with the allocation formula set forth in Notice PIH 2021-15 (HA). To accept or decline this award, you must respond to HUD by May 24, 2021 using the attached method. While PHAs are encouraged to accept the entire EHV allocation, the PHA may choose to accept a lower number of vouchers than the number offered by HUD in the notification, but not less than the minimum allocation of 25 EHV’s, or 15 EHV’s, as applicable. Your PHA may also request that if available, HUD provide any additional vouchers that result from reallocation.

Additional information regarding EHV’s can be found at: [www.hud.gov/EHV](http://www.hud.gov/EHV), including details on an introductory webinar for PHAs on EHV’s that HUD will offer on May 11, 2021 at 4pm ET. Additional support and technical assistance will be offered to support participating communities.

With your direct effort, EHV's will help people experiencing or at risk of homelessness, survivors of domestic violence, and victims of human trafficking.

To accept or decline this award by May 24, 2021, please complete, sign, and email your response [EHVawards@hud.gov](mailto:EHVawards@hud.gov). If you have any questions regarding the EHV Program, please email [EHV@hud.gov](mailto:EHV@hud.gov).

Sincerely,

A handwritten signature in cursive script that reads "Danielle Bastarache".

Danielle Bastarache  
Deputy Assistant Secretary for  
Public Housing and Voucher Programs

Attachment

**Directions:**

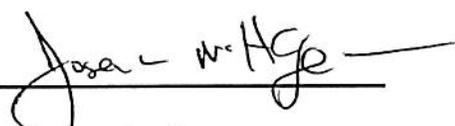
1. Accept or Decline vouchers by responding to PHA options in questions 1–3 below.
2. Sign the document by double clicking the “Public Housing Executive Director” signature line.
3. When completed, save as a word file (do not alter file name).
4. Reply to original email from [EHVawards@hud.gov](mailto:EHVawards@hud.gov), attach this saved file, and send before May 24, 2021.

Read the PHA options below and indicate the number of EHV vouchers accepted by the PHA.

**PHA Options** (select a response in the “Choose an item” drop down):

- **Decline, No Vouchers** — PHA does not want any EHV Vouchers.
- **Accept Full Allocation** — PHA wants the full amount as allocated in this letter.
- **Accept Full Allocation, plus more** — PHA wants the full amount as allocated in this letter plus, any additional EHV vouchers that HUD may provide. (HUD expects to have a small amount of additional vouchers to reallocate in early June because of awards declined by other PHAs.)
  - If accepting a full amount **plus more**, up to how many more?
    - **Only if the PHA requests additional** EHV than awarded in this letter, indicate the maximum number of additional vouchers your PHA would accept.
- **Accept, a Lesser Amount** — PHA wants to accept a lesser amount than allocated in this letter, but not less than the minimum allocation of 25 EHV or 15 if your initial allocation was less than 25.
  - If accepting a **lesser amount**, how many?
    - **Only if the PHA is accepting a lesser amount** of EHV than awarded in this letter, indicate the number of vouchers PHA wants to accept, which is less than the award but not less than the applicable minimum allocation.

| PHA Accept or Decline Response  |                               |
|---|-------------------------------|
| PHA Code  | CA103                         |
| EHV Award   | 29                            |
| 1. PHA options to accept or decline award                             | Choose an item. <i>Accept</i> |
| 2. If accepting a <b>Full Allocation, plus more</b> , up to how many? | <i>Full Allocation</i>        |
| 3. If accepting a <b>Lesser Amount</b> , how many?                    |                               |

**X**   
 \_\_\_\_\_  
 Public Housing Executive Director

If you have any questions about this process, please email [EHV@hud.gov](mailto:EHV@hud.gov) and write “EHV Award Letter Response Assistance” in the subject line.

**MEMORANDUM OF UNDERSTANDING –  
EMERGENCY HOUSING VOUCHER PROGRAM**

**BETWEEN**

**THE CITY OF REDONDO BEACH, HOUSING AUTHORITY  
1922 ARTESIA BLVD  
REDONDO BEACH, CA 90278**

**AND**

**LOS ANGELES CONTINUUM OF CARE  
LOS ANGELES HOMELESS SERVICES AUTHORITY  
707 WILSHIRE BOULEVARD, 10TH FLOOR, LOS ANGELES, CA 90017**

This Memorandum of Understanding (“MOU”) is made and entered into by and between the City of Redondo Beach, Housing Authority (“RBHA”) and the Los Angeles Homeless Services Authority (“LAHSA”) as the Collaborative Applicant for the Los Angeles Continuum of Care (“CoC”) and will commence on the date of the execution of the last signatory.

**I. Introduction and Goals:**

- a. On behalf and as the lead agency of the CoC, LAHSA, and RBHA commit to administering the Emergency Housing Vouchers (“EHV”) Program (“Program”).
- b. The Program is authorized by the American Rescue Plan (“ARP”) Act of 2021 (Public Law No. 117-2), in accordance with applicable Housing Choice Voucher (“HCV”) program requirements, including the regulations of 24 CFR Part 982 and the EHV operating requirements as set forth in the May 5, 2021, PIH 2021-15 Notice found at <https://www.hud.gov/sites/dfiles/PIH/documents/PIH2021-15.pdf>, incorporated herein by reference.
- c. RBHA and LAHSA have shared goals and standards for success of the Program. The Program will be deemed successful if 3-5 EHV planned monthly referrals are processed beginning from July 1, 2021 through March 3, 2022.
- d. The names and staff positions at RBHA and LAHSA who will serve as the lead Program liaisons are as follows:

**Name and title of RBHA staff position:**

Angelica Zavala, Housing Supervisor

**Name and title of LAHSA (CoC) staff position:**

Amy Perkins, Special Projects Advisor

**II. Populations eligible for EHV assistance to be referred by CoC:**

The following lists the eligible populations for the EHV program:

| <b>Eligible Households</b>  |
|---|
| <i>Individuals and families who are fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking or another eligible category as applicable.</i>                          |
| <i>Recently Homeless and for whom providing rental assistance will prevent the individual's or family's homelessness or having high risk of housing instability, including households requesting a VAWA Emergency Transfer.</i> |
| <i>Homeless</i>   |
| <i>At risk of homelessness</i>  |

**Prioritization will be determined by the Coordinated Entry System.**

**III. Services Provided to Eligible EHV Households:**

- a. Security Deposits: Security deposit fees will be provided by LAHSA to the extent possible.
- b. RBHA, LAHSA, and/or a partnering service provider will further assist individuals and families in the Program by providing the following services:
  - i. LAHSA will assist individuals and families with the completion of rental applications and forms, obtain necessary supporting documentation for referrals and applications for assistance, and assist with addressing or mitigating barriers to leasing.
  - ii. Housing search assistance for eligible individuals and families.
  - iii. Partnering service providers will support RBHA to ensure appointment notifications to eligible individuals and families, and assist eligible households in attending appointments with RBHA.
  - iv. RBHA will establish timeframes for applicants to complete intake appointments for EHV assistance.
  - v. RBHA and partnering service providers will provide counseling on compliance with lease requirements.
  - vi. Partnering service providers will assess and refer individuals and families to benefits and supportive services, where applicable.

**IV. RBHA Roles and Responsibilities:**

- a. RBHA will coordinate and consult with LAHSA in developing the Program services and assistance to be offered under the EHV services fee.
- b. RBHA will accept direct referrals for eligible individuals, families, and survivors of domestic violence, dating violence, sexual assault, stalking, and human trafficking through the CoC Coordinated Entry System ("CES") implemented by LAHSA.
- c. RBHA will notify LAHSA if a referral has been rejected.
- d. RBHA will establish a unit with dedicated employees to ensure that the application, certification, voucher issuance, unit inspection, and lease up processes are completed in accordance with the Program operating requirements.

- e. RBHA must receive documentation provided by LAHSA, which verifies that the individual or family meets one of the four eligible categories for EHV assistance.
- f. RBHA, with the support of partnering service providers, will ensure appointment notifications to eligible individuals and families, and assist eligible households in attending appointments with RBHA.
- g. RBHA will establish timeframes for applicants to complete intake appointments for EHV assistance.
- h. RBHA, along with partnering service providers, will provide counseling on compliance with lease requirements.
- i. RBHA will process 3-5 EHV planned monthly referrals from July 1, 2021 through March 3, 2022.
- j. RBHA will comply with the provisions of this MOU.

**V. LAHSA Roles and Responsibilities:**

- a. LAHSA will coordinate and consult with RBHA in developing the Program services and assistance to be offered under the EHV services fee.
- b. LAHSA will refer eligible individuals, families, and survivors of domestic violence, dating violence, sexual assault, stalking, and human trafficking, to RBHA via the CES.
- c. LAHSA must provide documentation to RBHA, which verifies that the individual or family meets one of the four eligible categories for EHV assistance.
- d. LAHSA will support eligible applicants in completing applications and obtaining the necessary supporting documentation (self-certifications, birth certificate, social security card, etc.) to be submitted to RBHA.
- e. Information regarding survivors of domestic violence, sexual assault and human trafficking will be maintained and/or shared in compliance with federal, state, and local law to ensure confidentiality.
- f. LAHSA will attend EHV applicant briefings when needed.
- g. LAHSA will assess all applicants, who are referred for EHV assistance, for mainstream benefits and supportive services available to support eligible applicants through their transition.
- h. LAHSA will identify and provide supportive services to EHV participants, as needed. However, participants are not required to participate in supportive services.
- i. LAHSA will send to RBHA 3-5 EHV planned monthly referrals beginning from July 1, 2021 through March 3, 2022.
- j. LAHSA will comply with the provisions of this MOU.

**VI. Program Evaluation:**

- a. RBHA and LAHSA agree to cooperate with the U.S. Department of Housing and Urban Development (“HUD”), to provide any and all requested data to HUD or a HUD-approved contractor who has been delegated the responsibility of program evaluation, and follow all evaluation protocols established by HUD or the HUD-approved contractor, including possible random assignment procedures. All named agencies will communicate on an on-going and as needed basis to ensure that HUD receives any requested information.

**VII. General MOU Provisions:**

- a. *Counterparts.* This MOU may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same Contract.
- b. *Hold harmless / Indemnity.* Government Code Section 895.2 imposes joint civil liability upon public entities solely by reason of such entities being parties to an agreement, as defined by Government Code Section 895. Pursuant to Government Code Section 895.4 and 895.6, LAHSA and RBHA shall each assume the full liability imposed upon them, or any of their respective officers, agents or employees, by law for injury caused by any negligent or wrongful act or omission occurring during the performance of this Agreement and any sub-agreements entered into pursuant thereto. LAHSA and RBHA indemnify and hold harmless one another for any loss, costs, or expenses that may be imposed upon such other party by virtue of Government Code Section 895.2. The parties' covenants and obligations contained herein shall survive the expiration or termination of this Agreement.
- c. *Insurance.* The Parties represent that they maintain sufficient insurance coverages through self-insurance and third-party coverage to meet their respective indemnity and hold harmless obligations as set forth under this agreement.
- d. *Confidentiality and Data Security.* The Parties acknowledge that all Personally Identifiable Information will be held confidential in accordance with the Federal Privacy Act of 1974, and all applicable Federal and state laws.
- e. *Modification and Termination.* This MOU may be modified by the mutual consent of the Parties by the issuance of a written amendment, signed and dated by the authorized representatives of the Parties. The MOU may be terminated for any reason by either party upon sixty (60) days written notice. Notwithstanding early termination, the term of this MOU shall end on September 30, 2023, unless extended by mutual agreement of the Parties.
- f. *Local Preferences Addendum.* The Local Preferences Addendum is attached hereto as Exhibit A and incorporated herein by this reference.

**SIGNATURES FOLLOW**

**IN WITNESS WHEREOF**, the RBHA and LAHSA have caused this MOU to be executed by their duly authorized representatives.

**FOR: CITY OF REDONDO BEACH, HOUSING AUTHORITY**

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

Print Name: **William C. Brand**

Title: **Chairperson**

Executed on this: \_\_\_\_\_

**APPROVED AS TO FORM FOR CITY OF REDONDO BEACH, HOUSING AUTHORITY**

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

Print Name: **Michael W. Webb**

Title: **General Counsel**

Executed on this: \_\_\_\_\_

**ATTESTATION FOR CITY OF REDONDO BEACH, HOUSING AUTHORITY:**

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

Print Name: **Eleanor Manzano**

Title: **Secretary**

Executed on this: \_\_\_\_\_

**FOR: LOS ANGELES HOMELESS SERVICES AUTHORITY**

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

Print Name: **Heidi Marston**

Title: **Executive Director**

Executed on this: \_\_\_\_\_

## Exhibit A

### Local Preferences Addendum

The American Rescue Plan Act allows the U.S. Department of Housing and Urban Development (“HUD”) to waive provisions of any relevant statutes or regulations used to administer the Emergency Housing Voucher (“EHV”) Program (“Program”). Pursuant to the PIH 2021-15 Notice, the Secretary of HUD has waived § 982.204(f) to establish an alternative requirement under which the public housing authority (“PHA”) shall maintain a separate waiting list for EHV referrals/applicants to help expedite the leasing process, both at initial leasing and for any turnover vouchers that may be issued prior to the September 30, 2023 turnover voucher cut-off date.

The HUD Secretary also waived 24 CFR § 982.207(a), and established an alternative requirement that the local preferences established by the PHA for Housing Choice Voucher admissions do not apply to EHV. PHAs, in coordination with the Continuum of Care (“CoC”) and other referral partners, may choose separate local preferences for EHV waiting list. In establishing any local preferences for the EHV waiting list, the preference may not prohibit EHV admissions from any of the four qualifying categories of eligibility. The preference system prioritizes the order in which families on the EHV waiting list are assisted but does not allow the PHA to refuse to accept a referred family that meets one of the four EHV eligibility categories.

For purposes of this Program, the City of Redondo Beach Housing Authority has chosen to give local preference to the EHV waiting list, as follows:

#### Local Preference

1. Priority Level A - Group 1 – People affected by VAWA/DV - Fleeing DV, Human Trafficking
2. Priority Level A - Group 2 – People enrolled in Rental Assistance programs (RRH, Shallow Subsidy)
  - a. Interim Housing Sites that are closing (PRK/PHK), Long term enrollment in Interim Housing, Household enrolled in homeless programs that offer case management, housing navigation, Housing search & placement or retention services
3. Priority Level B – Recently Homeless
4. Priority Level C – At risk of homelessness - have received or are receiving prevention services



# Administrative Report

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G.1., File # 21-2826

Meeting Date: 8/3/2021

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**TITLE**

*For Blue Folder Documents Approved at the City Council Meeting*



# Administrative Report

H.1., File # 21-2827

Meeting Date: 8/3/2021

**To:** MAYOR AND CITY COUNCIL  
**From:** ELEANOR MANZANO, CITY CLERK

**TITLE**

APPROVE AFFIDAVIT OF POSTING FOR THE CITY COUNCIL REGULAR MEETING OF AUGUST 3, 2021

**EXECUTIVE SUMMARY**

STATE OF CALIFORNIA            )  
COUNTY OF LOS ANGELES    ) SS  
CITY OF REDONDO BEACH        )

## AFFIDAVIT OF POSTING

In compliance with the Brown Act, the following materials have been posted at the locations indicated below.

Legislative Body            City Council  
Posting Type                 Regular Agenda  
Posting Locations            415 Diamond Street, Redondo Beach, CA 90277  
                                      ✓ Adjacent to Council Chambers  
Meeting Date & Time        August 3, 2021                   6:00 p.m. Open Session

As City Clerk of the City of Redondo Beach, I declare, under penalty of perjury, the document noted above was posted at the date displayed below.

*Eleanor Manzano, City Clerk*

Date: July 29, 2021



# Administrative Report

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H.2., File # 21-2828

Meeting Date: 8/3/2021

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**TITLE**

APPROVE MOTION TO READ BY TITLE ONLY AND WAIVE FURTHER READING OF ALL ORDINANCES AND RESOLUTIONS LISTED ON THE AGENDA.



# Administrative Report

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H.4., File # 21-2774

Meeting Date: 8/3/2021

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**To:** MAYOR AND CITY COUNCIL  
**From:** JENNIFER PAUL, FINANCE DIRECTOR

**TITLE**

APPROVE CONTRACTS UNDER \$35,000:

1. APPROVE TRANSIT SERVICE OPERATION AGREEMENTS WITH THE CITIES OF HERMOSA BEACH, MANHATTAN BEACH AND EL SEGUNDO FOR THE OPERATION OF BEACH CITIES TRANSIT LINE 109 FOR THE TERM JULY 1, 2021 TO JUNE 30, 2022.
2. APPROVE NO-COST FACILITY USE AGREEMENT WITH LOS ANGELES COUNTY REGISTRAR-RECORDER/COUNTY CLERK FOR THE PLACEMENT AND INSTALLATION OF ONE (1) 24-HOUR UNMANNED VOTE BY MAIL BALLOT DROP BOX AT DOMINGUEZ PARK FOR THE SEPTEMBER 14, 2021 GUBERNATORIAL RECALL ELECTION AND FUTURE ELECTIONS FOR THE TERM AUGUST 3, 2021 TO AUGUST 2, 2026.
3. APPROVE NO-COST FACILITY USE AGREEMENT AND ELECTION PLAN FOR USE OF ALTA VISTA PARK COMMUNITY CENTER AS AN 11-DAY VOTE CENTER WITH LOS ANGELES COUNTY REGISTRAR-RECORDER/COUNTY CLERK FOR THE SEPTEMBER 14, 2021 GUBERNATORIAL RECALL ELECTION FOR THE TERM AUGUST 3, 2021 TO SEPTEMBER 30, 2021.

**EXECUTIVE SUMMARY**

Approve Contracts Under \$35,000

Agreements for items #2 and #3 will be forthcoming as blue folder items.

**APPROVED BY:**

*Joe Hoefgen, City Manager*

**ATTACHMENTS**

Contracts and Signatures

**TRANSIT SERVICE OPERATION AGREEMENT  
BETWEEN THE CITY OF REDONDO BEACH AND  
THE CITY OF HERMOSA BEACH**

THIS TRANSIT SERVICE OPERATION AGREEMENT (this "Agreement") is entered into by and between the City of Redondo Beach ("Redondo Beach"), on behalf of Beach Cities Transit ("BCT"), which is a division of Redondo Beach, and the City of Hermosa Beach ("Hermosa Beach").

**RECITALS**

- A. **WHEREAS**, on July 1, 2006, Redondo Beach and Hermosa Beach entered into that certain Transit Service Operation Agreement ("First Agreement") to enable BCT Line 109 as described in **Attachment A** to take over public transportation services for the discontinued LACMTA Line 439 for a two (2) year term.
- B. **WHEREAS**, Redondo Beach and Hermosa Beach subsequently entered into new agreements relating to Line 109 in 2008, 2010, 2011, 2012, 2013, 2015, 2017, 2019, and 2020 (the "2020 Agreement").
- C. **WHEREAS**, the 2020 Agreement expires on June 30, 2021, and the parties desire to enter into a new agreement on the terms and conditions set forth below.

**NOW THEREFORE, IN CONSIDERATION OF THE MUTUAL PROMISES CONTAINED HEREIN, THE PARTIES AGREE AS FOLLOWS:**

**1. TERM**

This Agreement shall be effective as of July 1, 2021, and shall have a one (1) year term expiring on June 30, 2022. Hermosa Beach acknowledges that an agreement in similar form to this Agreement or an amendment may be negotiated for continued Line 109 service beyond June 30, 2022. In the event Hermosa Beach intends to renew this Agreement, Hermosa Beach shall notify Redondo Beach of its intent to renew at least 182 days prior to the expiration of this term.

**2. SERVICE DESCRIPTION**

- A. Redondo Beach shall operate Line 109 consistent with the maps shown in **Attachment A**, which is attached hereto and by this reference incorporated herein ("Line 109" or the "Service").
- B. Redondo Beach shall operate Line 109 on the days of the week, service times and days, and frequencies of service equal to or better than that which was operated by BCT immediately prior to the effective date of this Agreement. The service schedules for Line 109, as illustrated in **Attachment B** is attached hereto and by this reference incorporated herein.

- C. Redondo Beach may adjust the route and schedule of Line 109; however, any changes or reductions to the Service in excess of 10% shall be brought to Hermosa Beach in writing for review and comment prior to implementation.
- D. Redondo Beach reserves its rights, at its sole discretion, to enter into contracts for Line 109 service with any other provider of its choice at any time without the approval of Hermosa Beach. Redondo Beach shall be responsible for any and all aspects of administration of the service contract, and shall assure that the contract includes provisions pertaining to insurance, age, maintenance and operation of vehicles, driver qualifications and other similar provisions typical of an agreement of that kind.
- E. Redondo Beach shall base the percentage of cost for Line 109 on the route service mile calculations, as illustrated in the attached **Attachment C**.

**3. PASSENGER FARES**

Redondo Beach may charge fares for the Service consistent with their existing fixed-route service. Redondo Beach will accept interagency transfers with adjacent transit operators and participate in the EZ Pass Program. Redondo Beach shall retain all farebox revenues. BCT Line 109 passenger fare revenues shall be used to offset operation expenses.

**4. FUNDING**

A. For costs associated with the operation of Line 109, Hermosa Beach shall pay Redondo Beach in accordance with this Section. Hermosa Beach shall not pay Redondo Beach for capital costs nor shall Hermosa Beach provide equipment to operate the Service.

B. **FY 2021-22:** Funding from Hermosa Beach shall be \$0 for fiscal year 2021-22. Service operating expenses are incorporated in the service hour rates and include without limitation, driver wages, general administration and overhead, and maintenance costs. The calculation for these estimated costs shall be in accordance with the Management Agreement for the Operation and Maintenance of Beach Cities Transit Fixed Route Transit Between the City of Redondo Beach and Parking Concepts, Inc. dba Transportation Concepts. The estimated revenues shall be based on the LACMTA funding formula and the prior fiscal year's fare revenues for Line 109.

Real Time Information ("RTI") system operating expenses include without limitation, capital equipment, passenger/administration interface programs, cellular and internet hosting of RTI services and report management programs.

C. Redondo Beach is responsible for all marketing and promotion of the service. Notwithstanding the foregoing, Hermosa Beach may advertise at its sole expense, but any reference to BCT must be approved in writing by Redondo Beach prior to such reference. Only the BCT logo may be used to advertise or market the service.

- D. On a quarterly basis, BCT will meet with Hermosa Beach to develop additional marketing strategies directed towards increasing BCT Line 109 ridership. Hermosa Beach shall provide assistance for public outreach and information to target Hermosa Beach residents and non-resident community members.

**5. REPORTING/INVOICING**

- A. Redondo Beach shall report to Hermosa Beach on a quarterly basis, all of the following data for the Line 109 Service:

- (1) Passengers carried
- (2) Revenue hours operated
- (3) Revenue miles operated
- (4) Total operating costs, including service operating expenses and RTI capital and operating expenses

- B. Redondo Beach shall submit said report to the Hermosa Beach City Manager in writing within fifteen (15) days after the end of each reporting quarter.

- C. Redondo Beach shall submit quarterly reports to the Hermosa Beach City Manager.

- D. Redondo Beach shall incorporate Line 109 data into its Federal Transit Administration's National Transit Data (NTD) annual report for the entire BCT fixed route transportation system. Redondo Beach shall provide to Hermosa Beach annual NTD random sampling data which provides the statistics to estimate the number of passengers boarding and alighting by stop in Hermosa Beach, and the total estimated Hermosa Beach passengers. Redondo Beach shall be responsible for any and all aspects of administration of the service contract, and shall include provisions pertaining to insurance.

- E. Hermosa Beach retains the right to audit the BCT's records of Line 109 Service, and to periodically monitor the Service.

- F. Redondo Beach shall schedule quarterly joint meetings with the partnering cities of El Segundo, Hermosa Beach, and Manhattan Beach. Redondo Beach will provide a quarterly update of Line 109 services, and discuss coordinated marketing and public outreach efforts and operating and financing issues that affect BCT services.

**6. INSPECTION OF RECORDS**

BCT records relevant to this Agreement shall be available for inspection by Hermosa Beach at all reasonable times for a period of at least three (3) years for each year or after the termination date, whichever comes first.

**7. NON-DISCRIMINATION**

No person shall on the grounds of race, color, religion, national origin, ancestry, age, sex, physical or mental disability, be excluded from participation in, or be subject to discrimination in the operation of the Line 109 Service.

**8. COORDINATION**

A. Redondo Beach shall coordinate its BCT services, to the extent practical, so that passengers transferring between transit operators will have minimal waiting times. This coordination will require transit agencies to communicate with each other as many weeks as possible in advance of any planned schedule change to the services that may affect passenger transfers.

B. The Hermosa Beach Project Manager for this project shall be the City Manager or his/her designee. BCT coordinator for this project shall be the Community Services Director or his/her designee.

**9. WAIVER OF BREACH**

The waiver of each party of any breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach of that same or any other provision.

**10. NOTICES**

A. All notices, requests, demands, or other communications under this Agreement shall be in writing. Notice shall be given as follows:

- (1) Personal Delivery. Personally delivered to the recipient. Notice is effective on delivery.
- (2) First Class Mail. First class to the last address of the recipient known to the party giving notice. Notice is effective three mail delivery days after deposit in a United States Postal Service office or mailbox.
- (3) Certified Mail. Certified mail with return receipt requested. Notice is effective on receipt, if delivery is confirmed by a return receipt.
- (4) Overnight Delivery. Delivered by an overnight delivery service, charges prepaid or charged to the sender's account. Notice is effective on delivery, if delivery is confirmed by the delivery service.
- (5) Email. Sent by email to the last email address of the recipient known to the party giving notice. Notice is effective upon receipt. Any notice given by email shall be deemed received on the next business day if it is received after 5:00 p.m. (recipient's time) or on a non-business day.

Addresses for purpose of giving notice shall be as follows:

Beach Cities Transit: City of Redondo Beach  
Transit Operations and Transportation Facilities Manager  
Attention: Line 109  
415 Diamond Street  
Redondo Beach, CA 90277

Email: [joyce.rooney@redondo.org](mailto:joyce.rooney@redondo.org)

With a copy to: City of Redondo Beach  
The City Clerk's Office  
415 Diamond Street  
Redondo Beach, CA 90277-2836

Email: [cityclerk@redondo.org](mailto:cityclerk@redondo.org)

City of Hermosa Beach: City of Hermosa Beach  
Community Development Director  
1315 Valley Drive  
Hermosa Beach, CA 90254-3885

Email: [krobertson@hermosabch.org](mailto:krobertson@hermosabch.org)

With a copy to: City Clerk  
City of Hermosa Beach  
1315 Valley Drive  
Hermosa Beach, CA 90254-3885

Email: [cityclerk@hermosabch.org](mailto:cityclerk@hermosabch.org)

B. Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified, shall be deemed effective as of the first date the notice was refused, unclaimed or deemed undeliverable by the postal authorities, messenger or overnight delivery service.

C. Either party may change its address or email address number by giving the other party written notice of the change.

**11. SEVERABILITY**

Should any part, term or provision of this Agreement or any document required herein to be executed be declared invalid, void or unenforceable, all remaining parts, terms and provisions hereof shall remain in full force and effect and shall in no way be invalidated, impaired or affected thereby.

**12. INTEGRATION; AMENDMENT**

This Agreement represents the entire understanding of Hermosa Beach and Redondo Beach as to those matters contained in it. No prior oral or written understanding shall

be of any force or effect with respect to the subject matter hereof. The Agreement may not be modified or altered except by written amendment executed by both parties.

**13. INTERPRETATION**

The terms of this Agreement should be construed in accordance with the meaning of the language used and should not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction that might otherwise apply.

**14. GOVERNING LAW; JURISDICTION**

This Agreement will be administered and interpreted under the laws of the State of California. Jurisdiction of any litigation arising from the Agreement will be in Los Angeles County, California.

**15. COMPLIANCE WITH STATUTES AND REGULATIONS**

BCT will be knowledgeable of and will comply with all applicable federal, state, county and city statutes, rules, regulations, ordinances and orders.

**16. NON-LIABILITY OF CITIES**

No officer or employee of either city shall be personally liable to the other, in the event of any default or breach thereunder.

**17. INDEMNIFICATION**

Each party hereby agrees to defend, protect, indemnify and hold harmless the other party, its officers, employees, volunteers, agents, elected and appointed officials, and members of boards and commissions from and against any and all loss, damages, costs, expenses, liabilities, claims, demands, causes of action, proceedings, and judgments, including reasonable attorney's fees, expert fees and costs of suit arising directly or indirectly from or in any manner related to or in connection with or caused by the performance or failure of the party, its agents, servants or employees to perform the services required of the party's employees under the terms of this Agreement.

**18. AUTHORITY**

Each party warrants that the individuals who have signed this Agreement have the legal power, right and authority to enter into and execute this Agreement on behalf of each respective party.

*SIGNATURES FOLLOW ON NEXT PAGE*

IN WITNESS WHEREOF, the parties have executed this Agreement in Redondo Beach, California, as of this \_\_\_\_ day of \_\_\_\_\_, 2021.

CITY OF REDONDO BEACH

CITY OF HERMOSA BEACH

By: \_\_\_\_\_  
William C. Brand, Mayor

By: \_\_\_\_\_  
Justin Massey, Mayor

APPROVED AS TO FORM:

APPROVED AS TO FORM:

\_\_\_\_\_  
Michael W. Webb, City Attorney

\_\_\_\_\_  
Michael Jenkins, City Attorney

ATTEST:

ATTEST:

\_\_\_\_\_  
Eleanor Manzano, City Clerk

\_\_\_\_\_  
Eduardo Sarmiento, Deputy City Clerk

# Attachment A: Line 109 Map



## Attachment B: BCT Line 109 Time Schedule

**NORTH BOUND** Redondo Beach  
Riviera Village to  
**109** LAX Bus Center

### MONDAY THROUGH FRIDAY

|                                |                       |                        |                       |                     |                  |                |
|--------------------------------|-----------------------|------------------------|-----------------------|---------------------|------------------|----------------|
| Palos Verdes Bl & Via Valencia | Hermosa Ave & 10th St | Highland Ave & 14th St | Park Place at Douglas | Main St & Holly Ave | Aviation Station | LAX Bus Center |
| <b>7</b>                       | <b>8</b>              | <b>9</b>               | <b>10</b>             | <b>11</b>           | <b>12</b>        | <b>13</b>      |
| --                             | --                    | --                     | --                    | --                  | --               | --             |
| 6:00                           | 6:17                  | 6:28                   | 6:42                  | 6:53                | 7:03             | 7:13           |
| 6:30                           | 6:47                  | 6:58                   | 7:12                  | 7:23                | 7:33             | 7:43           |
| 7:25                           | 7:42                  | 7:53                   | 8:07                  | 8:18                | 8:28             | 8:38           |
| 8:10                           | 8:27                  | 8:38                   | 8:52                  | 9:07                | 9:17             | 9:27           |
| 8:50                           | 9:07                  | 9:18                   | 9:32                  | 9:47                | 9:57             | 10:07          |
| 9:35                           | 9:52                  | 10:03                  | 10:17                 | 10:32               | 10:42            | 10:52          |
| 10:25                          | 10:42                 | 10:53                  | 11:07                 | 11:22               | 11:32            | 11:42          |
| 11:10                          | 11:27                 | 11:38                  | 11:52                 | <b>12:07</b>        | <b>12:17</b>     | <b>12:27</b>   |
| 11:50                          | <b>12:07</b>          | <b>12:18</b>           | <b>12:32</b>          | <b>12:47</b>        | <b>12:57</b>     | <b>1:07</b>    |
| <b>12:35</b>                   | <b>12:52</b>          | <b>1:03</b>            | <b>1:17</b>           | <b>1:32</b>         | <b>1:42</b>      | <b>1:52</b>    |
| <b>1:45</b>                    | <b>2:02</b>           | <b>2:13</b>            | <b>2:27</b>           | <b>2:42</b>         | <b>2:52</b>      | <b>3:02</b>    |
| <b>2:30</b>                    | <b>2:47</b>           | <b>2:58</b>            | <b>3:12</b>           | <b>3:27</b>         | <b>3:37</b>      | <b>3:47</b>    |
| <b>3:10</b>                    | <b>3:27</b>           | <b>3:38</b>            | <b>3:52</b>           | <b>4:07</b>         | <b>4:17</b>      | <b>4:27</b>    |
| <b>3:55</b>                    | <b>4:12</b>           | <b>4:23</b>            | <b>4:37</b>           | <b>4:52</b>         | <b>5:02</b>      | <b>5:12</b>    |
| <b>4:45</b>                    | <b>5:02</b>           | <b>5:13</b>            | <b>5:27</b>           | <b>5:42</b>         | <b>5:52</b>      | <b>6:02</b>    |
| <b>5:30</b>                    | <b>5:47</b>           | <b>5:58</b>            | <b>6:12</b>           | <b>6:27</b>         | <b>6:37</b>      | <b>6:47</b>    |
| <b>6:10</b>                    | <b>6:27</b>           | <b>6:38</b>            | <b>6:52</b>           | <b>7:07</b>         | <b>7:17</b>      | <b>7:27</b>    |
| <b>6:55</b>                    | <b>7:12</b>           | <b>7:23</b>            | <b>7:37</b>           | <b>7:52</b>         | <b>8:02</b>      | <b>8:12</b>    |
| <b>7:45</b>                    | <b>8:02</b>           | <b>8:13</b>            | <b>8:27</b>           | <b>8:42</b>         | <b>8:52</b>      | <b>9:02</b>    |
| <b>8:30</b>                    | <b>8:47</b>           | <b>8:58</b>            | <b>9:12</b>           | <b>9:27</b>         | <b>9:37</b>      | <b>9:47</b>    |
| AM                             | PM                    |                        |                       |                     |                  |                |

**SOUTH BOUND** LAX Bus Center to  
Redondo Beach  
**109** Riviera Village

### MONDAY THROUGH FRIDAY

|                |                  |                     |                       |                        |                       |                                |
|----------------|------------------|---------------------|-----------------------|------------------------|-----------------------|--------------------------------|
| LAX Bus Center | Aviation Station | Main St & Holly Ave | Park Place at Douglas | Highland Ave & 14th St | Hermosa Ave & 11th St | Palos Verdes Bl & Via Valencia |
| <b>13</b>      | <b>12</b>        | <b>11</b>           | <b>10</b>             | <b>9</b>               | <b>8</b>              | <b>7</b>                       |
| 5:55           | 6:07             | 6:21                | 6:39                  | 6:51                   | 7:00                  | 7:15                           |
| 6:40           | 6:52             | 7:06                | 7:24                  | 7:36                   | 7:45                  | 8:00                           |
| 7:20           | 7:32             | 7:46                | 8:04                  | 8:16                   | 8:25                  | 8:40                           |
| 8:05           | 8:17             | 8:31                | 8:49                  | 9:01                   | 9:10                  | 9:25                           |
| 8:55           | 9:07             | 9:21                | 9:39                  | 9:51                   | 10:00                 | 10:15                          |
| 9:40           | 9:52             | 10:06               | 10:24                 | 10:36                  | 10:45                 | 11:00                          |
| 10:20          | 10:32            | 10:46               | 11:04                 | 11:16                  | 11:25                 | 11:40                          |
| 11:05          | 11:17            | 11:31               | 11:49                 | <b>12:01</b>           | <b>12:10</b>          | <b>12:25</b>                   |
| <b>12:15</b>   | <b>12:27</b>     | <b>12:41</b>        | <b>12:59</b>          | <b>1:11</b>            | <b>1:20</b>           | <b>1:35</b>                    |
| <b>1:00</b>    | <b>1:12</b>      | <b>1:26</b>         | <b>1:44</b>           | <b>1:56</b>            | <b>2:05</b>           | <b>2:20</b>                    |
| <b>1:40</b>    | <b>1:52</b>      | <b>2:06</b>         | <b>2:24</b>           | <b>2:36</b>            | <b>2:45</b>           | <b>3:00</b>                    |
| <b>2:25</b>    | <b>2:37</b>      | <b>2:51</b>         | <b>3:09</b>           | <b>3:21</b>            | <b>3:30</b>           | <b>3:45</b>                    |
| <b>3:15</b>    | <b>3:27</b>      | <b>3:41</b>         | <b>3:59</b>           | <b>4:11</b>            | <b>4:20</b>           | <b>4:35</b>                    |
| <b>4:00</b>    | <b>4:12</b>      | <b>4:26</b>         | <b>4:44</b>           | <b>4:56</b>            | <b>5:05</b>           | <b>5:20</b>                    |
| <b>4:40</b>    | <b>4:52</b>      | <b>5:06</b>         | <b>5:24</b>           | <b>5:36</b>            | <b>5:45</b>           | <b>6:00</b>                    |
| <b>5:25</b>    | <b>5:37</b>      | <b>5:51</b>         | <b>6:09</b>           | <b>6:21</b>            | <b>6:30</b>           | <b>6:45</b>                    |
| <b>6:15</b>    | <b>6:27</b>      | <b>6:41</b>         | <b>6:59</b>           | <b>7:11</b>            | <b>7:20</b>           | <b>7:35</b>                    |
| <b>7:00</b>    | <b>7:12</b>      | <b>7:26</b>         | <b>7:44</b>           | <b>7:56</b>            | <b>8:05</b>           | <b>8:20</b>                    |
| <b>7:40</b>    | <b>7:52</b>      | <b>8:06</b>         | <b>8:24</b>           | <b>8:36</b>            | <b>8:45</b>           | <b>9:00</b>                    |
| <b>8:25</b>    | <b>8:37</b>      | <b>8:51</b>         | <b>9:09</b>           | <b>9:21</b>            | <b>9:30</b>           | <b>9:45</b>                    |
| AM             | PM               |                     |                       |                        |                       |                                |

### SATURDAY & SUNDAY

|                                |                       |                        |                       |                     |                  |                |
|--------------------------------|-----------------------|------------------------|-----------------------|---------------------|------------------|----------------|
| Palos Verdes Bl & Via Valencia | Hermosa Ave & 10th St | Highland Ave & 14th St | Park Place at Douglas | Main St & Holly Ave | Aviation Station | LAX Bus Center |
| <b>7</b>                       | <b>8</b>              | <b>9</b>               | <b>10</b>             | <b>11</b>           | <b>12</b>        | <b>13</b>      |
| --                             | --                    | --                     | --                    | --                  | --               | --             |
| 6:05                           | 6:22                  | 6:33                   | 6:47                  | 7:02                | 7:12             | 7:22           |
| 7:05                           | 7:22                  | 7:33                   | 7:47                  | 8:02                | 8:12             | 8:22           |
| 8:15                           | 8:32                  | 8:43                   | 8:57                  | 9:12                | 9:22             | 9:32           |
| 9:10                           | 9:27                  | 9:38                   | 9:52                  | 10:07               | 10:17            | 10:27          |
| 10:10                          | 10:27                 | 10:38                  | 10:52                 | 11:07               | 11:17            | 11:27          |
| 11:15                          | 11:32                 | 11:43                  | 11:57                 | <b>12:12</b>        | <b>12:22</b>     | <b>12:32</b>   |
| <b>12:10</b>                   | <b>12:27</b>          | <b>12:38</b>           | <b>12:52</b>          | <b>1:07</b>         | <b>1:17</b>      | <b>1:27</b>    |
| <b>1:10</b>                    | <b>1:27</b>           | <b>1:38</b>            | <b>1:52</b>           | <b>2:07</b>         | <b>2:17</b>      | <b>2:27</b>    |
| <b>2:35</b>                    | <b>2:52</b>           | <b>3:03</b>            | <b>3:17</b>           | <b>3:32</b>         | <b>3:42</b>      | <b>3:52</b>    |
| <b>3:30</b>                    | <b>3:47</b>           | <b>3:58</b>            | <b>4:12</b>           | <b>4:27</b>         | <b>4:37</b>      | <b>4:47</b>    |
| <b>4:30</b>                    | <b>4:47</b>           | <b>4:58</b>            | <b>5:12</b>           | <b>5:27</b>         | <b>5:37</b>      | <b>5:47</b>    |
| <b>5:35</b>                    | <b>5:52</b>           | <b>6:03</b>            | <b>6:17</b>           | <b>6:32</b>         | <b>6:42</b>      | <b>6:52</b>    |
| <b>6:30</b>                    | <b>6:47</b>           | <b>6:58</b>            | <b>7:12</b>           | <b>7:27</b>         | <b>7:37</b>      | <b>7:47</b>    |
| <b>7:30</b>                    | <b>7:47</b>           | <b>7:58</b>            | <b>8:12</b>           | <b>8:27</b>         | <b>8:37</b>      | <b>8:47</b>    |
| <b>8:30</b>                    | <b>8:47</b>           | <b>8:58</b>            | <b>9:12</b>           | <b>9:27</b>         | <b>9:37</b>      | <b>9:47</b>    |
| AM                             | PM                    |                        |                       |                     |                  |                |

### SATURDAY & SUNDAY

|                |                  |                     |                       |                        |                       |                                |
|----------------|------------------|---------------------|-----------------------|------------------------|-----------------------|--------------------------------|
| LAX Bus Center | Aviation Station | Main St & Holly Ave | Park Place at Douglas | Highland Ave & 14th St | Hermosa Ave & 11th St | Palos Verdes Bl & Via Valencia |
| <b>13</b>      | <b>12</b>        | <b>11</b>           | <b>10</b>             | <b>9</b>               | <b>8</b>              | <b>7</b>                       |
| 6:45           | 6:57             | 7:11                | 7:29                  | 7:41                   | 7:50                  | 8:05                           |
| 7:40           | 7:52             | 8:06                | 8:24                  | 8:36                   | 8:45                  | 9:00                           |
| 8:40           | 8:52             | 9:06                | 9:24                  | 9:36                   | 9:45                  | 10:00                          |
| 9:45           | 9:57             | 10:11               | 10:29                 | 10:41                  | 10:50                 | 11:05                          |
| 10:40          | 10:52            | 11:06               | 11:24                 | 11:36                  | 11:45                 | <b>12:00</b>                   |
| 11:40          | 11:52            | <b>12:06</b>        | <b>12:24</b>          | <b>12:36</b>           | <b>12:45</b>          | <b>1:00</b>                    |
| <b>1:05</b>    | <b>1:17</b>      | <b>1:31</b>         | <b>1:49</b>           | <b>2:01</b>            | <b>2:10</b>           | <b>2:25</b>                    |
| <b>2:00</b>    | <b>2:12</b>      | <b>2:26</b>         | <b>2:44</b>           | <b>2:56</b>            | <b>3:05</b>           | <b>3:20</b>                    |
| <b>3:00</b>    | <b>3:12</b>      | <b>3:26</b>         | <b>3:44</b>           | <b>3:56</b>            | <b>4:05</b>           | <b>4:20</b>                    |
| <b>4:05</b>    | <b>4:17</b>      | <b>4:31</b>         | <b>4:49</b>           | <b>5:01</b>            | <b>5:10</b>           | <b>5:25</b>                    |
| <b>5:00</b>    | <b>5:12</b>      | <b>5:26</b>         | <b>5:44</b>           | <b>5:56</b>            | <b>6:05</b>           | <b>6:20</b>                    |
| <b>6:00</b>    | <b>6:12</b>      | <b>6:26</b>         | <b>6:44</b>           | <b>6:56</b>            | <b>7:05</b>           | <b>7:20</b>                    |
| <b>7:05</b>    | <b>7:17</b>      | <b>7:31</b>         | <b>7:49</b>           | <b>8:01</b>            | <b>8:10</b>           | <b>8:25</b>                    |
| <b>8:00</b>    | <b>8:12</b>      | <b>8:26</b>         | <b>8:44</b>           | <b>8:56</b>            | <b>9:05</b>           | <b>9:20</b>                    |
| <b>8:55</b>    | <b>9:07</b>      | <b>9:21</b>         | <b>9:39</b>           | <b>9:51</b>            | <b>10:00</b>          | <b>10:15</b>                   |
| AM             | PM               |                     |                       |                        |                       |                                |

BCT does not operate on Thanksgiving Day, Christmas Day and New Year's Day.  
Saturday schedules are operated on Memorial Day, Independence Day, Labor Day and Veterans Day.

**EFFECTIVE  
JANUARY 2018**

**Attachment C**  
**Beach Cities Transit Line 109**  
**Route Service Mile Calculations by City**

| <b>Route Miles</b>          | <b>NB Miles</b> | <b>SB Miles</b> | <b><i>Average<br/>Miles Per<br/>City</i></b> | <b><i>Allocation<br/>Formula %</i></b> |
|-----------------------------|-----------------|-----------------|--|--|
| Redondo Beach & Los Angeles | 5.3             | 6.9             | <b><i>6.1</i></b>                            | <b><i>34.95%</i></b>                   |
| Hermosa Beach               | 2.2             | 1.6             | <b><i>1.90</i></b>                           | <b><i>10.89%</i></b>                   |
| Manhattan Beach             | 3.4             | 2.2             | <b><i>2.8</i></b>                            | <b><i>16.05%</i></b>                   |
| El Segundo                  | 7.7             | 5.6             | <b><i>6.65</i></b>                           | <b><i>38.11%</i></b>                   |
| Total Miles                 | 18.6            | 16.3            | <b><i>17.45</i></b>                          | <b><i>100.00%</i></b>                  |

**TRANSIT SERVICE OPERATION AGREEMENT  
BETWEEN THE CITY OF REDONDO BEACH AND  
THE CITY OF MANHATTAN BEACH**

THIS TRANSIT SERVICE OPERATION AGREEMENT (this “Agreement”) is entered into by and between the City of Redondo Beach (“Redondo Beach”), on behalf of Beach Cities Transit (“BCT”), which is a division of Redondo Beach, and the City of Manhattan Beach (“Manhattan Beach”). Redondo Beach and Manhattan Beach are sometimes referred to herein as the “Parties”, and individually as a “Party”.

**RECITALS**

- A. WHEREAS, on July 1, 2006, Redondo Beach and Manhattan Beach entered into that certain Transit Service Operation Agreement (“First Agreement”) to enable BCT Line 109 as described in Attachment A to take over public transportation services for the discontinued Los Angeles County Metropolitan Transportation Authority Line 439 for a two (2) year term.
- B. WHEREAS, Redondo Beach and Manhattan Beach subsequently entered into new agreements relating to Line 109 in 2008, 2010, 2011, 2012, 2013, 2015, 2016, 2017, and 2018 (the “2018 Agreement”).
- C. WHEREAS, the 2018 Agreement expired on June 30, 2019, and the Parties did not enter into an agreement for 2019;
- D. WHEREAS, Redondo Beach and Manhattan Beach entered into an agreement effective July 1, 2020; and
- E. WHEREAS, the Parties desire to enter into a new agreement on the terms and conditions set forth below.

**NOW THEREFORE, IN CONSIDERATION OF THE MUTUAL PROMISES CONTAINED HEREIN, THE PARTIES AGREE AS FOLLOWS:**

**1. TERM**

This Agreement shall be effective as of July 1, 2021, and shall have a one (1) year term expiring on June 30, 2022. The Parties acknowledge that an agreement in similar form to this Agreement or an amendment may be negotiated for continued Line 109 service beyond June 30, 2022. In the event Manhattan Beach intends to renew this Agreement, Manhattan Beach shall notify Redondo Beach of its intent to renew at least 182 days prior to the expiration of this term.

**2. SERVICE DESCRIPTION**

- a. Redondo Beach shall engage a qualified transportation contractor to provide bus services to Line 109 consistent with the maps shown in Attachment A, which is attached hereto and by this reference incorporated herein (“Line 109” or the “Service”).
- b. Redondo Beach shall engage a qualified transportation contractor to provide bus services to Line 109 on the days of the week and service times, and at frequencies of service equal to or better than that which was operated by Redondo Beach immediately prior to the effective date of this Agreement. The service schedules for Line 109, as illustrated in Attachment B, are attached hereto and by this reference incorporated herein.
- c. Redondo Beach may adjust the route and schedule of Line 109; however, any changes or reductions to the Service in excess of 10% shall be brought to Manhattan Beach in writing for review and comment prior to implementation.
- d. Redondo Beach reserves its rights, at its sole discretion, to enter into contracts for Line 109 service with any other provider of its choice at any time without the approval of Manhattan Beach. Redondo Beach shall be responsible for any and all aspects of administration of the service contract, and shall assure that the contract includes provisions pertaining to insurance, age, maintenance and operation of vehicles, driver qualifications and other similar provisions typical of an agreement of that kind.

### **3. PASSENGER FARES**

Redondo Beach may charge fares for the Service consistent with their existing fixed-route service. Redondo Beach will accept interagency transfers with adjacent transit operators and participate in the EZ Pass Program. Redondo Beach shall retain all farebox revenues. BCT Line 109 passenger fare revenues shall be used to offset operation expenses.

### **4. FUNDING**

- a. For costs associated with the operation of Line 109, Manhattan Beach shall pay Redondo Beach in accordance with this Section. Manhattan Beach shall not pay Redondo Beach for capital costs related to Service Operating Expenses, as described more fully in subsection 4.B, nor shall Manhattan Beach provide equipment to operate the Service.
- b. FY 2021-22: Operations Funding from Manhattan Beach shall be \$0 for fiscal year 2021-22. The Parties agree that, in the event this Agreement is extended or amended and Manhattan Beach agrees to provide operations funding, the amount of that funding will be derived from the percentage of cost for Line 109, which is based on the route service mile calculations illustrated in Attachment C, attached hereto

Service Operating Expenses are incorporated in the service hour rates and include without limitation, driver wages, general administration and overhead, and maintenance costs. Real Time Information (“RTI”) Systems Operating Expenses include without limitation, RTI Systems, passenger/administration interface

programs, cellular and internet hosting of RTI services and report management programs.

- c. Redondo Beach is responsible for all marketing and promotion of the service. Notwithstanding the foregoing, Manhattan Beach may advertise at its sole expense, but any reference to BCT must be approved in writing by Redondo Beach prior to such reference. Only the BCT logo may be used to advertise or market the service.
- d. On a quarterly basis, BCT will meet with Manhattan Beach to develop additional marketing strategies directed towards increasing BCT Line 109 ridership. Manhattan Beach shall provide assistance for public outreach and information to target Manhattan Beach residents and non-resident community members.

## 5. **REPORTING/INVOICING**

- a. Redondo Beach shall report to Manhattan Beach on a quarterly basis, all of the following data for the Line 109 Service:
  - i. Passengers carried
  - ii. Revenue hours operated
  - iii. Revenue miles operated
  - iv. Total operating costs, which includes Service Operating Expenses and RTI Systems Capital and Operating Expenses.
- b. Redondo Beach shall submit said report to the Manhattan Beach City Manager in writing within 45 days after the end of each reporting quarter.
- c. Redondo Beach shall submit quarterly reports to the Manhattan Beach City Manager.
- d. Redondo Beach shall incorporate Line 109 data into its Federal Transit Administration's National Transit Data (NTD) annual report for the entire BCT fixed route transportation system. Redondo Beach shall provide to Manhattan Beach annual NTD random sampling data which provides the statistics to estimate the number of passengers boarding and alighting by stop in Manhattan Beach and the total estimated Manhattan Beach passengers. Redondo Beach shall be responsible for any and all aspects of administration of the service contract and shall include provisions pertaining to insurance.
- e. Manhattan Beach retains the right to audit the BCT's records of Line 109 Service and to periodically monitor the Service.
- f. Redondo Beach shall schedule quarterly joint meetings with the partnering cities of El Segundo, Hermosa Beach, and Manhattan Beach. Redondo Beach will provide a quarterly update of Line 109 services and discuss coordinated marketing and public outreach efforts and operating and financing issues that affect BCT services.

6. **INSPECTION OF RECORDS**

BCT records relevant to this Agreement shall be available for inspection by Manhattan Beach at all reasonable times for a period of at least three (3) years for each year or after the termination date, whichever comes first.

7. **NON-DISCRIMINATION**

No person shall on the grounds of race, color, religion, national origin, ancestry, age, sex, physical or mental disability, be excluded from participation in, or be subject to discrimination in the operation of the Line 109 Service.

8. **COORDINATION**

- a. Redondo Beach shall coordinate its BCT services, to the extent practical, so that passengers transferring between transit operators will have minimal waiting times. This coordination will require transit agencies to communicate with each other as many weeks as possible in advance of any planned schedule change to the services that may affect passenger transfers.
- b. The Manhattan Beach Project Manager for this project shall be the City Manager or designee. The BCT coordinator for this project shall be the Community Services Director or designee.

9. **WAIVER OF BREACH**

The waiver of each Party of any breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach of that same or any other provision.

10. **NOTICES**

- a. All notices, requests, demands, or other communications under this Agreement shall be in writing. Notice shall be given as follows:
  - i. Personal Delivery. When personally delivered to the recipient, notice is effective on delivery.
  - ii. First Class Mail. When mailed first class to the last address of the recipient known to the Party giving notice, notice is effective three mail delivery days after deposit in a United States Postal Service office or mailbox.
  - iii. Certified Mail. When mailed via certified mail, return receipt requested, notice is effective on receipt, if delivery is confirmed by a return receipt.

- iv. Overnight Delivery. When delivered by an overnight delivery service, charges prepaid or charged to the sender's account, notice is effective on delivery, if delivery is confirmed by the delivery service.
- v. Facsimile Transmission. When sent by fax to the last fax number of the recipient known to the Party giving notice, notice is effective upon receipt. Any notice given by fax shall be deemed received on the next business day if it is received after 5:00 p.m. (recipient's time) or on a non-business day.

Addresses for purpose of giving notice shall be as follows:

Beach Cities Transit:           City of Redondo Beach  
   Community Services Director  
   Attention: Line 109  
   1922 Artesia Blvd  
   Redondo Beach, CA 90278  
   Fax Number: (310) 798-8273

With a copy to:                 City of Redondo Beach  
   The City Clerk's Office  
   415 Diamond Street  
   Redondo Beach, CA 90277-2836  
   Fax Number: (310) 374-0220

City of Manhattan Beach:    City of Manhattan Beach  
   City Manager  
   Attention: Line 109  
   1400 Highland Avenue  
   Manhattan Beach, CA 90266-4795  
   Fax Number: (310) 802-5051

With a copy to:                 City Clerk  
   City of Manhattan Beach  
   1400 Highland Avenue  
   Manhattan Beach, CA 90266-4795  
   Fax Number: (310) 802-5051

- b. Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the Party to be notified, shall be deemed effective as of the first date the notice was refused, unclaimed or deemed undeliverable by the postal authorities, messenger or overnight delivery service.
- c. Either Party may change its address or fax number by giving the other Party written notice of the change.

11. **SEVERABILITY**

Should any part, term or provision of this Agreement or any document required herein to be executed be declared invalid, void or unenforceable, all remaining parts, terms and provisions hereof shall remain in full force and effect and shall in no way be invalidated, impaired or affected thereby.

12. **INTEGRATION; AMENDMENT**

This Agreement represents the entire understanding of Manhattan Beach and Redondo Beach as to those matters contained in it. No prior oral or written understanding shall be of any force or effect with respect to the subject matter hereof. This Agreement may not be modified or altered except by written amendment executed by both Parties.

13. **INTERPRETATION**

The terms of this Agreement should be construed in accordance with the meaning of the language used and should not be construed for or against either Party by reason of the authorship of this Agreement or any other rule of construction that might otherwise apply.

14. **GOVERNING LAW; JURISDICTION**

This Agreement will be administered and interpreted under the laws of the State of California. Jurisdiction of any litigation arising from this Agreement will be in Los Angeles County, California.

15. **COMPLIANCE WITH STATUTES AND REGULATIONS**

BCT will be knowledgeable of and will comply with all applicable federal, state, county and city statutes, rules, regulations, ordinances and orders.

16. **NON-LIABILITY OF CITIES**

No officer or employee of either city shall be personally liable to the other, in the event of any default or breach thereunder.

17. **INDEMNIFICATION**

To the fullest extent permitted by law, each Party hereby agrees to defend, protect, indemnify and hold harmless the other Party, its officers, employees, volunteers, agents, elected and appointed officials, and members of boards and commissions from and against any and all loss, damages, costs, expenses, liabilities, claims, demands, causes of action, proceedings, and judgments, including reasonable attorney's fees, expert fees and costs of suit arising directly or indirectly from or in any manner related to or in connection with or caused by the performance or failure of the Party, its agents, servants or employees to perform the services required of the Party its agents, servants or employees under the terms of this Agreement.

18. **AUTHORITY**

Redondo Beach warrants and represents that upon City Council approval, the Mayor of Redondo Beach is duly authorized to enter into and execute this Agreement on behalf of Redondo Beach. Manhattan Beach warrants and represents that the undersigned City official is duly authorized to execute this Agreement.

SIGNATURES FOLLOW ON NEXT PAGE

IN WITNESS WHEREOF, the Parties have executed this Agreement in Redondo Beach, California, as of this \_\_\_\_ day of \_\_\_\_\_, 2021.

CITY OF REDONDO BEACH

CITY OF MANHATTAN BEACH

By: \_\_\_\_\_  
William C. Brand, Mayor

By: \_\_\_\_\_  
Bruce Moe, City Manager

ATTEST:

ATTEST:

\_\_\_\_\_  
Eleanor Manzano, City Clerk

\_\_\_\_\_  
Liza Tamura, City Clerk

APPROVED AS TO FORM:

APPROVED AS TO FORM:

\_\_\_\_\_  
Michael W. Webb, City Attorney

\_\_\_\_\_  
Quinn M. Barrow, City Attorney

# Attachment A: Line 109 Map



## Attachment B: BCT Line 109 Time Schedule

EFFECTIVE SEPTEMBER 2014

### 109 NORTHBOUND Redondo Beach to LAX City Bus Center

#### MONDAY THROUGH FRIDAY

|   |                                  |                                   |                                      |                                |                         |                            |
|---|----------------------------------|-----------------------------------|--------------------------------------|--------------------------------|-------------------------|----------------------------|
| <i>Palos Verdes Bl &amp; Via Valencia</i> | <i>Hermosa Ave &amp; 10th St</i> | <i>Highland Ave &amp; 14th St</i> | <i>Douglas Sta. &amp; Park Place</i> | <i>Main St &amp; Holly Ave</i> | <i>Aviation Station</i> | <i>LAX City Bus Center</i> |
| <b>7</b>                                  | <b>8</b>                         | <b>9</b>                          | <b>10</b>                            | <b>11</b>                      | <b>12</b>               | <b>13</b>                  |
| 6:00                                      | 6:17                             | 6:28                              | 6:42                                 | 6:53                           | 7:03                    | 7:13                       |
| 6:30                                      | 6:47                             | 6:58                              | 7:12                                 | 7:23                           | 7:33                    | 7:43                       |
| 7:25                                      | 7:42                             | 7:53                              | 8:07                                 | 8:18                           | 8:28                    | 8:38                       |
| 8:10                                      | 8:27                             | 8:38                              | 8:52                                 | 9:07                           | 9:17                    | 9:27                       |
| 8:50                                      | 9:07                             | 9:18                              | 9:32                                 | 9:47                           | 9:57                    | 10:07                      |
| 9:35                                      | 9:52                             | 10:03                             | 10:17                                | 10:32                          | 10:42                   | 10:52                      |
| 10:25                                     | 10:42                            | 10:53                             | 11:07                                | 11:22                          | 11:32                   | 11:42                      |
| 11:10                                     | 11:27                            | 11:38                             | 11:52                                | <b>12:07</b>                   | <b>12:17</b>            | <b>12:27</b>               |
| 11:50                                     | <b>12:07</b>                     | <b>12:18</b>                      | <b>12:32</b>                         | <b>12:47</b>                   | <b>12:57</b>            | 1:07                       |
| <b>12:35</b>                              | <b>12:52</b>                     | 1:03                              | 1:17                                 | 1:32                           | 1:42                    | 1:52                       |
| 1:45                                      | 2:02                             | 2:13                              | 2:27                                 | 2:42                           | 2:52                    | 3:02                       |
| 2:30                                      | 2:47                             | 2:58                              | 3:12                                 | 3:27                           | 3:37                    | 3:47                       |
| 3:10                                      | 3:27                             | 3:38                              | 3:52                                 | 4:07                           | 4:17                    | 4:27                       |
| 3:55                                      | 4:12                             | 4:23                              | 4:37                                 | 4:52                           | 5:02                    | 5:12                       |
| 4:45                                      | 5:02                             | 5:13                              | 5:27                                 | 5:42                           | 5:52                    | 6:02                       |
| 5:30                                      | 5:47                             | 5:58                              | 6:12                                 | 6:27                           | 6:37                    | 6:47                       |
| 6:10                                      | 6:27                             | 6:38                              | 6:52                                 | 7:07                           | 7:17                    | 7:27                       |
| 6:55                                      | 7:12                             | 7:23                              | 7:37                                 | 7:52                           | 8:02                    | 8:12                       |
| 7:45                                      | 8:02                             | 8:13                              | 8:27                                 | 8:42                           | 8:52                    | 9:02                       |
| 8:30                                      | 8:47                             | 8:58                              | 9:12                                 | 9:27                           | 9:37                    | 9:47                       |
| AM  | PM                               |                                   |                                      |                                |                         |                            |

#### SATURDAY & SUNDAY

|   |                                  |                                   |                                      |                                |                         |                            |
|---|----------------------------------|-----------------------------------|--------------------------------------|--------------------------------|-------------------------|----------------------------|
| <i>Palos Verdes Bl &amp; Via Valencia</i> | <i>Hermosa Ave &amp; 10th St</i> | <i>Highland Ave &amp; 14th St</i> | <i>Douglas Sta. &amp; Park Place</i> | <i>Main St &amp; Holly Ave</i> | <i>Aviation Station</i> | <i>LAX City Bus Center</i> |
| <b>7</b>                                  | <b>8</b>                         | <b>9</b>                          | <b>10</b>                            | <b>11</b>                      | <b>12</b>               | <b>13</b>                  |
| 6:05                                      | 6:22                             | 6:33                              | 6:47                                 | 7:02                           | 7:12                    | 7:22                       |
| 7:05                                      | 7:22                             | 7:33                              | 7:47                                 | 8:02                           | 8:12                    | 8:22                       |
| 8:15                                      | 8:32                             | 8:43                              | 8:57                                 | 9:12                           | 9:22                    | 9:32                       |
| 9:10                                      | 9:27                             | 9:38                              | 9:52                                 | 10:07                          | 10:17                   | 10:27                      |
| 10:10                                     | 10:27                            | 10:38                             | 10:52                                | 11:07                          | 11:17                   | 11:27                      |
| 11:15                                     | 11:32                            | 11:43                             | 11:57                                | <b>12:12</b>                   | <b>12:22</b>            | <b>12:32</b>               |
| <b>12:10</b>                              | <b>12:27</b>                     | <b>12:38</b>                      | <b>12:52</b>                         | 1:07                           | 1:17                    | 1:27                       |
| 1:10                                      | 1:27                             | 1:38                              | 1:52                                 | 2:07                           | 2:17                    | 2:27                       |
| 2:35                                      | 2:52                             | 3:03                              | 3:17                                 | 3:32                           | 3:42                    | 3:52                       |
| 3:30                                      | 3:47                             | 3:58                              | 4:12                                 | 4:27                           | 4:37                    | 4:47                       |
| 4:30                                      | 4:47                             | 4:58                              | 5:12                                 | 5:27                           | 5:37                    | 5:47                       |
| 5:35                                      | 5:52                             | 6:03                              | 6:17                                 | 6:32                           | 6:42                    | 6:52                       |
| 6:30                                      | 6:47                             | 6:58                              | 7:12                                 | 7:27                           | 7:37                    | 7:47                       |
| 7:30                                      | 7:47                             | 7:58                              | 8:12                                 | 8:27                           | 8:37                    | 8:47                       |
| 8:30                                      | 8:47                             | 8:58                              | 9:12                                 | 9:27                           | 9:37                    | 9:47                       |
| AM  | PM                               |                                   |                                      |                                |                         |                            |

### 109 SOUTHBOUND LAX City Bus Center to Redondo Beach

#### MONDAY THROUGH FRIDAY

|                            |                         |                                |                                      |                                   |                                  |   |
|----------------------------|-------------------------|--------------------------------|--------------------------------------|-----------------------------------|----------------------------------|---|
| <i>LAX City Bus Center</i> | <i>Aviation Station</i> | <i>Main St &amp; Holly Ave</i> | <i>Douglas Sta. &amp; Park Place</i> | <i>Highland Ave &amp; 14th St</i> | <i>Hermosa Ave &amp; 11th St</i> | <i>Palos Verdes Bl &amp; Via Valencia</i> |
| <b>13</b>                  | <b>12</b>               | <b>11</b>                      | <b>10</b>                            | <b>9</b>                          | <b>8</b>                         | <b>7</b>                                  |
| 5:55                       | 6:07                    | 6:21                           | 6:39                                 | 6:51                              | 7:00                             | 7:15                                      |
| 6:40                       | 6:52                    | 7:06                           | 7:24                                 | 7:36                              | 7:45                             | 8:00                                      |
| 7:20                       | 7:32                    | 7:46                           | 8:04                                 | 8:16                              | 8:25                             | 8:40                                      |
| 8:05                       | 8:17                    | 8:31                           | 8:49                                 | 9:01                              | 9:10                             | 9:25                                      |
| 8:55                       | 9:07                    | 9:21                           | 9:39                                 | 9:51                              | 10:00                            | 10:15                                     |
| 9:40                       | 9:52                    | 10:06                          | 10:24                                | 10:36                             | 10:45                            | 11:00                                     |
| 10:20                      | 10:32                   | 10:46                          | 11:04                                | 11:16                             | 11:25                            | 11:40                                     |
| 11:05                      | 11:17                   | 11:31                          | 11:49                                | <b>12:01</b>                      | <b>12:10</b>                     | <b>12:25</b>                              |
| <b>12:15</b>               | <b>12:27</b>            | <b>12:41</b>                   | <b>12:59</b>                         | 1:11                              | 1:20                             | 1:35                                      |
| 1:00                       | 1:12                    | 1:26                           | 1:44                                 | 1:56                              | 2:05                             | 2:20                                      |
| 1:40                       | 1:52                    | 2:06                           | 2:24                                 | 2:36                              | 2:45                             | 3:00                                      |
| 2:25                       | 2:37                    | 2:51                           | 3:09                                 | 3:21                              | 3:30                             | 3:45                                      |
| 3:15                       | 3:27                    | 3:41                           | 3:59                                 | 4:11                              | 4:20                             | 4:35                                      |
| 4:00                       | 4:12                    | 4:26                           | 4:44                                 | 4:56                              | 5:05                             | 5:20                                      |
| 4:40                       | 4:52                    | 5:06                           | 5:24                                 | 5:36                              | 5:45                             | 6:00                                      |
| 5:25                       | 5:37                    | 5:51                           | 6:09                                 | 6:21                              | 6:30                             | 6:45                                      |
| 6:15                       | 6:27                    | 6:41                           | 6:59                                 | 7:11                              | 7:20                             | 7:35                                      |
| 7:00                       | 7:12                    | 7:26                           | 7:44                                 | 7:56                              | 8:05                             | 8:20                                      |
| 7:40                       | 7:52                    | 8:06                           | 8:24                                 | 8:36                              | 8:45                             | 9:00                                      |
| 8:25                       | 8:37                    | 8:51                           | 9:09                                 | 9:21                              | 9:30                             | 9:45                                      |
| AM                         | PM                      |                                |                                      |                                   |                                  |   |

#### SATURDAY & SUNDAY

|                            |                         |                                |                                      |                                   |                                  |   |
|----------------------------|-------------------------|--------------------------------|--------------------------------------|-----------------------------------|----------------------------------|---|
| <i>LAX City Bus Center</i> | <i>Aviation Station</i> | <i>Main St &amp; Holly Ave</i> | <i>Douglas Sta. &amp; Park Place</i> | <i>Highland Ave &amp; 14th St</i> | <i>Hermosa Ave &amp; 11th St</i> | <i>Palos Verdes Bl &amp; Via Valencia</i> |
| <b>13</b>                  | <b>12</b>               | <b>11</b>                      | <b>10</b>                            | <b>9</b>                          | <b>8</b>                         | <b>7</b>                                  |
| 6:45                       | 6:57                    | 7:11                           | 7:29                                 | 7:41                              | 7:50                             | 8:05                                      |
| 7:40                       | 7:52                    | 8:06                           | 8:24                                 | 8:36                              | 8:45                             | 9:00                                      |
| 8:40                       | 8:52                    | 9:06                           | 9:24                                 | 9:36                              | 9:45                             | 10:00                                     |
| 9:45                       | 9:57                    | 10:11                          | 10:29                                | 10:41                             | 10:50                            | 11:05                                     |
| 10:40                      | 10:52                   | 11:06                          | 11:24                                | 11:36                             | 11:45                            | <b>12:00</b>                              |
| 11:40                      | 11:52                   | <b>12:06</b>                   | <b>12:24</b>                         | <b>12:36</b>                      | <b>12:45</b>                     | 1:00                                      |
| 1:05                       | 1:17                    | 1:31                           | 1:49                                 | 2:01                              | 2:10                             | 2:25                                      |
| 2:00                       | 2:12                    | 2:26                           | 2:44                                 | 2:56                              | 3:05                             | 3:20                                      |
| 3:00                       | 3:12                    | 3:26                           | 3:44                                 | 3:56                              | 4:05                             | 4:20                                      |
| 4:05                       | 4:17                    | 4:31                           | 4:49                                 | 5:01                              | 5:10                             | 5:25                                      |
| 5:00                       | 5:12                    | 5:26                           | 5:44                                 | 5:56                              | 6:05                             | 6:20                                      |
| 6:00                       | 6:12                    | 6:26                           | 6:44                                 | 6:56                              | 7:05                             | 7:20                                      |
| 7:05                       | 7:17                    | 7:31                           | 7:49                                 | 8:01                              | 8:10                             | 8:25                                      |
| 8:00                       | 8:12                    | 8:26                           | 8:44                                 | 8:56                              | 9:05                             | 9:20                                      |
| 8:55                       | 9:07                    | 9:21                           | 9:39                                 | 9:51                              | 10:00                            | 10:15                                     |
| AM                         | PM                      |                                |                                      |                                   |                                  |   |

**Attachment C**  
**Beach Cities Transit Line 109**  
**Route Service Mile Calculations by City**

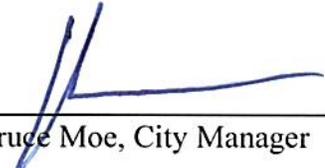
| <b>Route Miles</b>          | <b>NB Miles</b> | <b>SB Miles</b> | <b><i>Average<br/>Miles Per<br/>City</i></b> | <b><i>Allocation<br/>Formula %</i></b> |
|-----------------------------|-----------------|-----------------|--|--|
| Redondo Beach & Los Angeles | 5.3             | 6.9             | <b><i>6.1</i></b>                            | <b><i>34.95%</i></b>                   |
| Hermosa Beach               | 2.2             | 1.6             | <b><i>1.90</i></b>                           | <b><i>10.89%</i></b>                   |
| Manhattan Beach             | 3.4             | 2.2             | <b><i>2.8</i></b>                            | <b><i>16.05%</i></b>                   |
| El Segundo                  | 7.7             | 5.6             | <b><i>6.65</i></b>                           | <b><i>38.11%</i></b>                   |
| Total Miles                 | 18.6            | 16.3            | <b><i>17.45</i></b>                          | <b><i>100.00%</i></b>                  |

IN WITNESS WHEREOF, the Parties have executed this Agreement in Redondo Beach, California, as of this \_\_\_\_ day of \_\_\_\_\_, 2021.

CITY OF REDONDO BEACH

CITY OF MANHATTAN BEACH

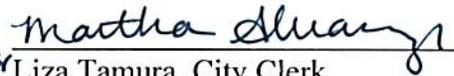
By: \_\_\_\_\_  
William C. Brand, Mayor

By:  \_\_\_\_\_  
Bruce Moe, City Manager

ATTEST:

ATTEST:

\_\_\_\_\_  
Eleanor Manzano, City Clerk

 4/29/2021  
for Liza Tamura, City Clerk

APPROVED AS TO FORM:

APPROVED AS TO FORM:

\_\_\_\_\_  
Michael W. Webb, City Attorney

 \_\_\_\_\_  
Quinn M. Barrow, City Attorney



**TRANSIT SERVICE OPERATION AGREEMENT  
BETWEEN THE CITY OF REDONDO BEACH AND  
THE CITY OF EL SEGUNDO**

THIS TRANSIT SERVICE OPERATION AGREEMENT (this “Agreement”) is entered into by and between the City of Redondo Beach (“Redondo Beach”), on behalf of Beach Cities Transit (“BCT”), which is a division of Redondo Beach, and the City of El Segundo (“El Segundo”).

**RECITALS**

- A. **WHEREAS**, pursuant to Government Code section 54981, the legislative body of any local agency (here, El Segundo) may contract with another local agency (here, Redondo Beach) for the performance of municipal services or functions within the territory of the former.
- B. **WHEREAS**, on July 1, 2006, Redondo Beach and El Segundo entered into that certain Transit Service Operation Agreement to enable BCT Line 109 as described in **Attachment A** to take over public transportation services for the discontinued LACMTA Line 439 for a two (2) year term.
- C. **WHEREAS**, Redondo Beach and El Segundo subsequently entered into new agreements relating to Line 109 in 2008, 2010, 2011, 2012, 2013, 2015, 2017, 2019 and 2020 (the "2020 Agreement").
- D. **WHEREAS**, the 2020 Agreement expires on June 30, 2021, and the parties desire to enter into a new agreement on the terms and conditions set forth below.

**NOW THEREFORE, IN CONSIDERATION OF THE MUTUAL PROMISES CONTAINED HEREIN, THE PARTIES AGREE AS FOLLOWS:**

**1. TERM**

This Agreement shall be effective as of July 1, 2021, and shall have a one (1) year term expiring on June 30, 2022. El Segundo acknowledges that an agreement in similar form to this Agreement or an amendment may be negotiated for continued Line 109 service beyond June 30, 2022. In the event El Segundo intends to renew this Agreement, El Segundo shall notify Redondo Beach of its intent to renew at least 182 days prior to the expiration of this term.

**2. SERVICE DESCRIPTION**

- A. Redondo Beach shall operate Line 109 consistent with the maps shown in attached **Attachment A**, which is incorporated by reference ("Line 109" or the "Service").
- B. Redondo Beach shall operate Line 109 on the days of the week; service times and days; and frequencies of service equal to or better than that which was operated by BCT

immediately before the effective date of this Agreement. The current service schedule for Line 109 is illustrated in attached **Attachment B**, which is incorporated by reference.

- C. Redondo Beach may adjust the route and schedule of Line 109; however, any changes or reductions to the Service in excess of 10% of service hours shall be brought to El Segundo in writing for review and comment prior to implementation.
- D. Redondo Beach may, in its sole discretion, enter into contracts for Line 109 service with any other provider of its choice at any time without the approval of El Segundo. Redondo Beach shall be responsible for any and all aspects of administration of the service contract, and shall assure that the contract includes provisions pertaining to insurance, age, maintenance and operation of vehicles, driver qualifications and other similar provisions typical of an agreement of that kind.
- E. Redondo Beach shall base the percentage of cost for Line 109 on the route service mile calculations, as illustrated in the attached **Attachment C**.

### 3. **PASSENGER FARES**

Redondo Beach may charge fares for the Service consistent with its existing fixed-route service as described in **Attachment A**. Redondo Beach will accept interagency transfers with adjacent transit operators and participate in the EZ Pass Program. Redondo Beach shall retain all farebox revenues. BCT Line 109 passenger fare revenues shall be used to offset operation expenses.

### 4. **FUNDING**

- A. El Segundo shall pay Redondo Beach for costs in associated with operating Line 109 in accordance with this Section. El Segundo shall not pay Redondo Beach for capital costs nor shall El Segundo provide any equipment to operate the Service.
- B. **FY 2021-22:** Operations Funding from El Segundo shall be \$0 for fiscal year 2021-2022.

In the event Redondo Beach incurs a shortfall in funding, El Segundo's funding contribution will be based on the number of miles of the BCT Line 109 route (as described in **Attachment C**) within El Segundo's boundaries and other cities' Line 109 route miles will not factor into El Segundo's funding contribution.

A shortfall occurs when the (1) the estimated costs exceed the (2) estimated operating revenues for the respective fiscal year. The estimated costs shall be based on (1) the prior year's Line 109 service hours multiplied by the applicable service hour rates plus (2) the prior year's fuel costs plus an estimated CPI increase plus (3) estimated costs for RTI systems. The estimated revenues shall be based on the LACMTA funding formula and the prior fiscal year's fare revenues for Line 109.

Operating expenses are incorporated in the service hour rates and include without limitation, driver wages, general administration and overhead, and maintenance costs. Real Time Information ("RTI") Systems operating expenses include without limitation, capital equipment, passenger/administration interface programs, cellular and internet hosting of RTI services and report management programs.

- C. Redondo Beach is responsible for all marketing and promotion of the Service. However, El Segundo may advertise the Service at its sole expense in community newsletters and recreational brochures at its sole expense. El Segundo may also advertise the Service at its sole expense in other mediums, but any reference to BCT in such advertising must be approved in writing by Redondo Beach. The BCT logo cannot be used without Redondo Beach's prior approval.
- D. On at least a quarterly basis, BCT will meet with El Segundo to develop additional marketing strategies directed towards increasing BCT Line 109 ridership. El Segundo shall provide assistance for public outreach and information to target El Segundo residents and non-resident community members.

**5. REPORTING/INVOICING**

- A. Redondo Beach shall report to El Segundo on a quarterly basis, all of the following data for the Line 109 Service:
  - (1) Passengers carried
  - (2) Revenue hours operated
  - (3) Revenue miles operated
  - (4) Total operating costs, including service operating expenses and RTI capital and operating expenses
- B. Redondo Beach shall submit said report to El Segundo in writing within fifteen (15) days after the end of each reporting quarter.
- C. Redondo Beach shall submit quarterly reports to El Segundo.
- D. Redondo Beach shall incorporate Line 109 data into its Federal Transit Administration's National Transit Data (NTD) annual report for the entire BCT fixed route transportation system. Redondo Beach shall provide to El Segundo annual NTD random sampling data which provides the statistics to estimate the number of passengers boarding and alighting by stop in El Segundo, and the total estimated El Segundo passengers. Redondo Beach shall be responsible for any and all aspects of administration of the service contract, and shall include provisions pertaining to insurance.
- E. El Segundo retains the right to audit the BCT's records of Line 109 Service, and to periodically monitor the Service.
- F. Redondo Beach shall schedule quarterly joint meetings with the partnering cities of El Segundo, Hermosa Beach, and Manhattan Beach. Redondo Beach will provide a quarterly update of Line 109 services, and discuss coordinated marketing and public outreach efforts and operating and financing issues that affect BCT services.

**6. INSPECTION OF RECORDS**

BCT records relevant to this Agreement shall be available for inspection by El Segundo at all reasonable times for a period of at least three (3) years for each year or after the termination date, whichever comes first.

**7. NON-DISCRIMINATION**

No person shall on the grounds of race, color, religion, national origin, ancestry, age, sex, physical or mental disability, be excluded from participation in, or be subject to discrimination in the operation of the Line 109 Service.

**8. COORDINATION**

A. Redondo Beach shall coordinate its BCT services, to the extent practical, so that passengers transferring between transit operators will have minimal waiting times. This coordination will require transit agencies to communicate with each other as many weeks as possible in advance of any planned schedule change to the services that may affect passenger transfers.

B. The El Segundo Project Manager for this project shall be the Recreation and Parks Director, or designee. BCT coordinator for this project shall be the Community Services Director or his/her designee.

**9. WAIVER OF BREACH**

The waiver of each party of any breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach of that same or any other provision.

**10. NOTICES**

A. All notices, requests, demands, or other communications under this Agreement shall be in writing. Notice shall be given as follows:

- (1) Personal Delivery. Personally delivered to the recipient. Notice is effective on delivery.
- (2) First Class Mail. First class to the last address of the recipient known to the party giving notice. Notice is effective three mail delivery days after deposit in a United States Postal Service office or mailbox.
- (3) Certified Mail. Certified mail with return receipt requested. Notice is effective on receipt, if delivery is confirmed by a return receipt.
- (4) Overnight Delivery. Delivered by an overnight delivery service, charges prepaid or charged to the sender's account. Notice is effective on delivery, if delivery is confirmed by the delivery service.
- (5) Facsimile Transmission. Sent by fax to the last fax number of the recipient known to the party giving notice. Notice is effective upon receipt. Any notice given by fax shall be deemed received on the next business day if it is received after 5:00 p.m. (recipient's time) or on a non-business day.
- (6) Email. Sent by email to the last email address of the recipient known to the party giving notice. Notice is effective upon receipt. Any notice given by email shall be deemed received on the next business day if it is received after 5:00 p.m. (recipient's time) or on a non-business day.

Addresses for purpose of giving notice shall be as follows:

Beach Cities Transit:

City of Redondo Beach  
Transit Operations and Transportation Facilities Manager  
Attention: Line 109  
1922 Artesia Blvd.  
Redondo Beach, CA 90278

Email: [joyce.rooney@redondo.org](mailto:joyce.rooney@redondo.org)  
Fax Number: 310-798-8273

With a copy to:

City of Redondo Beach  
The City Clerk's Office  
415 Diamond Street  
Redondo Beach, CA 90277-2836

Email: [cityclerk@redondo.org](mailto:cityclerk@redondo.org)  
Fax Number: 310- 374-0220

El Segundo:

City of El Segundo  
Recreation and Parks Director  
Attention: Line 109  
350 Main Street  
El Segundo, CA 90245-3813

Email: [mpetit@elsegundo.org](mailto:mpetit@elsegundo.org)

With a copy to:

City of El Segundo  
City Clerk  
350 Main Street  
El Segundo, CA 90245-3813

Fax Number: 310-615-0529

- B. Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified, shall be deemed effective as of the first date the notice was refused, unclaimed or deemed undeliverable by the postal authorities, messenger or overnight delivery service.
- C. Either party may change its address, fax number, or email by giving the other party written notice of the change.

**11. SEVERABILITY**

Should any part, term or provision of this Agreement or any document required herein to be executed be declared invalid, void or unenforceable, all remaining parts, terms and provisions hereof shall remain in full force and effect and shall in no way be invalidated, impaired or affected thereby.

**12. INTEGRATION; AMENDMENT**

This Agreement represents the entire understanding of El Segundo and Redondo Beach as to those matters contained in it. No prior oral or written understanding shall be of any force or effect with respect to the terms of this Agreement. The Agreement may not be modified or altered except by written amendment executed by both parties.

**13. INTERPRETATION**

The terms of this Agreement should be construed in accordance with the meaning of the language used and should not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction that might otherwise apply.

**14. GOVERNING LAW; JURISDICTION**

This Agreement will be administered and interpreted under the laws of the State of California. Jurisdiction of any litigation arising from the Agreement will be in Los Angeles County, California.

**15. COMPLIANCE WITH STATUTES AND REGULATIONS**

BCT will be knowledgeable of and will comply with all applicable federal, state, county and city statutes, rules, regulations, ordinances and orders.

**16. NON-LIABILITY OF CITIES**

No officer or employee of either city shall be personally liable to the other, in the event of any default or breach thereunder.

**17. INDEMNIFICATION**

Each party hereby agrees to defend, protect, indemnify and hold harmless the other party, its officers, employees, volunteers, agents, elected and appointed officials, and members of boards and commissions from and against any and all loss, damages, costs, expenses, liabilities, claims, demands, causes of action, proceedings, and judgments, including reasonable attorney's fees, expert fees and costs of suit arising directly or indirectly from or in any manner related to or in connection with or caused by the performance or failure of the party, its agents, servants or employees to perform the services required of the party's employees under the terms of this Agreement.

**18. AUTHORITY**

Each party warrants that the individuals who have signed this Agreement have the legal power, right and authority to enter into and execute this Agreement on behalf of each respective party.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have executed this Agreement, as of this \_\_\_\_ day of \_\_\_\_\_, 2021.

CITY OF REDONDO BEACH

CITY OF EL SEGUNDO

By: \_\_\_\_\_  
William C. Brand, Mayor

By: \_\_\_\_\_  
Drew Boyles, Mayor

APPROVED AS TO FORM:

APPROVED AS TO FORM:

\_\_\_\_\_  
Michael W. Webb, City Attorney

\_\_\_\_\_  
Mark D. Hensley, City Attorney

ATTEST:

ATTEST:

\_\_\_\_\_  
Eleanor Manzano, City Clerk

\_\_\_\_\_  
Tracy Weaver, City Clerk

# Attachment A: Line 109 Map



## Attachment B: BCT Line 109 Time Schedule

**NORTH BOUND** Redondo Beach  
Riviera Village to  
**109** LAX Bus Center

### MONDAY THROUGH FRIDAY

|   |                                  |                                   |                              |                                |                         |                       |
|---|----------------------------------|-----------------------------------|------------------------------|--------------------------------|-------------------------|-----------------------|
| <i>Palos Verdes Bl &amp; Via Valencia</i> | <i>Hermosa Ave &amp; 10th St</i> | <i>Highland Ave &amp; 14th St</i> | <i>Park Place at Douglas</i> | <i>Main St &amp; Holly Ave</i> | <i>Aviation Station</i> | <i>LAX Bus Center</i> |
| <b>7</b>                                  | <b>8</b>                         | <b>9</b>                          | <b>10</b>                    | <b>11</b>                      | <b>12</b>               | <b>13</b>             |
| --  | --                               | --                                | --                           | --                             | --                      | --                    |
| 6:00                                      | 6:17                             | 6:28                              | 6:42                         | 6:53                           | 7:03                    | 7:13                  |
| 6:30                                      | 6:47                             | 6:58                              | 7:12                         | 7:23                           | 7:33                    | 7:43                  |
| 7:25                                      | 7:42                             | 7:53                              | 8:07                         | 8:18                           | 8:28                    | 8:38                  |
| 8:10                                      | 8:27                             | 8:38                              | 8:52                         | 9:07                           | 9:17                    | 9:27                  |
| 8:50                                      | 9:07                             | 9:18                              | 9:32                         | 9:47                           | 9:57                    | 10:07                 |
| 9:35                                      | 9:52                             | 10:03                             | 10:17                        | 10:32                          | 10:42                   | 10:52                 |
| 10:25                                     | 10:42                            | 10:53                             | 11:07                        | 11:22                          | 11:32                   | 11:42                 |
| 11:10                                     | 11:27                            | 11:38                             | 11:52                        | 12:07                          | 12:17                   | 12:27                 |
| 11:50                                     | 12:07                            | 12:18                             | 12:32                        | 12:47                          | 12:57                   | 1:07                  |
| 12:35                                     | 12:52                            | 1:03                              | 1:17                         | 1:32                           | 1:42                    | 1:52                  |
| 1:45                                      | 2:02                             | 2:13                              | 2:27                         | 2:42                           | 2:52                    | 3:02                  |
| 2:30                                      | 2:47                             | 2:58                              | 3:12                         | 3:27                           | 3:37                    | 3:47                  |
| 3:10                                      | 3:27                             | 3:38                              | 3:52                         | 4:07                           | 4:17                    | 4:27                  |
| 3:55                                      | 4:12                             | 4:23                              | 4:37                         | 4:52                           | 5:02                    | 5:12                  |
| 4:45                                      | 5:02                             | 5:13                              | 5:27                         | 5:42                           | 5:52                    | 6:02                  |
| 5:30                                      | 5:47                             | 5:58                              | 6:12                         | 6:27                           | 6:37                    | 6:47                  |
| 6:10                                      | 6:27                             | 6:38                              | 6:52                         | 7:07                           | 7:17                    | 7:27                  |
| 6:55                                      | 7:12                             | 7:23                              | 7:37                         | 7:52                           | 8:02                    | 8:12                  |
| 7:45                                      | 8:02                             | 8:13                              | 8:27                         | 8:42                           | 8:52                    | 9:02                  |
| 8:30                                      | 8:47                             | 8:58                              | 9:12                         | 9:27                           | 9:37                    | 9:47                  |
| AM  | PM                               |                                   |                              |                                |                         |                       |

**SOUTH BOUND** LAX Bus Center to  
Redondo Beach  
**109** Riviera Village

### MONDAY THROUGH FRIDAY

|                       |                         |                                |                              |                                   |                                  |   |
|-----------------------|-------------------------|--------------------------------|------------------------------|-----------------------------------|----------------------------------|---|
| <i>LAX Bus Center</i> | <i>Aviation Station</i> | <i>Main St &amp; Holly Ave</i> | <i>Park Place at Douglas</i> | <i>Highland Ave &amp; 14th St</i> | <i>Hermosa Ave &amp; 11th St</i> | <i>Palos Verdes Bl &amp; Via Valencia</i> |
| <b>13</b>             | <b>12</b>               | <b>11</b>                      | <b>10</b>                    | <b>9</b>                          | <b>8</b>                         | <b>7</b>                                  |
| 5:55                  | 6:07                    | 6:21                           | 6:39                         | 6:51                              | 7:00                             | 7:15                                      |
| 6:40                  | 6:52                    | 7:06                           | 7:24                         | 7:36                              | 7:45                             | 8:00                                      |
| 7:20                  | 7:32                    | 7:46                           | 8:04                         | 8:16                              | 8:25                             | 8:40                                      |
| 8:05                  | 8:17                    | 8:31                           | 8:49                         | 9:01                              | 9:10                             | 9:25                                      |
| 8:55                  | 9:07                    | 9:21                           | 9:39                         | 9:51                              | 10:00                            | 10:15                                     |
| 9:40                  | 9:52                    | 10:06                          | 10:24                        | 10:36                             | 10:45                            | 11:00                                     |
| 10:20                 | 10:32                   | 10:46                          | 11:04                        | 11:16                             | 11:25                            | 11:40                                     |
| 11:05                 | 11:17                   | 11:31                          | 11:49                        | 12:01                             | 12:10                            | 12:25                                     |
| 12:15                 | 12:27                   | 12:41                          | 12:59                        | 1:11                              | 1:20                             | 1:35                                      |
| 1:00                  | 1:12                    | 1:26                           | 1:44                         | 1:56                              | 2:05                             | 2:20                                      |
| 1:40                  | 1:52                    | 2:06                           | 2:24                         | 2:36                              | 2:45                             | 3:00                                      |
| 2:25                  | 2:37                    | 2:51                           | 3:09                         | 3:21                              | 3:30                             | 3:45                                      |
| 3:15                  | 3:27                    | 3:41                           | 3:59                         | 4:11                              | 4:20                             | 4:35                                      |
| 4:00                  | 4:12                    | 4:26                           | 4:44                         | 4:56                              | 5:05                             | 5:20                                      |
| 4:40                  | 4:52                    | 5:06                           | 5:24                         | 5:36                              | 5:45                             | 6:00                                      |
| 5:25                  | 5:37                    | 5:51                           | 6:09                         | 6:21                              | 6:30                             | 6:45                                      |
| 6:15                  | 6:27                    | 6:41                           | 6:59                         | 7:11                              | 7:20                             | 7:35                                      |
| 7:00                  | 7:12                    | 7:26                           | 7:44                         | 7:56                              | 8:05                             | 8:20                                      |
| 7:40                  | 7:52                    | 8:06                           | 8:24                         | 8:36                              | 8:45                             | 9:00                                      |
| 8:25                  | 8:37                    | 8:51                           | 9:09                         | 9:21                              | 9:30                             | 9:45                                      |
| AM                    | PM                      |                                |                              |                                   |                                  |   |

### SATURDAY & SUNDAY

|   |                                  |                                   |                              |                                |                         |                       |
|---|----------------------------------|-----------------------------------|------------------------------|--------------------------------|-------------------------|-----------------------|
| <i>Palos Verdes Bl &amp; Via Valencia</i> | <i>Hermosa Ave &amp; 10th St</i> | <i>Highland Ave &amp; 14th St</i> | <i>Park Place at Douglas</i> | <i>Main St &amp; Holly Ave</i> | <i>Aviation Station</i> | <i>LAX Bus Center</i> |
| <b>7</b>                                  | <b>8</b>                         | <b>9</b>                          | <b>10</b>                    | <b>11</b>                      | <b>12</b>               | <b>13</b>             |
| --  | --                               | --                                | --                           | --                             | --                      | --                    |
| 6:05                                      | 6:22                             | 6:33                              | 6:47                         | 7:02                           | 7:12                    | 7:22                  |
| 7:05                                      | 7:22                             | 7:33                              | 7:47                         | 8:02                           | 8:12                    | 8:22                  |
| 8:15                                      | 8:32                             | 8:43                              | 8:57                         | 9:12                           | 9:22                    | 9:32                  |
| 9:10                                      | 9:27                             | 9:38                              | 9:52                         | 10:07                          | 10:17                   | 10:27                 |
| 10:10                                     | 10:27                            | 10:38                             | 10:52                        | 11:07                          | 11:17                   | 11:27                 |
| 11:15                                     | 11:32                            | 11:43                             | 11:57                        | 12:12                          | 12:22                   | 12:32                 |
| 12:10                                     | 12:27                            | 12:38                             | 12:52                        | 1:07                           | 1:17                    | 1:27                  |
| 1:10                                      | 1:27                             | 1:38                              | 1:52                         | 2:07                           | 2:17                    | 2:27                  |
| 2:35                                      | 2:52                             | 3:03                              | 3:17                         | 3:32                           | 3:42                    | 3:52                  |
| 3:30                                      | 3:47                             | 3:58                              | 4:12                         | 4:27                           | 4:37                    | 4:47                  |
| 4:30                                      | 4:47                             | 4:58                              | 5:12                         | 5:27                           | 5:37                    | 5:47                  |
| 5:35                                      | 5:52                             | 6:03                              | 6:17                         | 6:32                           | 6:42                    | 6:52                  |
| 6:30                                      | 6:47                             | 6:58                              | 7:12                         | 7:27                           | 7:37                    | 7:47                  |
| 7:30                                      | 7:47                             | 7:58                              | 8:12                         | 8:27                           | 8:37                    | 8:47                  |
| 8:30                                      | 8:47                             | 8:58                              | 9:12                         | 9:27                           | 9:37                    | 9:47                  |
| AM  | PM                               |                                   |                              |                                |                         |                       |

### SATURDAY & SUNDAY

|                       |                         |                                |                              |                                   |                                  |   |
|-----------------------|-------------------------|--------------------------------|------------------------------|-----------------------------------|----------------------------------|---|
| <i>LAX Bus Center</i> | <i>Aviation Station</i> | <i>Main St &amp; Holly Ave</i> | <i>Park Place at Douglas</i> | <i>Highland Ave &amp; 14th St</i> | <i>Hermosa Ave &amp; 11th St</i> | <i>Palos Verdes Bl &amp; Via Valencia</i> |
| <b>13</b>             | <b>12</b>               | <b>11</b>                      | <b>10</b>                    | <b>9</b>                          | <b>8</b>                         | <b>7</b>                                  |
| 6:45                  | 6:57                    | 7:11                           | 7:29                         | 7:41                              | 7:50                             | 8:05                                      |
| 7:40                  | 7:52                    | 8:06                           | 8:24                         | 8:36                              | 8:45                             | 9:00                                      |
| 8:40                  | 8:52                    | 9:06                           | 9:24                         | 9:36                              | 9:45                             | 10:00                                     |
| 9:45                  | 9:57                    | 10:11                          | 10:29                        | 10:41                             | 10:50                            | 11:05                                     |
| 10:40                 | 10:52                   | 11:06                          | 11:24                        | 11:36                             | 11:45                            | 12:00                                     |
| 11:40                 | 11:52                   | 12:06                          | 12:24                        | 12:36                             | 12:45                            | 1:00                                      |
| 1:05                  | 1:17                    | 1:31                           | 1:49                         | 2:01                              | 2:10                             | 2:25                                      |
| 2:00                  | 2:12                    | 2:26                           | 2:44                         | 2:56                              | 3:05                             | 3:20                                      |
| 3:00                  | 3:12                    | 3:26                           | 3:44                         | 3:56                              | 4:05                             | 4:20                                      |
| 4:05                  | 4:17                    | 4:31                           | 4:49                         | 5:01                              | 5:10                             | 5:25                                      |
| 5:00                  | 5:12                    | 5:26                           | 5:44                         | 5:56                              | 6:05                             | 6:20                                      |
| 6:00                  | 6:12                    | 6:26                           | 6:44                         | 6:56                              | 7:05                             | 7:20                                      |
| 7:05                  | 7:17                    | 7:31                           | 7:49                         | 8:01                              | 8:10                             | 8:25                                      |
| 8:00                  | 8:12                    | 8:26                           | 8:44                         | 8:56                              | 9:05                             | 9:20                                      |
| 8:55                  | 9:07                    | 9:21                           | 9:39                         | 9:51                              | 10:00                            | 10:15                                     |
| AM                    | PM                      |                                |                              |                                   |                                  |   |

BCT does not operate on Thanksgiving Day, Christmas Day and New Year's Day.

Saturday schedules are operated on Memorial Day, Independence Day, Labor Day and Veterans Day.

**EFFECTIVE  
JANUARY 2018**



310.802.7686  
424.212.4299

beachcitiestransit.org  
BCT@redondo.org

Redondo Beach City Hall  
415 Diamond St



**Attachment C**  
**Beach Cities Transit Line 109**  
**Route Service Mile Calculations by City**

| <b>Route Miles</b>          | <b>NB Miles</b> | <b>SB Miles</b> | <b><i>Average<br/>Miles Per<br/>City</i></b> | <b><i>Allocation<br/>Formula %</i></b> |
|-----------------------------|-----------------|-----------------|--|--|
| Redondo Beach & Los Angeles | 5.3             | 6.9             | <b><i>6.1</i></b>                            | <b><i>34.95%</i></b>                   |
| Hermosa Beach               | 2.2             | 1.6             | <b><i>1.90</i></b>                           | <b><i>10.89%</i></b>                   |
| Manhattan Beach             | 3.4             | 2.2             | <b><i>2.8</i></b>                            | <b><i>16.05%</i></b>                   |
| El Segundo                  | 7.7             | 5.6             | <b><i>6.65</i></b>                           | <b><i>38.11%</i></b>                   |
| Total Miles                 | 18.6            | 16.3            | <b><i>17.45</i></b>                          | <b><i>100.00%</i></b>                  |

IN WITNESS WHEREOF, the parties have executed this Agreement, as of this \_\_\_\_ day of \_\_\_\_\_, 2021.

CITY OF REDONDO BEACH

CITY OF EL SEGUNDO

By: \_\_\_\_\_  
William C. Brand, Mayor

By:  \_\_\_\_\_  
Drew Boyles, Mayor

APPROVED AS TO FORM:

APPROVED AS TO FORM:

\_\_\_\_\_  
Michael W. Webb, City Attorney

 FOR  
Mark D. Hensley, City Attorney

ATTEST:

ATTEST:

\_\_\_\_\_  
Eleanor Manzano, City Clerk

 FOR  
Tracy Weaver, City Clerk



# Administrative Report

---

H.4., File # 21-2747

Meeting Date: 8/3/2021

---

**To: MAYOR AND CITY COUNCIL**  
**From: KEITH KAUFFMAN, CHIEF OF POLICE**

## **TITLE**

APPROVE AGREEMENT WITH ALL CITY MANAGEMENT SERVICES, INC. FOR A CROSSING GUARD SERVICES PILOT PROGRAM FOR AN AMOUNT NOT TO EXCEED \$57,823 FOR THE TERM OF AUGUST 3, 2021 TO JUNE 30, 2022.

## **EXECUTIVE SUMMARY**

This agreement with All City Management Services will provide supplemental crossing guard services to the city. This agreement will assist the Police Department with staffing existing crossing guard locations. Approval of this agreement will allow for a one-year pilot program for the term of August 3<sup>rd</sup>, 2021 through June 30<sup>th</sup>, 2022. Prior to the expiration of this agreement, the program will be evaluated and consideration given to extending this agreement or pursuing a Request for Proposal with other vendors.

## **BACKGROUND**

For FY 2021-2022, City Council approved \$57,823 for crossing guards. These funds were budgeted to supplement the city's current crossing guard services, which is currently staffed solely by city employees. In the future, and after evaluation of this pilot program, the Police Department will look to extend this agreement with All City Management Services or seek other options, to bring back to Council for approval.

Currently, the Police Department staffs twenty-two Crossing Guard locations throughout the City. At this time, there are fifteen eligible Crossing Guards who can serve these locations daily during the school year. With the recent reopening of in-person instruction at school campuses, the Police Department has experienced a steep rise in the need to fill these posts with other police personnel. This supplemental staffing has come from Patrol Officers, Motor Officers, Sergeants, Lieutenants, Municipal Service Officer's, Police Cadets, and VIPs.

The need to use other personnel to supplement crossing guard staffing is the result of several different issues. Due to the split schedule (am and pm shifts) and limited shift hours there has been a consistent turnover within the crossing guard program. Many of the guards who are interested in these work hours are seniors who do not tend to commit to the position long term. Additionally, there has been a shortage of qualified applicants for several years, which was further complicated by COVID-19, limiting our ability to fill vacant positions in a timely manner. Currently, the police department has seven crossing guard vacancies and is working with Human Resources to find

qualified applicants.

All City Management Services will provide three crossing guards, for four hours a day, at a rate of \$26.77 per hour. This rate is more cost effective than paying a Police Officer, Motor Officer, or Municipal Service Officer's to fill these positions. It also allows key personnel to focus on their primary responsibilities.

All City Management Services has been providing Crossing Guard services to cities in the South Bay for fifteen years. They currently contract with the City of Torrance, the City of Manhattan Beach, and the City of El Segundo to provide these supplemental services. The rate of \$26.77 was established by the current crossing guard wage (\$15.00 an hour) plus the cost of overhead (payroll tax, workers compensation leave, scheduling, liability insurance, etc.). The Crossing Guard Supervisor and Traffic Sergeant will assess daily the number of vacancies and will assign All City Management crossing guards as allowable under this agreement.

The pilot program with All City Management Services will allow implementation prior to the start of the school year, which begins August 18<sup>th</sup>, 2021. This will ensure the safety of the students and residents by providing the appropriate number of crossing guards, while not taking other city personnel away from their primary responsibilities.

In 2019, the City of Torrance surveyed several companies that provide crossing guard services and cities prior to extending their agreement with All City Management Services. Torrance Police Department discovered All City Management Services was the only company that works directly with police departments who are in charge of their city's crossing guard programs. Torrance Police Department learned other companies that provide crossing guard services work directly with the school district and not the police department. Due to this discovery and coupled with their past experience with All City Management Services, Torrance Police Department extended their agreement and has realized success through use of this vendor. The Police Department requests approval of this one-year pilot program agreement to evaluate the benefits of incorporating outside vendor crossing guard services

**COORDINATION**

The Police Department has coordinated this agreement with Financial Services at the direction of the City Attorney's Office.

**FISCAL IMPACT**

Expenses:

All City Management Services \$ 57,823

Revenues:

Account code: 10021181-520040, Crossing Guard Contracts and Professional Services.

**APPROVED BY:**

*Joe Hoefgen, City Manager*

**ATTACHMENTS**

Agreement with All City Management Services

Certificate of Insurance



## AGREEMENT FOR CROSSING GUARD SERVICES

This AGREEMENT FOR CROSSING GUARD SERVICES (the “Agreement”) is dated August 3, 2021 and is between the CITY OF REDONDO BEACH (hereinafter called the "City"), and ALL CITY MANAGEMENT SERVICES, INC., a California corporation (hereinafter called the "Contractor").

### WITNESSETH

The parties hereto have mutually covenanted and agreed as follows:

1. This Agreement is for a term which commences with Contractor’s best availability of personnel on or about August 1, 2021 and ends on June 30, 2022 and for such term thereafter as the parties may agree upon.
2. The Contractor will provide personnel for sites as requested by the City. Such personnel shall be trained in appropriate procedures for crossing pedestrians in marked crosswalks. Such personnel shall be herein referred to as a “Crossing Guard”. The Contractor is an independent contractor and the Crossing Guards to be furnished by it shall at all times be its employees and not those of the City.
3. The City’s representative in dealing with the Contractor shall be designated by the City of Redondo Beach.
4. The City shall determine the locations where Crossing Guards shall be furnished by the Contractor. The Contractor shall provide at each designated location personnel properly trained as herein specified for the performance of duties as a Crossing Guard. The Contractor shall provide supervisory personnel to see that Crossing Guard activities are taking place at the required places and times, and in accordance with the terms of this Agreement.
5. The Contractor shall maintain adequate reserve personnel to be able to furnish alternate Crossing Guards in the event that any person fails to report for work at the assigned time and location and agrees to provide immediate replacement.
6. In the performance of its duties the Contractor and all employees of the Contractor shall conduct themselves in accordance with the conditions of this Agreement and all applicable laws of the state in which the Services are to be performed.
7. Persons provided by the Contractor as Crossing Guards shall be trained in all applicable laws of the state in which the Services are to be performed pertaining to general pedestrian safety in school crossing areas.
8. Crossing Guard Services (the “Services”) shall be provided by the Contractor at the designated locations on all days in which school is in session in the area under City’s jurisdiction. The

Contractor also agrees to maintain communication with the designated schools to maintain proper scheduling.

9. The Contractor shall provide all Crossing Guards with apparel by which they are readily visible and easily recognized as Crossing Guards. Such apparel shall be uniform for all persons performing the duties of Crossing Guards and shall be worn at all times while performing said duties. This apparel must be appropriate for weather conditions. The Contractor shall also provide all Crossing Guards with hand-held Stop signs and any other safety equipment which may be necessary.
10. The Contractor shall at all times provide workers' compensation insurance covering its employees and shall provide and maintain liability insurance for Crossing Guard activities. The Contractor will provide to the City a Certificate of Insurance naming the City and its officials, officers and employees as additional insureds. Such insurance shall include commercial general liability with a combined single limit of not less than \$1,000,000.00 per occurrence and in aggregate for property damage and bodily injury. Such insurance shall be primary with respect to any insurance maintained by the City and shall not call on the City's insurance contributions. Such insurance shall be endorsed for contractual liability and personal injury and shall include the City, its officers, agents and interest of the City. Such insurance shall not be canceled, reduced in coverage or limits or non-renewed except after thirty (30) days written notice has been given to the City of Redondo Beach.
11. Contractor agrees to defend, indemnify and hold harmless the City, its officers, employees, agents and representatives, from and against any and all actions, claims for damages to persons or property, penalties, obligations or liabilities (each a "Claim" and collectively, the "Claims") that may be asserted or claimed by any person, firm, entity, corporation, political subdivision or other organization arising out of the negligent acts or omissions, or willful misconduct, of Contractor, its agents, employees, subcontractors, representatives or invitees.
  - a) Contractor will defend any action or actions filed in connection with any of said claims, damages, penalties, obligations or liabilities and will pay all costs and expenses including attorney's fees incurred in connection herewith.
  - b) Contractor will promptly pay any judgment rendered against the City, its officers, agents or employees for any such claims, damages, penalties, obligations or liabilities.
  - c) In the event the City, its officers, agents or employees is made a party to any action or proceeding filed or prosecuted against Contractor for such damages or other claims arising out of or in connection with the sole negligence of Contractor hereunder, Contractor agrees to pay City, its officers, agents, or employees, any and all costs and expenses incurred by the City, its officers agents or employees in such action or proceeding, including, but not limited to, reasonable attorney's fees.
  - d) In the event that a court determines that liability for any Claim was caused or contributed to by the negligent act or omission or the willful misconduct of the City, liability will be apportioned between Contractor and City of Redondo Beach based upon the parties' respective degrees of culpability, as determined by the court, and Contractor's duty to indemnify the City will be limited accordingly.
  - e) Notwithstanding anything to the contrary contained herein, Contractor's indemnification obligation to City for Claims under this Agreement will be limited to the maximum combined

aggregate of Contractor's general liability and umbrella insurance policies in the amount of \$5,000,000 (Five Million Dollars).

- f) Nothing herein is intended to serve as a waiver of sovereign immunity by any agency or political subdivision to which sovereign immunity may be applicable.
12. Either party shall have the right to terminate this Agreement by giving sixty (60) days written notice to the other party.
13. The Contractor shall not have the right to assign this Agreement to any other person or entity except with the prior written consent of the City.
14. The City of Redondo Beach agrees to pay the Contractor for the Services rendered pursuant to this Agreement the sum of Twenty-six Dollars and Seventy-seven Cents (**\$26.77**) per hour, per Crossing Guard during the term. Crossing Guards will be on site no more than three (3.0) hours per school day and shall be compensated for four (4.0) hours per day. Based upon 2,160 hours billed annually, Contractor's compensation for the initial term shall Not to Exceed \$57,823. Contractor shall not bill for any period where Contractor fails to perform services.
15. Payment is due within thirty (30) days of receipt of Contractor's properly prepared invoice.
16. Contractor may request a price increase during the term as a result of any legally mandated increases in wages or benefits imposed in the state or municipality in which the Services are to be performed and to which Contractor's employees would be subject. Contractor shall provide City with 60 days-notice of its request to increase pricing. The City agrees to review and respond to said notice within 30 days of receipt.
17. The City shall have an option to renew this Agreement annually. In the event this Agreement is extended beyond the end of the term set forth above, the compensation and terms for the Services shall be established in writing by mutual consent of both parties.
18. This Agreement constitutes the complete and exclusive statement of the agreement among the parties with respect to the subject matter hereof and supersedes all prior written or oral statements among the parties, including any prior statements, warranties, or representations. This Agreement is binding upon and will inure to the benefit of the parties hereto and their respective heirs, administrators, executors, successors, and assigns. Each party hereto agrees that this Agreement will be governed by the law of the state in which the Services are to be performed, without regard to its conflicts of law provisions. Any amendments, modifications, or alterations to this Agreement must be in writing and signed by all parties. There will be no presumption against any party on the ground that such party was responsible for preparing this Agreement or any part of it. Each provision of this Agreement is severable from the other provisions. If any provision of this Agreement is declared invalid or contrary to existing law, the inoperability of that provision will have no effect on the remaining provisions of the Agreement which will continue in full force and effect.

**[SIGNATURES FOLLOW ON NEXT PAGE]**

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year written below.

**CITY OF REDONDO BEACH**

**ALL CITY MANAGEMENT SERVICES, INC.**

By \_\_\_\_\_  
Signature

By \_\_\_\_\_  
D. Farwell, Corporate Secretary

William C. Brand, Mayor  
Print Name and Title

ATTEST:

\_\_\_\_\_  
Eleanor Manzano, City Clerk

APPROVED:

\_\_\_\_\_  
Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

\_\_\_\_\_  
Michael W. Webb, City Attorney

Date \_\_\_\_\_

Date \_\_\_\_\_



**COMMERCIAL GENERAL LIABILITY  
CG 20 10 07 04**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED – OWNERS, LESSEES OR  
CONTRACTORS – SCHEDULED PERSON OR  
ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

| Name Of Additional Insured Person(s)<br>Or Organization(s):   | Location(s) Of Covered Operations |
|---|-----------------------------------|
| Any person or organization for whom you are performing operations when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy. |                                   |
| Information required to complete this Schedule, if not shown above, will be shown in the Declarations.  |                                   |

**A. Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

**B.** With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED – OWNERS, LESSEES OR  
CONTRACTORS – SCHEDULED PERSON OR  
ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

| Name Of Additional Insured Person(s)<br>Or Organization(s):   | Location(s) Of Covered Operations |
|---|-----------------------------------|
| Any person or organization for whom you are performing operations when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy. |                                   |
| Information required to complete this Schedule, if not shown above, will be shown in the Declarations.  |                                   |

**A. Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

**B.** With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

INSURED: All City Management Services, Inc.

POLICY#: LHA141150

POLICY PERIOD: 08/01/2020

TO: 08/01/2021

**LANDMARK AMERICAN INSURANCE COMPANY**

*This Endorsement Changes The Policy. Please Read It Carefully.*

**WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST  
OTHERS TO US**

---

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE FORM  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE FORM**

**SCHEDULE**

**Name of Person or Organization:**

Any person(s) or organization(s)  
required by written contract or  
agreement.

The following is added to **SECTION IV – CONDITIONS, 8. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US:**

We waive any right of recovery we may have against the person or organization shown in the SCHEDULE above because of payment we make for injury or damage arising out of your ongoing operations, "your product" or "your work" done under a written contract with that person or organization and included in the "product-completed operations hazard". This waiver applies only to the person or organization shown in the SCHEDULE above.

INSURED: All City Management Services, Inc.

POLICY #: ALWC238792

POLICY  
PERIOD: 01/01/2021

TO: 01/01/2022

**WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY**

**WC 00 03 13**

(Ed. 4-84)

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**WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT**

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

This agreement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

**Schedule**

Where required by written agreement signed prior to loss.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.



# Administrative Report

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H.5., File # 21-2809

Meeting Date: 8/3/2021

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**To:** MAYOR AND CITY COUNCIL  
**From:** ELEANOR MANZANO, CITY CLERK

## **TITLE**

APPROVE FIRST AMENDMENT TO PROJECT SERVICES AGREEMENT WITH NETFILE, INC. FOR AN ANNUAL AMOUNT NOT TO EXCEED \$8,300 OR \$24,900 FOR THE DURATION OF THE AGREEMENT FOR E-FILING AND PLATFORM ADMINISTRATION FOR CAMPAIGN FINANCE DISCLOSURE AND CONFLICT OF INTEREST STATEMENTS AND EXTEND THE TERM TO SEPTEMBER 5, 2024 WITH THE OPTION FOR TWO ADDITIONAL ONE-YEAR EXTENSIONS

## **EXECUTIVE SUMMARY**

Approval of this agreement extends the current agreement with Netfile, Inc. for a period of three years. Netfile provides a secure administration system of electronic submission (e-filing) of Fair Political Practices Commission (FPPC) Campaign Finance Disclosure forms and Statements of Economic Interest (Form 700), as mandated by the Political Reform Act and the City's Conflict of Interest Code. The agreement allows for two additional 1-year extensions.

## **BACKGROUND**

The Redondo Beach Municipal Code mandates online electronic filing of FPPC Campaign Finance Disclosure Statements and Statements of Economic Interest (Form 700), public documents, as identified in the Political Reform Act (PRA) and the City's Conflict of Interest Code. The City entered into an agreement with Netfile on September 6, 2016 to build and maintain the Redondo Beach electronic filing platform.

Upon successful electronic submission, filings required by the PRA or submission of Form 700's (Title 87200) to the FPPC are automatically transmitted via Netfile, which is publicly accessible on their website as well as on the City's website ([public portal <https://public.netfile.com/pub2/?AID=CRB>](https://public.netfile.com/pub2/?AID=CRB)).

Netfile's support and e-filing assistance has been exceptional over the course of the existing agreement. Since contracting with Netfile in 2016, 229 California agencies utilize Netfile e-filing systems. Attached is a communication from Netfile documenting unique features they provide in support of a sole source award.

## **COORDINATION**

The agreement was prepared in coordination with the City Attorney's office.

**FISCAL IMPACT**

The City Clerk's Office has sufficiently budgeted for FY 2021-22 services.

**ATTACHMENTS**

First Amendment - Netfile, Inc.

Original Agreement - September 2016

Certificate of Insurance

Netfile Letter

**FIRST AMENDMENT TO THE  
AGREEMENT FOR PROJECT SERVICES  
BETWEEN THE CITY OF REDONDO BEACH  
AND NETFILE, INC.**

THIS FIRST AMENDMENT TO THE AGREEMENT FOR PROJECT SERVICES ("First Amendment") is made between the City of Redondo Beach, a chartered municipal corporation ("City") and NetFile, Inc. a California corporation ("Contractor").

WHEREAS, on September 6, 2016, the parties originally entered into the Agreement for Project Services between the City and Contractor (the "Agreement"); and

WHEREAS, the parties desire to extend the term of the Agreement and increase Contractor's compensation.

NOW THEREFORE, in consideration of the promises and mutual covenants contained herein, and intending to be legally bound, the parties hereby agree to make the following amendments to the Agreement:

1. Schedule for Completion. Exhibit "B" of the Agreement is hereby amended to add Exhibit "B-1", which extends the Agreement to September 5, 2024. Exhibit "B-1" is attached hereto and incorporated by reference. Contractor shall commence and complete all services described in Exhibit "A" of the Agreement in accordance with the schedule set forth in Exhibit "B-1".
2. Compensation. Exhibit "C" of the Agreement is hereby amended to add Exhibit "C-1" to provide additional compensation, including reimbursable expenses paid to the Contractor in the amount of \$24,900 effective September 6, 2021. Exhibit "C-1" is attached hereto and incorporated by reference. Contractor shall be compensated for the services described in Exhibit "A".
3. No Other Amendments. Except as expressly stated herein, the Agreement shall remain unchanged and in full force and effect. The Agreement and First Amendment constitute the entire agreement between the parties and supersede any previous oral or written agreement with respect to the subject matter hereof. In the event of any inconsistency between the terms of the Agreement and the First Amendment, the terms of this First Amendment shall govern.

IN WITNESS WHEREOF, the parties have executed this First Amendment in Redondo Beach, California, as of this 3<sup>rd</sup> day of August, 2021.

CITY OF REDONDO BEACH,  
a chartered municipal corporation

NETFILE, INC.,  
a California corporation

\_\_\_\_\_  
William C. Brand, Mayor

By:   
Name: Tom Diebert  
Title: VP & CFO

ATTEST:

APPROVED:

\_\_\_\_\_  
Eleanor Manzano, City Clerk

\_\_\_\_\_  
Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

\_\_\_\_\_  
Michael W. Webb, City Attorney

**EXHIBIT "B-1"**

**SCHEDULE FOR COMPLETION**

**TERM.** The term of this Agreement shall be extended to September 5, 2024, unless otherwise terminated as herein provided. Upon City Manager's recommendation to the Mayor, this Agreement shall be extended for subsequent one year periods subject to the same terms and conditions contained herein; provided, however, that the term of this Agreement shall not continue beyond September 5, 2026. No extension shall be effective unless the Mayor provides a written letter authorizing the extension at least fifteen (15) days prior to the expiration of the current term.

**EXHIBIT "C-1"**

**COMPENSATION**

Provided Contractor is not in default under this Agreement, Contractor shall be compensated as provided below.

1. **AMOUNT.** Effective September 6, 2021, Contractor shall be paid \$8,300 annually for a total amount of \$68,900 during the term of this Agreement.
2. **METHOD OF PAYMENT.** Contractor shall provide invoices indicating the services and tasks performed during the prior quarter to City for approval and payment. Invoices must be itemized, adequately detailed, based on accurate records, and in a form reasonably satisfactory to City, including, but not limited to, date of invoice, detailed description of deliverable, and amount. Contractor may be required to provide back-up material upon request.
3. **SCHEDULE FOR PAYMENT.** City will pay Contractor within thirty days of receiving the quarterly invoice, provided, however, that services are completed to the City's full satisfaction.
4. **NOTICE.** Written notices to City and Contractor shall be given by registered or certified mail, postage prepaid and addressed to or personally served on the following parties.

Contractor. NetFile, Inc.  
2707-A Aurora Road  
Mariposa, CA 95338  
Attention: Tom Diebert, Vice President

City. City of Redondo Beach  
The City Clerk's Office  
415 Diamond Street  
Redondo Beach, CA 90277  
Attention: Eleanor Manzano, City Clerk

All notices, including notices of address changes, provided under this Agreement are deemed received on the third day after mailing if sent by registered or certified mail. Changes in the respective address set forth above may be made from time to time by any party upon written notice to the other party.

**AGREEMENT FOR PROJECT SERVICES  
BETWEEN THE CITY OF REDONDO BEACH  
AND NETFILE, INC.**

THIS AGREEMENT FOR PROJECT SERVICES (this "Agreement") is made between the City of Redondo Beach, a Chartered Municipal Corporation ("City") and NetFile, Inc. a California Corporation ("Contractor" or "Consultant").

The parties hereby agree as follows:

- A. Description of Project or Scope of Services. The project description or scope of services to be provided by Contractor, and any corresponding responsibilities of City or services required to be performed by City are set forth in Exhibit "A".
- B. Term and Time of Completion. Contractor shall commence and complete the project or services described in Exhibit "A" in accordance with the schedule set forth in Exhibit "B".
- C. Compensation. City agrees to pay Contractor for work performed in accordance with Exhibit "C".

\* \* \* \* \*

**GENERAL PROVISIONS**

- 1. Independent Contractor. Contractor acknowledges, represents and warrants that Contractor is not a regular or temporary employee, officer, agent, joint venturer or partner of the City, but rather an independent contractor. This Agreement shall not be construed as a contract of employment. Contractor shall have no rights to any benefits which accrue to City employees unless otherwise expressly provided in this Agreement. Due to the independent contractor relationship created by this Agreement, the City shall not withhold state or federal income taxes, the reporting of which shall be Contractor's sole responsibility.
- 2. Brokers. Contractor acknowledges, represents and warrants that Contractor has not hired, retained or agreed to pay any entity or person any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement.
- 3. City Property. All plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials prepared for or obtained pursuant to this Agreement shall upon request be delivered to the City within a reasonable time, and the rights thereto shall be deemed assigned to the City. If applicable, Contractor shall prepare check prints upon request. Said plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials

shall be specific for the project herein and shall not be used by the City for any other project without Contractor's consent. Notwithstanding the foregoing, Contractor shall not be obligated to assign any proprietary software or data developed by or at the direction of Contractor for Contractor's own use; provided, however, that Contractor shall, pursuant to Paragraph 14 below, indemnify, defend and hold the City harmless from and against any discovery or Public Records Act request seeking the disclosure of any such proprietary software or data.

4. Inspection. If the services set forth in Exhibit "A" shall be performed on City or other public property, the City shall have the right to inspect such work without notice. If such services shall not be performed on City or other public property, the City shall have the right to inspect such work upon reasonable notice. Inspections by the City shall not relieve or minimize the responsibility of Contractor to conduct any inspections Contractor has agreed to perform pursuant to the terms of this Agreement. Contractor shall be solely liable for said inspections performed by Contractor. Contractor shall certify in writing to the City as to the completeness and accuracy of each inspection required to be conducted by Contractor hereunder.
5. Services. The project or services set forth in Exhibit "A" shall be performed to the full satisfaction and approval of the City. In the event that the project or services set forth in Exhibit "A" are itemized by price in Exhibit "C", the City in its sole discretion may, upon notice to Contractor, delete certain items or services set forth in Exhibit "A", in which case there shall be a corresponding reduction in the amount of compensation paid to Contractor. City shall furnish Contractor, to the extent available, with any City standards, details, specifications and regulations applicable to the Project and necessary for the performance of Contractor's services hereunder. Notwithstanding the foregoing, any and all additional data necessary for design shall be the responsibility of Contractor.
6. Records. Contractor, including any of its subcontractors, shall maintain full and complete documents and records, including accounting records, employee time sheets, work papers, and correspondence pertaining to the project or services set forth in Exhibit "A". Contractor, including any of its subcontractors, shall make such documents and records available for City review or audit upon request and reasonable notice, and shall keep such documents and records, for at least four (4) years after Contractor's completion of performance of this Agreement. Copies of all pertinent reports and correspondence shall be furnished to the City for its files.
7. Changes and Extra Work. All changes and/or extra work under this Agreement shall be provided for by a subsequent written amendment executed by City and Contractor.

8. Additional Assistance. If this Agreement requires Contractor to prepare plans and specifications, Contractor shall provide assistance as necessary to resolve any questions regarding such plans and specifications that may arise during the period of advertising for bids, and Contractor shall issue any necessary addenda to the plans and specifications as requested. In the event Contractor is of the opinion that City's requests for addenda and assistance is outside the scope of normal services, the parties shall proceed in accordance with the changes and extra work provisions of this Agreement.
9. Professional Ability. Contractor acknowledges, represents and warrants that Contractor is skilled and able to competently provide the services hereunder, and possesses all professional licenses, certifications, and approvals necessary to engage in its occupation. City has relied upon the professional ability and training of Contractor as a material inducement to enter into this Agreement. Contractor shall perform in accordance with generally accepted professional practices and standards of Contractor's profession.
10. Business License. Contractor shall obtain a Redondo Beach Business License before performing any services required under this Agreement. The failure to so obtain such license shall be a material breach of this Agreement and grounds for immediate termination by City; provided, however, that City may waive the business license requirement in writing under unusual circumstances without necessitating any modification of this Agreement to reflect such waiver.
11. Termination Without Default. Notwithstanding any provision herein to the contrary, the City may, in its sole and absolute discretion and without cause, terminate this Agreement at any time prior to completion by Contractor of the project or services hereunder, immediately upon written notice to Contractor. In the event of any such termination, Contractor shall be compensated for: (1) all authorized work satisfactorily performed prior to the effective date of termination; and (2) necessary materials or services of others ordered by Contractor for this Agreement prior to Contractor's receipt of notice of termination, irrespective of whether such materials or services of others have actually been delivered, and further provided that Contractor is not able to cancel such orders. Compensation for Contractor in such event shall be determined by the City in accordance with the percentage of the project or services completed by Contractor; and all of Contractor's finished or unfinished work product through the time of the City's last payment shall be transferred and assigned to the City. In conjunction with any termination of this Agreement, the City may, at its own expense, make copies or extract information from any notes, sketches, computations, drawings, and specifications or other data, whether complete or not.
12. Termination in the Event of Default. Should Contractor fail to perform any of its obligations hereunder, within the time and in the manner provided or otherwise violate any of the terms of this Agreement, the City may immediately terminate

this Agreement by giving written notice of such termination, stating the reasons for such termination. Contractor shall be compensated as provided immediately above, provided, however, there shall be deducted from such amount the amount of damages, if any, sustained by the City by virtue of Contractor's breach of this Agreement.

13. Conflict of Interest. Contractor acknowledges, represents and warrants that Contractor shall avoid all conflicts of interest (as defined under any federal, state or local statute, rule or regulation, or at common law) with respect to this Agreement. Contractor further acknowledges, represents and warrants that Contractor has no business relationship or arrangement of any kind with any City official or employee with respect to this Agreement. Contractor acknowledges that in the event that Contractor shall be found by any judicial or administrative body to have any conflict of interest (as defined above) with respect to this Agreement, all consideration received under this Agreement shall be forfeited and returned to City forthwith. This provision shall survive the termination of this Agreement for one (1) year.
  
14. Indemnity. To the maximum extent permitted by law, Contractor hereby agrees, at its sole cost and expense, to defend protect, indemnify, and hold harmless the City, its elected and appointed officials, officers, employees, volunteers, attorneys, and agents (collectively "Indemnitees") from and against any and all claims, including, without limitation, claims for bodily injury, death or damage to property, demands, charges, obligations, damages, causes of action, proceedings, suits, losses, stop payment notices, judgments, fines, liens, penalties, liabilities, costs and expenses of every kind and nature whatsoever, in any manner arising out of, incident to, related to, in connection with or arising from any act, failure to act, error or omission of Contractor's performance or work hereunder (including any of its officers, agents, employees, Subcontractors) or its failure to comply with any of its obligations contained in the Agreement, or its failure to comply with any current or prospective law, except for such loss or damage which was caused by the sole negligence or willful misconduct of the City. Contractor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Contractor or Indemnitees. This indemnification obligation shall survive this Agreement and shall not be limited by any term of any insurance policy required under this Agreement.
  - a. Nonwaiver of Rights. Indemnitees do not and shall not waive any rights that they may possess against Contractor because the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement.
  - b. Waiver of Right of Subrogation. Contractor, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation and contribution against the Indemnitees.

15. Insurance. Contractor shall comply with the requirements set forth in Exhibit "D." Insurance requirements that are waived by the City's Risk Manager do not require amendments or revisions to this Agreement.
16. Non-Liability of Officials and Employees of the City. No official or employee of the City shall be personally liable for any default or liability under this Agreement.
17. Compliance with Laws. Contractor shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals, with respect to this Agreement, including without limitation all environmental laws, employment laws, and non-discrimination laws.
18. Limitations upon Subcontracting and Assignment. Contractor acknowledges that the services which Contractor shall provide under this Agreement are unique, personal services which, except as otherwise provided herein, Contractor shall not assign or sublet to any other party without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion. In the event that the City, in writing, approves any assignment or subletting of this Agreement or the retention of subcontractors by Contractor, Contractor shall provide to the City upon request copies of each and every subcontract prior to the execution thereof by Contractor and subcontractor. Any attempt by Contractor to assign any or all of its rights under this Agreement without first obtaining the City's prior written consent shall constitute a material default under this Agreement.

The sale, assignment, transfer or other disposition, on a cumulative basis, of twenty-five percent (25%) or more of the ownership interest in Contractor or twenty-five percent (25%) or more the voting control of Contractor (whether Contractor is a corporation, limited liability company, partnership, joint venture or otherwise) shall constitute an assignment for purposes of this Agreement. Further, the involvement of Contractor or its assets in any transaction or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buyout or otherwise), whether or not a formal assignment or hypothecation of this Agreement or Contractor's assets occurs, which reduces Contractor's assets or net worth by twenty-five percent (25%) or more shall also constitute an assignment for purposes of this Agreement.

19. Subcontractors. Contractor shall provide properly skilled professional and technical personnel to perform any approved subcontracting duties. Contractor shall not engage the services of any person or persons now employed by the City without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion.
20. Integration. This Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes any previous oral or

written agreement; provided, however, that correspondence or documents exchanged between Contractor and City may be used to assist in the interpretation of the exhibits to this Agreement.

21. Amendment. This Agreement may be amended or modified only by a subsequent written amendment executed by both parties.
22. Conflicting Provisions. In the event of a conflict between the terms and conditions of this Agreement and those of any exhibit or attachment hereto, this Agreement proper shall prevail. In the event of a conflict between the terms and conditions of any two or more exhibits or attachments hereto, those prepared by the City shall prevail over those prepared by Contractor.
23. Non-Exclusivity. Notwithstanding any provision herein to the contrary, the services provided by Contractor hereunder shall be non-exclusive, and City reserves the right to employ other contractors in connection with the project.
24. Exhibits. All exhibits hereto are made a part hereof and incorporated herein by reference; provided, however, that any language in Exhibit "A" which does not pertain to the project description, proposal, or scope of services (as applicable) to be provided by Contractor, or any corresponding responsibilities of City, shall be deemed extraneous to, and not a part of, this Agreement.
25. Time of Essence. Time is of the essence of this Agreement.
26. Confidentiality. To the extent permissible under law, Contractor shall keep confidential its obligations hereunder and the information acquired during the performance of the project or services hereunder.
27. Third Parties. Nothing herein shall be interpreted as creating any rights or benefits in any third parties. For purposes hereof, transferees or assignees as permitted under this Agreement shall not be considered "third parties."
28. Governing Law and Venue. This Agreement shall be construed in accordance with the laws of the State of California without regard to principles of conflicts of law. Venue for any litigation or other action arising hereunder shall reside exclusively in the Superior Court of the County of Los Angeles, Southwest Judicial District.
29. Attorneys' Fees. In the event either party to this Agreement brings any action to enforce or interpret this Agreement, the prevailing party in such action shall be entitled to reasonable attorneys' fees (including expert witness fees) and costs. This provision shall survive the termination of this Agreement.
30. Claims. Any claim by Contractor against City hereunder shall be subject to Government Code §§ 800 *et seq.* The claims presentation provisions of said Act

are hereby modified such that the presentation of all claims hereunder to the City shall be waived if not made within six (6) months after accrual of the cause of action.

31. Interpretation. Contractor acknowledges that it has had ample opportunity to seek legal advice with respect to the negotiation of this Agreement. This Agreement shall be interpreted as if drafted by both parties.
32. Warranty. In the event that any product shall be provided to the City as part of this Agreement, Contractor warrants as follows: Contractor possesses good title to the product and the right to transfer the product to City; the product shall be delivered to the City free from any security interest or other lien; the product meets all specifications contained herein; the product shall be free from material defects in materials and workmanship under normal use for a period of one (1) year from the date of delivery; and the product shall be fit for its intended purpose(s). Notwithstanding the foregoing, consumable and maintenance items (such as light bulbs and batteries) shall be warranted for a period of thirty (30) days from the date of delivery. All repairs during the warranty period shall be promptly performed by Contractor, at Contractor's expense, including shipping. Contractor shall not be liable under this warranty for an amount greater than the amount set forth in Exhibit "C" hereto.
33. Severance. Any provision of this Agreement that is found invalid or unenforceable shall be deemed severed and all remaining provisions of this Agreement shall remain enforceable to the fullest extent permitted by law.
34. Authority. City warrants and represents that upon City Council approval, the Mayor of the City of Redondo Beach is duly authorized to enter into and execute this Agreement on behalf of City. The party signing on behalf of Contractor warrants and represents that he or she is duly authorized to enter into and execute this Agreement on behalf of Contractor, and shall be personally liable to City if he or she is not duly authorized to enter into and execute this Agreement on behalf of Contractor.
35. Waiver. The waiver by the City of any breach of any term or provision of this Agreement shall not be construed as a waiver of any subsequent breach.

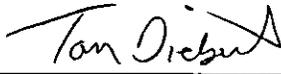
*SIGNATURES FOLLOW ON NEXT PAGE*

IN WITNESS WHEREOF, the parties have executed this Agreement in Redondo Beach, California, as of this 6<sup>th</sup> day of September, 2016.

CITY OF REDONDO BEACH

NETFILE, INC.

\_\_\_\_\_  
Mayor 

By:   
Name: TOM DIEBERT  
Title: VICE PRESIDENT & COO

ATTEST:

  
City Clerk

APPROVED:

  
Risk Manager

APPROVED AS TO FORM:

  
City Attorney's Office



## EXHIBIT "A"

### PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES

#### CONTRACTOR'S DUTIES

Contractor shall develop and maintain a system that provides the following functions.

##### A. Filers Using the Internet

1. Allows the User to provide to Filers, a user ID and password to log on to a secure site hosted on Contractor's web server, but accessible via the User's web site.
2. Allows Filers to log on to, enter data in, and upload to Contractor's secure site electronic formats of FPPC Statement of Economic Interest Forms.
3. Once the forms have been uploaded, Contractor's secure site shall validate the submitted filing and notify the Filer that the filing was accepted or, if declined, explains why the filing was declined.
4. Allows Filers to print a copy of the forms (via Adobe Acrobat) that uploaded by Filer to Contractor's secure site.
5. Allows Filers to access earlier validated electronically filed forms.

##### B. User

1. Allows User to track Filers and all electronically filed forms in a database.
2. Allows User to scan hard copy filings and post to the online searchable database; provided, however, that User has signed Contractor's liability waiver form, which limits the liability associated with manually redacted documents not under the control of the Contractor during the redaction process.

##### C. All FPPC Forms Uploaded to Contractor's Secure Site

Produce two versions of the FPPC Forms in pdf format – (1) one version that is not accessible by the public, including all information as filed (non-redacted) and (2) the second version, which is accessible by the public, including all street addresses and bank account information, if applicable, blocked from view.



D. Public

1. Allows the public to search and view electronically filed documents (with street addresses and bank account information, if applicable, blocked from view) over the Internet.
2. If a document is not available electronically, Contractor shall notify the searcher that the document is available for viewing in the office of the City Clerk.

E. General Duties

1. Issue an ID number and password for Filers.
2. Grant different user access and security levels for User staff.
3. Store and edit general information about Filers.
4. Store and edit all filings by individual statement periods where applicable.
5. Generate notification letters telling the Filer of the upcoming filing deadline.
6. Indicate how filings were received.
7. Track deadlines for filings and amendments and generate letters notifying Filers of delinquencies.
8. Track delinquencies and generate letters notifying Filers of fines.
9. Allow the public to search and view the database and complete list of electronic filings (with addresses and bank account information, if applicable, redacted) via the Internet.
10. Allow the public to search and view the database and complete electronic filings (without addresses and bank account information redacted) on the kiosk in the City Clerk's Office, provided City has setup the internet enabled kiosk.
11. Have sufficient back-up hardware, software, and policies and procedures to ensure that data under the control of Contractor with respect to this Agreement will not be irretrievably lost or destroyed.
12. Provide unlimited support to the User and its staff by email or phone during Contractor's normal working business hours Monday through Friday from 9:00 am to 5:00 pm. Respond to emails within the following parameters.

- a. E-mail support for User Staff: One working day.
- b. E-mail based filer help: Three working days.

F. Performance Standards

Base performance standards upon providing deliverables in accordance with City's timeline, and whether the system meets the expected outcome in terms of timeliness and functionality. Contractor shall ensure its servers have a guaranteed uptime of 99%.

G. Limitation of Liability

The maximum liability to the User by Contractor and its licensors, if any, under this agreement, or arising out of any claim by the User related to Contractor's services, products, equipment or software for direct damages, whether in contract, tort or otherwise, shall be limited to the total amount of fees received during the last 12 months by Contractor from the User hereunder up to the time the cause of action giving rise to such liability occurred. In no event shall Contractor or its licensors be liable to the User for any indirect, incidental, consequential, or special damages related to the use of Contractor's services, products, equipment or software or Contractor's failure to perform its obligations under this agreement, even if advised of the possibility of such damages. However, the foregoing provision shall not apply in the case of Contractor's negligence or willful misconduct. Provided, however, that for any peril or exposure insured against under the insurance required pursuant to Exhibit D, the limits of liability to User by Contractor shall not be less than the amount of applicable, valid, and collectible insurance set forth in Exhibit D.

H. Intellectual Property

All intellectual property, including existing source code or additional source code written for the purpose of developing this system for the User, will be the sole property of Contractor. If Contractor were to cease operations during the contractual period, Contractor shall provide to the User all source code relative to the User's system.

**EXHIBIT "B"**

**SCHEDULE FOR COMPLETION**

**TERM.** The term of this Agreement shall commence September 6, 2016 and expire September 5, 2021 ("Term"), unless otherwise terminated as herein provided.

**EXHIBIT "C"**  
**COMPENSATION**

Provided Contractor is not in default under this Agreement, Contractor shall be compensated as provided below.

1. **AMOUNT.** Contractor shall be paid \$2,200 quarterly for a total amount of \$44,000 during the term of this Agreement.
2. **METHOD OF PAYMENT.** Contractor shall provide invoices indicating the services and tasks performed during the prior quarter to City for approval and payment. Invoices must be itemized, adequately detailed, based on accurate records, and in a form reasonably satisfactory to City, including, but not limited to, date of invoice, detailed description of deliverable, and amount. Contractor may be required to provide back-up material upon request.
3. **SCHEDULE FOR PAYMENT.** City will pay Contractor within thirty days of receiving the quarterly invoice, provided, however, that services are completed to the City's full satisfaction.
4. **NOTICE.** Written notices to City and Contractor shall be given by registered or certified mail, postage prepaid and addressed to or personally served on the following parties.

Contractor. NetFile  
2707-A Aurora Road  
Mariposa, CA 95338  
Attention: Tom Dieburt, Vice President

City. City of Redondo Beach  
The City Clerk's Office  
415 Diamond Street  
Redondo Beach, CA 90277  
Attention: Eleanor Manzano, City Clerk

All notices, including notices of address changes, provided under this Agreement are deemed received on the third day after mailing if sent by registered or certified mail. Changes in the respective address set forth above may be made from time to time by any party upon written notice to the other party.

## EXHIBIT "D"

### INSURANCE REQUIREMENTS FOR CONTRACTORS

Without limiting Consultant's indemnification obligations under this Agreement, Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees.

#### Minimum Scope of Insurance

Coverage shall be at least as broad as:

Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).

Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).

Workers' Compensation insurance as required by the State of California.

Employer's Liability Insurance.

Errors and Omissions liability insurance appropriate to the consultant's profession. Architects' and Engineers' coverage is to be endorsed to include contractual liability.

#### Minimum Limits of Insurance

Consultant shall maintain limits no less than:

General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. The general aggregate limit shall apply separately to this project/location.

Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.

Employer's Liability: \$1,000,000 per accident for bodily injury or disease.

Errors and Omissions liability: \$1,000,000 per occurrence.

#### Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers or (2) the Consultant shall provide a financial guarantee

satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses.

### Other Insurance Provisions

The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

#### Additional Insured Endorsement:

**General Liability:** The City, its officers, elected and appointed officials, employees, and volunteers are to be covered as insureds with respect to liability arising out of work performed by or on behalf of the Consultant. General liability coverage can be provided in the form of an endorsement to the Consultant's insurance, or as a separate owner's policy.

**Automobile Liability:** The City, its officers, elected and appointed officials, employees, and volunteers are to be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Consultant.

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

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.

Each insurance policy shall be endorsed to state that the inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverages afforded shall apply as though separate policies had been issued to each insured.

Errors and Omissions policy, if written on a claims made basis, shall be maintained by the Consultant for a period of one year after the completion of the project.

Each insurance policy shall be in effect prior to awarding the contract and each insurance policy or a successor policy shall be in effect for the duration of the project. The maintenance of proper insurance coverage is a material element of the contract and failure to maintain or renew coverage or to provide evidence of renewal may be treated by the City as a material breach of contract on the Consultant's part.

### Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII and which are authorized to transact insurance business in the State of California by the Department of Insurance.

### Verification of Coverage

Consultant shall furnish the City with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on the City authorized forms provided with the contract specifications. Standard ISO forms which shall be subject to City approval and amended to conform to the City's requirements may be acceptable in lieu of City authorized forms. All certificates and endorsements are to be received and approved by the City before the contract is awarded. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications at any time.

### Subcontractors

Consultant shall include all subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

### Risk Management

Consultant acknowledges that insurance underwriting standards and practices are subject to change, and the City reserves the right to make changes to these provisions in the reasonable discretion of its Risk Manager.



STATE OF CALIFORNIA  
FAIR POLITICAL PRACTICES COMMISSION  
428 J Street • Suite 620 • Sacramento, CA 95814-2329  
(916) 322-5660 • Fax (916) 322-0886

October 11, 2016

Eleanor Manzano  
City of Redondo Beach  
415 Diamond Street, Door C  
Redondo Beach, CA 90277

Re: Certification of Electronic Filing System for Statements of Economic Interests  
System Acceptance Number (SAN): 091600145-NFH-0145

Dear Ms. Manzano:

Congratulations! We are pleased to inform you that your agency's system for electronic filing of the Statements of Economic Interests (Form 700) has been approved. We are excited to see agencies moving toward electronic filing systems, which have been shown to provide several benefits – time and cost savings for the agency, easier filing and time savings for filers.

As a condition of your approval, **within 14 days**, please provide to us via e-mail a sample Form 700 that includes the required electronic date stamp and the System Acceptance Number (SAN), as assigned above, displayed at the top of the first page of the Form 700. Please continue to use this number on the cover page of all future electronically filed statements. The sample can be e-mailed to Cyndi Glaser at [cglaser@fppc.ca.gov](mailto:cglaser@fppc.ca.gov).

For Form 700 statements forwarded to the FPPC, beginning January 1, 2015 all electronically filed statements must be sent to [efiledform700@fppc.ca.gov](mailto:efiledform700@fppc.ca.gov). The e-mails may be generated directly from the program and must include the name of the agency in the e-mail address, e.g., [Form700.cityofXXX\(or countyofXXX\)@vendorname.com](mailto:Form700.cityofXXX(or countyofXXX)@vendorname.com). The PDF of each statement attached to the e-mail must be named using the filer's name, type of statement and year of filing, e.g., "Mayer\_Trish\_2014\_Annual.pdf" or "Warram\_Bob\_2015\_Candidate.pdf"

In addition:

- E-mails may contain multiple electronic filings.
- Only send one **unredacted** version of each electronically filed statement. Do not send redacted versions.
- Do not e-mail a non-electronically filed statement (i.e., one that contains a signature). These statements must be sent via US postal service as we are required to receive an original signature.



**STATE FARM GENERAL INSURANCE COMPANY**  
 A STOCK COMPANY WITH HOME OFFICES IN BLOOMINGTON, ILLINOIS

P.O. Box 799100  
 Dallas, TX 75379-9100

M-23-3003-FA2F F Z

002141 3123

**Add Insured-Section II Only**

THE CITY OF REDONDO BEACH  
 ITS OFFICERS; ELECTED &  
 APPOINTED OFFICIALS;  
 EMPLOYEES & VOLUNTEERS  
 415 DIAMOND ST  
 REDONDO BEACH CA 90277-2836

**DECLARATIONS** AMENDED OCT 27 2016

|   |                       |                        |
|---|-----------------------|------------------------|
| <b>Policy Number</b>  | <b>92-XV-7702-4</b>   |                        |
| <b>Policy Period</b>  | <b>Effective Date</b> | <b>Expiration Date</b> |
| 12 Months   | MAR 1 2016            | MAR 1 2017             |
| The policy period begins and ends at 12:01 am standard time at the premises location. |                       |                        |

**Named Insured**  
 NETFILE INC  
 PO BOX 70  
 AHWAHNEE CA 93601-0070

**Office Policy**

**Automatic Renewal** - If the **policy period** is shown as **12 months**, this policy will be renewed automatically subject to the premiums, rules and forms in effect for each succeeding policy period. If this policy is terminated, we will give you and the Mortgagee/Lienholder written notice in compliance with the policy provisions or as required by law.

**Entity:** Corporation  
**Reason for Declarations:** Your policy is amended OCT 27 2016  
 ADDITIONAL INSURED ADDED  
 PREMIUM ADJUSTMENT  
 FORM CMP-4786.1 ADDED

Endorsement Premium Increase \$ 44.00

Discounts Applied:  
 Renewal Year  
 Years in Business  
 Protective Devices  
 Claim Record

Prepared  
 NOV 01 2016  
 CMP-4000

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Page 1 of 6

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**DECLARATIONS (CONTINUED)**

Office Policy for THE CITY OF REDONDO BEACH  
 Policy Number 92-XV-7702-4

**SECTION I - PROPERTY SCHEDULE**

| Location Number | Location of Described Premises           | Limit of Insurance*<br>Coverage A - Buildings | Limit of Insurance*<br>Coverage B - Business Personal Property | Seasonal Increase-Business Personal Property |
|-----------------|--|---|--|--|
| 001             | 2707 AURORA CT<br>MARIPOSA CA 95338-9755 | \$ 256,700                                    | \$ 82,400  | 25%  |

\* As of the effective date of this policy, the Limit of Insurance as shown includes any increase in the limit due to Inflation Coverage.

**SECTION I - INFLATION COVERAGE INDEX(ES)**

Cov A - Inflation Coverage Index: 169.2  
 Cov B - Consumer Price Index: 238.7

**SECTION I - DEDUCTIBLES**

**Basic Deductible** \$1,000

**Special Deductibles:**

|                      |         |                     |       |
|----------------------|---------|---------------------|-------|
| Money and Securities | \$250   | Employee Dishonesty | \$250 |
| Equipment Breakdown  | \$1,000 |                     |       |

Other deductibles may apply - refer to policy.

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## DECLARATIONS (CONTINUED)

Office Policy for THE CITY OF REDONDO BEACH  
 Policy Number 92-XV-7702-4

**SECTION I - EXTENSIONS OF COVERAGE - LIMIT OF INSURANCE - EACH DESCRIBED PREMISES**

The coverages and corresponding limits shown below apply separately to each described premises shown in these Declarations, unless indicated by "See Schedule." If a coverage does not have a corresponding limit shown below, but has "Included" indicated, please refer to that policy provision for an explanation of that coverage.

| COVERAGE  | LIMIT OF INSURANCE  |
|---|---------------------|
| Accounts Receivable   |                     |
| On Premises   | \$50,000            |
| Off Premises  | \$15,000            |
| Arson Reward  | \$5,000             |
| Back-Up Of Sewer Or Drain   | \$15,000            |
| Collapse  | Included            |
| Damage To Non-Owned Buildings From Theft, Burglary Or Robbery   | Coverage B Limit    |
| Debris Removal  | 25% of covered loss |
| Equipment Breakdown   | Included            |
| Fire Department Service Charge  | \$5,000             |
| Fire Extinguisher Systems Recharge Expense  | \$5,000             |
| Forgery Or Alteration   | \$10,000            |
| Glass Expenses  | Included            |
| Increased Cost Of Construction And Demolition Costs (applies only when buildings are insured on a replacement cost basis) | 10%                 |
| Money And Securities (Off Premises)   | \$5,000             |
| Money And Securities (On Premises)  | \$10,000            |
| Money Orders And Counterfeit Money  | \$1,000             |
| Newly Acquired Business Personal Property (applies only if this policy provides Coverage B - Business Personal Property)  | \$100,000           |
| Newly Acquired Or Constructed Buildings (applies only if this policy provides Coverage A - Buildings)                     | \$250,000           |

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Continued on Reverse Side of Page

Page 3 of 6

**DECLARATIONS (CONTINUED)**

**Office Policy for THE CITY OF REDONDO BEACH**  
**Policy Number 92-XV-7702-4**

|  |          |
|--|----------|
| Ordinance Or Law - Equipment Coverage  | Included |
| Outdoor Property   | \$5,000  |
| Personal Effects (applies only to those premises provided Coverage B - Business Personal Property)   | \$5,000  |
| Personal Property Off Premises   | \$15,000 |
| Pollutant Clean Up And Removal   | \$10,000 |
| Preservation Of Property   | 30 Days  |
| Property Of Others (applies only to those premises provided Coverage B - Business Personal Property) | \$2,500  |
| Signs  | \$2,500  |
| Unauthorized Business Card Use   | \$5,000  |
| Valuable Papers And Records  |          |
| On Premises  | \$50,000 |
| Off Premises   | \$15,000 |
| Water Damage, Other Liquids, Powder Or Molten Material Damage  | Included |

**SECTION I - EXTENSIONS OF COVERAGE - LIMIT OF INSURANCE - PER POLICY**

**The coverages and corresponding limits shown below are the most we will pay regardless of the number of described premises shown in these Declarations.**

| COVERAGE                              | LIMIT OF INSURANCE                |
|---------------------------------------|-----------------------------------|
| Dependent Property - Loss Of Income   | \$5,000                           |
| Employee Dishonesty                   | \$10,000                          |
| Utility Interruption - Loss Of Income | \$10,000                          |
| Loss Of Income And Extra Expense      | Actual Loss Sustained - 12 Months |

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DECLARATIONS (CONTINUED)

Office Policy for THE CITY OF REDONDO BEACH
Policy Number 92-XV-7702-4

SECTION II - LIABILITY

Table with 2 columns: COVERAGE and LIMIT OF INSURANCE. Rows include Coverage L - Business Liability (\$1,000,000), Coverage M - Medical Expenses (Any One Person) (\$5,000), Damage To Premises Rented To You (\$300,000), and AGGREGATE LIMITS (Products/Completed Operations Aggregate \$2,000,000, General Aggregate \$2,000,000).

Each paid claim for Liability Coverage reduces the amount of insurance we provide during the applicable annual period. Please refer to Section II - Liability in the Coverage Form and any attached endorsements.

Your policy consists of these Declarations, the BUSINESSOWNERS COVERAGE FORM shown below, and any other forms and endorsements that apply, including those shown below as well as those issued subsequent to the issuance of this policy.

FORMS AND ENDORSEMENTS

- CMP-4101 Businessowners Coverage Form
CMP-4786.1 \*Addl Insd Owners Lessee Sched
CMP-4787 \*Waiver of Trans Rgt of Recov
CMP-4713.1 Excl Testing Consulting E&O
CMP-4714 Excl Data Processing and Prog
CMP-4795.1 Addl Insd Designated Premises
FE-6999.2 Terrorism Insurance Cov Notice
CMP-4788.1 Addl Insd Mgrs Lessor of Prem
CMP-4819.1 Unauthorized Business Card Use
CMP-4698 Back-Up of Sewer or Drain
CMP-4704 Dependent Prop Loss of Income
CMP-4710 Employee Dishonesty
CMP-4709 Money and Securities

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Continued on Reverse Side of Page

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DECLARATIONS (CONTINUED)

Office Policy for THE CITY OF REDONDO BEACH  
Policy Number 92-XV-7702-4

CMP-4703 Utility Interruption Loss Incm  
CMP-4705.1 Loss of Income & Extra Expnse  
CMP-4860.1 AI Design Person Org  
FD-6007 Inland Marine Attach Dec  
NOTICE: INFORMATION CONCERNING  
CHANGES IN YOUR POLICY  
LANGUAGE IS INCLUDED. PLEASE  
CALL YOUR AGENT IF YOU HAVE  
ANY QUESTIONS.  
\* New Form Attached

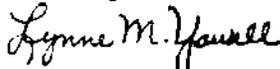
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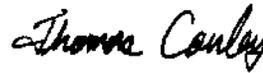
This policy is issued by the State Farm General Insurance Company.

Participating Policy

You are entitled to participate in a distribution of the earnings of the company as determined by our Board of Directors in accordance with the Company's Articles of Incorporation, as amended.

In Witness Whereof, the State Farm General Insurance Company has caused this policy to be signed by its President and Secretary at Bloomington, Illinois.

  
Secretary

  
President

**IMPORTANT NOTICE:**

California law requires us to provide you with information for filing complaints with the State Insurance Department regarding the coverage and service provided under this policy.

Complaints should be filed only after you and State Farm or your agent or other company representative have failed to reach a satisfactory agreement on a problem.

Please forward such complaints to: California Department of Insurance  
Consumer Services Division  
300 South Spring Street  
Los Angeles, CA 90013

Or call toll free: 1-800-927-HELP

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CMP-4000

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**STATE FARM GENERAL INSURANCE COMPANY**  
 A STOCK COMPANY WITH HOME OFFICES IN BLOOMINGTON, ILLINOIS

P.O. Box 799100  
 Dallas, TX 75379-9100

**INLAND MARINE ATTACHING DECLARATIONS**

M-23-3003-FA2F F Z

**Named Insured**

NETFILE INC  
 PO BOX 70  
 AHWAHNEE CA 93601-0070

|   |                       |                        |
|---|-----------------------|------------------------|
| <b>Policy Number</b>  | <b>92-XV-7702-4</b>   |                        |
| <b>Policy Period</b>  | <b>Effective Date</b> | <b>Expiration Date</b> |
| 12 Months   | MAR 1 2016            | MAR 1 2017             |
| The policy period begins and ends at 12:01 am standard time at the premises location. |                       |                        |

**ATTACHING INLAND MARINE**

**Automatic Renewal** - If the **policy period** is shown as **12 months**, this policy will be renewed automatically subject to the premiums, rules and forms in effect for each succeeding policy period. If this policy is terminated, we will give you and the Mortgagee/Lienholder written notice in compliance with the policy provisions or as required by law.

**Annual Policy Premium** Included

The above Premium Amount is included in the Policy Premium shown on the Declarations.

Your policy consists of these Declarations, the INLAND MARINE CONDITIONS shown below, and any other forms and endorsements that apply, including those shown below as well as those issued subsequent to the issuance of this policy.

**Forms, Options, and Endorsements**

FE-8739 Inland Marine Conditions  
 FE-6271 Amendatory Endorsement  
 FE-8745 Inland Marine Computer Prop

See Reverse for Schedule Page with Limits

Prepared  
 NOV 01 2016  
 FD-6007

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530-666 v.2 05-31-2011 (n113232c)

As a reminder, pursuant to Regulation 18756, each agency is required to update its system annually to conform with Commission-approved changes to the Form 700. In addition, if a significant change of product or system architecture takes place, an agency must request re-certification.

Please note that if your agency's program includes the conflict of interest disclosure categories, the Commission does not approve the accuracy of such information. The conflict of interest code categories and the assignments are the sole responsibility of the agency.

If you have any questions, please feel free to contact us at 916-322-5660.

Sincerely,



Loressa Hon  
Chief, Administration & Technology Div.



Dave Porter  
Chief Information Officer

## ATTACHING INLAND MARINE SCHEDULE PAGE

## ATTACHING INLAND MARINE

| ENDORSEMENT<br>NUMBER | COVERAGE  | LIMIT OF<br>INSURANCE  | DEDUCTIBLE<br>AMOUNT | ANNUAL<br>PREMIUM    |
|-----------------------|---|------------------------|----------------------|----------------------|
| FE-8745               | Inland Marine Computer Prop<br>Loss of Income and Extra Expense | \$ 25,000<br>\$ 25,000 | \$ 500               | Included<br>Included |

---

OTHER LIMITS AND EXCLUSIONS MAY APPLY - REFER TO YOUR POLICY

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NOV 01 2016  
FD-6007

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530 686 a.2 05 31 2011 10193233c1





# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
08/23/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

|  |   |  |
|--|---|--|
| <b>PRODUCER</b><br>State Farm Insurance<br>835 E Mariposa St.<br>Altadena, CA 91001<br> | <b>CONTACT NAME:</b> JOHN DIEHL<br><b>PHONE (A/C, No, Ext):</b> 626-791-9915 <b>FAX (A/C, No):</b> 626-791-9918<br><b>E-MAIL ADDRESS:</b> JOHN@JDIEHL.COM<br><b>PRODUCER CUSTOMER ID #:</b> 0D75608 |  |
|  | <b>INSURER(S) AFFORDING COVERAGE</b> <b>NAIC #</b>  |  |
| <b>INSURED</b><br>NETFILE<br>PO BOX 70<br>AHWAHNEE CA 93601-0070   | <b>INSURER A :</b> State Farm General Insurance Company <b>25151</b>  |  |
|  | <b>INSURER B :</b> State Farm Fire and Casualty Company <b>25143</b>  |  |
|  | <b>INSURER C</b>  |  |
|  | <b>INSURER D</b>  |  |
|  | <b>INSURER E</b>  |  |
|  | <b>INSURER F</b>  |  |

**COVERAGES**      **CERTIFICATE NUMBER:**      **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| INSR LTR                                 | TYPE OF INSURANCE   | ADDL INSR | SUBR WVD | POLICY NUMBER | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS   |
|--|---|-----------|----------|---------------|-------------------------|-------------------------|--|
| A  | GENERAL LIABILITY   |           |          | 92-XV-7702-4  | 03/01/2016              | 03/01/2017              | EACH OCCURRENCE \$ 1,000,000   |
|  | <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY<br><input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR<br>GEN'L AGGREGATE LIMIT APPLIES PER:<br><input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC | Y         | Y        |               |                         |                         | DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000<br>MED EXP (Any one person) \$ 5,000<br>PERSONAL & ADV INJURY \$ 1,000,000<br>GENERAL AGGREGATE \$ 2,000,000<br>PRODUCTS - COMP/OP AGG \$ 2,000,000 |
|  | AUTOMOBILE LIABILITY  |           |          |               |                         |                         | COMBINED SINGLE LIMIT (Ea accident) \$   |
|  | <input type="checkbox"/> ANY AUTO   |           |          |               |                         |                         | BODILY INJURY (Per person) \$  |
|  | <input type="checkbox"/> ALL OWNED AUTOS  |           |          |               |                         |                         | BODILY INJURY (Per accident) \$  |
|  | <input type="checkbox"/> SCHEDULED AUTOS  |           |          |               |                         |                         | PROPERTY DAMAGE (Per accident) \$  |
|  | <input type="checkbox"/> HIRED AUTOS  |           |          |               |                         |                         | \$   |
| <input type="checkbox"/> NON-OWNED AUTOS |   |           | \$       |               |                         |                         |  |
|  | UMBRELLA LIAB   |           |          |               |                         |                         | EACH OCCURRENCE \$   |
|  | EXCESS LIAB   |           |          |               |                         |                         | AGGREGATE \$   |
|  | DEDUCTIBLE  |           |          |               |                         |                         | \$   |
| B  | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY   |           |          | 92-CX-L168-6  | 03/01/2016              | 03/01/2017              | WC STATUTORY LIMITS <input checked="" type="checkbox"/> OTH-ER <input type="checkbox"/>  |
|  | ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under SPECIAL PROVISIONS below   | Y/N       | N/A      |               |                         |                         | E L EACH ACCIDENT \$ 1,000,000   |
|  |   | Y         | Y        |               |                         |                         | E L DISEASE - EA EMPLOYEE \$ 1,000,000   |
|  |   | Y         | Y        |               |                         |                         | E L DISEASE - POLICY LIMIT \$ 1,000,000  |
| B  | TECHNOLOGY ERRORS & OMISSIONS   | Y         | Y        | 342011        | 02/11/2016              | 02/11/2017              | \$2,000,000 - EACH WRONGFUL ACT<br>\$2,000,000 - TOTAL LIMIT OF LIABILITY  |

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

DATA AND INFORMATION STORAGE

CANCELLATION NOTICE: IF ANY POLICIES ARE CANCELED BEFORE THE EXPIRATION DATE, STATE FARM WILL TRY TO MAIL A WRITTEN NOTICE TO THE CERTIFICATE HOLDER 30 DAYS BEFORE CANCELLATION.

|   |  |
|---|--|
| <b>CERTIFICATE HOLDER</b><br>City of Redondo Beach<br>415 Diamond Street<br>Redondo Beach, CA 90277 | <b>CANCELLATION</b><br>SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS |
|   | AUTHORIZED REPRESENTATIVE<br>MIRNA SERNA <i>Mirna Serna</i>  |



# CERTIFICATE OF LIABILITY INSURANCE

RJB  
R054DATE (MM/DD/YYYY)  
8/18/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).**

|  |  |  |  |
|--|--|--|--|
| <b>PRODUCER</b>                          |  | <b>CONTACT NAME</b>                        |  |
| USAA INSURANCE AGENCY INC/PHS            |  | PHONE (A/C No, Ext) (888) 242-1430         |  |
| 812846 P:(888) 242-1430 F:(888) 443-6112 |  | FAX (A/C, No) (888) 443-6112               |  |
| PO BOX 33015                             |  | <b>E-MAIL ADDRESS</b>                      |  |
| SAN ANTONIO TX 78265                     |  | <b>INSURER(S) AFFORDING COVERAGE</b>       |  |
|  |  | INSURER A Hartford Accident & Indemnity Co |  |
|  |  | INSURER B                                  |  |
|  |  | INSURER C                                  |  |
|  |  | INSURER D                                  |  |
|  |  | INSURER E                                  |  |
|  |  | INSURER F                                  |  |
| <b>INSURED</b>                           |  |  |  |
| NETFILE                                  |  |  |  |
| PO BOX 70                                |  |  |  |
| AHWAHNEE CA 93601                        |  |  |  |

**COVERAGES****CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| INSR LTR | TYPE OF INSURANCE   | ADDE INSR | SUBR BYD | POLICY NUMBER | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS   |
|----------|---|-----------|----------|---------------|-------------------------|-------------------------|--|
|          | <b>COMMERCIAL GENERAL LIABILITY</b><br><input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR<br><br>GEN'L AGGREGATE LIMIT APPLIES PER<br><input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC<br><input type="checkbox"/> OTHER |           |          |               |                         |                         | EACH OCCURRENCE \$<br>DAMAGE TO RENTED PREMISES (Ea occurrence) \$<br>MED EXP (Any one person) \$<br>PERSONAL & ADV INJURY \$<br>GENERAL AGGREGATE \$<br>PRODUCTS - COMP/OP AGG \$<br>\$ |
| A        | <b>AUTOMOBILE LIABILITY</b><br><input type="checkbox"/> ANY AUTO<br><input type="checkbox"/> OWNED AUTOS ONLY <input checked="" type="checkbox"/> SCHEDULED AUTOS<br><input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY      |           |          | 65 UEC IY4482 | 04/20/2016              | 04/20/2017              | COMBINED SINGLE LIMIT (Ea accident) \$1,000,000<br>BODILY INJURY (Per person) \$<br>BODILY INJURY (Per accident) \$<br>PROPERTY DAMAGE (Per accident) \$<br>\$                           |
|          | <b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR<br><b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE<br>DED <input type="checkbox"/> RETENTION \$   |           |          |               |                         |                         | EACH OCCURRENCE \$<br>AGGREGATE \$<br>\$   |
|          | <b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b><br>ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y/N<br>If yes, describe under DESCRIPTION OF OPERATIONS below  |           | N/A      |               |                         |                         | <input type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER<br>E.L. EACH ACCIDENT \$<br>E.L. DISEASE- EA EMPLOYEE \$<br>E.L. DISEASE - POLICY LIMIT \$                          |

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Those usual to the Insured's Operations. Certificate holder is an additional insured per the Commercial Auto Broad Form Endorsement HA9916, attached to this policy.

**CERTIFICATE HOLDER****CANCELLATION**

City of Redondo Beach  
415 DIAMOND ST  
REDONDO BEACH, CA 90277

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

*Jac Taylor*



USAA INSURANCE AGENCY INC/PHS  
PO BOX 33015  
SAN ANTONIO TX 78265

City of Redondo Beach  
415 DIAMOND ST  
REDONDO BEACH CA 90277



**STATE FARM GENERAL INSURANCE COMPANY**  
 A STOCK COMPANY WITH HOME OFFICES IN BLOOMINGTON, ILLINOIS

Po Box 853925  
 Richardson, TX 75085-3925

**DECLARATIONS** AMENDED DEC 9 2016

M-23-3003-FA2F F Z

002337 3123

**Add Insured-Section II Only**

THE CITY OF REDONDO BEACH  
 ITS OFFICERS; ELECTED &  
 APPOINTED OFFICIALS;  
 EMPLOYEES & VOLUNTEERS  
 415 DIAMOND ST  
 REDONDO BEACH CA 90277-2836

|   |                       |                        |
|---|-----------------------|------------------------|
| <b>Policy Number</b>  | <b>92-XV-7702-4</b>   |                        |
| <b>Policy Period</b>  | <b>Effective Date</b> | <b>Expiration Date</b> |
| 12 Months   | MAR 1 2017            | MAR 1 2018             |
| The policy period begins and ends at 12:01 am standard time at the premises location. |                       |                        |

**Named Insured**  
 NETFILE INC  
 PO BOX 70  
 AHWAHNEE CA 93601-0070

**Office Policy**

**Automatic Renewal** - If the **policy period** is shown as **12 months**, this policy will be renewed automatically subject to the premiums, rules and forms in effect for each succeeding policy period. If this policy is terminated, we will give you and the Mortgagee/Lienholder written notice in compliance with the policy provisions or as required by law.

**Entity:** Corporation

**Reason for Declarations:** Your policy is amended DEC 9 2016  
 ADDITIONAL INSURED ADDED  
 PREMIUM ADJUSTMENT  
 FORM CMP-4786.1 ADDED

Other items shown are effective with the policy's 2017 renewal

Endorsement Premium Increase \$ 88.00

Discounts Applied:  
 Renewal Year  
 Years in Business  
 Protective Devices  
 Claim Record

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 DEC 15 2016  
 CMP-4000

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**DECLARATIONS (CONTINUED)**

**Office Policy for THE CITY OF REDONDO BEACH**  
**Policy Number 92-XV-7702-4**

**SECTION I - PROPERTY SCHEDULE**

| Location Number | Location of Described Premises           | Limit of Insurance*    |   | Seasonal Increase-Business Personal Property |
|-----------------|--|------------------------|---|--|
|                 |  | Coverage A - Buildings | Coverage B - Business Personal Property |  |
| 001             | 2707 AURORA CT<br>MARIPOSA CA 95338-9755 | \$ 259,700             | \$ 83,500                               | 25%  |

\* As of the effective date of this policy, the Limit of Insurance as shown includes any increase in the limit due to Inflation Coverage.

**SECTION I - INFLATION COVERAGE INDEX(ES)**

Cov A - Inflation Coverage Index: 171.1  
 Cov B - Consumer Price Index: 241.7

**SECTION I - DEDUCTIBLES**

**Basic Deductible** \$1,000

**Special Deductibles:**

|                      |         |                     |       |
|----------------------|---------|---------------------|-------|
| Money and Securities | \$250   | Employee Dishonesty | \$250 |
| Equipment Breakdown  | \$1,000 |                     |       |

Other deductibles may apply - refer to policy.

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DECLARATIONS (CONTINUED)

Office Policy for THE CITY OF REDONDO BEACH  
 Policy Number 92-XV-7702-4

**SECTION I - EXTENSIONS OF COVERAGE - LIMIT OF INSURANCE - EACH DESCRIBED PREMISES**

The coverages and corresponding limits shown below apply separately to each described premises shown in these Declarations, unless indicated by "See Schedule." If a coverage does not have a corresponding limit shown below, but has "Included" indicated, please refer to that policy provision for an explanation of that coverage.

| COVERAGE  | LIMIT OF INSURANCE  |
|---|---------------------|
| Accounts Receivable   |                     |
| On Premises   | \$50,000            |
| Off Premises  | \$15,000            |
| Arson Reward  | \$5,000             |
| Back-Up Of Sewer Or Drain   | \$15,000            |
| Collapse  | Included            |
| Damage To Non-Owned Buildings From Theft, Burglary Or Robbery   | Coverage B Limit    |
| Debris Removal  | 25% of covered loss |
| Equipment Breakdown   | Included            |
| Fire Department Service Charge  | \$5,000             |
| Fire Extinguisher Systems Recharge Expense  | \$5,000             |
| Forgery Or Alteration   | \$10,000            |
| Glass Expenses  | Included            |
| Increased Cost Of Construction And Demolition Costs (applies only when buildings are insured on a replacement cost basis) | 10%                 |
| Money And Securities (Off Premises)   | \$5,000             |
| Money And Securities (On Premises)  | \$10,000            |
| Money Orders And Counterfeit Money  | \$1,000             |
| Newly Acquired Business Personal Property (applies only if this policy provides Coverage B - Business Personal Property)  | \$100,000           |
| Newly Acquired Or Constructed Buildings (applies only if this policy provides Coverage A - Buildings)                     | \$250,000           |

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**DECLARATIONS (CONTINUED)**

**Office Policy for THE CITY OF REDONDO BEACH**  
**Policy Number 92-XV-7702-4**

|  |          |
|--|----------|
| Ordinance Or Law - Equipment Coverage  | Included |
| Outdoor Property   | \$5,000  |
| Personal Effects (applies only to those premises provided Coverage B - Business Personal Property)   | \$5,000  |
| Personal Property Off Premises   | \$15,000 |
| Pollutant Clean Up And Removal   | \$10,000 |
| Preservation Of Property   | 30 Days  |
| Property Of Others (applies only to those premises provided Coverage B - Business Personal Property) | \$2,500  |
| Signs  | \$2,500  |
| Unauthorized Business Card Use   | \$5,000  |
| Valuable Papers And Records  |          |
| On Premises  | \$50,000 |
| Off Premises   | \$15,000 |
| Water Damage, Other Liquids, Powder Or Molten Material Damage  | Included |

**SECTION I - EXTENSIONS OF COVERAGE - LIMIT OF INSURANCE - PER POLICY**

**The coverages and corresponding limits shown below are the most we will pay regardless of the number of described premises shown in these Declarations.**

| <b>COVERAGE</b>                       | <b>LIMIT OF INSURANCE</b>         |
|---------------------------------------|-----------------------------------|
| Dependent Property - Loss Of Income   | \$5,000                           |
| Employee Dishonesty                   | \$10,000                          |
| Utility Interruption - Loss Of Income | \$10,000                          |
| Loss Of Income And Extra Expense      | Actual Loss Sustained - 12 Months |

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DECLARATIONS (CONTINUED)

Office Policy for THE CITY OF REDONDO BEACH  
Policy Number 92-XV-7702-4

SECTION II - LIABILITY

| COVERAGE                                       | LIMIT OF INSURANCE |
|--|--------------------|
| Coverage L - Business Liability                | \$1,000,000        |
| Coverage M - Medical Expenses (Any One Person) | \$5,000            |
| Damage To Premises Rented To You               | \$300,000          |
| AGGREGATE LIMITS                               | LIMIT OF INSURANCE |
| Products/Completed Operations Aggregate        | \$2,000,000        |
| General Aggregate                              | \$2,000,000        |

Each paid claim for Liability Coverage reduces the amount of insurance we provide during the applicable annual period. Please refer to Section II - Liability in the Coverage Form and any attached endorsements.

Your policy consists of these Declarations, the BUSINESSOWNERS COVERAGE FORM shown below, and any other forms and endorsements that apply, including those shown below as well as those issued subsequent to the issuance of this policy.

FORMS AND ENDORSEMENTS

- CMP-4101 Businessowners Coverage Form
- CMP-4786.1 \*Addl Insd Owners Lessee Sched
- CMP-4713.1 Excl Testing Consulting E&O
- CMP-4714 Excl Data Processing and Prog
- CMP-4795.1 Addl Insd Designated Premises
- FE-6999.2 Terrorism Insurance Cov Notice
- CMP-4787 Waiver of Trans Rgt of Recov
- CMP-4788.1 Addl Insd Mgrs Lessor of Prem
- CMP-4819.1 Unauthorized Business Card Use
- CMP-4698 Back-Up of Sewer or Drain
- CMP-4704 Dependent Prop Loss of Income
- CMP-4710 Employee Dishonesty
- CMP-4709 Money and Securities

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DECLARATIONS (CONTINUED)

Office Policy for THE CITY OF REDONDO BEACH  
Policy Number 92-XV-7702-4

CMP-4703 Utility Interruption Loss Incm  
CMP-4705.1 Loss of Income & Extra Expnse  
CMP-4860.1 AI Design Person Org  
FD-6007 Inland Marine Attach Dec  
\* New Form Attached

This policy is issued by the State Farm General Insurance Company.

Participating Policy

You are entitled to participate in a distribution of the earnings of the company as determined by our Board of Directors in accordance with the Company's Articles of Incorporation, as amended.

In Witness Whereof, the State Farm General Insurance Company has caused this policy to be signed by its President and Secretary at Bloomington, Illinois.

*Lynne M. Younell*  
Secretary

*Thomas Conley*  
President

**IMPORTANT NOTICE:**

California law requires us to provide you with information for filing complaints with the State Insurance Department regarding the coverage and service provided under this policy.

Complaints should be filed only after you and State Farm or your agent or other company representative have failed to reach a satisfactory agreement on a problem.

Please forward such complaints to: California Department of Insurance  
Consumer Services Division  
300 South Spring Street  
Los Angeles, CA 90013

You also may call toll free at 1-800-927-HELP or visit [www.insurance.ca.gov/01-consumers](http://www.insurance.ca.gov/01-consumers)

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**STATE FARM GENERAL INSURANCE COMPANY**  
 A STOCK COMPANY WITH HOME OFFICES IN BLOOMINGTON, ILLINOIS

Po Box 853925  
 Richardson, TX 75085-3925

**INLAND MARINE ATTACHING DECLARATIONS**

M-23-3003-FA2F F Z

**Named Insured**

NETFILE INC  
 PO BOX 70  
 AHWAHNEE CA 93601-0070

|   |                       |                        |
|---|-----------------------|------------------------|
| <b>Policy Number</b>  | <b>92-XV-7702-4</b>   |                        |
| <b>Policy Period</b>  | <b>Effective Date</b> | <b>Expiration Date</b> |
| 12 Months   | MAR 1 2017            | MAR 1 2018             |
| The policy period begins and ends at 12:01 am standard time at the premises location. |                       |                        |

**ATTACHING INLAND MARINE**

**Automatic Renewal** - If the **policy period** is shown as **12 months**, this policy will be renewed automatically subject to the premiums, rules and forms in effect for each succeeding policy period. If this policy is terminated, we will give you and the Mortgagee/Lienholder written notice in compliance with the policy provisions or as required by law.

**Annual Policy Premium** Included

The above Premium Amount is included in the Policy Premium shown on the Declarations.

Your policy consists of these Declarations, the **INLAND MARINE CONDITIONS** shown below, and any other forms and endorsements that apply, including those shown below as well as those issued subsequent to the issuance of this policy.

**Forms, Options, and Endorsements**

- FE-8739 Inland Marine Conditions
- FE-6271 Amendatory Endorsement
- FE-8745 Inland Marine Computer Prop

See Reverse for Schedule Page with Limits

Prepared  
 DEC 15 2016  
 FD-6007

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ATTACHING INLAND MARINE SCHEDULE PAGE

|                 |              |
|-----------------|--------------|
| Policy Number   | 92-XV-7702-4 |
| Effective Date  | MAR 1 2018   |
| Expiration Date | MAR 1 2019   |

ATTACHING INLAND MARINE

| ENDORSEMENT NUMBER | COVERAGE                         | LIMIT OF INSURANCE | DEDUCTIBLE AMOUNT | ANNUAL PREMIUM |
|--------------------|----------------------------------|--------------------|-------------------|----------------|
| FE-8745            | Inland Marine Computer Prop      | \$ 25,000          | \$ 500            | Included       |
|                    | Loss of Income and Extra Expense | \$ 25,000          |                   | Included       |

OTHER LIMITS AND EXCLUSIONS MAY APPLY - REFER TO YOUR POLICY

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DEC 15 2016  
FD-6007

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019121



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
3/25/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).**

|  |  |   |                               |
|--|--|---|-------------------------------|
| <b>PRODUCER</b><br>USAA INSURANCE AGENCY INC/PHS<br>812846 P:(888) 242-1430 F:(888) 443-6112<br>PO BOX 33015<br>SAN ANTONIO TX 78265 | <b>CONTACT NAME:</b><br>PHONE (A/C, No, Ext): (888) 242-1430 |   | FAX (A/C, No): (888) 443-6112 |
|  | <b>E-MAIL ADDRESS:</b>                                       |   |                               |
| <b>INSURED</b><br>NETFILE<br>PO BOX 70<br>AHWAHNEE CA 93601  |  | <b>INSURER(S) AFFORDING COVERAGE</b><br>INSURER A: Hartford Accident & Indemnity Co | <b>NAIC#</b>                  |
|  |  | INSURER B:  |                               |
|  |  | INSURER C:  |                               |
|  |  | INSURER D:  |                               |
|  |  | INSURER E:  |                               |
|  |  | INSURER F:  |                               |

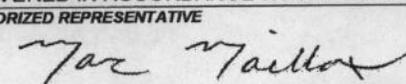
**COVERAGES**                      **CERTIFICATE NUMBER:**                      **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| INSR LTR | TYPE OF INSURANCE  | ADDL INSR | SUBR WVD | POLICY NUMBER | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS   |
|----------|--|-----------|----------|---------------|-------------------------|-------------------------|--|
|          | <b>COMMERCIAL GENERAL LIABILITY</b><br><input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR<br><br>GEN'L AGGREGATE LIMIT APPLIES PER:<br><input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC<br>OTHER: |           |          |               |                         |                         | EACH OCCURRENCE \$<br>DAMAGE TO RENTED PREMISES (Ea occurrence) \$<br>MED EXP (Any one person) \$<br>PERSONAL & ADV INJURY \$<br>GENERAL AGGREGATE \$<br>PRODUCTS - COMP/OP AGG \$<br>\$ |
| A        | <b>AUTOMOBILE LIABILITY</b><br><input type="checkbox"/> ANY AUTO OWNED AUTOS ONLY<br><input checked="" type="checkbox"/> HIRED AUTOS ONLY<br><input checked="" type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS ONLY  |           |          | 65 UEC IY4482 | 04/20/2017              | 04/20/2018              | COMBINED SINGLE LIMIT (Ea accident) \$1,000,000<br>BODILY INJURY (Per person) \$<br>BODILY INJURY (Per accident) \$<br>PROPERTY DAMAGE (Per accident) \$<br>\$                           |
|          | <b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR<br><b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE<br>DEC    RETENTION \$  |           |          |               |                         |                         | EACH OCCURRENCE \$<br>AGGREGATE \$<br>\$   |
|          | <b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b><br>ANY PROPRIETOR/PARTNER/EXECUTIVE/IN OFFICER/MEMBER EXCLUDED? <input type="checkbox"/><br>(Mandatory in NH)<br>If yes, describe under DESCRIPTION OF OPERATIONS below                                     |           | N/A      |               |                         |                         | PER STATUTE    OTH-ER<br>E.L. EACH ACCIDENT \$<br>E.L. DISEASE - EA EMPLOYEE \$<br>E.L. DISEASE - POLICY LIMIT \$  |

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES** (See Form 101, Additional Remarks Schedule, may be attached if more space is required)

Those usual to the Insured's Operations. Certificate holder is an additional insured per the Commercial Auto Broad Form Endorsement HA9916, attached to this policy.

|   |   |
|---|---|
| <b>CERTIFICATE HOLDER</b><br><br>City of Redondo Beach<br>415 DIAMOND ST<br>REDONDO BEACH, CA 90277 | <b>CANCELLATION</b><br>SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.<br><b>AUTHORIZED REPRESENTATIVE</b><br> |
|---|---|



STATE FARM GENERAL INSURANCE COMPANY  
A STOCK COMPANY WITH HOME OFFICES IN BLOOMINGTON, ILLINOIS

Po Box 853925  
Richardson, TX 75085-3925

**Add Insured-Section II Only**

AT2 M-23-3003-FA2F F Z

008070 3125

THE CITY OF REDONDO BEACH  
ITS OFFICERS; ELECTED &  
APPOINTED OFFICIALS;  
EMPLOYEES & VOLUNTEERS  
415 DIAMOND ST  
REDONDO BEACH CA 90277-2836



**RENEWAL DECLARATIONS**

|   |                       |                        |
|---|-----------------------|------------------------|
| <b>Policy Number</b>  | 92-XV-7702-4          |                        |
| <b>Policy Period</b>  | <b>Effective Date</b> | <b>Expiration Date</b> |
| 12 Months   | MAR 1 2018            | MAR 1 2019             |
| The policy period begins and ends at 12:01 am standard time at the premises location. |                       |                        |

**Named Insured**  
NETFILE INC  
PO BOX 70  
AHWAHNEE CA 93601-0070

**Office Policy**

**Automatic Renewal** - If the **policy period** is shown as **12 months**, this policy will be renewed automatically subject to the premiums, rules and forms in effect for each succeeding policy period. If this policy is terminated, we will give you and the Mortgagee/Lienholder written notice in compliance with the policy provisions or as required by law.

Entity: Corporation

NOTICE: Information concerning changes in your policy language is included. Please call your agent if you have any questions.

POLICY PREMIUM

\$ 4,174.00

Discounts Applied:  
Renewal Year  
Years in Business  
Protective Devices  
Claim Record

Prepared  
DEC 18 2017  
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**RENEWAL DECLARATIONS (CONTINUED)**

**Office Policy for THE CITY OF REDONDO BEACH**  
**Policy Number 92-XV-7702-4**

**SECTION I - PROPERTY SCHEDULE**

| Location Number | Location of Described Premises           | Limit of Insurance*<br>Coverage A - Buildings | Limit of Insurance*<br>Coverage B - Business Personal Property | Seasonal Increase-Business Personal Property |
|-----------------|--|---|--|--|
| 001             | 2707 AURORA CT<br>MARIPOSA CA 95338-9755 | \$ 274,900                                    | \$ 85,300  | 25%  |

\* As of the effective date of this policy, the Limit of Insurance as shown includes any increase in the limit due to Inflation Coverage.

**SECTION I - INFLATION COVERAGE INDEX(ES)**

Cov A - Inflation Coverage Index: 181.0  
 Cov B - Consumer Price Index: 246.8

**SECTION I - DEDUCTIBLES**

**Basic Deductible** \$1,000

**Special Deductibles:**

|                      |         |                     |       |
|----------------------|---------|---------------------|-------|
| Money and Securities | \$250   | Employee Dishonesty | \$250 |
| Equipment Breakdown  | \$1,000 |                     |       |

Other deductibles may apply - refer to policy.

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RENEWAL DECLARATIONS (CONTINUED)

Office Policy for THE CITY OF REDONDO BEACH  
 Policy Number 92-XV-7702-4

Office Policy for THE CITY OF REDONDO BEACH  
 Policy Number 92-XV-7702-4



**SECTION I - EXTENSIONS OF COVERAGE - LIMIT OF INSURANCE - EACH DESCRIBED PREMISES**

The coverages and corresponding limits shown below apply separately to each described premises shown in these Declarations, unless indicated by "See Schedule." If a coverage does not have a corresponding limit shown below, but has "Included" indicated, please refer to that policy provision for an explanation of that coverage.

| COVERAGE  | LIMIT OF INSURANCE   |
|---|----------------------|
| Accounts Receivable<br>On Premises<br>Off Premises  | \$50,000<br>\$15,000 |
| Arson Reward  | \$5,000              |
| Back-Up Of Sewer Or Drain   | \$15,000             |
| Collapse  | Included             |
| Damage To Non-Owned Buildings From Theft, Burglary Or Robbery   | Coverage B Limit     |
| Debris Removal  | 25% of covered loss  |
| Equipment Breakdown   | Included             |
| Fire Department Service Charge  | \$5,000              |
| Fire Extinguisher Systems Recharge Expense  | \$5,000              |
| Forgery Or Alteration   | \$10,000             |
| Glass Expenses  | Included             |
| Increased Cost Of Construction And Demolition Costs (applies only when buildings are insured on a replacement cost basis) | 10%                  |
| Money And Securities (Off Premises)   | \$5,000              |
| Money And Securities (On Premises)  | \$10,000             |
| Money Orders And Counterfeit Money  | \$1,000              |
| Newly Acquired Business Personal Property (applies only if this policy provides Coverage B - Business Personal Property)  | \$100,000            |
| Newly Acquired Or Constructed Buildings (applies only if this policy provides Coverage A - Buildings)                     | \$250,000            |

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**RENEWAL DECLARATIONS (CONTINUED)**

**Office Policy for THE CITY OF REDONDO BEACH**  
**Policy Number 92-XV-7702-4**

|  |          |
|--|----------|
| Ordinance Or Law - Equipment Coverage  | Included |
| Outdoor Property   | \$5,000  |
| Personal Effects (applies only to those premises provided Coverage B - Business Personal Property)   | \$5,000  |
| Personal Property Off Premises   | \$15,000 |
| Pollutant Clean Up And Removal   | \$10,000 |
| Preservation Of Property   | 30 Days  |
| Property Of Others (applies only to those premises provided Coverage B - Business Personal Property) | \$2,500  |
| Signs  | \$2,500  |
| Unauthorized Business Card Use   | \$5,000  |
| Valuable Papers And Records  |          |
| On Premises  | \$50,000 |
| Off Premises   | \$15,000 |
| Water Damage, Other Liquids, Powder Or Molten Material Damage  | Included |

**SECTION I - EXTENSIONS OF COVERAGE - LIMIT OF INSURANCE - PER POLICY**

The coverages and corresponding limits shown below are the most we will pay regardless of the number of described premises shown in these Declarations.

| COVERAGE                              | LIMIT OF INSURANCE                |
|---------------------------------------|-----------------------------------|
| Dependent Property - Loss Of Income   | \$5,000                           |
| Employee Dishonesty                   | \$10,000                          |
| Utility Interruption - Loss Of Income | \$10,000                          |
| Loss Of Income And Extra Expense      | Actual Loss Sustained - 12 Months |

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RENEWAL DECLARATIONS (CONTINUED)

Office Policy for THE CITY OF REDONDO BEACH  
 Policy Number 92-XV-7702-4



0305-ST-0000

**SECTION II - LIABILITY**

| COVERAGE                                       | LIMIT OF INSURANCE |
|--|--------------------|
| Coverage L - Business Liability                | \$1,000,000        |
| Coverage M - Medical Expenses (Any One Person) | \$5,000            |
| Damage To Premises Rented To You               | \$300,000          |
| AGGREGATE LIMITS                               | LIMIT OF INSURANCE |
| Products/Completed Operations Aggregate        | \$2,000,000        |
| General Aggregate                              | \$2,000,000        |

Each paid claim for Liability Coverage reduces the amount of insurance we provide during the applicable annual period. Please refer to Section II - Liability in the Coverage Form and any attached endorsements.

Your policy consists of these Declarations, the BUSINESSOWNERS COVERAGE FORM shown below, and any other forms and endorsements that apply, including those shown below as well as those issued subsequent to the issuance of this policy.

**FORMS AND ENDORSEMENTS**

|            |                                 |
|------------|---------------------------------|
| CMP-4101   | Businessowners Coverage Form    |
| FE-6999.2  | *Terrorism Insurance Cov Notice |
| CMP-4713.1 | Excl Testing Consulting E&O     |
| CMP-4714   | Excl Data Processing and Prog   |
| CMP-4795.1 | Addl Insd Designated Premises   |
| CMP-4786.1 | Addl Insd Owners Lessee Sched   |
| CMP-4787   | Waiver of Trans Rgt of Recov    |
| CMP-4788.1 | Addl Insd Mgrs Lessor of Prem   |
| CMP-4819.1 | Unauthorized Business Card Use  |
| CMP-4698   | Back-Up of Sewer or Drain       |
| CMP-4704   | Dependent Prop Loss of Income   |
| CMP-4710   | Employee Dishonesty             |
| CMP-4709   | Money and Securities            |

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RENEWAL DECLARATIONS (CONTINUED)

Office Policy for THE CITY OF REDONDO BEACH  
Policy Number 92-XV-7702-4

CMP-4703 Utility Interruption Loss Incm  
CMP-4705.1 Loss of Income & Extra Expnse  
CMP-4860.1 AI Design Person Org  
FD-6007 Inland Marine Attach Dec  
\* New Form Attached

This policy is issued by the State Farm General Insurance Company.

Participating Policy

You are entitled to participate in a distribution of the earnings of the company as determined by our Board of Directors in accordance with the Company's Articles of Incorporation, as amended.

In Witness Whereof, the State Farm General Insurance Company has caused this policy to be signed by its President and Secretary at Bloomington, Illinois.

*Lynne M. Younell*  
Secretary

*Thomas Conley*  
President

IMPORTANT NOTICE:

California law requires us to provide you with information for filing complaints with the State Insurance Department regarding the coverage and service provided under this policy.

Your agent's name and contact information are provided on the front of this document. Another option is to reach out by mail or phone directly to:

State Farm® Executive Customer Service  
PO Box 2320  
Bloomington IL 61702  
Phone # 1-800-STATEFARM (1-800-782-8332)

Department of Insurance complaints should be filed only after you and State Farm or your agent or other company representative have failed to reach a satisfactory agreement on a problem.

California Department of Insurance  
Consumer Services Division  
300 South Spring Street  
Los Angeles, CA 90013  
Phone # 1-800-927-HELP (4357) or visit [www.insurance.ca.gov/01-consumers](http://www.insurance.ca.gov/01-consumers)

Prepared  
DEC 18 2017  
CMP-4000

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Continued on Next Page

Page 6 of 7



RENEWAL DECLARATIONS (CONTINUED)

Office Policy for THE CITY OF REDONDO BEACH  
Policy Number 92-XV-7702-4



**NOTICE TO POLICYHOLDER:**

For a comprehensive description of coverages and forms, please refer to your policy.

Policy changes requested before the "Date Prepared", which appear on this notice, are effective on the Renewal Date of this policy unless otherwise indicated by a separate endorsement, binder, or amended declarations. Any coverage forms attached to this notice are also effective on the Renewal Date of this policy.

Policy changes requested after the "Date Prepared" will be sent to you as an amended declarations or as an endorsement to your policy. Billing for any additional premium for such changes will be mailed at a later date.

If, during the past year, you've acquired any valuable property items, made any improvements to insured property, or have any questions about your insurance coverage, contact your State Farm agent.

Please keep this with your policy.

Prepared  
DEC 18 2017  
CMP-4000

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NOTICE TO POLICYHOLDER

Please keep this with your policy.

If during the past year you've secured any valuable property items, made any improvements to insured property, or have any questions about your insurance coverage, contact your State Farm agent.

Your policy billing for any additional premium for such changes will be mailed at a later date.

Policy changes requested after the State Farm agent will be sent to you as an amended declaration or as an endorsement to this notice are also effective on the Renewal Date of this policy.

Policy changes otherwise indicated by a separate endorsement, binder, or amended declaration. Any coverage forms attached to this notice are also effective on the Renewal Date of this policy.

For a comprehensive description of coverage changes and forms, please refer to your policy.

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048804 2017  
 CMP 4000  
 DEC 18 2017  
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**STATE FARM GENERAL INSURANCE COMPANY**  
 A STOCK COMPANY WITH HOME OFFICES IN BLOOMINGTON, ILLINOIS

Po Box 853925  
 Richardson, TX 75085-3925

**INLAND MARINE ATTACHING DECLARATIONS**

|   |                       |                        |
|---|-----------------------|------------------------|
| <b>Policy Number</b>  | <b>92-XV-7702-4</b>   |                        |
| <b>Policy Period</b>  | <b>Effective Date</b> | <b>Expiration Date</b> |
| 12 Months   | MAR 1 2018            | MAR 1 2019             |
| The policy period begins and ends at 12:01 am standard time at the premises location. |                       |                        |

M-23-3003-FA2F F Z

**Named Insured**

**NETFILE INC**  
 PO BOX 70  
 AHWAHNEE CA 93601-0070



0505-ST--0000

**ATTACHING INLAND MARINE**

**Automatic Renewal** - If the **policy period** is shown as **12 months**, this policy will be renewed automatically subject to the premiums, rules and forms in effect for each succeeding policy period. If this policy is terminated, we will give you and the Mortgagee/Lienholder written notice in compliance with the policy provisions or as required by law.

**Annual Policy Premium** Included

The above Premium Amount is included in the Policy Premium shown on the Declarations.

Your policy consists of these Declarations, the **INLAND MARINE CONDITIONS** shown below, and any other forms and endorsements that apply, including those shown below as well as those issued subsequent to the issuance of this policy.

**Forms, Options, and Endorsements**

- FE-8739 Inland Marine Conditions
- FE-6271 Amendatory Endorsement
- FE-8745 Inland Marine Computer Prop

See Reverse for Schedule Page with Limits

Prepared  
 DEC 18 2017  
 FD-6007

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**ATTACHING INLAND MARINE SCHEDULE PAGE**

|                 |              |
|-----------------|--------------|
| Policy Number   | 92-XV-7702-4 |
| Policy Period   | 12 Months    |
| Effective Date  | MAR 1 2018   |
| Expiration Date | MAR 1 2019   |

**ATTACHING INLAND MARINE**

| ENDORSEMENT NUMBER | COVERAGE                         | LIMIT OF INSURANCE | DEDUCTIBLE AMOUNT | ANNUAL PREMIUM |
|--------------------|----------------------------------|--------------------|-------------------|----------------|
| FE-8745            | Inland Marine Computer Prop      | \$ 25,000          | \$ 500            | Included       |
|                    | Loss of Income and Extra Expense | \$ 25,000          |                   | Included       |

Automatic Renewal - If the policy period is shown as 12 months, this policy will be renewed automatically unless you notify us in writing at least 30 days before the expiration date. If the policy is terminated, we will give you and the Motorist/Endorsee written notice in accordance with the policy provisions or as required by law.

The above Premium Amount is included in the Policy Premium shown on the Declarations.

Your policy consists of these Declarations, the INLAND MARINE CONDITIONS shown below, and any other forms and endorsements that apply, including those shown below as well as those issued subsequent to the issuance of this policy.

**Forms, Options, and Endorsements**

|         |                             |
|---------|-----------------------------|
| FE-8739 | Inland Marine Conditions    |
| FE-8741 | Amendatory Endorsement      |
| FE-8745 | Inland Marine Computer Prop |

**OTHER LIMITS AND EXCLUSIONS MAY APPLY - REFER TO YOUR POLICY**

Prepared  
DEC 18 2017  
FD-6007

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049495



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
3/26/2018

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

|   |   |                              |
|---|---|------------------------------|
| PRODUCER<br>USAA INSURANCE AGENCY INC/PHS<br>812846 P:(888) 242-1430 F:(888) 443-6112<br>PO BOX 33015<br>SAN ANTONIO TX 78265 | CONTACT NAME                                |                              |
|   | PHONE (A/C, No, Fax) (888) 242-1430         | FAX (A/C, No) (888) 443-6112 |
|   | E-MAIL ADDRESS                              |                              |
|   | INSURER(S) AT FORTING COVERAGE              | NAIC#                        |
|   | INSURER A: Hartford Accident & Indemnity Co |                              |
| INSURED<br>NETFILE<br>PO BOX 70<br>AHWAHNEE CA 93601  | INSURER B:                                  |                              |
|   | INSURER C:                                  |                              |
|   | INSURER D:                                  |                              |
|   | INSURER E:                                  |                              |
|   | INSURER F:                                  |                              |

**COVERAGES**

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| INSR LTR | TYPE OF INSURANCE   | ADDL INSR | SUBR BYD | POLICY NUMBER | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS                                    |           |
|----------|---|-----------|----------|---------------|-------------------------|-------------------------|---|-----------|
|          | <b>COMMERCIAL GENERAL LIABILITY</b><br><input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR<br><br>GEN'L AGGREGATE LIMIT APPLIES PER<br><input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC<br><input type="checkbox"/> OTHER |           |          |               |                         |                         | EACH OCCURRENCE                           | \$        |
|          |   |           |          |               |                         |                         | DAMAGE TO RENTED PREMISES (Ea occurrence) | \$        |
|          |   |           |          |               |                         |                         | MED EXP (Any one person)                  | \$        |
|          |   |           |          |               |                         |                         | PERSONAL & ADV INJURY                     | \$        |
|          |   |           |          |               |                         |                         | GENERAL AGGREGATE                         | \$        |
|          |   |           |          |               |                         |                         | PRODUCTS COMP/OP AGG                      | \$        |
|          |   |           |          |               |                         |                         |   | \$        |
| A        | <b>AUTOMOBILE LIABILITY</b><br><input type="checkbox"/> ANY AUTO<br><input type="checkbox"/> OWNED AUTOS ONLY <input checked="" type="checkbox"/> SCHEDULED AUTOS<br><input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY      |           |          | 65 CEC 174482 | 04/20/2018              | 04/20/2019              | COMBINED SINGLE LIMIT (Ea accident)       | 1,000,000 |
|          |   |           |          |               |                         |                         | BODILY INJURY (Per person)                | \$        |
|          |   |           |          |               |                         |                         | BODILY INJURY (Per accident)              | \$        |
|          |   |           |          |               |                         |                         | PROPERTY DAMAGE (Per accident)            | \$        |
|          |   |           |          |               |                         |                         |   | \$        |
|          | <b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR<br><b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS MADE<br>DED <input type="checkbox"/> RETENTION \$   |           |          |               |                         |                         | EACH OCCURRENCE                           | \$        |
|          |   |           |          |               |                         |                         | AGGREGATE                                 | \$        |
|          |   |           |          |               |                         |                         |   | \$        |
|          | <b>WORKERS COMPENSATION AND EMPLOYERS LIABILITY</b><br>ANY PROPRIETOR/PARTNER/EXECUTIVE/IN OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/><br>If yes, describe under DESCRIPTION OF OPERATIONS below  |           |          | N/A           |                         |                         | PER STATUTE                               |           |
|          |   |           |          |               |                         |                         | OTH FR                                    |           |
|          |   |           |          |               |                         |                         | E L EACH ACCIDENT                         | \$        |
|          |   |           |          |               |                         |                         | E L DISEASE EA EMPLOYEE                   | \$        |
|          |   |           |          |               |                         |                         | E L DISEASE POLICY LIMIT                  | \$        |

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Those usual to the Insured's Operations. Certificate holder is an additional insured per the Commercial Auto Broad Form Endorsement HA9916, attached to this policy.

**CERTIFICATE HOLDER****CANCELLATION**

City of Redondo Beach  
415 DIAMOND ST  
REDONDO BEACH, CA 90277

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  
AUTHORIZED REPRESENTATIVE  
*Susan J. Castaneda*



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
06/09/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

|  |   |  |
|--|---|--|
| <b>PRODUCER</b><br>State Farm Insurance<br>835 E Mariposa St.<br> Altadena, CA 91001 | <b>CONTACT NAME:</b> JOHN DIEHL<br><b>PHONE (A/C No. Ext):</b> 626-791-9915<br><b>FAX (A/C, No):</b> 626-791-9918<br><b>E-MAIL ADDRESS:</b> JOHN@JDIEHL.COM<br><b>PRODUCER CUSTOMER ID #:</b> 0D75608   |  |
|  | <b>INSURER(S) AFFORDING COVERAGE</b><br><b>INSURER A :</b> State Farm General Insurance Company <b>NAIC #</b> 25151<br><b>INSURER B :</b> State Farm Fire and Casualty Company <b>25143</b><br><b>INSURER C :</b><br><b>INSURER D :</b><br><b>INSURER E :</b><br><b>INSURER F :</b> |  |
| <b>INSURED</b><br><br>NETFILE<br>PO BOX 70<br>AHWAHNEE CA 93601-0070   |   |  |

**COVERAGES****CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| INSR LTR | TYPE OF INSURANCE   | ADDL INSR                           | SUBR WVD                            | POLICY NUMBER | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS   |
|----------|---|-------------------------------------|-------------------------------------|---------------|-------------------------|-------------------------|--|
| A        | <b>GENERAL LIABILITY</b><br><input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY<br><input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR<br>GEN'L AGGREGATE LIMIT APPLIES PER:<br><input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | 92-XV-7702-4  | 03/01/2021              | 03/01/2022              | EACH OCCURRENCE \$ 2,000,000<br>DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000<br>MED EXP (Any one person) \$ 5,000<br>PERSONAL & ADV INJURY \$ 2,000,000<br>GENERAL AGGREGATE \$ 4,000,000<br>PRODUCTS - COMP/OP AGG \$ 4,000,000 |
|          | <b>AUTOMOBILE LIABILITY</b><br><input type="checkbox"/> ANY AUTO<br><input type="checkbox"/> ALL OWNED AUTOS<br><input type="checkbox"/> SCHEDULED AUTOS<br><input type="checkbox"/> HIRED AUTOS<br><input type="checkbox"/> NON-OWNED AUTOS  | <input type="checkbox"/>            | <input type="checkbox"/>            |               |                         |                         | COMBINED SINGLE LIMIT (Ea accident) \$<br>BODILY INJURY (Per person) \$<br>BODILY INJURY (Per accident) \$<br>PROPERTY DAMAGE (Per accident) \$<br>\$<br>\$  |
| A        | <input checked="" type="checkbox"/> <b>UMBRELLA LIAB</b><br><input type="checkbox"/> <b>EXCESS LIAB</b><br><input type="checkbox"/> DEDUCTIBLE<br><input type="checkbox"/> RETENTION \$   | <input type="checkbox"/>            | <input type="checkbox"/>            | 92-E0-Y230-0  | 03/01/2021              | 03/01/2022              | EACH OCCURRENCE \$ 2,000,000<br>AGGREGATE \$ 2,000,000<br>\$<br>\$   |
| B        | <b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b><br>ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under SPECIAL PROVISIONS below   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | 92-MW-E088-7  | 03/01/2021              | 03/01/2022              | <input checked="" type="checkbox"/> WC STATUTORY LIMITS<br><input type="checkbox"/> OTH-ER<br>E.L. EACH ACCIDENT \$ 1,000,000<br>E.L. DISEASE - EA EMPLOYEE \$ 1,000,000<br>E.L. DISEASE - POLICY LIMIT \$ 1,000,000                     |
| B        | TECHNOLOGY ERRORS & OMISSIONS   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | 342017        | 02/11/2021              | 02/11/2022              | \$2,000,000 - EACH WRONGFUL ACT<br>\$2,000,000 - TOTAL LIMIT OF LIABILITY  |

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES** (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

DATA AND INFORMATION STORAGE

CANCELLATION NOTICE: IF ANY POLICIES ARE CANCELED BEFORE THE EXPIRATION DATE, STATE FARM WILL TRY TO MAIL A WRITTEN NOTICE TO THE CERTIFICATE HOLDER 30 DAYS BEFORE CANCELLATION.

**CERTIFICATE HOLDER****CANCELLATION**

|  |   |
|--|---|
| City of Redondo Beach<br>415 Diamond Street<br>Redondo Beach, CA 90277 | SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.<br><br>AUTHORIZED REPRESENTATIVE<br>MIRNA SERNA <i>Mirna Serna</i> |
|--|---|

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## **CMP-4786.1 ADDITIONAL INSURED — OWNERS, LESSEES, OR CONTRACTORS (Scheduled)**

---

This endorsement modifies insurance provided under the following:  
BUSINESSOWNERS COVERAGE FORM

### **SCHEDULE**

**Policy Number:** 92-XV-7702-4

**Named Insured:**

NETFILE INC  
PO BOX 70  
AHWAHNEE CA 93601-0070

**Name And Address Of Additional Insured Person Or Organization:**

City of Redondo Beach  
415 Diamond Street  
Redondo Beach, CA 9027

1. **SECTION II — WHO IS AN INSURED** of **SECTION II — LIABILITY** is amended to include, as an additional insured, any person or organization shown in the Schedule, but only with respect to liability for “bodily injury”, “property damage”, or “personal and advertising injury” caused, in whole or in part, by:
  - a. **Ongoing Operations**
    - (1) Your acts or omissions; or
    - (2) The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for that additional insured; or
  - b. **Products – Completed Operations**

“Your work” performed for that additional insured and included in the “products-completed operations hazard”.

However, Paragraph 1. above is subject to the following:

    - a. The insurance afforded to the additional insured only applies to the extent permitted by law;
  - b. If coverage provided to the additional insured is required by a contract or agreement, the insurance provided to the additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured; and
  - c. If the contract or agreement between you and the additional insured is governed by California Civil Code Section 2782 or 2782.05, the insurance provided to the additional insured is the lesser of that which:
    - (1) Is allowed for the satisfaction of a defense or indemnity obligation by California Civil Code Section 2782 or 2782.05 for your sole liability; or
    - (2) You are required by contract or agreement to provide for such additional insured.

We have no duty to defend or indemnify the additional insured under this endorsement until a claim or “suit” is tendered to us.

2. Any insurance provided to the additional insured shall only apply with respect to a claim made or a "suit" brought for damages for which you are provided coverage.

3. With respect to the insurance afforded to the additional insured, the following is added to **SECTION II — LIMITS OF INSURANCE:**

If coverage provided to the additional insured is required by contract or agreement, the most we will pay on behalf of the additional insured will be the lesser of the amount of insurance:

- a. Required by the contract or agreement; or
- b. Available under the applicable Limits Of Insurance shown in the Declarations.

This endorsement shall not increase the applicable Limits Of Insurance shown in the Declarations.

4. With respect to the insurance afforded to the additional insured, the following is added to Paragraph 3. **Duties In The Event Of Occurrence, Offense, Claim Or Suit** of **SECTION II — GENERAL CONDITIONS:**

The additional insured must:

- a. See to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:
  - (1) How, when and where the "occurrence" or offense took place;
  - (2) The names and addresses of any injured persons and witnesses; and

(3) The nature and location of any injury or damage arising out of the "occurrence" or offense;

b. Tender the defense and indemnity of any claim or "suit" to us and to all other insurers who may have insurance potentially available to the additional insured; and

c. Agree to make available any other insurance the additional insured has for defense or damages for which we would provide coverage under **SECTION II — LIABILITY.**

5. With respect to the insurance afforded the additional insured, the following replaces **SECTION II — LIABILITY** of Paragraph 7. **Other Insurance of SECTION I AND SECTION II — COMMON POLICY CONDITIONS:**

a. This insurance is primary to and will not seek contribution from any other insurance available to the additional insured, provided that the additional insured is a named insured under such other insurance.

b. Regardless of any agreement between you and the additional insured, this insurance is excess over any other insurance whether primary, excess, contingent or on any other basis for which the additional insured has been added as an additional insured on other policies.

There will be no refund of premium in the event this endorsement is cancelled.

All other policy provisions apply.

**WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT - CALIFORNIA**

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

You must maintain payroll records accurately segregating the remuneration of your employees while engaged in the work described in the Schedule.

The additional premium for this endorsement shall be 5 % of the California workers' compensation premium otherwise due on such remuneration.

Schedule

Person or Organization

City of Redondo Beach  
415 Diamond Street  
Redondo Beach, CA 9027

Job Description

DATA ENTRY

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated. (The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective 03/01/2021  
Insured NETFILE INC

Policy No. 92-MW-W088-7      Endorsement No.  
Insurance Company      State Farm Fire and Casualty Company

Countersigned By Mirna Serna



**NetFile**  
2707 Aurora Road  
Mariposa, CA 95338  
Tel (209)742-4100  
Fax (209)391-2200

July 28, 2021

Eleanor Manzano  
City Clerk  
City of Redondo Beach  
415 Diamond Street  
Redondo Beach, CA 90277

Dear Eleanor:

Thank you for the e-mail today. Here is some background information regarding sole source information for NetFile's Campaign Disclosure and Form 700 e-filing Systems.

### **Background**

NetFile offers hosted systems that provide you with an extremely affordable solution that enables you to paperless electronically file your Campaign and Form 700 Statements. NetFile was the first to market an electronic Campaign Disclosure e-filing and administration system back in 2003 as well as the first to market electronic Form 700 e-filing and administration system back in 2006. A NetFile client (San Francisco) sponsored the legislation that led to AB2452 which allows local governments to paperless file Campaign Statements. NetFile made history with the first ever paperless filing of a Campaign Statement in CA back on January 22, 2013. NetFile again made history in 2007 with the first electronic filing of a Form 700 document made by a filer in San Bernardino County.

### **Who Uses NetFile?**

NetFile's Campaign Disclosure system and Form 700 system is currently being used by over 200 local government agencies in California today. As a matter of fact, in the last 5 years, 5 Counties and 3 Cities have switched from using another system over to NetFile.

### **The Top Reasons for Sole Source**

NetFile's unique features allow our clients to sole source us as a vendor. Listed below are the top reasons (there are several other reasons besides these):

1) No other vendor offers off the shelf commercial software for creating Campaign Disclosure documents. This is extremely important for committees who want more features than are provided in the free filing software. The free filing software allows a committee to record and file its data but is not as feature laden as commercial off the shelf software. For example, a large committee may want to have any number of people have access at different levels into the filer system for various reasons. This is but one reason why a committee may want to choose to pay for off the shelf commercial software.

2) NetFile was founded in 1998 and was the first vendor in CA to file a Campaign Disclosure Statement in CA back in the year 2000. NetFile was instrumental in helping shape the cal filing spec back in the late 1990s that is still being used today by the Secretary of State as well as every electronic filing local government agency in CA. NetFile's 23 year experience in electronic filing of Campaign statements in CA is unparalleled. NetFile is currently assisting the Secretary of State staff with the development of the Cal Access Replacement System that is mandated to be done at the state level this year. The new filing specification will be the basis for all local filings as per AB2452.

3) NetFile's support group has an average of 13 years of experience in Campaign Disclosure support including an on-staff Disclosure Compliance Director. No other vendor has such a position or level of experience in dealing with Campaign Disclosure.

4) NetFile is the only company offering both single and dual signature verification options for Campaign agencies. Agencies such as the San Francisco Ethics Commission and the City of Berkeley use the dual signature verification. If an agency ever wanted to convert to dual signature verification, there would not be any additional costs to do so.

5) NetFile is the only vendor who doesn't use cloud services for hosting. NetFile hosts on its own NetFile owned servers in a top tier colocation facility located in the Bay Area of California. The only other vendor in this market space hosts in the cloud and does not have complete control over its hardware or where the data is replicated within their hosted cloud environment. NetFile has 100% control over all its process as well as where the data is stored.

6) NetFile has doubled in size since 2015. NetFile currently has 137 City clients using either one or both filing systems.

7) NetFile offers free filer training to all of its agency campaign disclosure clients. The purpose of the training session (which is free to the filer and Agency) is to help the filer navigate the e-filing process. This website advertised training is ONLY offered by NetFile. Filers can sign up through the following site: <https://netfile.com/Content/CampaignTraining> . A NetFile employee will schedule a telephone training session with the interested filer at a time and date convenient for the filer.

8) NetFile is a 100% hosted environment. The competition has a combination of placed and hosted platforms. The advantage being 100% hosted is Form 700 filers can file across several jurisdictions through one login point. All of our agencies can send and receive filings across jurisdictions which the competition cannot do. For campaign treasurers, this means they have only one login point that enables them to file to their various City and County committees that also use NetFile. The treasurer simply links all their committees in one convenient location to enter data and the don't have any costs for the software.

9) NetFile has several public viewing portal features not available through the competition. A partial list of these features include:

- a) Campaign Cycle tree that discloses who is filing to an election by seat and/or ballot measure.
- b) Campaign Cycle tree that shows all Independent Expenditures made within 90 days of any election.
- c) Independent Expenditure search by date (the competition's system doesn't track independent expenditures at all resulting in a needle in a haystack search for independent expenditures).
- d) RSS feeds that anyone interested in subscribing to this feed will be notified upon every filing made in the County (both Campaign and Form 700).
- e) Get all by year Campaign transaction download. Any interested party can download one years-worth of filing transactions made. The media love this feature!
- f) Campaign advanced search capabilities that offer Syntax rules to allow filers to fine tune their searches. The best example of this is someone trying to find a contribution by someone named John that also may be named Johnathon or Johnny or Jon. This search feature lets you search using all those different variations to pull results – extremely powerful search tool only available through NetFile.

- g) On screen results aren't limited to 10 in a list like the competition. With NetFile, your onscreen report will show 50 results at a time allowing you to look at 5 times the data per page you scroll through versus the competition.
- h) On screen results aren't limited at all for total transactions pulled. The competition limits their pull to just 500 transactions at a time. NetFile's pulls are unlimited and can easily be saved to the user's computer.
- i) Form 700 advanced transaction search where you can search by elements across all filings whereas the competition does not even offer an advanced public search for Form 700 filings.
- j) NetFile is the only provider who offers mobile apps for Form 700 filers. These apps can be downloaded through the Apple App Store or GooglePlay.

Fact: NetFile is the only vendor who aggregates public filing data in CA for interested persons to search at no cost. This NetFile owned website is: [www.cal-access.com](http://www.cal-access.com) and allows a person to search through over 26 million transactions!

10) NetFile is the preferred system for Professional Treasurers and other 3<sup>rd</sup> party software vendors in CA. (see attached California Political Treasurers Association press release announcing NetFile as the recommended agency platform for Campaign Disclosure).

11) Social Responsibility Program: No other company gives back to its City Clerk community like NetFile. In the last 4 years, NetFile has spent more than \$150k in supporting the CCAC. In 2020 over 900 clerks participated in 6 free webinar NetFile provided workshops that they earned points towards their CMC or MMC accreditations. In 2021, we have spent over \$30k year to date and have already offered 2 free webinar workshops.

12) Continuity of Ownership: NetFile is the only company in these market segments that have not changed ownership since starting in the local government segment in 2003. The competition is going through its 3<sup>rd</sup> change of ownership (see CA Secretary of State online business search).

If you have any questions, please let me know.

Best regards,



Tom Diebert  
Vice President, NetFile

Attachment



## California Political Treasurer's Association

1127-11<sup>th</sup> Street, Suite 210  
Sacramento, CA 95814

January 1, 2020

Tom Diebert  
Vice President & COO  
NetFile, Inc.  
2707-A Aurora Road  
Mariposa, CA 95338

Dear Tom:

One of the goals of the California Political Treasurer's Association (CPTA) is to promote the concept of paperless electronic filing for Campaign Disclosure statements in California at all levels.

As such, we would like to acknowledge NetFile, Inc. and their contributions over the years to the local Agency filing community, specifically County and City Agencies in California.

Our members have worked with several of these Agencies and applaud NetFile's efforts in making their Agency system work within the confines of Assembly Bill 2452 which allows local governments to electronically file Campaign Statements in California in a true paperless fashion. We know the first ever paperless filing in CA took place on January 22, 2013 through a CPTA treasurer filing to a NetFile Agency system. Since then we have seen NetFile being adopted by several local government Agencies in CA today.

As such, we recommend that all local government Agencies in CA go to a paperless filing system for their Campaign Disclosure filings. From the prospective of the CPTA, we recommend those Agencies use NetFile as their preferred solution.

NetFile's background in Campaign Disclosure gives them the unique advantage of having expertise nowhere else available for the local government filing community. The fact that NetFile accounts for over 70% of all filings made to the Secretary of State of CA gives them a distinctive advantage in Campaign Disclosure expertise not found anywhere else. All of the treasurers agree that any filings made to local governments that use the NetFile system, makes the process easy and results in the ultimate level of transparency.

We applaud NetFile's efforts in promoting paperless electronic filing in CA and endorse them as the solution of choice for California local government Agencies.

Sincerely,

A handwritten signature in black ink that reads "Laura Ann Stephen". The signature is fluid and cursive, written in a professional style.

Laura Ann Stephen  
Vice President, Legislative Affairs



# Administrative Report

H.6., File # 21-2810

Meeting Date: 8/3/2021

**To:** MAYOR AND CITY COUNCIL  
**From:** ELEANOR MANZANO, CITY CLERK

**TITLE**

EXCUSE ABSENCES OF VARIOUS COMMISSIONERS FROM VARIOUS COMMISSION MEETINGS

**EXECUTIVE SUMMARY**

| <u>Commissioner</u> | <u>Board/Commission</u> | <u>Meeting Date</u> |
|---------------------|-------------------------|---------------------|
| Joel Pepper         | Historical              | June 16, 2021       |
| Daniel Marinelli    | Public Safety           | July 19, 2021       |
| Gwenn Godek         | Planning                | August 19, 2021     |

On June 16, 2021, the City Clerk received notification from Commissioner Pepper requesting an excused absence for the June 16, 2021 Historical Meeting for personal reasons.

On July 16, 2021 the City Clerk received notification from Commissioner Marinelli requesting an excused absence for the July 19, 2021 Public Safety Meeting for personal reasons.

On July 23, 2021 the City Clerk received notification from Commissioner Godek requesting an excused absence for the August 19, 2021 Planning Meeting for personal reasons.

**BACKGROUND**

As of September 3, 2019, the City Council authorized the City Clerk to revise the policy pertaining to requests for excused absences, whereby Board Members and Commissioners are now required to communicate impending absences directly to the City Clerk for processing.

**APPROVED BY:**

*Eleanor Manzano, City Clerk*

**FISCAL IMPACT**

None



# Administrative Report

H.7., File # 21-2812

Meeting Date: 8/3/2021

**To:** MAYOR AND CITY COUNCIL

**From:** Cameron Harding, Community Services Director

## **TITLE**

APPROVE THE AFFORDABLE HOUSING DOCUMENTS FOR THE SALE OF 2750 ARTESIA BOULEVARD, #117, REDONDO BEACH, CALIFORNIA 90278.

1. AGREEMENT CONTAINING COVENANTS, RESTRICTIONS AND OPTIONS TO PURCHASE [MODERATE INCOME]
2. ESCROW INSTRUCTIONS

## **EXECUTIVE SUMMARY**

On February 17, 2004, the City Council adopted the Senior Housing Ordinance No. 2927-04, amending the zoning ordinance to establish standards for housing for senior citizens. On June 17, 2004, the Planning Commission subsequently approved a 192 unit senior citizen residential condominium project at 2750 Artesia Boulevard, Redondo Beach, CA, also known as "Breakwater". As required by Senior Housing Ordinance 2927-04, a condition of project approval requires that the developer enter into an Affordable Housing Agreement with the City to provide and restrict by deed twelve (12) units as affordable for moderate income households and eight (8) units for low income households for a period of not less than 55 years from the date of construction in accordance with all applicable state and local laws.

A moderate income family is defined as a household where the combined gross incomes of all persons residing in the unit exceeds the adjusted qualifying income limit for low income but does not exceed a maximum of 120% of the area median income (AMI) adjusted for household size as published annually by the California Department of Housing and Community Development.

A low income family is defined as a household where the combined gross income of all persons residing in the unit does not exceed a maximum of 80% of the area median income (AMI) adjusted for household size as published annually by the California Department of Housing and Community Development.

This Affordable Housing agreement is necessary due to the current owner's request to sell the moderate income unit located at 2750 Artesia Blvd., #117, Redondo Beach, CA 90278. This agreement will preserve the City's rights in the addendum to the Grant Deed which includes the preservation of the applicable low/moderate income Housing Covenants and Restrictions. These Covenants and Restrictions also grant the City an option to purchase the unit in the case of an uncured default or upon the Owner's intent to transfer the residence.

## **BACKGROUND**

The City Council adopted Ordinance No. 2927-04 on February 17, 2004 amending the zoning ordinance to establish standards for housing for senior citizens. The Ordinance contains an inclusionary housing requirement for ten percent (10%) of the senior housing units to be affordable to low and moderate income households in proportion to the housing needs identified in the Housing Element of the General Plan. Such units must be maintained as affordable units for at least 55 years; the agreement was entered into on January 15, 2008.

Pursuant to State and local requirements, the income restricted unit at 2750 Artesia Blvd., #117 can be sold or rented only to qualified moderate income individuals. Moderate income levels are based on a County-wide formula with income levels determined based on household size and in comparison to county wide median income.

The owner of this affordable housing unit made a request to sell their unit and has identified another qualified moderate income buyer. The Affordability Agreement is a recorded document to ensure maintenance of affordability levels. Provisions of the agreement will require housing staff to perform verification of buyer/tenant qualification and annual compliance reporting. The maximum sales price for this unit is \$187,375 and is calculated to be consistent with affordability criteria under State Law.

The Affordable Housing Agreement for the specific property being sold and the related documents include: 1) The covenants imposing restrictions on the property pursuant to the original agreement and providing notice of the restrictions to future purchasers and/or lenders, and 2) The Performance Deed of Trust for the developer and purchasers of this unit, securing the developer's and purchaser's obligations under the agreement to ensure the continued affordability of this unit throughout the term of this Agreement.

## **COORDINATION**

The City Attorney's office has approved the Affordability Housing Agreement and all necessary and related documents as to form.

## **FISCAL IMPACT**

The Affordable Housing Program activities are processed through the City's Housing Authority office. As part of the adopted FY 2021-22 Budget, the City Council approved a fee for service for the City's Inclusionary Housing Programs. The Housing Authority has received a \$75.00 fee for this transaction.

## **ATTACHMENTS**

- Affordable Housing Agreement
- Maximum Sales Price Quote

RECORDING REQUESTED BY:

City of Redondo Beach

WHEN RECORDED MAIL TO:

City of Redondo Beach  
City Attorney's Office  
415 Diamond Street  
Redondo Beach, California 90277  
Attention: Michael W. Webb, Esq.

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*(No Fee per Government Code § 27383)*

**AGREEMENT CONTAINING  
COVENANTS, RESTRICTIONS AND OPTION TO PURCHASE  
[MODERATE INCOME]**

Owner: Johanna Luzietti

Residence Address: 2750 Artesia Boulevard, #117, Redondo Beach, California 90278

This agreement, entitled Agreement Containing Covenants, Restrictions and Option to Purchase (the "Agreement") is entered into as of this 3<sup>rd</sup> day of August, 2021 by and among the City of Redondo Beach, a chartered municipal corporation (the "City"), the Housing Authority of the City of Redondo Beach, a public body, corporate and politic (the "Authority") and Johanna Luzietti (the "Owner").

**RECITALS**

- A. The City and Authority have determined that it is desirable to stimulate the purchase of homes by Moderate Income Senior Households, and that such households should not be forced to pay housing costs in excess of an amount that is affordable.
- B. Concurrently with the execution of this Agreement, Owner is purchasing the Residence for a purchase price that is affordable to Owner as the result of that certain Affordable Housing Agreement Imposing Restrictions on Real Property (the "Affordable Housing Agreement") by and between the City and Anastasi Development Company, LLC, dated January 15, 2008.
- C. In order to preserve the affordability of the Residence for Moderate Income Senior Households, and in return for and in consideration of the opportunity for the seller to sell and the Owner to purchase the Residence under the above-referenced circumstances and for other good and valuable consideration, the receipt and legal sufficiency of which the undersigned hereby acknowledges, the Owner, on behalf of himself, herself, or themselves and with the express intent to bind all those defined as "Owner" in Section 1 below, has agreed to execute this Agreement.

- D. The purpose of this Agreement is to place certain use restrictions on the Residence, establish resale controls with respect to the Residence and reserve to the City and Authority an option to purchase or designate an Eligible Purchaser to purchase the Residence from Owner in order to provide for the continued availability of such Residence to Moderate Income Senior Households.

NOW, THEREFORE, in consideration of the benefits received by the Owner, the City and the Authority, the parties agree as follows:

1. DEFINITIONS

As used in this Agreement, the following capitalized terms shall have the corresponding meanings which follow, or are specifically defined in the sections indicated below.

- a. “Deficiencies” – Section 5.
- b. “Designee” – Section 6.
- c. “Eligible Purchaser” shall mean a prospective purchaser of the Residence who meets the then-current requirements established by the City or Authority.
- d. “Excess Proceeds” – Section 9.
- e. “Moderate Income Affordable Purchase Price” shall mean a purchase price resulting in a monthly housing cost to the buyer which does not exceed to one-twelfth (1/12) of the product of thirty-five percent (35%) of one hundred ten percent (110%) of the area median income for Los Angeles County, adjusted for household size appropriate to the unit, as published annually by the California Department of Housing and Community Development (“HCD”), and measured at the time the purchaser and the seller enter into a purchase and sale agreement for the Residence. For purposes of determining affordable sale price, the term “household size appropriate to the unit” shall mean the number of bedrooms in the unit plus one.
- f. “Moderate Income Senior Citizen Household” shall mean a Senior Citizen Household whose income level does not exceed a maximum of one hundred twenty percent (120%) of the area median income for Los Angeles County, as published annually by HCD, adjusted for the purchaser’s actual household size, and determined in accordance with California Health & Safety Code Section 50093 published criteria from time to time in effect.
- g. “Owner” shall mean the person or persons listed in the first sentence of this Agreement, as well as any and all assignees, transferees or successors-in-interest to the Residence.

- h. “Residence” – Section 2.
- i. “Restricted Period” shall mean fifty-five (55) years commencing from the date the first Certificate of Occupancy for the Residence is issued.
- j. “Sales Price” shall mean the total compensation payable by a purchaser for the Residence.
- k. “Senior Citizen Household” shall mean a household where at least one person in residence is fifty-five (55) years of age older and such person intends to reside in the Residence as his/her/their primary residence on a permanent basis. Any other person residing in the Residence shall be a “qualified permanent resident” or a “permitted health care resident” as provided in the Unruh Civil Rights Act, California Civil Code Section 51, et seq., or the Federal Fair Housing Act, 42 USC Section 3607, and all other applicable federal, state and local laws and regulations governing the use and occupancy of the development.
- l. “Transfer” shall mean any sale, assignment or transfer, voluntary or involuntary, of any interest in the Residence, including, but not limited to, a fee simple interest, a joint tenancy interest, a life estate, a leasehold interest, or an interest evidenced by a land contract by which possession of the Residence is transferred and Owner retains title. Any Transfer without satisfaction of the provisions of this Agreement is prohibited. Transfers by gift, devise, or inheritance to an existing spouse, surviving joint tenant, or a spouse as part of a dissolution proceeding or in connection with marriage, or by devise or inheritance to children, shall be a “Excluded Transfer” for purposes of this Agreement; provided, however, that transferees of any Excluded Transfer shall be bound by all covenants, conditions, restrictions, limitations and provisions contained in this Agreement, including, but not limited to, promptly providing the City and Authority with the “Notice of Excluded Transfer” upon any such Excluded Transfer.

## 2. DESCRIPTION OF PROPERTY

This Agreement concerns the real property commonly known as 2750 Artesia Boulevard., #117, Redondo Beach, California, 90278, which is more fully described in Exhibit A attached hereto and incorporated herein by reference (the “Residence”). The Residence shall also include any and all improvements constructed on the real property whether now or in the future.

## 3. OWNER CERTIFICATION

Owner certifies the following:

- a. The financial and other information provided in order to qualify to purchase the Residence is true and correct; and

- b. Owner shall occupy the Residence as Owner's principal place of residence.

4. OWNER-OCCUPANCY; LEASING OF RESIDENCE

- a. For the term of this Agreement, Owner shall occupy the Residence as his/her/their primary residence, and the Residence shall be used as the primary residence of Owner and Owner's household and for no other purpose.
- b. Except as provided herein, for the term of this Agreement, the Owner shall not lease the Residence. Notwithstanding the foregoing, the Owner may lease the Residence to Moderate Income Senior Citizen Households at a monthly rental rate not to exceed the amount needed to pay the monthly mortgage, taxes, insurance and other housing expenses to be paid by Owner for the Residence upon written consent by the City or designee. The Owner shall provide copies of all rental/lease agreements to the City and Authority. Any lease in violation of this restriction shall be void and shall constitute a default by the Owner under this Agreement.
- c. The Authority shall have the right to monitor compliance with this Section 4 by requesting that the Owner provide the Authority, not more frequently than annually, the following:
  - i. A written certification under penalty of perjury that the Residence is occupied by the Owner as his/her/their primary residence, accompanied by supporting documentation reasonably satisfactory to the Authority; or
  - ii. If the Residence is not owner-occupied, documentation evidencing the requirements of Section 4.b., including, without limitation, all of the following: a copy of the lease then in effect and the written consent signed by the Authority Executive Director or designee; a written certification under penalty of perjury stating when the Residence was last owner-occupied, accompanied by supporting documentation reasonably satisfactory to the Authority, and stating the amount of monthly rent collected under the lease; and documentation reasonably satisfactory to the Authority that the Owner is making a reasonable effort to sell the Residence to an Eligible Purchaser.
- d. In the event of a breach or threatened breach of this Section 4, in addition to any other rights and remedies available to the City and Authority, whether at law or in equity, the City and Authority shall be entitled to institute legal action to enforce performance of this Section 4, to enjoin any actions which are in breach of this Section 4, and to seek to recover any excess rent that may have been paid to Owner.

- e. These owner-occupancy restrictions may be modified or terminated only upon the written approval of the City and Authority. Any modification or termination must be in writing and recorded in the Official Records of the Office of the County Recorder of Los Angeles County.
- f. Owner shall be considered as occupying the Residence if Owner is living in the Residence for at least ten (10) months out of each calendar year.

## 5. MAINTENANCE OF PROPERTY

Owner agrees it shall maintain the interior and exterior of the Residence and any landscaping on the Residence in good condition and repair and in a manner consistent with the community standards which will uphold the value of the Residence, and in accordance with all applicable City codes. Failure to maintain the Residence in accordance with this Section 5, including, but not limited to, any violations of applicable building, plumbing, electric, fire, housing or other applicable City of Redondo Beach Building Codes, shall be a default by the Owner under this Agreement. In the event the City or Authority, in its sole discretion, determines that the Owner has failed to maintain the Residence, the City or Authority shall notify Owner with regard to any noted code violations and maintenance deficiencies (collectively, the “Deficiencies”), and Owner shall cure the Deficiencies in a reasonable manner, acceptable to the City or Authority, within sixty (60) days following the date of such notice. Should Owner fail to cure all the Deficiencies prior to the time set forth herein, the City, Authority, or designee, shall have the right, but not the obligation, to enter the Residence, correct any Deficiency, and hold the Owner responsible for the cost thereof. Any cost incurred by the City or Authority to cure any such Deficiency, until paid, shall constitute a lien on the Residence pursuant to Civil Code Section 2881.

## 6. NOTICE OF INTENDED TRANSFER

In the event Owner intends to Transfer the Residence, Owner shall promptly notify the Authority and City in writing of such intent (“Owner’s Notice”). The written notice shall be given in accordance with Section 21 of this Agreement at least sixty (60) days prior to the actual date of any Transfer; provided, however, that in the event of an Excluded Transfer, the written notice shall occur within ninety (90) days after the date of such Excluded Transfer (“Notice of Excluded Transfer”).

Following receipt of the Owner’s Notice, the City or Authority shall notify Owner of the Resale Price that may be paid for the Residence and may exercise its Option, as defined below, to purchase the Residence or designate an Eligible Purchaser (“Designee”) to purchase the Residence, as provided in Section 8, below.

## 7. DETERMINATION OF RESALE PRICE

The maximum sales price that the Owner may receive for any type of Transfer of the Residence (“Resale Price”) shall be the lowest of the following: (1) the Moderate Income Affordable Purchase Price at the time of resale; or (2) the Increased Base Price (defined below), as adjusted pursuant to Section 7.b., below.

- a. Increased Base Price. The “Increased Base Price” means the purchase price that Owner paid for the Residence, increased by the percentage change in the Area Median Income for Los Angeles County, as published annually by HCD, determined in accordance with HCD published criteria, from the purchase date to the date of notification as indicated in Section 6, above. In the event that such income determination is no longer published, or has not been updated for a period of at least eighteen (18) months, the City or Authority may use or develop such other reasonable method as it may choose to determine the area median income for Los Angeles County.
- b. Adjusted Increased Base Price. The Increased Base Price shall also be adjusted for the “Value of Capital Improvements”. The “Value of Capital Improvements” shall mean the value of substantial structural or permanent fixed improvements which cannot be removed without substantial damage to the Residence or substantial or total loss of value of said improvements. No such valuation shall be made except for improvements: (a) made or installed by or under the direction of the Owner; (b) with an initial cost of One Thousand Dollars (\$1,000) or more; and (c) which can be documented by the Owner to the reasonable satisfaction of the City or Authority. The value of such improvements to be taken into account in calculation of the Increased Base Price shall be the appraised market value of the improvements when considered as additions or fixtures to the Residence (i.e., the amount by which said improvements enhance the market value of the Residence at the time of sale or valuation). The adjustment to the Increased Base Price for such improvements shall be limited to the increase in value, and shall be determined by the City or Authority and the Owner, or in the event of a failure to agree, by an independent residential appraiser selected by the Owner from a list of appraisers established by the City or Authority. The cost of the appraisal shall be borne by the Owner.

## 8. OPTION

As a material part of the consideration for this Agreement, Owner covenants and agrees for itself, its successors and its assigns and every successor in interest to the Residence, that for the Restricted Period, Owner hereby grants the City an option to purchase the Residence or designate an Eligible Purchaser to purchase the Residence from Owner (the “Option”) on the terms and conditions set forth in this Section 8 and in the manner set forth herein.

- a. Events Precipitating City’s Option to Purchase. The Owner agrees the City’s Option may be exercised upon the occurrence of any of the following:
  - i. An uncured default by Owner under this Agreement, subject to the notice and cure provisions of Section 10;

- ii. An uncured default under any promissory note, deed of trust or any other lien, including, without limitation, a judgment lien, recorded against, secured by, or encumbering the Residence; or
  - iii. Owner's Notice of Intent to Transfer the Residence.
- b. Time and Manner of Exercising Option. The Option may be exercised by the City delivering to Owner written notice of such exercise. Upon the City's knowledge of the occurrence of any event listed in subsection a. above, the City shall have sixty (60) days to notify Owner of its decision to exercise its Option. The notification to Owner regarding the Option exercise shall be pursuant to Section 21 of this Agreement. The City shall have the right, in its sole discretion, to assign the Option to the Authority upon written notice to the Owner that the Option has been assigned to the Authority. In the event the Option is assigned to the Authority, the Authority shall be entitled to the rights of the City in relation to the Option as set forth herein and shall be obligated under the terms and the covenants of this Section 8.
- c. Payment for Option. Upon the occurrence of an event listed in subsection a. above, and the exercise by the City of its Option, the City shall pay (or in the event City designates an Eligible Purchaser, cause to be paid by such Designee), the Resale Price to Owner at the close of escrow, pursuant to subsection d, below.
- d. Escrow. Within thirty (30) days following the exercise of the Option, the parties agree that the City shall open, or cause to be opened, an escrow with a title insurance company or such other escrow agent reasonably acceptable to the City (the "Escrow Agent") and the parties agree to execute escrow instructions with Escrow Agent as may be required by Escrow Agent, or to implement or give effect to the terms and conditions of this Agreement. The parties agree to the following escrow terms and conditions:
  - i. The escrow shall be for a period of ninety (90) days or sooner if mutually agreed by the parties;
  - ii. The City agrees that it will pay, or cause to be paid by the Designee, the Resale Price upon the close of escrow or as otherwise mutually agreed to by the parties. Notwithstanding the foregoing, should Owner fail to cure all Deficiencies, if any, in accordance with Section 5 prior to the close of escrow, the Owner hereby agrees that the Escrow Agent shall withhold that portion of the Resale Price necessary to pay for curing the Deficiencies, based upon written estimates obtained and submitted to the Escrow Agent by the City. The City and/or Designee shall cause the Deficiencies to be cured and, upon certification of completion of work by the City and/or Designee, the Escrow Agent shall disburse such funds to the City

and/or Designee to pay for said work. Any remaining funds shall be disbursed by the Escrow Agent to Owner;

- iii. The Owner agrees that it shall pay the premium for a standard C.L.T.A. policy of owner's title insurance issued by the Escrow Agent or title insurance company reasonably acceptable to the City in the amount of the Resale Price, insuring title to the Residence in the City's (or Designee's, as the case may be) name, subject only to those matters approved by the City or Designee in writing. In the event the City (or Designee, as the case may be) requests an A.L.T.A. policy of owner's insurance and/or any title endorsements, the additional costs associated with the issuance of an A.L.T.A. policy or the endorsements shall be paid by the City (or Designee, as the case may be);
  - iv. In the event the City exercises its Option pursuant to Section 8.a.3, the Owner and City agree that all costs and fees charged in connection with the closing and escrow shall be borne one-half (1/2) by the City (or Designee, as the case may be) and one-half (1/2) by the Owner. In the event the City exercises its Option pursuant to Section 8.a.1 or Section 8.a.2, the Owner agrees to pay all costs and fees charged in connection with the closing and escrow;
  - v. The Owner agrees that it shall deposit in escrow for delivery to the City (or Designee, as the case may be) a grant deed to the City or Designee (in such form as may be reasonably acceptable to the City or Designee in his/her/their sole discretion);
  - vi. Taxes and assessments shall be prorated at the close of escrow with Owner paying all such taxes and assessments due and payable prior to the close of escrow and City (or Designee, as the case may be) paying all such taxes and assessments due and payable following the close of escrow;
  - vii. Owner agrees that title shall be conveyed by Owner at the close of escrow to the City (or Designee, as the case may be) free and clear of all mortgages, deeds of trust, liens and encumbrances. Owner agrees that any costs to remove or satisfy any mortgages, deeds of trusts, liens or encumbrances shall be the responsibility of Owner, at Owner's sole cost and expense; and
  - viii. Any other terms or conditions mutually agreed to by the parties.
- e. Priority of Option. The Option granted pursuant to this Agreement shall be senior in priority to any lien or encumbrance.

## 9. RESTRICTED TRANSFER BY OWNER

- a. In the event the City does not exercise its Option pursuant to Section 8, above, Owner may Transfer the Residence to an Eligible Purchaser for not more than the Resale Price.
- b. In the event the City does not exercise its Option pursuant to Section 8, above, and Owner experiences an extreme hardship, Owner may submit written request to the City or Authority to waive the requirement that the purchaser of the Residence be an Eligible Purchaser and/or the requirement that the Sales Price not exceed the Resale Price. Within one hundred and twenty (120) days of such written request, the City may, in its sole discretion, approve the Transfer of the Residence to a non-Eligible Purchaser and/or the Transfer of the Residence in excess of the Resale Price. Upon the issuance by the City or Authority of a written waiver of the requirement that the purchaser be an Eligible Purchaser and/or the requirement that the Sales Price not exceed the Resale Price, subject to the provisions of this Section 9.b. and 9.c., Owner may Transfer the Residence to the non-Eligible Purchaser and/or may Transfer the Residence for an amount in excess of the Resale Price, as applicable. Any such transferee shall execute and record a covenant against the Residence, running to the benefit of the City and Authority, requiring that the transferee will occupy the Residence, subject to limited leasing rights, as provided in Section 4, of this Agreement.
- c. In the event the City or Authority waives the requirement that the Sales Price not exceed the Resale Price, the City shall be entitled to receive, and Owner shall pay to the City, an amount equal to 50% of the "Excess Proceeds". "Excess Proceeds" shall mean the Sales Price minus the sum of the following: repayment in full of any mortgage encumbering the Residence, and reimbursement to the Owner in the amount of the sum of the Owner's original down payment, the cost of any Capital Improvements made by the Owner and any payments made by the Owner to reduce to the principal balance of the mortgage prior to the sale.

## 10. DEFAULTS AND REMEDIES

Upon a violation of any of the provisions of this Agreement by Owner, the City or Authority shall give written notice to Owner specifying the nature of the violation. If the violation is not corrected to the satisfaction of City or Authority within thirty (30) days after the date the notice is mailed, or within such further time as City or Authority determines is necessary to correct the violation, City or Authority may declare a default under this Agreement. Upon the declaration of a default or if Owner makes any misrepresentation in connection with receiving any benefits under this Agreement, City or Authority may apply to a court of competent jurisdiction for specific performance of the obligations of this Agreement, for an injunction prohibiting a proposed Transfer in violation of this Agreement, for a declaration that a Transfer in violation of the provisions of this Agreement is void or any such relief at law or in equity as may be appropriate. Owner, and/or Owner's purchaser or transferee in those circumstances where a Transfer

has occurred in violation of this Agreement, shall hold the City, Authority and their employees or other agents harmless and reimburse the expenses, legal fees and costs for any action the City, the Authority or their employees or other agents take in enforcing the provisions of this Agreement.

Except as otherwise expressly stated in this Agreement, the rights and remedies of the parties are cumulative, and the exercise or failure to exercise one or more of such rights or remedies by either party shall not preclude the exercise by it, at the same time or different times, of any right or remedy for the same default or any other default by the other party. Rights and remedies hereunder shall be in addition to and shall in no way limit any other rights and remedies provided by law or in equity. No waiver by the City or Authority of any default or breach by the Owner hereunder shall be implied from any omission by the City or Authority to take action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the waiver, and such waiver shall be operative only for the time and to the extent therein stated. 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. The consent or approval by the City or Authority to or of any act by the Owner requiring further consent or approval shall not be deemed to waive or render unnecessary the consent or approval to or of any subsequent similar act. The exercise of any right, power, or remedy shall in no event constitute a cure or a waiver of any default under this Agreement, nor shall it invalidate any act done pursuant to notice of default, or prejudice the City or Authority in the exercise of any right, power, or remedy hereunder.

#### 11. NOTICE OF DEFAULT AND FORECLOSURE

Owner agrees the City and Authority shall have the right to record against title to the Residence a request for notice of default and any notice of sale under any deed of trust or mortgage with power of sale encumbering the Residence in the Office of the Recorder of Los Angeles County in substantially the form attached hereto as Exhibit B (“Notice of Sale”). The Owner shall provide to the City and Authority a written copy of any notice of default or notice of sale under any deed of trust or mortgage with power of sale encumbering the Residence immediately upon receipt by the Owner. The City or Authority may declare a default under this Agreement upon receipt of any notice given to the City and Authority pursuant to Civil Code Section 2924b or pursuant to this Section, and may exercise its remedies as provided in Section 8 and Section 10. In the event of default or foreclosure of such deed of trust or mortgage, the City or Authority shall have the same right as the Owner to cure defaults and redeem the Residence prior to foreclosure sale. Nothing contained herein shall be construed as creating any obligation of the City or Authority to cure any such default, nor shall this right to cure and redeem operate to extend any time limitations in the default provisions of the underlying deed of trust or mortgage.

#### 12. NON-LIABILITY OF THE CITY AND AUTHORITY

In no event shall the City or Authority become in any way liable or obligated to Owner or to any successor-in-interest of Owner by reason of the Option, nor shall the City

or Authority be in any way obligated or liable to Owner or any successor- in-interest of Owner for any failure to exercise such Option.

### 13. BINDING ON SUCCESSOR AND ASSIGNS

Notwithstanding any other provision of law, this Agreement shall run with the land and shall be enforceable against the Owner, his/her/their heirs, legal representatives, executors, successors-in-interest, assigns and transferees by the City, the Authority and their successors. Without limiting the generality of the foregoing, any party, and its successors and assigns, receiving title to the Residence through a trustee's sale, a judicial foreclosure sale, or deed in lieu of foreclosure of such deed of trust or mortgage, and any conveyance or transfer thereafter, shall be bound by all covenants, conditions, restrictions, limitations and provisions contained in this Agreement.

### 14. SUPERIORITY OF AGREEMENT

Owner covenants that the Owner has not, and will not, execute any other agreement with provisions contradictory to, or in opposition to, the provisions hereof, and that, in any event, the Owner understands and agrees that this Agreement shall control the rights and obligations between the parties.

### 15. OBLIGATION TO REFRAIN FROM DISCRIMINATION

Owner covenants and agrees for itself, its successors, its assigns and every successor in interest to the Residence or any part thereof, that there shall be no discrimination against or segregation of any person, or group of persons, on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Residence nor shall Owner 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 Residence. This covenant shall run in perpetuity.

### 16. FORM OF NONDISCRIMINATION AND NONSEGREGATION CLAUSES

All deeds, leases or contracts relating or pertaining to the Residence shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

- a. In deeds: "The grantee herein covenants by and for itself, its successors and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin, or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall the grantee itself or any person claiming under or through it, 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 land herein conveyed. The foregoing covenants shall run with the land.”

- b. In leases: “The lessee herein covenants by and for itself, its successors and assigns, and all persons claiming under or through them, and this lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin, or ancestry in the leasing, subleasing, renting, transferring, use, occupancy, tenure or enjoyment of the land herein leased, nor shall the lessee itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the land herein leased.”
- c. In contracts: “There shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin, or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land, nor shall the transferee itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the land.”

#### 17. TERMINATION OF COVENANTS, RESTRICTIONS AND OPTION TO PURCHASE

The covenants, conditions, restrictions, limitations and provisions of this Agreement shall remain in effect with respect to the Residence for the longest feasible time, as determined by the City or Authority, but not less than the Restricted Period, except for the covenants, conditions, restrictions, limitations and provisions contained in Section 15 and 16 which shall run in perpetuity.

#### 18. DEED OF TRUST

Each and every condition, obligation, covenant and agreement contained in this Agreement shall at all times throughout the term be secured by a deed of trust in favor of the City and the Authority (“Deed of Trust”), substantially in the form attached hereto as Exhibit C. Owner agrees to execute and deliver the Deed of Trust (in recordable form) and it shall be recorded against the Residence. The Deed of Trust will be subordinate to any liens securing financing for Owner’s purchase of the Residence, but this Agreement shall be senior to any such liens and shall not be extinguished by foreclosure, a deed in lieu of foreclosure or power of sale, or sale.

## 19. ENFORCEMENT

The City, the Authority, and their successors and assigns are deemed to be the beneficiaries of the terms and provisions of this Agreement and the covenants herein, both for and in their own right and for the purposes of protecting the interests of the community and other parties, public or private, for whose benefit this Agreement and the covenants running with the land have been provided. The City and the Authority shall have the right if any covenants are breached, to exercise all rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which it is entitled. No remedy herein conferred upon or reserved by the City and Authority is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law, in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of such right or power, but any such right or power may be exercised from time to time and as often as City or Authority may deem expedient. In order to entitle the City and Authority to exercise any remedy reserved to it in this Agreement, it shall not be necessary to give any notice, other than such notice as may be herein expressly required or required by law to be given. The City and Authority may, in their sole discretion, designate, appoint or contract with any other public agency, for-profit or non-profit organization as a beneficiary of this Agreement.

## 20. INVALID PROVISIONS

If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

## 21. CONTROLLING LAW

The terms of this Agreement shall be interpreted under the laws of the State of California.

## 22. NOTICES

All notices required herein shall be sent by certified mail, return receipt requested, as follows:

To the Owner:

Johanna Luzietti  
2750 Artesia Boulevard, #117  
Redondo Beach, California 90278

To the City:

City of Redondo Beach  
City Attorney's Office  
415 Diamond Street  
Redondo Beach, California 90277  
Attention: Michael W. Webb

To the Authority

The Housing Authority of the City of Redondo Beach  
415 Diamond Street  
Redondo Beach, California 90277  
Attention: Director of Community Services  
Attention: Housing Supervisor

or such other address that the City, the Authority of Owner may subsequently request in writing.

23. INTERPRETATION OF AGREEMENT

The terms of this Agreement shall be interpreted to encourage to the extent possible that the Sales Price and any mortgage payments of the Residence remain affordable to Moderate Income Senior Citizen Households.

By signature herein below the Owner hereby accepts and approves the foregoing, agrees to be bound by the provisions of this deed, and grants to the City and Authority such powers and rights that are set forth in this Agreement.

“OWNER”

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

By: \_\_\_\_\_  
Johanna Luzietti

[remainder of page left intentionally blank]

[signatures continue on the following page]

Accepted and agreed to by the City this 3<sup>rd</sup> day of August, 2021.

CITY OF REDONDO BEACH, a chartered  
municipal corporation

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

By: \_\_\_\_\_  
William C. Brand  
Mayor

APPROVED AS TO FORM:

Michael W. Webb  
City Attorney

By: \_\_\_\_\_  
Michael W. Webb

ATTEST:

By: \_\_\_\_\_  
Eleanor Manzano  
City Clerk

[Signatures continue on following page]

Accepted and agreed to by the Authority this 3<sup>rd</sup> day of August, 2021.

HOUSING AUTHORITY OF THE CITY OF  
REDONDO BEACH, a public body, corporate  
and politic

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

By: \_\_\_\_\_  
William C. Brand  
Chairman

APPROVED AS TO FORM:  
Michael W. Webb  
General Counsel for Authority

By: \_\_\_\_\_  
Michael W. Webb

ATTEST:

By: \_\_\_\_\_  
Eleanor Manzano  
Secretary

A notary public or other officer completing this certificate only verifies the identity of the individuals who signed documents to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

**STATE OF CALIFORNIA**

COUNTY OF LOS ANGELES

On this \_\_\_ day of \_\_\_\_\_, 20\_\_, before me, \_\_\_\_\_,  
Notary Public, personally appeared, \_\_\_\_\_, who proved  
to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are  
subscribed to the within instrument and acknowledged to me that he/she/they executed the  
same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the  
instrument the person(s), or the entity upon behalf of which the person(s) acted, executed  
the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the  
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: \_\_\_\_\_ (Seal)

A notary public or other officer completing this certificate only verifies the identity of the individuals who signed documents to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

**STATE OF CALIFORNIA**

COUNTY OF LOS ANGELES

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I certify under PENALTY OF PERJURY under the laws of the State of California that the  
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: \_\_\_\_\_ (Seal)

**EXHIBIT "A"**  
**LEGAL DESCRIPTION**

All that certain property situated in the County of Los Angeles, State of California, described as follows:

A CONDOMINIUM COMPOSED OF:

PARCEL 1:

THAT PORTION OF LOT 1 OF TRACT NO. 60638, IN THE CITY OF REDONDO BEACH, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1328, PAGE(S) 44 AND 45 OF MAPS, DEFINED AS UNIT 117 OF MODULE 2 ON THAT CERTAIN CONDOMINIUM PLAN ("PLAN") RECORDED ON JANUARY 24, 2008, AS INSTRUMENT NO. 08-149822, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 2:

AN UNDIVIDED 1/47TH FEE SIMPLE INTEREST AS TENANT IN COMMON IN AND TO THE COMMON AREA OF MODULE 2 ON LOT 1 OF TRACT NO. 60638, AS MORE PARTICULARLY DESCRIBED AND DELINEATED ON THE CONDOMINIUM PLAN REFERRED TO ABOVE.

EXCEPT THEREFROM UNITS 116 THROUGH 118, INCLUSIVE, 121 THROUGH 132, INCLUSIVE, 216 THROUGH 218, INCLUSIVE, 221 THROUGH 233, INCLUSIVE, 316 THROUGH 318, INCLUSIVE, AND 321 THROUGH 333, INCLUSIVE AS DEFINED AND DELINEATED ON A CONDOMINIUM PLAN RECORDED JANUARY 24, 2008, AS INSTRUMENT NO. 08-149822, OF OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM, ALL MINERALS, OILS, GASES AND OTHER HYDROCARBONS BY SOEVER NAME KNOWN THAT MAY BE WITHIN OR UNDER SAID PORTION OF SAID LAND, WITHOUT, HOWEVER, THE RIGHT TO DRILL, DIG OR MINE THROUGH THE SURFACE THEREOF, AS ACCEPTED IN THE DEED FROM THE STATE OF CALIFORNIA, RECORDED ON FEBRUARY 28, 1968, AS DOCUMENT NO. 2480 IN BOOK D-3925, PAGE 100, OFFICIAL RECORDS, IN SAID OFFICE OF THE COUNTY RECORDER.

RESERVING THEREFROM, AN EXCLUSIVE EASEMENT, FOR ALL USES AND PURPOSES OF A BALCONY AREA AND/OR DECK AREA, TOGETHER WITH THE RIGHT TO GRANT TO OTHERS, OVER AND ACROSS THOSE PORTIONS OF LOT 1 OF TRACT 60638, SHOWN AND DEFINED AS EXCLUSIVE USE COMMON AREA", ON THE ABOVE REFERRED TO CONDOMINIUM PLAN.

RESERVING THEREFROM, AN EXCLUSIVE EASEMENT FOR ALL USES AND PURPOSES OF A PARKING SPACE AREA TOGETHER WITH THE RIGHT TO GRANT TO OTHERS, OVER AND ACROSS THOSE PORTIONS OF SAID LAND DEFINED AND DELINEATED AS P-I THROUGH P-191 ON THE ABOVE REFERRED TO CONDOMINIUM PLAN.

ALSO RESERVING THEREFROM, FOR THE BENEFIT OF GRANTOR, ITS SUCCESSORS IN INTEREST AND OTHERS, EASEMENTS FOR ACCESS, USE, ENJOYMENT, CONSTRUCTION, REPAIRS, DRAINAGE AND FOR OTHER PURPOSES, ALL AS MORE FULLY DESCRIBED IN THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR BREAKWATER VILLAGE HOMEOWNERS ASSOCIATION, RECORDED ON JANUARY 11, 2008, AS INSTRUMENT NO. 08-63812, OFFICIAL RECORDS AND ALL AMENDMENTS AND SUPPLEMENTS THERETO.

#### PARCEL 3

AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF A BALCONY AREA AND/OR DECK AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 2 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED AS EXCLUSIVE USE COMMON AREA, WHICH BEARS THE SAME NUMBER AS TO THE UNIT REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "Y" ON THE ABOVE REFERENCED CONDOMINIUM PLAN.

#### PARCEL 4

AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF A PARKING SPACE AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 2 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED AS EXCLUSIVE USE COMMON AREA, ON THE CONDOMINIUM PLAN REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "P-79".

APN: 4082-012-112

**EXHIBIT B  
NOTICE OF SALE**

**[BEHIND THIS PAGE]**

RECORDING REQUESTED BY:

City of Redondo Beach

WHEN RECORDED MAIL TO:

Housing Authority of the  
City of Redondo Beach  
415 Diamond Street  
Redondo Beach, California 90277  
Attention: Angelica Zavala, Housing Supervisor

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*(No Fee per Government Code § 27383)*

**REQUEST FOR NOTICE  
Under Section 2924b Civil Code**

In accordance with Section 2924b, Civil Code, request is hereby made that copies of any NOTICE OF DEFAULT and copies of any NOTICE OF SALE under the DEED OF TRUST dated as of August 3, 2021 and recorded as Instrument No. \_\_\_\_\_, in the Official Records of Los Angeles County on \_\_\_\_\_, 2021, and describing the following real property, located in Los Angeles County, California as

[See Exhibit “A” attached hereto and incorporated herein]

executed by Johanna Luziatti, a Widow as sole owner and Trustor, in which the City of Redondo Beach, California and the Housing Authority of the City of Redondo Beach, California are collectively names as Beneficiary and Chicago Title Insurance Company, as Trustee, be mailed to:

City of Redondo Beach  
The Housing Authority of the City of Redondo Beach  
415 Diamond Street  
Redondo Beach, California 90277  
Attention: Director of Community Services  
Attention: Housing Supervisor

NOTICE: A copy of any notice of default and of any notice of sale, will be sent only to the address contained in this recorded request. If your address changes, a new request must be recorded.

CITY OF REDONDO BEACH, a chartered  
municipal corporation

HOUSING AUTHORITY OF THE CITY OF  
REDONDO BEACH, a public body corporate  
and politic

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

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

William C. Brand  
Mayor and Chairman

APPROVED AS TO FORM:

Michael W. Webb

City Attorney and General Counsel for Authority

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

Michael W. Webb

ATTEST:

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

Eleanor Manzano  
City Clerk and Secretary for Authority

A notary public or other officer completing this certificate only verifies the identity of the individuals who signed documents to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

**STATE OF CALIFORNIA**

COUNTY OF LOS ANGELES

On this \_\_\_ day of \_\_\_\_\_, 20\_\_\_, before me, \_\_\_\_\_, Notary Public, personally appeared, \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: \_\_\_\_\_ (Seal)

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**STATE OF CALIFORNIA**

COUNTY OF LOS ANGELES

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WITNESS my hand and official seal.

Signature: \_\_\_\_\_ (Seal)

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**LEGAL DESCRIPTION**

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EXCEPT THEREFROM UNITS 116 THROUGH 118, INCLUSIVE, 121 THROUGH 132, INCLUSIVE, 216 THROUGH 218, INCLUSIVE, 221 THROUGH 233, INCLUSIVE, 316 THROUGH 318, INCLUSIVE, AND 321 THROUGH 333, INCLUSIVE AS DEFINED AND DELINEATED ON A CONDOMINIUM PLAN RECORDED JANUARY 24, 2008, AS INSTRUMENT NO. 08-149822, OF OFFICIAL RECORDS.

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PARCEL 3

AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF A BALCONY AREA AND/OR DECK AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 2 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED AS EXCLUSIVE USE COMMON AREA, WHICH BEARS THE SAME NUMBER AS TO THE UNIT REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "Y" ON THE ABOVE REFERENCED CONDOMINIUM PLAN.

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APN: 4082-012-112

RECORDING REQUESTED BY:

City of Redondo Beach

WHEN RECORDED MAIL TO:

City of Redondo Beach  
City Attorney's Office  
415 Diamond Street  
Redondo Beach, California 90277  
Attention: Michael W. Webb, Esq.

---

*(No Fee per Government Code § 27383)*

**REQUEST FOR NOTICE  
Under Section 2924b Civil Code**

In accordance with Section 2924b, Civil Code, request is hereby made that copies of any NOTICE OF DEFAULT and copies of any NOTICE OF SALE under the DEED OF TRUST dated as of August 3, 2021 and recorded as Instrument No. \_\_\_\_\_, in the Official Records of Los Angeles County on \_\_\_\_\_, 2021, and describing the following real property, located in Los Angeles County, California as

[See Exhibit "A" attached hereto and incorporated herein]

executed by Johanna Luziatti, a Widow as sole owner and Trustor, in which the City of Redondo Beach, California and the Housing Authority of the City of Redondo Beach, California are collectively names as Beneficiary and Chicago Title Insurance Company, as Trustee, be mailed to:

City of Redondo Beach  
415 Diamond Street  
Redondo Beach, California 90277  
Attention: City Attorney

NOTICE: A copy of any notice of default and of any notice of sale, will be sent only to the address contained in this recorded request. If your address changes, a new request must be recorded.

CITY OF REDONDO BEACH, a Chartered  
Municipal Corporation

HOUSING AUTHORITY OF THE CITY OF  
REDONDO BEACH, a Public Body Corporate  
and Politic

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

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

William C. Brand  
Mayor and Chairman

APPROVED AS TO FORM:

Michael W. Webb

City Attorney and General Counsel for Authority

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

Michael W. Webb

ATTEST:

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

Eleanor Manzano  
City Clerk and Secretary for Authority

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**STATE OF CALIFORNIA**

COUNTY OF LOS ANGELES

On this \_\_\_ day of \_\_\_\_\_, 20\_\_\_, before me, \_\_\_\_\_,  
Notary Public, personally appeared, \_\_\_\_\_, who proved  
to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are  
subscribed to the within instrument and acknowledged to me that he/she/they executed the  
same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the  
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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.

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to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are  
subscribed to the within instrument and acknowledged to me that he/she/they executed the  
same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the  
instrument the person(s), or the entity upon behalf of which the person(s) acted, executed  
the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the  
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: \_\_\_\_\_ (Seal)

**EXHIBIT "A"**  
**LEGAL DESCRIPTION**

All that certain property situated in the County of Los Angeles, State of California, described as follows:

A CONDOMINIUM COMPOSED OF:

PARCEL 1:

THAT PORTION OF LOT 1 OF TRACT NO. 60638, IN THE CITY OF REDONDO BEACH, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1328, PAGE(S) 44 AND 45 OF MAPS, DEFINED AS UNIT 117 OF MODULE 2 ON THAT CERTAIN CONDOMINIUM PLAN ("PLAN") RECORDED ON JANUARY 24, 2008, AS INSTRUMENT NO. 08-149822, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 2:

AN UNDIVIDED 1/47TH FEE SIMPLE INTEREST AS TENANT IN COMMON IN AND TO THE COMMON AREA OF MODULE 2 ON LOT 1 OF TRACT NO. 60638, AS MORE PARTICULARLY DESCRIBED AND DELINEATED ON THE CONDOMINIUM PLAN REFERRED TO ABOVE.

EXCEPT THEREFROM UNITS 116 THROUGH 118, INCLUSIVE, 121 THROUGH 132, INCLUSIVE, 216 THROUGH 218, INCLUSIVE, 221 THROUGH 233, INCLUSIVE, 316 THROUGH 318, INCLUSIVE, AND 321 THROUGH 333, INCLUSIVE AS DEFINED AND DELINEATED ON A CONDOMINIUM PLAN RECORDED JANUARY 24, 2008, AS INSTRUMENT NO. 08-149822, OF OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM, ALL MINERALS, OILS, GASES AND OTHER HYDROCARBONS BY SOEVER NAME KNOWN THAT MAY BE WITHIN OR UNDER SAID PORTION OF SAID LAND, WITHOUT, HOWEVER, THE RIGHT TO DRILL, DIG OR MINE THROUGH THE SURFACE THEREOF, AS ACCEPTED IN THE DEED FROM THE STATE OF CALIFORNIA, RECORDED ON FEBRUARY 28, 1968, AS DOCUMENT NO. 2480 IN BOOK D-3925, PAGE 100, OFFICIAL RECORDS, IN SAID OFFICE OF THE COUNTY RECORDER.

RESERVING THEREFROM, AN EXCLUSIVE EASEMENT, FOR ALL USES AND PURPOSES OF A BALCONY AREA AND/OR DECK AREA, TOGETHER WITH THE RIGHT TO GRANT TO OTHERS, OVER AND ACROSS THOSE PORTIONS OF LOT 1 OF TRACT 60638, SHOWN AND DEFINED AS EXCLUSIVE USE COMMON AREA", ON THE ABOVE REFERRED TO CONDOMINIUM PLAN.

RESERVING THEREFROM, AN EXCLUSIVE EASEMENT FOR ALL USES AND PURPOSES OF A PARKING SPACE AREA TOGETHER WITH THE RIGHT TO GRANT TO OTHERS, OVER AND ACROSS THOSE PORTIONS OF SAID LAND DEFINED AND DELINEATED AS P-I THROUGH P-191 ON THE ABOVE REFERRED TO CONDOMINIUM PLAN.

ALSO RESERVING THEREFROM, FOR THE BENEFIT OF GRANTOR, ITS SUCCESSORS IN INTEREST AND OTHERS, EASEMENTS FOR ACCESS, USE, ENJOYMENT, CONSTRUCTION, REPAIRS, DRAINAGE AND FOR OTHER PURPOSES, ALL AS MORE FULLY DESCRIBED IN THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR BREAKWATER VILLAGE HOMEOWNERS ASSOCIATION, RECORDED ON JANUARY 11, 2008, AS INSTRUMENT NO. 08-63812, OFFICIAL RECORDS AND ALL AMENDMENTS AND SUPPLEMENTS THERETO.

#### PARCEL 3

AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF A BALCONY AREA AND/OR DECK AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 2 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED AS EXCLUSIVE USE COMMON AREA, WHICH BEARS THE SAME NUMBER AS TO THE UNIT REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "Y" ON THE ABOVE REFERENCED CONDOMINIUM PLAN.

#### PARCEL 4

AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF A PARKING SPACE AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 2 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED AS EXCLUSIVE USE COMMON AREA, ON THE CONDOMINIUM PLAN REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "P-79".

APN: 4082-012-112

**EXHIBIT C**  
**PERFORMANCE DEED OF TRUST**

**[BEHIND THIS PAGE]**

RECORDING REQUESTED BY:

Housing Authority of the  
City of Redondo Beach

WHEN RECORDED MAIL TO:

Housing Authority of the City of Redondo Beach  
415 Diamond Street  
Redondo Beach, California 90277  
Attention: Angelica Zavala, Housing Supervisor

---

*(No Fee per Government Code § 27383)*

**PERFORMANCE DEED OF TRUST  
(Option to Cure and Purchase Agreement)**

**THIS PERFORMANCE DEED OF TRUST** (this “Deed of Trust”) dated as of August 3, 2021 is entered into by Johanna Luzietti, a Widow (“Trustor”) whose address is 2750 Artesia Boulevard, #117, Redondo Beach, California 90278 in favor of Chicago Title Company (“Trustee”), for the benefit of the City of Redondo Beach, a chartered municipal corporation (the “City”) whose address is 415 Diamond Street, Redondo Beach, California 90277 and the Housing Authority of the City of Redondo Beach, a public body, corporate and politic (the “Authority”) whose address is also 415 Diamond Street, Redondo Beach, California 90277 (the City and Authority are referred to hereinafter collectively and individually as the “Beneficiary”).

Trustor, in consideration of the obligations referred to below and the trust hereby created, irrevocably grants, transfers, conveys, and assigns to Trustee, in trust, with power of sale, Trustor’s fee interest in and to that real property located in the City of Redondo Beach, County of Los Angeles, State of California, described in Exhibit “A” attached hereto and incorporated herein by this reference.

**FOR THE PURPOSE OF SECURING:** performance of Trustor’s obligation to allow the Beneficiary to cure any default or otherwise purchase the Property in accordance with, and subject to, the terms and conditions of the August 3, 2021 Agreement Containing Covenants, Restrictions and Option to Purchase (“Covenant Agreement”) executed by Trustor and Beneficiary, recorded concurrently herewith and incorporated herein by reference.

**TO MAINTAIN AND PROTECT THE SECURITY OF THIS DEED OF TRUST,  
TO SECURE THE FULL AND TIMELY PERFORMANCE BY TRUSTOR OF  
THE SECURED OBLIGATION, TRUSTOR HEREBY COVENANTS AND  
AGREES AS FOLLOWS:**

1. Maintenance of the Property. Trustor will:
  - a. keep the Property in good condition;
  - b. not permit any mechanic's or materialman's lien to arise against the Property;
  - c. comply with all laws having a material effect on the Property; and
  - d. not commit or permit waste on or to the Property.
  
2. Taxes and Other Sums Due. Trustor will promptly pay, satisfy and discharge when due:
  - a. prior to delinquency, all general and special taxes, and assessments, water and sewer district charges, rents and premiums affecting the Property; and
  - b. all encumbrances, charges and liens on the Property, with interest thereon, which are prior or superior to the lien of this Deed of Trust. Upon request by Beneficiary, Trustor will promptly furnish Beneficiary with all notices of sums due for any amounts specified in subparagraph (a) hereof, and upon payment of any such sum by Trustor, Trustor will promptly furnish Beneficiary with written evidence of such payment. Should Trustor fail promptly to make any payment required hereunder, Beneficiary may (but is not obligated to), at Beneficiary's sole expense, make such payment. Trustor will notify Beneficiary immediately upon receipt by Trustor of notice of any increase in the assessed value of the Property and agrees that Beneficiary, in the name of Trustor, may (but is not obligated to), at Beneficiary's expense, contest by appropriate proceedings such increase in assessment.
  
3. Lease of the Property by Trustor. Except as permitted under the Covenant Agreement, Trustor shall not enter into a lease for all or any portion of the Property.
  
4. Defense of Deed of Trust; Litigation. Trustor will give Beneficiary immediate written notice of any action or proceeding (including, without limitation, any judicial or non-judicial proceeding to foreclose the lien of a junior or senior mortgage or deed of trust) affecting or purporting to affect the Property or this Deed of Trust. Trustor shall commence, appear in, prosecute, defend, compromise and settle, and incur necessary costs and expenses, including reasonable attorneys' fees, in so doing, any action or proceeding, whether judicial or non-judicial, deemed necessary in Beneficiary's reasonable judgment to preserve or protect the Property or this Deed of Trust. Trustor shall utilize counsel reasonably satisfactory to Beneficiary in connection with any such action or proceeding. Trustor will pay all costs and expenses of Beneficiary and Trustee, including costs of evidence of title and reasonable attorneys' fees, in any such action or proceeding in which Beneficiary or Trustee may appear or for which legal counsel is sought, whether by

- virtue of being made a party defendant or otherwise, and whether or not the interest of Beneficiary or Trustee in the Property is directly questioned in such action or proceeding, including, without limitation, any action for the condemnation or partition of all or any portion of the Property and any action brought by Beneficiary to foreclose this Deed of Trust or to enforce any of its terms or provisions.
5. Failure of Trustor to Comply with Deed of Trust. Should Trustor fail to do any act required by this Deed of Trust, or should there be any action or proceeding (including, without limitation, any judicial or non-judicial proceeding to foreclose the lien of a junior or senior mortgage or deed of trust) affecting or purporting to affect the Property or this Deed of Trust, Beneficiary or Trustee may (but is not obligated to):
    - a. Make any such payment or do any such act in such manner and to such extent as either deems necessary to preserve or protect the Property or this Deed of Trust, Beneficiary and Trustee being authorized to enter upon the Property for any such purpose; and
    - b. In exercising any such power, pay necessary expenses, employ attorneys and pay reasonable attorneys' fees incurred in connection therewith, without notice to or demand upon Trustor and without releasing Trustor from any obligation hereunder.
  6. Amounts Advanced to Bear Interest. At Beneficiary's request, Trustor will immediately pay any expenses or other amounts advanced or paid by Beneficiary or Trustee under any provision of this Deed of Trust. Until so repaid, all such amounts shall be added to, and become a part of, the indebtedness secured hereby and bear interest from the date of advancement or payment by Beneficiary or Trustee at the highest rate then allowed by applicable law.
  7. Default. Each of the following shall constitute a **"Default"** under this Deed of Trust:
    - a. The filing by Trustor of any petition or action for relief under any bankruptcy, reorganization, insolvency or moratorium law, or any other law or laws for the relief of, or relating to, debtors; or
    - b. In the event that after the date hereof, except as provided in the Covenant Agreement Trustor sells, contracts to sell, gives an option to purchase, conveys, transfers or alienates the Property, or suffers its title to, or any interest in the Property to be divested, whether voluntarily or involuntarily; or
    - c. Trustor defaults under the terms and conditions of the Covenant Agreement.
  8. Remedies on Default. In the event of any Default hereunder which remains uncured following notice from Beneficiary and any cure period for such Default set forth

herein, Beneficiary, at Beneficiary's option, and to the extent permitted by applicable law, may, by delivering to Trustee a written declaration of default and demand for sale, executed by Beneficiary and reciting facts demonstrating such default by Trustor, together with a written notice of default, cure any defaults or purchase the Property pursuant to the terms of the Covenant Agreement. Beneficiary shall also deposit with Trustee the Covenant Agreement (including any amendments thereto), this Deed of Trust and such other documents necessary or appropriate. Upon receipt by Trustee of such affidavit or declaration of default and such notice of default and election to sell, Trustee shall accept as true and conclusive all facts and statements contained in such affidavit or declaration of default and shall cause such notice of default and election to sell to be recorded as required by applicable law. Upon the expiration of such period as may then be required by applicable law following recordation of such notice of default, and after notice of sale has been given in the manner and for the period required by applicable law, Trustee, without demand on Trustor, shall sell the entire Property at the time and place fixed in such notice of sale, to Beneficiary, subject to the minimum bid requirement, for cash in lawful money of the United States, payable at the time of sale. Such sale shall be subject to all of the terms and conditions of the Covenant Agreement. Trustee may postpone the sale of all or any portion of the Property by public announcement made at the initial time and place of sale, and from time to time thereafter by public announcement made at the time and place of sale fixed by the preceding postponement. Trustee shall deliver to Beneficiary at such sale its deed conveying the Property, but without any covenant or warranty, express or implied. The recital in such deed of any matter of fact shall be conclusive proof of the truthfulness thereof. After deducting all costs, fees, and expenses of Trustee under this Section, including costs of procuring evidence of title and Trustee's and Trustee's attorneys' fees incurred in connection with such sale. Trustee shall deliver all proceeds up to the purchase price to Trustor and any excess to Beneficiary.

9. **Obligation to Inform Beneficiary of Default.** Trustor will notify Beneficiary in writing, at or prior to the time of the occurrence of any Default event described in Section 7 hereof, of such event and will promptly furnish Beneficiary with any and all information concerning such event which Beneficiary may request.
10. **Remedies Cumulative.** Each remedy provided by this Deed of Trust is separate and distinct and is cumulative to all other rights and remedies provided hereby or by applicable law, and each may be exercised concurrently, independently or successively, in any order whatsoever.
11. **Trustee.** The Trustee shall be deemed to have accepted the terms of this Trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. Trustee shall not be obligated to notify any party hereto of any pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee is a party, unless such sale relates to or reasonably might affect the Property or this Deed of Trust, or unless such action or proceeding has been instituted by Trustee against the Property, Trustor or Beneficiary.

12. Reconveyance. Upon written request of Beneficiary reciting that the right to cure or purchase will not be exercised by Beneficiary, surrender of this Deed of Trust to Trustee for cancellation, and payment by Beneficiary of any reconveyance fees customarily charged by Trustee, Trustee shall reconvey, without warranty, the Property as directed by Beneficiary and Trustor in a joint writing. The recitals in such reconveyance of any matters of fact shall be conclusive proof of the truthfulness thereof.
13. Substitution of Trustee. Beneficiary, at Beneficiary's option, may from time to time, by written instrument approved in writing by Trustor, substitute a successor to Trustee named herein or acting hereunder, which instrument, when executed and acknowledged by Beneficiary and Trustor and recorded in the office of the Recorder of the county in which the Property is located, shall constitute conclusive proof of the proper substitution of such successor Trustee, who shall, without conveyance from the predecessor Trustee, succeed to all right, title, estate, powers and duties of such predecessor Trustee, including without limitation, the power to reconvey the Property. To be effective, such instrument must contain the name of the original Trustor, Trustee, and Beneficiary hereunder, the book and page at which, and the county in which, this Deed of Trust is recorded and the name and address of the substitute Trustee and be signed by Trustor. If any notice of default has been recorded hereunder, this power of substitution cannot be exercised until all costs, fees and expenses of the then acting Trustee have been paid. Upon such payment, the then acting Trustee shall endorse receipt thereof upon the instrument of substitution. The procedure herein provided for substitution of Trustees shall be exclusive of other provisions for substitution provided by applicable law.
14. No Waiver by Beneficiary. No waiver by Beneficiary of any right or remedy provided by the Covenant Agreement, this Deed of Trust or applicable law shall be effective unless such waiver is in writing and subscribed by Beneficiary. Waiver by Beneficiary of any right or remedy granted to Beneficiary under the Covenant Agreement or any provision thereof, this Deed of Trust or applicable law as to any transaction or occurrence shall not be deemed a waiver as to any future transaction or occurrence. The assertion by Beneficiary of any right or remedy provided by this Deed of Trust shall not constitute a waiver of Beneficiary's right to require prompt performance of the Secured Obligation and Trustor's obligations under this Deed of Trust.
15. Consents and Approvals to be in Writing. Whenever the consent or approval of Beneficiary or Trustor is specified as a condition of any provision of this Deed of Trust, such consent or approval by Beneficiary or Trustor, as applicable, shall not be effective unless such consent or approval is in writing, subscribed by Beneficiary or Trustor, as applicable. Such consent shall not be unreasonably withheld, delayed or conditioned.
16. Notices. All notices, demands, consents, requests or other communications required to or permitted to be given pursuant to this Agreement shall be in writing, shall be given only in accordance with the provisions of this Section, shall be addressed to

the parties in the manner set forth below, and shall be conclusively deemed to have been properly delivered:

- a. upon receipt when hand delivered during normal business hours (provided that notices which are hand delivered shall not be effective unless the sending party obtains a signature of a person at such address that the notice has been received);
- b. upon receipt when sent by facsimile to the number set forth below (provided, however, that notices given by facsimile shall not be effective unless the sending party delivers the notice also by one other method permitted under this Section);
- c. upon the day of delivery if the notice has been deposited in an authorized receptacle of the United States Postal Service as first-class, registered or certified mail, postage prepaid, with a return receipt requested (provided that the sender has in its possession the return receipt to prove actual delivery); or
- d. one (1) business day after the notice has been deposited with either FedEx or United Parcel Service to be delivered by overnight delivery (provided that the sending party receives a confirmation of actual delivery from the courier).

The addresses of the parties to receive notices are as follows:

TO BENEFICIARY:

City of Redondo Beach  
415 Diamond Street  
Redondo Beach, California 90277  
Attention: City Manager, Joe Hoefgen  
Attention: Director of Community Services  
Facsimile: (310) 543-1730

Housing Authority of the City of Redondo Beach  
415 Diamond Street  
Redondo Beach, California 90277  
Attention: Housing Supervisor

TO TRUSTOR:

Johanna Luzietti  
2750 Artesia Boulevard, #117  
Redondo Beach, California 90278

TO TRUSTEE:  
Chicago Title Company  
500 North Brand Boulevard, Suite 120  
Glendale, California 91203  
Email: aline@glendaleescrow.com

17. Request for Notice of Default. The undersigned Trustor requests that a copy of any Notice of Default and any Notice of Sale hereunder be mailed to it at the address specified herein.
18. Governing Law. This instrument shall be governed by and construed in accordance with the laws of the State of California.
19. Severability. If any paragraph, clause or provision of the Covenant Agreement or this Deed of Trust is construed or interpreted by a court of competent jurisdiction to be void, invalid or unenforceable, such decision shall affect only those paragraphs, clauses or provisions so construed or interpreted and shall not affect the remaining paragraphs, clauses and provisions of the Covenant Agreement or this Deed of Trust.
20. Relationship. Nothing contained herein or in the Covenant Agreement shall be deemed to create or construed to create a partnership, joint venture or any relationship other than that of Trustor and Beneficiary. Trustor and Beneficiary expressly disclaim any intent to create a partnership or joint venture pursuant to this Deed of Trust or the Covenant Agreement.
21. Attorney Fees. If any party to this Deed of Trust shall bring any action for any relief against any other party, declaratory or otherwise, arising out of this Deed of Trust, the losing party shall pay to the prevailing party a reasonable sum for attorney fees incurred in bringing such suit and/or enforcing any judgment granted therein, all of which shall be deemed to have accrued upon commencement of such action and shall be paid whether or not such action is prosecuted to judgment. Any judgment or order entered in such action shall contain a specific provision providing for the recovery of attorney fees and costs incurred in enforcing such judgment. For the purpose of this Section, attorney fees shall include, without limitation, fees incurred in the following:
  - a. post-judgment motions;
  - b. contempt proceedings;
  - c. garnishment, levy, and debtor and third party examinations;
  - d. discovery; and
  - e. bankruptcy litigation.

22. General Provisions.

- a. This Deed of Trust applies to, inures to the benefit of, and binds the respective heirs, legatees, devisees, administrators, executors, successors and assigns of each of the parties hereto.
- b. As used herein, the word "person" shall mean and include natural persons, corporations, partnerships, unincorporated associations, joint ventures and any other form of legal entity.
- c. As used herein, the word "Property" shall mean and include the Property and part thereof.
- d. As used herein and unless the context otherwise provides, the words "herein," "hereunder" and "hereof" shall mean and include this Deed of Trust as a whole, rather than any particular provision hereof.
- e. In exercising any right or remedy, or taking any action provided herein, Beneficiary may act through its employees, agents or independent contractors, as authorized by Beneficiary.
- f. Wherever the context so requires herein, the masculine gender includes the feminine and neuter, the singular number includes the plural, and vice versa.
- g. Captions and paragraph headings used herein are for convenience only, are not a part of this Deed of Trust and shall not be used in construing it.

IN WITNESS WHEREOF, the parties have entered into this Deed of Trust as of the date first written above.

**TRUSTOR:**

**Johanna Luzietti, a Widow**

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Johanna Luzietti

A notary public or other officer completing this certificate only verifies the identity of the individuals who signed documents to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

**STATE OF CALIFORNIA**

COUNTY OF LOS ANGELES

On this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, before me, \_\_\_\_\_,  
Notary Public, personally appeared, \_\_\_\_\_, who proved  
to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are  
subscribed to the within instrument and acknowledged to me that he/she/they executed the  
same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the  
instrument the person(s), or the entity upon behalf of which the person(s) acted, executed  
the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the  
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: \_\_\_\_\_ (Seal)

**EXHIBIT "A"**  
**LEGAL DESCRIPTION**

All that certain property situated in the County of Los Angeles, State of California, described as follows:

A CONDOMINIUM COMPOSED OF:

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EXCEPT THEREFROM UNITS 116 THROUGH 118, INCLUSIVE, 121 THROUGH 132, INCLUSIVE, 216 THROUGH 218, INCLUSIVE, 221 THROUGH 233, INCLUSIVE, 316 THROUGH 318, INCLUSIVE, AND 321 THROUGH 333, INCLUSIVE AS DEFINED AND DELINEATED ON A CONDOMINIUM PLAN RECORDED JANUARY 24, 2008, AS INSTRUMENT NO. 08-149822, OF OFFICIAL RECORDS.

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ALSO RESERVING THEREFROM, FOR THE BENEFIT OF GRANTOR, ITS SUCCESSORS IN INTEREST AND OTHERS, EASEMENTS FOR ACCESS, USE, ENJOYMENT, CONSTRUCTION, REPAIRS, DRAINAGE AND FOR OTHER PURPOSES, ALL AS MORE FULLY DESCRIBED IN THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR BREAKWATER VILLAGE HOMEOWNERS ASSOCIATION, RECORDED ON JANUARY 11, 2008, AS INSTRUMENT NO. 08-63812, OFFICIAL RECORDS AND ALL AMENDMENTS AND SUPPLEMENTS THERETO.

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AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF A BALCONY AREA AND/OR DECK AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 2 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED AS EXCLUSIVE USE COMMON AREA, WHICH BEARS THE SAME NUMBER AS TO THE UNIT REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "Y" ON THE ABOVE REFERENCED CONDOMINIUM PLAN.

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AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF A PARKING SPACE AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 2 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED AS EXCLUSIVE USE COMMON AREA, ON THE CONDOMINIUM PLAN REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "P-79".

APN: 4082-012-112



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**Community Services Department**  
Housing Authority

1922 Artesia Boulevard  
Redondo Beach, California 90278  
www.redondo.org

tel: 310 318-0635  
fax: 310 798-8463

August 3, 2021

Virginia Moreno  
Escrow Officer  
Infinity Escrow  
2501 West 237<sup>th</sup> Street, #C  
Torrance, California 90501

Re: Escrow No. 21-1241VM

Dear Ms. Moreno:

These instructions are submitted by the City of Redondo Beach (the “**City**”) and the Housing Authority of the City of Redondo Beach (the “**Authority**”) in connection with the following transaction.

Anthony Kim (the “**Seller**”) and Johanna Luzietti (the “**Buyer**”) have entered into that certain California Residential Purchase Agreement and Joint Escrow Instructions dated June 17, 2021 relating to the sale of the residential unit located at 2750 Artesia Blvd., #117, Redondo Beach, California 90278. The “**Unit**” is more particularly described in the legal description attached to this letter as Exhibit A.

The Unit is subject to the covenants, conditions, restrictions, limitations and provisions contained in the Agreement Containing Covenants, Restrictions and Option to Purchase [Moderate Income] dated December 6, 2011 and recorded in the Official Records of Los Angeles County on June 7, 2012, as Instrument No. 20120850860 (the “**Existing Covenants Agreement**”).

The Existing Covenants Agreement places certain income and sale price limits on the Unit to assure that the Unit remains affordable to moderate income senior households. Performance of these obligations are secured by that certain Performance Deed of Trust dated December 6, 2011 and recorded in the land records of Los Angeles County on June 7, 2012 as Instrument No. 1200850862. The Seller is the trustor, the City is the beneficiary and Lawyers Title Company is the trustee of the Performance Deed of Trust.

The Buyer, the City, and the Authority will execute an Agreement Containing Covenants, Restrictions and Option to Purchase [Moderate Income] (the “**2021 Covenants Agreement**”) for recordation against the Unit. The 2021 Covenants Agreement also requires the Buyer to execute a Performance Deed of Trust (Option to Cure and Purchase Agreement) in favor of the City and the Authority, for recordation against the Unit (the “**2021 Performance Deed of Trust**”).

The purpose of this letter is to provide the City’s and Authority’s instructions relating to the above referenced transaction. Your recordation of the “**Recording Documents**” shall be deemed to be your acceptance of these escrow instructions. However, we ask that you return to the undersigned a copy of this letter signed by you, indicating your acceptance of these instructions.

The City and Authority hereby instruct the Escrow Agent as follows. The transaction will close when all conditions precedent to the transaction have been satisfied.

**I. DOCUMENTS**

Enclosed herewith are the following documents that will need to be signed and returned to the City and Authority prior to execution by the City and the Authority.

1. One original of the 2021 Covenants Agreement that has been signed by the Buyer.
2. One original of the 2021 Performance Deed of Trust that has been signed by the Buyer.

The signed and notarized documents are to be returned to the following address:

Angelica Zavala, Housing Supervisor  
Housing Authority of the City of Redondo Beach  
1922 Artesia Boulevard  
Redondo Beach, California 90278

## II. CLOSING PROCEDURES

You are instructed to close this transaction when and only when all of the following occurs:

1. The City and the Authority have deposited into escrow one original 2021 Covenants Agreement executed in recordable form by the Buyer, the City and the Authority.
2. The Buyer has deposited into escrow one original Performance Deed of Trust, executed in recordable form by the Buyer.
3. The City and the Authority have deposited into escrow one original Request for Notice Under Section 2924b Civil Code - City, and one Request for Notice Under Section 2924b Civil Code - Authority executed in recordable form by the City and the Authority (the "**Request for Notice**").
4. All of the Buyer's and Seller's conditions precedent to closing this transaction have either been satisfied or waived by the party to be benefited and you have received confirmation from the Buyer and the Seller that you are to proceed with this transaction.
5. You are committed to complying with all the instructions contained in these escrow instructions.

In closing escrow, you will adhere to the procedures set forth in the instructions below. All requirements with respect to closing shall be considered as having taken place simultaneously and no delivery shall be considered as having been made until all deliveries and closing transactions have been accomplished. Do not record or deliver any of the documents described above unless all conditions to closing are satisfied. When all conditions precedent to the close of escrow have been satisfied, you are authorized to:

1. With respect to any documents that have not been dated (whether or not such documents are to be recorded), fill in the date of recordation. With respect to any other blanks in the documents, fill in the appropriate information (for example, recording information or dates of other documents). If you have any questions regarding how to fill in any blanks, contact the undersigned immediately.
2. With respect to any documents that do not have a legal description appended, insert the legal description attached to this letter as Exhibit A.

3. Record the following documents (the "Recording Documents") in the Land Records of Los Angeles County, California, in the following order and in no other order:
  - a. The grant deed conveying fee title to the Unit from the Seller to the Buyer
  - b. The 2021 Covenants Agreement
  - c. The 2021 Performance Deed of Trust
  - d. The Request for Notice
4. Promptly after recordation, conformed and certified copies of the Recording Documents (showing all recording information) and a copy of these escrow instructions signed by you in the space provided at the conclusion of this letter to indicate your acceptance are to be delivered to:

Angelica Zavala, Housing Supervisor  
Housing Authority of the City of Redondo Beach  
1922 Artesia Boulevard  
Redondo Beach, California 90278

5. These instructions may be modified only by written or telephonic instructions from the undersigned. If any of the instructions in this letter cannot be followed for any reason, please call the undersigned immediately.
6. Please bill the Seller for any charges you incur associated with the foregoing documents. Any documents signed by the City or the Authority are entitled to free recording pursuant to Government Code §§ 6103 and 27383:
  - a. If any of such documents do not contain a legend to that effect, please insert the legend in the upper left corner of such documents.
  - b. Neither the City nor the Authority shall incur any expense in connection with the fulfillment of these escrow instructions.
  - c. All costs incurred by you with respect to this escrow shall be the sole obligation of the Seller.

Very truly yours,

City of Redondo Beach, a chartered municipal corporation

Housing Authority of the City of Redondo Beach, a public body, corporate and politic

By: \_\_\_\_\_  
William C. Brand  
Mayor and Chairman

The undersigned acknowledges receipt of the within escrow instructions and agrees to proceed in accordance therewith.

Infinity Escrow

By: \_\_\_\_\_  
Virginia Moreno  
Escrow Officer

**EXHIBIT "A"**  
**LEGAL DESCRIPTION**

All that certain property situated in the County of Los Angeles, State of California, described as follows:

A CONDOMINIUM COMPOSED OF:

PARCEL 1:

THAT PORTION OF LOT 1 OF TRACT NO. 60638, IN THE CITY OF REDONDO BEACH, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1328, PAGE(S) 44 AND 45 OF MAPS, DEFINED AS UNIT 117 OF MODULE 2 ON THAT CERTAIN CONDOMINIUM PLAN ("PLAN") RECORDED ON JANUARY 24, 2008, AS INSTRUMENT NO. 08-149822, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 2:

AN UNDIVIDED 1/47TH FEE SIMPLE INTEREST AS TENANT IN COMMON IN AND TO THE COMMON AREA OF MODULE 2 ON LOT 1 OF TRACT NO. 60638, AS MORE PARTICULARLY DESCRIBED AND DELINEATED ON THE CONDOMINIUM PLAN REFERRED TO ABOVE.

EXCEPT THEREFROM UNITS 116 THROUGH 118, INCLUSIVE, 121 THROUGH 132, INCLUSIVE, 216 THROUGH 218, INCLUSIVE, 221 THROUGH 233, INCLUSIVE, 316 THROUGH 318, INCLUSIVE, AND 321 THROUGH 333, INCLUSIVE AS DEFINED AND DELINEATED ON A CONDOMINIUM PLAN RECORDED JANUARY 24, 2008, AS INSTRUMENT NO. 08-149822, OF OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM, ALL MINERALS, OILS, GASES AND OTHER HYDROCARBONS BY SOEVER NAME KNOWN THAT MAY BE WITHIN OR UNDER SAID PORTION OF SAID LAND, WITHOUT, HOWEVER, THE RIGHT TO DRILL, DIG OR MINE THROUGH THE SURFACE THEREOF, AS ACCEPTED IN THE DEED FROM THE STATE OF CALIFORNIA, RECORDED ON FEBRUARY 28, 1968, AS DOCUMENT NO. 2480 IN BOOK D-3925, PAGE 100, OFFICIAL RECORDS, IN SAID OFFICE OF THE COUNTY RECORDER.

RESERVING THEREFROM, AN EXCLUSIVE EASEMENT, FOR ALL USES AND PURPOSES OF A BALCONY AREA AND/OR DECK AREA, TOGETHER WITH THE RIGHT TO GRANT TO OTHERS, OVER AND ACROSS THOSE PORTIONS OF LOT 1 OF TRACT 60638, SHOWN AND DEFINED AS EXCLUSIVE USE COMMON AREA", ON THE ABOVE REFERRED TO CONDOMINIUM PLAN.

RESERVING THEREFROM, AN EXCLUSIVE EASEMENT FOR ALL USES AND PURPOSES OF A PARKING SPACE AREA TOGETHER WITH THE RIGHT TO GRANT TO OTHERS, OVER AND ACROSS THOSE PORTIONS OF SAID LAND DEFINED AND DELINEATED AS P-I THROUGH P-191 ON THE ABOVE REFERRED TO CONDOMINIUM PLAN.

ALSO RESERVING THEREFROM, FOR THE BENEFIT OF GRANTOR, ITS SUCCESSORS IN INTEREST AND OTHERS, EASEMENTS FOR ACCESS, USE, ENJOYMENT, CONSTRUCTION, REPAIRS, DRAINAGE AND FOR OTHER PURPOSES, ALL AS MORE FULLY DESCRIBED IN THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR BREAKWATER VILLAGE HOMEOWNERS ASSOCIATION, RECORDED ON JANUARY 11, 2008, AS INSTRUMENT NO. 08-63812, OFFICIAL RECORDS AND ALL AMENDMENTS AND SUPPLEMENTS THERETO.

PARCEL 3

AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF BALCONY AREA AND/OR DECK AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 2 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED AS EXCLUSIVE USE COMMON AREA, WHICH BEARS THE SAME NUMBER AS TO THE UNIT REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "Y" ON THE ABOVE REFERENCED CONDOMINIUM PLAN.

PARCEL 4

AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF A PARKING SPACE AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 2 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED AS EXCLUSIVE USE COMMON AREA, ON THE CONDOMINIUM PLAN REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "P-79".

APN: 4082-012-112



**KEYSER MARSTON ASSOCIATES™**  
ADVISORS IN PUBLIC/PRIVATE REAL ESTATE DEVELOPMENT

May 25, 2021

**ADVISORS IN:**  
Real Estate  
Affordable Housing  
Economic Development

**BERKELEY**  
A. Jerry Keyser  
Debbie M. Kern  
David Doezema  
Kevin Feeney

**LOS ANGELES**  
Kathleen H. Head  
James A. Rabe  
Gregory D. Soo-Hoo  
Kevin E. Engstrom  
Julie L. Romey  
Tim R. Bretz

**SAN DIEGO**  
Paul C. Marra

Anthony Kim  
2750 Artesia Boulevard #117  
Redondo Beach, California 90278

Re: Maximum Sales Price Request

Dear Mr. Kim:

The City of Redondo Beach Housing Authority (Housing Authority) has engaged Keyser Marston Associates, Inc. (KMA) to provide consulting services related to the affordable housing units located in the Breakwater Village project. The following letter is a response to your request for an assessment of the maximum allowable sales price for the Moderate-Income unit you own at 2750 Artesia Boulevard #117, Redondo Beach, California 90278.

The conditions imposed on the resale of the residence are presented in the Agreement Containing Covenants, Restrictions and Option to Purchase [Moderate Income], which is dated December 6, 2011 and was recorded on June 7, 2012 by the Los Angeles County Recorder as Instrument No. 2012-0850861. Under the terms and conditions included in Section 7 of the Agreement Containing Covenants, Restrictions and Option to Purchase [Moderate Income], the maximum sales price that you may receive for any type of Transfer of your residence ("Resale Price") shall be the lesser of the following:

1. The Moderate Income Affordable Purchase Price at the time of Resale; or
2. The Increased Base Price plus the "Value of Capital Improvements" that have been approved by the City of Redondo Beach, if any.

Anthony Kim  
2750 Artesia Boulevard, Unit #117

May 25, 2021

Page 2

The Unit Resale Determination Worksheet follows this letter. Based on the calculations included in the Worksheet, the Resale Price is based on the Increased Base Price. As of today's date, the maximum Resale Price is \$187,375.

The Resale Price provided to you will be valid for three months from the date of this letter. Should the Resale Price expire, a new Maximum Sales Price Request must be submitted. In that case a completed application (and fee payment, if applicable) should be submitted to the Housing Authority.

Sincerely,

Keyser Marston Associates, Inc.

A handwritten signature in cursive script that reads "Kathleen Head".

Kathleen Head

## UNIT RESALE PRICE DETERMINATION WORKSHEET

|              |             |
|--------------|-------------|
| Owner's Name | Anthony Kim |
|--------------|-------------|

|                              |                    |
|------------------------------|--------------------|
| Development                  | Breakwater Village |
| Unit Number                  | 117                |
| Assessor Parcel Number (APN) | 4082012112         |

|                    |          |
|--------------------|----------|
| Income Level       | Moderate |
| Number of Bedrooms | 1        |

The Maximum Resale Price is equal to the Lesser of:

1. The Increased Base Price, and the
2. The Moderate Income Affordable Purchase Price.

**Increased Base Price**

|  |           |
|--|-----------|
| Current Owner's Purchase Price                           | \$151,803 |
| Current Owner's Purchase Date (HCD Income 2012)          | 6/7/12    |
| Area Median Income at Time of Owner's Purchase           | \$51,850  |
| Area Median Income at Calculation Date (HCD Income 2021) | \$64,000  |
| Percentage Increase in Area Median Income                | 23.43%    |

|   |           |
|---|-----------|
| Increased Base Value                          | \$187,375 |
| Increase in Value Due to Capital Improvements | \$0       |

|                      |           |
|----------------------|-----------|
| Increased Base Price | \$187,375 |
|----------------------|-----------|

|   |           |
|---|-----------|
| Moderate Income Affordable Purchase Price | \$324,400 |
|---|-----------|

|                               |           |
|-------------------------------|-----------|
| Maximum Resale Price          | \$187,375 |
| Calculation is Valid Through: | 8/23/21   |

*After this date, if Owner has not entered into a purchase and sale agreement, the sales price will need to be recalculated to take into consideration any changes in the Area Median Income, HOA dues, etc. Please see below for additional information.*

|   |               |
|---|---------------|
| Prepared by Keyser Marston Associates, Inc. | Kathleen Head |
| Date the Calculation is Completed           | 5/25/21       |

*The Maximum Sales Price is based on the formula included in the Addendum to Grant Deed recorded on the property with the County of Los Angeles. The formula takes into consideration the Area Median Income as determined by the State of California and makes allowances for utilities, HOA dues, taxes, PMI, homeowners insurance, etc. Additionally, calculations are subject to change at any time due to changes in the abovementioned information. Please check with the Housing Authority prior to entering into a purchase and sale agreement.*



# Administrative Report

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H.8., File # 21-2825

Meeting Date: 8/3/2021

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**To:** MAYOR AND CITY COUNCIL  
**From:** TED SEMAAN, PUBLIC WORKS DIRECTOR

## **TITLE**

APPROVE THE PLANS AND SPECIFICATIONS FOR THE ALTA VISTA SEWER PUMP STATION PROJECT, JOB NO. 50300, AND AUTHORIZE THE CITY CLERK TO ADVERTISE FOR COMPETITIVE BIDS.

## **EXECUTIVE SUMMARY**

The Alta Vista Sewer Pump Station Project ("Project") will replace two small existing pump stations and construct in their place one larger station with an emergency stand-by generator. The new pump station will replace the existing Alta Vista Ball Park Pump Station and Alta Vista Park Community Center Pump Station, both located near high activity areas in Alta Vista Park. The new pump station will be constructed within the Alta Vista Park to the north of the Community Center parking lot in the hillside adjacent to Camino Real. See attached map for general locations of existing and proposed stations. Replacement of these older and less efficient stations with one designed to meet all current safety and building codes for the protection and preservation of life and property is considered an important part of maintaining the City's sanitary sewer system as recommended in the City's Sewer System Master Plan.

The total Project budget, funded through the Wastewater Enterprise Fund, in the current Capital Improvement Program is \$2,275,000. The current engineer's estimate for the Project is \$4.5 million due to the fact that material and equipment prices have increased significantly this past year due to extensive supply chain disruptions. Once the project is competitively bid and an accurate cost for construction is obtained, staff will request any additional funding necessary from the Wastewater Enterprise Fund at the time of project award. Plans and specifications for the Project have been prepared and are now ready to be advertised for competitive bids. The specifications allow one full calendar year to complete construction and project close-out. Project Plans and Specifications are available for review in the Plans and Specifications Review Area located behind the Engineering Services Division counter at City Hall.

## **BACKGROUND**

To provide a statewide regulatory approach to address Sanitary Sewer Overflows, the State Water Resources Control Board adopted Statewide General Waste Discharge Requirements for Sanitary Sewer Systems, Water Quality Order No. 2006-0003 ("Order"), on May 2, 2006. The Order requires that the City develop and implement a Sanitary Sewer Master Plan ("SSMP") that documents the City's program to properly operate and maintain its sanitary sewer system, including pump stations.

The SSMP covers various activities and programs addressing the system, including a System Evaluation and Capacity Assurance Plan (“SECAP”). In October 2009, the City Council approved the SSMP and in December 2010, the City Council approved a major update to the SSMP including updates to the SECAP. In May 2015, the City Council approved an update to the City’s SSMP and SECAP. The 2015 updated SECAP lists the Alta Vista Pump Station Project as a priority project.

The Project includes the design and reconstruction of a new Alta Vista Sanitary Sewer Pump Station, including the demolition of two existing small pump stations including the Alta Vista Ball Park Pump Station and the Alta Vista Park Community Center Pump Station within the Alta Vista Park premises. The existing two stations have deficient and outdated controls, pump houses, discharge & suction pipes, valves, wet and dry wells, electronics and mechanical components and are currently in need of immediate repairs.

The existing Alta Vista Ball Park Pump Station stores 573 gallons of sewage and has a pump design capacity of 60 gallons per minute. The lift station is located adjacent to the batting cages near the baseball field on Julia Avenue. This pump station handles flows from the public restrooms and concession stand. The existing Alta Vista Park Community Center Pump Station stores 600 gallons of sewage and has a pump design capacity of 75 gallons per minute. The pump station is located in the grass area just outside the Community Center. The lift station handles flows from the Community Center restrooms and kitchen and also from the homes located across the street on Camino Real.

The new lift station will replace the two existing Pump Stations and will store 4,230 gallons of sewage and provide the minimum 3 feet per second force main design velocity. The sewage will be pumped through a new 4-inch force main and connect to a new drop manhole in Camino Real. The 6-foot diameter wet well will feature two 3.5 hp submersible wastewater pumps with a rated flow rate of 120 gallons per minute. The new pump station will be constructed within the Alta Vista Park to the north of the Community Center parking lot in the hillside adjacent to Camino Real.

This new pump station will meet all current safety and building codes to ensure the protection and preservation of life and property and operate the station in the most efficient and safe manner. The new station will include general civil, architectural, mechanical, structural, electrical and control work. It will include construction of a new electrical and emergency generator enclosure, complete with all architectural, structural, mechanical, plumbing, and electrical elements. The station’s Supervisory Control and Data Acquisition (“SCADA”) controls will be integrated into the City’s existing wireless SCADA system. This project will also incorporate an art element at the site per the City’s Public Art Ordinance (1% of project budget coordinated with the City’s Public Art Commission).

The total project budget, funded through the Wastewater Enterprise Fund, in the current Capital Improvement Program is \$2,275,000. The engineer’s estimate for the Project is \$4.5 million due to the fact that material and equipment prices have increased significantly this past year due to extensive supply chain disruptions. Once the Project is competitively bid and an accurate cost for construction is obtained, staff will request any additional funding necessary from the Wastewater Enterprise Fund at the time of project award. Staff anticipates advertising the project on August 3, 2021 and awarding the project in October or November of 2021. Plans and specifications for the Project have been prepared and are now ready to be advertised for competitive bids. The specifications allow one full calendar year to complete the Project construction and close-out. Project Plans and Specifications are available for review in the Plans and Specifications Review Area located

behind the Engineering permit counter at City Hall.

**COORDINATION**

The scope of work identified in the contract will be coordinated through the Public Works Department. The Public Art element will be coordinated with the Community Services Department.

**FISCAL IMPACT**

| <u>Funding</u>          |                    | <u>Estimated Expenditures</u> |                   |
|-------------------------|--------------------|-------------------------------|-------------------|
| Wastewater Fd (FY20-21) | \$2,275,000        | Bid Awardee-Construction      | \$4,000,000       |
| Available Wastewater Fd | <u>\$2,225,000</u> | Const. Mgmt./Inspection       | \$ 200,000        |
|                         |                    | Contingency Funds             | <u>\$ 300,000</u> |
| Total                   | \$4,500,000        | Total                         | \$4,500,000       |

**APPROVED BY:**

*Joe Hoefgen, City Manager*

**ATTACHMENTS**

- Location Map of proposed and existing pump stations

# ALTA VISTA SEWER PUMP STATION PROJECT SITE PLAN





# Administrative Report

H.9., File # 21-2748

Meeting Date: 8/3/2021

**To:** MAYOR AND CITY COUNCIL  
**From:** KEITH KAUFFMAN, POLICE CHIEF

**TITLE**

APPROVE GRANT AGREEMENT 21-22/4-A WITH BEACH CITIES HEALTH DISTRICT FOR FIRE DEPARTMENT EMERGENCY MEDICAL SERVICES IN AN AMOUNT NOT TO EXCEED \$58,000 AND FOR THE POLICE DEPARTMENT DOMESTIC VIOLENCE ADVOCACY PROGRAM IN AN AMOUNT NOT TO EXCEED \$39,813 FOR THE TERM JULY 1, 2021 THRU JUNE 30, 2022

**EXECUTIVE SUMMARY**

The City of Redondo Beach has been awarded a one-year grant from the Beach Cities Health District to offset funds for Emergency Medical Services and Domestic Violence Advocacy programs. This agreement will allow the City to receive \$97,813 in grant funding for the period beginning July 1, 2021 through June 30, 2022 for Emergency Medical Services and Domestic Violence Advocacy programs.

**BACKGROUND**

Since Fiscal Year 2005, the City has received grant funding from Beach Cities Health District to offset funding for Fire and Police Department programs. The Fire Department Emergency Medical Services program has been awarded \$48,000 annually in grant funding, with a recent amendment in FY 2020 for an additional \$10,000 annually in grant funding. The Police Department Domestic Violence Advocacy program has been awarded \$39,816 annually in grant funding. This funding offsets both the Fire Department and Police Department program costs. Each grant is issued independently with the monitoring and reporting of individual grants the responsibility of the appropriate department.

**COORDINATION**

The grant agreement has been reviewed and approved as to form by the City Attorney's Office.

**FISCAL IMPACT**

The Beach Cities Health District Grant will provide funding to offset Fire Department Emergency Medical Services program and Police Department Domestic Violence Advocacy program.

| <b><u>Funding</u></b> |          | <b><u>Expenditures</u></b> |          |
|-----------------------|----------|----------------------------|----------|
| Fire Grant            | \$58,000 | Paramedic Supplies         | \$35,000 |
|                       |          | Nurse Educator             | \$23,000 |
| Police Grant          | \$39,816 | Domestic Violence Advocacy | \$39,816 |

**APPROVED BY:**

*Joe Hoefgen, City Manager*

**ATTACHMENTS**

1. BCHD Grant Funding Agreement
2. BCHD Certificate of Insurance

**AGREEMENT FOR SERVICES**

BETWEEN

CITY OF REDONDO BEACH

(hereinafter referred to as "SERVICE PROVIDER")

and

BEACH CITIES HEALTH DISTRICT, a California Health Care District

(hereinafter referred to as "BCHD")

514 North Prospect Avenue, Third Floor, Redondo Beach, CA 90277

1. Service Provider

Official Name of Agency: City of Redondo Beach  
Address: 415 Diamond Street  
Redondo Beach, CA 90277

Contract

A) Contract Number **2021-21/AGREEMENT #21-22/4-A**

Program Title: Emergency Medical Services (the "Program")

Reimbursable Amount not to Exceed: \$ 58,000  
(“Total Reimbursable Amount”)

Contact Person: Keith Kauffman, Interim Fire Chief or Claudia Huizar  
Phone Number: (310) 318-0663  
Email Address: Claudia.huizar@redondo.org

B) Contract Number: **2020-21/AGREEMENT #20-21/4-B**

Program Title: Domestic Violence Advocacy Program  
(the "Program")

Reimbursable Amount not to Exceed: \$ 39,813  
(“Total Reimbursable Amount”)

Contact Person: Keith Kauffman, Chief or Ericka Sazo-Gonzalez  
Phone Number: (310) 379-2477 ext. 2336  
Email Address: Ericka.Gonzalez@redondo.org

2. Contract Description

This document is a binding contract to purchase services for eligible residents of the area served by the BCHD. This agreement consists of this document and the following exhibits and attachments, which by this reference are included and made

a part of this agreement. This contract and the following exhibits and attachments describe all material elements of the Program.

- ◆ Attachment A - Conditions (if any)
- ◆ Attachment B - Scope(s) of Service
- ◆ Attachment C – Sanctions and Hearing Process
- ◆ Attachment D – Performance Standards

3. Term and Termination

A. The term of this agreement is from **July 1, 2021 through June 30, 2022**, subject however, to earlier termination as provided herein.

B. Either party shall have the right to terminate this agreement upon the occurrence of any one or more of the following events: (i) with or without cause upon seven (7) calendar days prior written notice; (ii) breach of this agreement by the other party where the breach is not cured within fourteen (14) calendar days (or such longer period as is permitted by Attachment C) after one party gives written notice of the breach to the other party; (iii) neglect of professional duty by SERVICE PROVIDER in a manner that poses an imminent danger to the health or safety of any individual; (iv) BCHD funding is withheld, reduced, suspended or terminated for any reason whatsoever; (v) another service provider is identified by BCHD; or (vi) either party dissolves, becomes insolvent, or becomes the subject of voluntary or involuntary bankruptcy proceedings. BCHD and SERVICE PROVIDER will comply with the provisions of the Sanctions and Hearing Process (Attachment C) regarding any termination hereunder.

C. Upon any termination or expiration of this agreement, all rights and obligations of the parties shall cease except those rights and obligations that have accrued or expressly survive such termination or expiration. SERVICE PROVIDER shall only be compensated by BCHD in accordance with the terms of this agreement and the Sanctions and Hearing Process (Attachment C).

4. Legal Responsibility and Liability

In authorizing execution of this agreement, the governing body of the SERVICE PROVIDER, on behalf of the SERVICE PROVIDER, accepts legal responsibility and liability for the service, agrees to be knowledgeable of the requirements of this agreement and responsible for compliance with the provisions of this agreement. In no event shall the BCHD be legally responsible or liable for the service or for SERVICE PROVIDER’S performance or failure to perform under this agreement.

5. Reduction of Awarded Funds

A. BCHD reserves the right to withhold funds, in its sole discretion, if BCHD determines that SERVICE PROVIDER is not complying with this agreement in full.

BCHD shall inform SERVICE PROVIDER of the reason for any withholding of funds.

B. The BCHD will not reimburse the full amount of the contract if the SERVICE PROVIDER does not meet the contracted units of service as described in Attachment B, hereinafter referred to as the "Scope of Service."

C. SERVICE PROVIDER hereby expressly waives any and all claims against the BCHD for damages arising from the withholding, termination, suspension or reduction of the funds provided by the BCHD.

6. Increase of Contract Award

In its sole discretion, the BCHD may increase the amount of awarded funding subsequent to execution of this agreement if additional funding is available and the BCHD has identified a need for additional services. The SERVICE PROVIDER will be required to increase the service objectives as described in the Scope of Service to qualify for additional funding. Any such increase in funding will not be subject to a competitive process. Increases will not be considered unless the SERVICE PROVIDER has submitted a request in writing that includes a proposed budget and a rationale for the increase.

7. Unexpended Funds

SERVICE PROVIDER is in no way entitled to unexpended funds if units of service are not completed within the fiscal year. **Final reimbursement will not be issued to SERVICE PROVIDER if request(s) for reimbursement and final program report are not received by BCHD within 30 days of the close of the fiscal year.**

8. Other Funding Sources

SERVICE PROVIDER shall report to the BCHD information regarding other funding sources for the services covered under this agreement. BCHD expects SERVICE PROVIDER to actively recruit other funding sources.

9. Acknowledging BCHD Funding

A. SERVICE PROVIDER shall acknowledge funding of the contracted service(s) by the BCHD in all oral or written explanations of the Program, including all brochures, press releases, advertising materials and other communications. Equipment or facilities purchased with BCHD grant funds shall include signage acknowledging BCHD funding. Therefore, subject to SERVICE PROVIDER's compliance with the terms and conditions of this Agreement and such written guidelines on usage as may be provided from time to time to SERVICE PROVIDER by BCHD, BCHD hereby grants SERVICE PROVIDER a revocable, non-transferable, non-exclusive license to use the Logo Marks for the purposes

described above in this Section 9(A) in California for the duration of this agreement; provided, however, that this limited license may be revoked by BCHD at any time and for any reason whatsoever, in BCHD's sole discretion. SERVICE PROVIDER may only use the Logo Marks provided to SERVICE PROVIDER by BCHD and may not change, amend or alter the Logo Marks in any way. All goodwill arising out of any use of any of the Logo Marks by SERVICE PROVIDER will inure solely to the benefit of BCHD. SERVICE PROVIDER hereby agrees that: (i) except as set forth above in this Section 10(a), SERVICE PROVIDER has no right, title or interest in or to the Logo Marks; and (ii) SERVICE PROVIDER will not engage, participate or otherwise become involved in any activity or course of action that diminishes and/or tarnishes the image and/or reputation of BCHD or the Logo Marks.

B. No statement shall be made that indicates, suggests, or implies that the BCHD endorses a program without the explicit, written approval of the BCHD. Any materials containing an endorsement by BCHD shall be submitted to BCHD for approval and shall not be released or used until BCHD grants such approval.

10. Program Description

SERVICE PROVIDER shall have available for prospective consumers, someone who receives service(s) from the SERVICE PROVIDER, or others a Program description detailing the nature of the Program service(s). This written Program description may be separate or incorporated in an overall Program brochure developed by the SERVICE PROVIDER or its agent. The SERVICE PROVIDER shall provide a copy of the Program description to the BCHD upon request.

11. Status of SERVICE PROVIDER

A. The relationship between the BCHD and SERVICE PROVIDER and the agents, employees and subcontractors of SERVICE PROVIDER, in the performance of this agreement, shall be one of independent contractors; and, no agent, employee or subcontractor of SERVICE PROVIDER shall be deemed an officer, employee, or agent of the BCHD.

B. SERVICE PROVIDER shall be responsible for making all employee tax withholdings and employee related contributions required by state and federal law.

12. Personnel

SERVICE PROVIDER represents that it has or will secure, at the expense of the Program, such qualified personnel as may be required to perform the obligations of SERVICE PROVIDER under this agreement.

13. Use of Funds for Lobbying or Political Purposes

SERVICE PROVIDER shall not use funds provided by the BCHD for any political campaign, or to support attempts to influence legislation by any governmental body.

14. Federal, State, Local Laws, Regulations, and Organizational Documents

SERVICE PROVIDER shall comply with all federal, state, and local laws and regulations, including but not limited to labor laws; occupational and general safety laws; licensing laws; and, fire, health and sanitation laws. SERVICE PROVIDER shall comply with all SERVICE PROVIDER organizational documents. All licenses, permits, notices and certificates are required to be maintained by SERVICE PROVIDER shall be in effect throughout the term of this agreement. SERVICE PROVIDER shall notify the BCHD immediately if any required licenses or permits are canceled, suspended, or otherwise ineffective.

15. BCHD Policies and Procedures

SERVICE PROVIDER shall comply with and implement the policies, direction and information provided by BCHD grant policies and procedures, including but not limited to the Compliance Policy (see Attachment C) and Performance Standards (see Attachment D).

16. RESERVED

17. Monitoring/Evaluation

A. SERVICE PROVIDER shall continually evaluate the effectiveness, feasibility and cost of the services provided. SERVICE PROVIDER shall participate in any similar efforts undertaken or required by the BCHD including data collection, research and program evaluation.

B. SERVICE PROVIDER shall participate with BCHD in collecting consumer feedback on the services provided through this agreement.

C. SERVICE PROVIDER shall make available upon request all records regarding the contracted services. These records must confirm data provided to the BCHD in a quarterly program and request for reimbursement reports (see Attachment C). Monthly reports and reimbursement are allowable at the request of SERVICE PROVIDER.

D. SERVICE PROVIDER shall attend and participate in BCHD information, technical or capacity building workshops unless exempted by the BCHD Program Contact. BCHD shall be supportive of SERVICE PROVIDER'S efforts in this area and shall be available for consultation.

E. Both during the term of this agreement, and thereafter, SERVICE PROVIDER shall participate in and comply with all evaluation and contract monitoring procedures, including without limitation, interviews with the BCHD Program Contact and relevant BCHD staff.

19. Scope and Location of Services

SERVICE PROVIDER shall perform in a satisfactory and appropriate manner, as determined by the BCHD, the services in the geographic area(s) as specified in the Scope of Service (see Attachment B). BCHD prefers that SERVICE PROVIDER provide services at a location within the BCHD service area.

20. Program Performance

A. If the SERVICE PROVIDER exceeds the units of service outlined in the Scope of Service, the BCHD is not obligated to provide funding in excess of the Total Reimbursable Amount.

B. Prior written request of and consent by the BCHD is required for any discontinuation or interruption in the provision of services under this agreement, which discontinuation or interruption is reasonably foreseeable by the SERVICE PROVIDER.

21. Program Changes/Modifications and Scope of Service Revisions

A. SERVICE PROVIDER shall submit, in writing, a request for Program revisions to the BCHD prior to implementation of any significant proposed Program changes or modifications and Scope of Service revisions. Such request must be received by the BCHD at least 30 days prior to the date that such a change is to be implemented. Such change shall not be implemented without BCHD's prior approval.

B. SERVICE PROVIDER shall submit a revision request in writing should units of service or unit costs change. The request must include an explanation, revised budget/scope of service, and justification for the requested revision.

22. Grievance Procedure

SERVICE PROVIDER shall have a system through which consumers shall have the opportunity to express and have considered grievances and complaints regarding the delivery of services under the Program.

23. Consumer Evaluation of Services

SERVICE PROVIDER shall maintain formal procedures for obtaining the views of consumers regarding Program service operations. Suggestions relative to service changes or modifications must receive appropriate consideration by SERVICE PROVIDER. Acceptable methods for soliciting consumer input include, but are not limited to, standardized consumer questionnaires and interviews and a consumer advisory group.

24. Conflict of Interest/Self-Dealing

SERVICE PROVIDER and SERVICE PROVIDER’S officers and employees shall not have a financial interest, or acquire any financial interest, direct or indirect, in any business entity or source of income, which could be financially affected by or otherwise conflict in any manner or degree with the performance of services required under this agreement.

25. Insurance and Hold Harmless

A. SERVICE PROVIDER agrees to indemnify, defend and hold harmless the BCHD and its officers, agents, employees and servants, from any and all claims and losses accruing or resulting to any employees, contractors, subcontractors, material men, laborers, agents and any other person, firm or corporation furnishing or supplying work, services, materials or supplies in connection with the performance of this agreement, and from any and all claims and losses accruing, or resulting to any person, firm, or corporation who may be injured or damaged by SERVICE PROVIDER in the performance of this agreement to the extent that the claims and losses did not arise from the negligence, gross negligence or willful misconduct of BCHD. The parties agree that the indemnification obligations under this Section 25(A) shall only apply if and to the extent that such indemnified acts or omissions are not completely covered by insurance proceeds paid to BCHD from insurance carried by SERVICE PROVIDER.

B. SERVICE PROVIDER’S insurance carrier shall furnish the BCHD with current certificates of insurance. The certificate shall name BCHD as additional insured and include BCHD as certificate holder as indicated below. Photocopies of certificates will not be accepted. Current certificates are required at the BCHD before execution of this agreement and remittance of reimbursement for services. **It is the SERVICE PROVIDER’S responsibility to require the insurance carrier to provide the BCHD an updated certificate when insurance coverage is changed or renewed.**

C. The certificates of insurance and policies shall specify that insurance may not be canceled or coverage reduced without thirty (30) days written prior notice delivered to BCHD.

D. SERVICE PROVIDER shall require the insurance carrier to include the Program name on any certificate of insurance documents.

E. SERVICE PROVIDER shall obtain and continuously maintain during the term of this agreement, the following types and amounts of insurance (only the checked items):

- Commercial General Liability insurance of at least \$1,000,000 per occurrence and \$3,000,000 aggregate for bodily injury and property damage liability for all phases of operation. Such liability insurance shall include a cross liability or severability of interest provision.
- Comprehensive Automobile Coverage of at least \$1,000,000 combined single limit for vehicles used in the Program's service operation covering property damage for volunteers and paid employees, including owned, hired and non-owned automobiles and uninsured motorists.
- Worker's Compensation (including Employer's Liability) with BCHD as Certificate Holder. The SERVICE PROVIDER shall be a qualified self-insurer or shall carry full workers' compensation and employers' liability insurance coverage, in accordance with the "Workers' Compensation and Insurance Act", Division IV of the Labor Code of the State of California.
- Fidelity Bond (Government Agencies Exempt). If SERVICE PROVIDER is not a governmental agency, it shall secure a fidelity bond covering all paid and volunteer employees, officers, and other persons holding positions of trust, indemnifying the BCHD against all losses resulting from fraud or lack of integrity, honesty, or fidelity.
- Equipment – All Risk Property
- Professional Liability (errors and omissions and medical/malpractice) with *BCHD as Certificate Holder*. SERVICE PROVIDER must assure that all personnel providing professional services under this agreement have professional liability (errors and omissions/medical malpractice) insurance for \$1,000,000 per occurrence and \$3,000,000 aggregate appropriate to the service being provided.
- Vehicle Comprehensive. For vehicles owned by the SERVICE PROVIDER, vehicle comprehensive insurance will be required on vehicles at replacement value less a maximum deductible of \$500. Collision insurance will also be required on SERVICE PROVIDER owned vehicle at replacement value less deductible.
- Vehicle Collision

26. Property - Equipment

SERVICE PROVIDER may purchase equipment with funds from BCHD, provided, however, that any non-expendable equipment so purchased with a purchase price of Three Hundred Dollars (\$300) or more (the "Equipment") shall be the property of BCHD and BCHD shall hold all right, title and interest in and to such Equipment. BCHD hereby grants SERVICE PROVIDER the limited right to use such Equipment for the term of this agreement. Upon the termination of this agreement for any reason whatsoever, SERVICE PROVIDER shall return such Equipment to BCHD, unless instructed otherwise by BCHD in writing. SERVICE PROVIDER shall notify BCHD in writing within thirty (30) days of purchasing any Equipment.

27. Intellectual Property

A. SERVICE PROVIDER hereby acknowledges and agrees that it may gain access to certain trade secrets and confidential and proprietary information and information of BCHD, including, without limitation, policies, procedures, protocols, processes, service contracts, customer lists, business policies and procedures, and other information and/or data related to the past, current, future or proposed operations, products, technology, services and business of BCHD (including all copyrights, trademarks and other intellectual property rights therein, and all applications or registrations related thereto) whether communicated orally or appearing in reports, books, articles or other materials (collectively "**Proprietary Information**"). In order to ensure such Proprietary Information cannot be used by SERVICE PROVIDER to the detriment of BCHD, and generally to protect the goodwill of the BCHD's business, SERVICE PROVIDER agrees that for the duration of the term of this agreement, and for a period of two (2) years thereafter, SERVICE PROVIDER will not, and will not permit any of its employees or agents to, directly or indirectly (except as provided in Section 10): (a) disclose any Proprietary Information, in whole or in part, to any person or entity; (b) permit the use or appropriation of any Proprietary Information by any person or entity; (c) personally use or appropriate any Proprietary Information for any purpose other than the furtherance of this agreement; or (d) otherwise disclose, use, or appropriate any Proprietary Information in any way not expressly authorized by this agreement, except with the prior written consent of BCHD, which consent may be given, conditioned or withheld in its sole and complete discretion. Notwithstanding the foregoing, disclosure of any information required by law, including but not limited to, the California Public Records Act, and SERVICE PROVIDER'S contract approval process shall be allowed.

B. SERVICE PROVIDER hereby acknowledges and agrees: (i) that any and all results of the services provided by SERVICE PROVIDER in connection with this agreement, including, without limitation, any policies, procedures, protocols, processes, service contracts, customer lists, and business policies and procedures that contain the Logo Marks or are created with funds from BCHD, in whole or in part, including all copyrights, trademark rights and other intellectual property rights therein, and all applications or registrations related thereto shall be deemed

specifically ordered or commissioned by BCHD (the “Work”); (ii) that the Work constitutes and shall constitute a “work –made –for –hire” as defined in the United States Copyright Act of 1976 (as amended); (iii) that BCHD is and shall be the author of the Work and the owner of all rights in and to the Work in perpetuity and in all languages, for all uses, media and forms, including, without limitation, the copyrights therein and thereto for the initial term and any and all extensions and renewals thereof; (iv) that BCHD shall have the right to make such changes and such uses as it may deem necessary or desirable to the Work; and (v) that all of the Work shall be returned to BCHD upon the termination or expiration of this agreement for any reason whatsoever and that SERVICE PROVIDER will thereafter hold no copies of the Work (except with the express written permission of BCHD).

C. In furtherance of the provisions of this Section 27, SERVICE PROVIDER agrees that all intellectual property rights, including but not limited to copyrights, trademarks, patentable inventions, patents and applications or registrations for same created by SERVICE PROVIDER or by contractors or others operating under its direction or control relating to the subject of this grant shall be promptly disclosed to BCHD. BCHD reserves the right with forty eight (48) hours notice, at all reasonable times to inspect SERVICE PROVIDER’S books and records to determine the existence and status of any such intellectual property rights. BCHD may also require SERVICE PROVIDER to submit reports to BCHD from time to time regarding the existence and status of any such intellectual property rights. However, the foregoing rights of BCHD shall not relieve SERVICE PROVIDER from its obligation of prompt disclosure of all such intellectual property rights to BCHD hereunder. SERVICE PROVIDER agrees to require all contractors or other entities or persons working under its direction or control relating to the subject of this grant to execute such documents as are necessary to confirm BCHD’s ownership of all such intellectual property rights, to assign all such intellectual property rights to BCHD or otherwise to carry out the provisions of this Section 27.

28. Payment Schedule

A. So long as SERVICE PROVIDER fully complies with this agreement, SERVICE PROVIDER shall be reimbursed quarterly upon receipt of a quarterly request for reimbursement report, which serves as both a report of units of service and a request for reimbursement. For the term of this agreement, total reimbursable costs for services cannot exceed the annual Total Reimbursable Amount and BCHD shall have no obligation to provide any funds in excess of the Total Reimbursable Amount.

B. Payments shall be made on a reimbursement method based on negotiated units of service chargeable to this agreement. Monthly reports and reimbursement shall be provided at the request of SERVICE PROVIDER.

C. Nothing in this agreement shall be construed to imply that the SERVICE PROVIDER is entitled to the full amount of the Total Reimbursable Amount. SERVICE PROVIDER shall only be entitled to reimbursement of those costs, which are allowable and documented, as determined by audit.

29. Fiscal/Accounting Principles

SERVICE PROVIDER shall maintain an accounting system that accurately reflects and documents all fiscal transactions according to Program activity, using an accrual method for financial reporting to the BCHD. SERVICE PROVIDER is expected to blend sound fiscal controls with effective program management. The adopted accounting system must conform to generally accepted accounting principles, or generally accepted government accounting principles, if applicable.

30. Documentation of Revenue and Expense

SERVICE PROVIDER shall maintain full and complete documentation of all revenue and expense (including subcontracted, overhead, and indirect revenue and expenses) associated with performing the services covered under this agreement. SERVICE PROVIDER shall maintain a permanent, clear and accurate record of cash and in-kind resources received. Expense documentation shall at least include time sheets for each employee, receipts for supplies, and other such documentation required to substantiate overall costs related to the Program. All cost claims are subject to audit verification by BCHD or its contractor. Any costs reported or claimed after the due date for the final report shall not be eligible for reimbursement. During the term of this agreement and thereafter BCHD shall have the right to review all financial records related to the Program; provided, however, that BCHD provides at least forty eight (48) hours notice and reviews financial records during normal business hours.

31. Quarterly Reports

During the term of this agreement, the SERVICE PROVIDER shall prepare and deliver quarterly program reports and request for reimbursement to the BCHD offices no later than 5:00 PM on the fifteenth (15th) day of the month following the month for which the reports are prepared. If the fifteenth (15th) day of the month is a Saturday, the reports will be due on the day before, on Friday. If the fifteenth (15th) day of the month is a Sunday, the reports will be due on the day after, on Monday. Monthly reports and reimbursement are allowable at the request of SERVICE PROVIDER or BCHD.

32. Final Report

SERVICE PROVIDER shall submit final program report and request for reimbursement to BCHD for each fiscal year no later than July 30, 2022. The final report shall include June data. SERVICE PROVIDER reimbursement will not be

issued if requests for reimbursement and final program reports are not received by BCHD within 30 days of the close of the fiscal year.

33. Audits/Tax Returns

SERVICE PROVIDER shall provide the BCHD with an organization-wide audit of, or tax return of, the SERVICE PROVIDER. The audit of all SERVICE PROVIDER'S commonly controlled entities and programs shall be performed by either: 1) the appropriate audit branch for a governmental agency, if SERVICE PROVIDER is a governmental agency; or 2) an independent certified public accountant. The audit and tax return shall be received at the BCHD within 90 days after the SERVICE PROVIDER's fiscal year end.

34. Reports and Record Retention

All records of SERVICE PROVIDER pertaining to service operations, fiscal administration and Equipment shall be maintained at the Program site(s) or at SERVICE PROVIDER'S main local office for at least 5 years following the year in which funds were granted.

35. Governing Law

This agreement shall be governed by and construed in accordance with the laws of the State of California, except the conflicts of laws provisions which require the application of the laws of any other jurisdiction.

36. Assignment

This agreement may not be assigned by SERVICE PROVIDER without the prior written consent of BCHD and any attempted assignment in violation of this Section shall be null and void.

37. Entire Contract, Amendment

This contract contains the entire understanding and agreement of the parties with respect to the subject matter hereof, and supersedes all prior and contemporaneous agreements not contained herein. This agreement may only be amended or modified by a writing signed by both parties.

38. Severability

If any term or provision of this agreement shall be held to be illegal, invalid or unenforceable under present or future laws effective during the term hereof, such term or provision shall be fully severable. This agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised

a part hereof, and the remaining provisions shall remain in full force and effect, unaffected by such severance.

39. Notices

Any notice required or permitted thereunder may be given by a party to the other party at the address set forth in the signature block of this agreement. Such notice shall be deemed delivered upon receipt in the event of delivery by overnight delivery, messenger service or facsimile, and two days after deposit in the United States mail, postage prepaid, return receipt requested in the event of delivery by mail. Either party may change its address for purposes of notice by complying with the requirements of this section.

40. Signatories

**At least two persons from SERVICE PROVIDER must execute this agreement.** The persons executing this agreement on behalf of the SERVICE PROVIDER have been designated by the governing body of the SERVICE PROVIDER as the official signatory of this agreement and all related documents. **At least one of these persons is a member of the SERVICE PROVIDER’S governing board.** Correspondence regarding this agreement will be sent to these people.

IN WITNESS WHEREOF, the parties have executed this agreement as of August 3, 2021.

**“SERVICE PROVIDER”**

**ATTEST:**

1. William C. Brand, Mayor  
*please print* Name of Official  
Signatory President/Chairperson  
of Governing Body

2. Eleanor Manzano, City Clerk  
*please print* Name of Official  
Signatory

415 Diamond Street  
Redondo Beach, CA 90277

415 Diamond Street  
Redondo Beach, CA 90277

( 310 ) 937-5315  
Telephone Number

(310) 318-0656  
Telephone Number

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

APPROVED AS TO FORM: \_\_\_\_\_  
Michael W. Webb, City Attorney

**“BCHD”**

Beach Cities Health District

---

Tom Bakaly Chief Executive Officer  
Beach Cities Health District  
1200 Del Amo St.  
Redondo Beach, CA 90277

---

Date

**BEACH CITIES HEALTH DISTRICT  
Agreement for Service  
Attachment A  
CONDITIONAL STATEMENT**

CONDITIONAL STATEMENT

The following conditions are placed on this agreement and shall remain in effect until removed or amended by a written statement signed by all parties.

1) The Beach Cities Health District (BCHD) operates on an annual budget adopted by the Board of Directors beginning July 1 and ending June 30. If this is a multi-year contract it will be evaluated on an annual basis. In that event, this Agreement will only be modified or amended by a subsequent written amendment executed by both parties.

**BEACH CITIES HEALTH DISTRICT  
Agreement for Services  
Attachment B**

SCOPE OF SERVICE

For the term of the agreement, the SERVICE PROVIDER shall perform in accord with the following Scope of Service.

**Contractor:** City of Redondo Beach – Fire Department

**Program:** Emergency Medical Services

**Program Description:** *Continue the successful cooperative agreement between the Beach Cities Health District and the Redondo Beach Fire Department to provide an enhanced pre-hospital life support (ALS) emergency medical service to the community. The program provides funding for medical re-supply of paramedic vehicles as well as required paramedic/EMT continuing education and training.*

**Units of Service:** The SERVICE PROVIDER shall provide the following units of service each fiscal year for the term of this contract during 2021-2022:

| UNITS   | CONTRACTED UNITS | UNIT RATE  | SUB-TOTAL |
|---|------------------|------------|-----------|
| Medical Supplies  | n/a              | n/a        | \$30,000  |
| Nurse Educator hours for paramedic continuing education and quality improvement | 480 hours        | \$37.50/hr | \$28,000  |
| GRAND TOTAL   |                  |            | \$58,000  |

**Date of Commencement:** 07/01/2021

**Unduplicated Participants:** The SERVICE PROVIDER shall serve 67 unduplicated emergency medical personnel within each Fiscal Year.

This Scope of Service Attachment B consists of this document and all Attachments attached hereto which reference this Agreement Number and date.

|                              |                                      |
|------------------------------|--------------------------------------|
| Provider                     | BCHD                                 |
| By _____                     | By _____                             |
| Name <u>William C. Brand</u> | Name <u>Tom Bakaly</u>               |
| Title <u>Mayor</u>           | Title <u>Chief Executive Officer</u> |
| Date _____                   | Date _____                           |

**BEACH CITIES HEALTH DISTRICT  
Agreement for Services  
Attachment B**

**SCOPE OF SERVICE**

For the term of the agreement, the SERVICE PROVIDER shall perform in accord with the following Scope of Service.

**Contractor:** City of Redondo Beach Police Department  
**Program:** Domestic Violence Advocacy Program

**Program Description:** Provide assistance to victims of domestic violence in the City of Redondo Beach. The Program consists of twenty-four domestic violence advocate volunteers and a part-time paid manager. The staff and volunteers provide 24/7 personal assistance to victims from the onset of the crime incident to months beyond the initial call for service. They assist victims, in coordination with the Redondo Beach City Prosecutor’s Office, through the court case and into recovery. The continued contact with the victims is extremely important to terminate the cycle of domestic violence and to truly change the lives of those that rely on our services.

**Units of Service:** The SERVICE PROVIDER shall provide the following units of service each fiscal year for the term of this contract during 2021-2022:

| Service Unit                     | Description/Details                               | Unit Rate | Contracted Units | Sub-Total |
|----------------------------------|---|-----------|------------------|-----------|
| Case management/Coordinator hour | Hourly rate for coordinator position @ 19hrs/week | \$25.52   | 1560             | \$39,813  |
| GRAND TOTAL                      |   |           |                  | \$39,813  |

**Date of Execution or Amendment(s):** 07/01/2021

**Unduplicated Participants:** The SERVICE PROVIDER shall serve 125 unduplicated individuals within each Fiscal Year.

This Scope of Service Attachment B consists of this document and all Attachments attached hereto which reference this Agreement Number and date.

|             |                                      |
|-------------|--------------------------------------|
| Provider    | BCHD                                 |
| By _____    | By _____                             |
| Name _____  | Name <u>Tom Bakaly</u>               |
| Title _____ | Title <u>Chief Executive Officer</u> |
| Date _____  | Date _____                           |

**BEACH CITIES HEALTH DISTRICT  
Agreement for Service  
Attachment C  
SANCTIONS AND HEARING PROCESS**

This **Sanction and Hearing Process** sets forth policies and procedures for the agreements administered by BCHD. A sanction results from failure by the SERVICE PROVIDER to meet the terms of the agreement. ***The intent of BCHD is to work cooperatively with a SERVICE PROVIDER in order to prevent the need or the imposition of a sanction, but action will be taken if necessary.***

**A. Objective of Policy**

1. To protect the interest of residents of the Beach Cities Health District who are recipients of services funded by the District.
2. To protect and preserve BCHD funds committed to a program.
3. To assure prompt corrective action by a SERVICE PROVIDER who has materially failed to comply with terms of their agreement.

**B. Conditions Leading To Sanction**

Non-compliance with the agreement or breach of the agreement may result in imposition of a sanction including, but not limited to the following types of non-compliance:

1. Failure to fulfill reporting requirements.
  - a) Report has not been received by the due date; or
  - b) Report has been received but is found to be so incomplete or inaccurate that it is not acceptable by BCHD.
2. Failure to meet Scope of Service performance requirements.
3. Failure to comply with federal/state/BCHD regulations applicable to the SERVICE PROVIDER.
4. Failure to comply with corrective.
5. Failure to provide accurate and timely revisions.
6. Failure by SERVICE PROVIDER to receive prior approval of program revisions.
7. Failure to perform in good faith under the agreement.

8. Failure to comply with insurance requirements as specified in section 25 of the Agreement.

C. **Sanctions**

Failure to meet above requirements or follow agreed upon corrective action will result in sanction actions. BCHD may also use any other remedies as may be legally available and appropriate in the circumstances.

The SERVICE PROVIDER'S program director and the president/chairperson of its Board of Directors shall be given written notice of any and all sanction actions. A copy of the written notification will be made a permanent part of the SERVICE PROVIDER'S program file and forwarded to appropriate BCHD representatives.

The following are the sanction actions that may be instituted.

- 1) **Withhold**: Withhold is a temporary delay in honoring a SERVICE PROVIDER'S request for funds, and is imposed when a SERVICE PROVIDER fails to comply with the BCHD agreement policies and procedures or for non-compliance of terms of the agreement.
  - a) A withhold may be imposed immediately for failure to meet reporting requirements. Written notice will be sent to the SERVICE PROVIDER'S program director and the president/chairperson of its Board of Directors the same day the withhold is effective. A withhold normally will not exceed ten (10) working days.
  - b) A withhold may be imposed for non-compliance with the agreement, including failure to meet conditions 2-7 in section B. A pre-sanction notice will be sent to the SERVICE PROVIDER'S program director and the president/chairperson of its Board of Directors identifying non-compliance issues, plan of correction and giving reasonable time for correction. If required plan of correction is not implemented, a withhold will be imposed. Written notice of withhold will be sent by certified mail to the SERVICE PROVIDER'S program director and the president/chairperson of its Board of Directors the same day the withhold is effective. A withhold will not normally exceed ten (10) working days.
  - c) A withhold will be lifted upon confirmation that the SERVICE PROVIDER has taken adequate required corrective action.
  - d) A withhold may continue in effect longer than ten (10) working days if BCHD issues a Notice to Suspend or to Terminate; or, if BCHD

agrees to extend the withhold while the SERVICE PROVIDER takes corrective action.

2. Suspension: Suspension is a temporary withdrawal of the SERVICE PROVIDER'S authority to obligate and/or expend agreement funds pending corrective action by the SERVICE PROVIDER or termination of the agreement. BCHD staff has the authority to initiate a suspension when withholding of funds has not brought compliance.

- a) BCHD may suspend the agreement in whole or in part. The Notice of Suspension will state the reasons for the suspension, the corrective action(s) required of the SERVICE PROVIDER, the effective date of the suspension, allowable obligations and expenditures, and related information. The Notice of Suspension will be sent by certified mail to the SERVICE PROVIDER'S program director and the president/chairperson of its Board of Directors. A suspension is effective on the date the Notice of Suspension is issued.
- b) A suspension shall remain in effect until the SERVICE PROVIDER takes corrective action, gives evidence that such corrective action will be taken, or until BCHD terminates the SERVICE PROVIDER. Ninety (90) consecutive days of suspension during a grant period may be grounds for termination. No project shall be considered for refunding while under suspension.
- c) Only costs specifically designated as allowable under terms of the suspension will be honored. Final determination of allowable costs will be made at project closeout, subject to audit.

New obligations incurred by a SERVICE PROVIDER during the suspension period will not be allowed unless BCHD expressly authorizes such costs in the Notice of Suspension, or an amendment to it. Necessary and otherwise allowable cost, which the SERVICE PROVIDER could not reasonably avoid during the suspension period may be allowed if such costs result from obligations properly incurred by the SERVICE PROVIDER before the effective date of the suspension and not in anticipation of suspension.

Payment adjustments under a suspended agreement will be carried out either by continued withholding of all payments or by disallowing unauthorized obligations incurred during the suspension period.

- d) A suspension will be lifted when the SERVICE PROVIDER has taken adequate required corrective action, or a Notice of Termination is issued.

3. Agreement Reduction: Agreement reduction is a reduction in funding and service level for the balance of the agreement year and can be used when a SERVICE PROVIDER fails to meet the terms of the agreement.
  
4. Termination: Termination of an agreement means permanent withdrawal of SERVICE PROVIDER'S authority to obligate previously awarded funds before that authority would otherwise expire. Termination may be initiated when another sanction has not brought about compliance or when the non-compliance warrants immediate termination. Termination must be approved by the BCHD Board of Directors. The termination process described in this section does not apply to an agreement terminated without cause.
  - a) The termination notice will specify reason(s) for termination (if applicable), directions for protecting preserving, and/or disposing of project records, equipment, supplies, and instructions regarding transition of services. Notice of Termination will be sent by certified mail to the SERVICE PROVIDER and the president/chairperson of its governing board. The date of termination of the agreement will be the third day following the mailing date of the Notice of Termination.
  
  - b) Upon receipt of Notice of Termination, SERVICE PROVIDER may request a hearing. The termination will be effective but may be reversed depending upon the results of the hearing.
  
  - c) Requests for funds outstanding at the time of termination shall be honored to cover certain unavoidable costs related to closeout and termination. Financial obligations incurred prior to termination shall also be honored if they represent allowable cost items. Payment of such request after termination action begins will require supporting documentation prior to payment and will be dependent on available funds still remaining in the SERVICE PROVIDER'S account with BCHD.

D. **Appeal Process**

Any SERVICE PROVIDER protesting a withhold, suspension or termination action taken by BCHD may request a hearing. Terms, conditions, and procedures for hearing are as follows:

1. A request for hearing must be made in writing by the SERVICE PROVIDER or duly authorized representative, and received by certified mail or hand delivered at the BCHD office within fifteen (15) working days from the date the Notice of Termination is mailed. The request must include:
  - a) The action(s) being protested;

- b) Reason(s) such action(s) are deemed inappropriate by the SERVICE PROVIDER; and,
  - c) Relief sought.
2. BCHD will verify that the request was filed on time, and includes required information, and schedule a hearing within fifteen (15) working days from receipt of the Request for a Hearing.
  3. The hearing will be conducted by the BCHD Community Health Committee. The hearing will be held in open session unless it is determined that the session should be closed based upon the need for confidentiality, (e.g., personnel matters or pending litigation.)
  4. The Community Health Committee will report its findings and recommendation to the BCHD Board of Directors at its next regularly scheduled meeting, or at a special meeting.
  5. The decision of the BCHD Board of Directors shall: be final; become effective at the time of adoption; and be implemented in a timely manner.

**BEACH CITIES HEALTH DISTRICT  
Agreement for Service  
Attachment D**

PERFORMANCE STANDARDS

- A. Purposes for performance standards are:
- 1) To establish the service level that constitutes acceptable performance.
  - 2) To determine at what point a SERVICE PROVIDER is under performing and corrective action or adjustments in Scope of Service and/or Grant Agreement amount are required;
  - 3) To determine at what point a SERVICE PROVIDER'S performance is out of compliance with terms of the Grant Agreement; and,
  - 4) To establish a basis for future funding decisions.
- B. The following standards will apply to the SERVICE PROVIDER'S performance on a quarterly basis, and are cumulative for the program year.
- 1) The performance goal is 100% of contracted Scope of Service.
  - 2) A performance of less than 90% will mean the SERVICE PROVIDER is under performing. The Scope of Service and/or the Grant Agreement amount may be revised.
  - 3) A performance level of less than 80% will mean the SERVICE PROVIDER has not met the terms of the Grant Agreement. The Scope of Service and/or Grant Agreement amount may be revised, or termination procedures may be implemented.
- C. General guidelines for implementation of this policy are as follows.
- 1) The SERVICE PROVIDER will meet all standards stated above.
  - 2) Performance levels for District grants will usually be calculated by comparing actual units of service to the annual Scope of Service. The normal calculation is as follows:

Step 1:       $\frac{\text{Actual Units of Service Y-T-D}}{\text{Total Projected Scope of Service Units}} = A$

Step 2:       $\frac{\text{Actual Number of Service Days Y-T-D}}{\text{Total Projected Number of Service Days}} = B$

Step 3:      A / B = Performance level %

- 3) If the cumulative performance level at the end of a quarter falls below 90%, the SERVICE PROVIDER shall submit a Corrective Action Report. The report is due with the monthly program report for the final month of the quarter. Corrective action must be implemented within thirty (30) days of the beginning of the new quarter.
  
- 4) The Community Health Committee will periodically review SERVICE PROVIDER performance levels. In the case of underperforming programs, the Committee may recommend to the Board that they consider and adopt one of the following actions.
  - a) Provider must perform at a level of **90% or higher for (second/third) quarter**, or their Grant Agreement amount and/or Scope of Service may be reduced by the difference between 90% and their **cumulative performance**.
  
  - b) Provider must perform at a level of **90% or higher for the (second/third) quarter** or, their Grant Agreement amount and/or Scope of Service may be reduced by the difference between 90% and their **quarterly performance**.
  
  - c) Provider's **cumulative performance** must be **90% or higher by the end of the (second/third) quarter** or, their Grant Agreement amount and/or Scope of Services may be reduced by the difference between 90% and their **cumulative performance**.
  
  - d) The program must achieve 90% of its Scope of Service level for the last quarter/half of the Grant Agreement year, or next year's funding award and/or Scope of Services may be reduced.



**CERTIFICATE OF COVERAGE**

|  |                          |  |                         |
|--|--------------------------|--|-------------------------|
| <b>Named Member:</b><br>Beach Cities Health District<br>1200 Del Amo Street<br>Redondo Beach, CA 90277   |                          | This document certifies that coverage is in force for the Named Member on the Issue Date below, subject to the terms and conditions of the Contract designated. It is issued as a matter of information and does not confer any rights to any Certificate Holder. This Certificate does not amend, extend or alter the coverage afforded under the Contract. If the Contract, or coverage for any Member, is canceled for any reason or if the terms of the Contract are changed, we will notify the Named Member only. Coverage is not in effect unless and until all payments are received when due. |                         |
| <b>Insuring Company:</b><br>BETA Risk Management Authority<br>1443 Danville Boulevard<br>Alamo, CA 94507   |                          |  |                         |
| <b>Certificate Number</b>  | <b>Effective Date</b>    | <b>Expiration Date</b>   | <b>Retroactive Date</b> |
| AL-21-711  | 07/01/2021 at 12:01 a.m. | 07/01/2022 at 12:01 a.m.   | N/A                     |
| <b>Type of Coverage:</b><br><input checked="" type="checkbox"/> Automobile Liability and Physical Damage Coverage - Occurrence   |                          |  |                         |
| <b>Limits of Liability:</b><br>\$1,000,000 Each Accident, Combined Single Limit<br><b>The Combined Single Limit is subject to the following limits:</b><br>Bodily Injury and Property Damage Liability \$1,000,000 Each Accident<br>Uninsured/Underinsured Motorist \$1,000,000 Each Accident<br>Medical Payments \$5,000 Each Accident    |                          |  |                         |
| <b>Deductible:</b><br>Comprehensive: \$250 Each Loss<br>Collision: \$500 Each Loss   |                          |  |                         |
| <b>Description of Coverage:</b><br>Evidence of coverage is extended to the City of Redondo Beach, its officers, elected and appointed officials, employees, and volunteers as Supplemental Members, but only for legal liability arising from the use of covered autos by the Named Member with respect to the Project Services Agreement. |                          |  |                         |
| <b>Issue Date:</b> June 24, 2021   |                          |  |                         |
| <b>Certificate Holder:</b><br>City of Redondo Beach<br>415 Diamond Street<br>Redondo Beach, CA 90277   |                          | <b>Authorized Representative:</b><br><br>Michele Reager, CPCU<br>Senior Director of Underwriting   |                         |



# Administrative Report

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J.1., File # 21-2829

Meeting Date: 8/3/2021

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**TITLE**

*For eComments and Emails Received from the Public*



# Administrative Report

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N.1., File # 21-2535

Meeting Date: 8/3/2021

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**To:** MAYOR AND CITY COUNCIL

**From:** CAMERON HARDING, COMMUNITY SERVICES DIRECTOR

## **TITLE**

DISCUSSION AND POSSIBLE ACTION TO APPROVE THE CITY OF REDONDO BEACH TRANSIT CENTER PROPERTY MANAGEMENT AND MAINTENANCE SERVICES REQUEST FOR PROPOSAL FOR THE NEW TRANSIT CENTER

## **EXECUTIVE SUMMARY**

The Request for Proposal (RFP) for Transit Center Property Management and Maintenance Services will enable the City to select a contractor to provide property management and maintenance services at the new Redondo Beach Transit Center.

The RFP includes the management and provision of daily property management services between 8 AM to 10 PM. The RFP has been prepared in coordination with the Public Works Department. The City will administer and oversee the property management contract, and the selected Contractor will provide all labor, supervision, technical support, administration, oversight, quality control, equipment, supplies and materials to maintain the Transit Center in a clean, attractive, safe and welcoming manner. Based on staffing limitations of Public Works, the new Redondo Beach Transit Center (RBTC) facility will require an outside company to ensure there is general maintenance and upkeep of the public facility, landscaping, office and driver's rooms, bike facilities, parking and general property. The RBTC is funded solely by the Transit Fund and receives no support from the General Fund.

Staff recommends the approval to issue an RFP for the Transit Center Property Management and Maintenance Services. Subject to City Council approval, the RFP will be issued Monday, August 9, 2021. A Transit Center Proposals Review Committee comprised of Transit Division and Public Works staff and representatives with transit center operations and property management expertise will evaluate the proposals and interview the highest ranked contractors. Staff anticipates returning to the City Council on November 16, 2021, with a recommendation for a contract award to a selected proposer.

## **BACKGROUND**

The current Transit Center, which has been in operation since November 1987, is located at Kingsdale south of Artesia Blvd, on the westside of the South Bay Galleria (SBG). The facility provides a small passenger waiting area for transit patrons to access local and regional bus service.

The public facilities are limited to bus benches, trashcans and general transit information, and transit patrons may use the SBG owned public parking. Bathroom facilities are available only for transit drivers. The City has an agreement with the SBG to clean and maintain the driver bathrooms, and has a separate agreement with a security company to provide transit center security.

Current City staffing in both the Transit Division and Public Works Department will be inadequate to provide direct management and oversight, and work of the various daily and ongoing maintenance services of the new RBTC facility. As such, the new RBTC facility will require property management services to ensure there is general maintenance and upkeep of the public facility, landscaping, office and driver's rooms, bike facilities, parking and general property.

The RBTC is under construction, with the anticipated opening date in January 2022. The new transit center is located at 1521 Kingsdale Avenue (directly south of the Target). The entire site is approximately 6.5 acres in size.

RBTC amenities include 12 bus bays, a passenger waiting area, a ticket vending machine, real-time arrival monitors, a driver operator lounge, security offices, public and private restrooms, bicycle facilities, and public art. The facility includes a public parking lot with 320 parking spaces, EV charging, and a drop-off kiss and ride lot with 13 parking spaces.

The RBTC will serve 5 transit operators as an intermodal transit facility for the South Bay region, and may be a future Metro Rail station by 2028. Regional and Local transit operators serving the transit center are: Beach Cities Transit, Metro, Torrance Transit, GTrans, and the Lawndale Beat. Transit services will operate seven days a week, with Metro routes leaving and arriving between 5 a.m. and 12:30 a.m. Beach Cities Transit, Torrance Transit, GTrans, and the Lawndale Beat operate daily services between 6 a.m. and 9 p.m. The transit drivers and supervisors will use the building's driver breakroom and bathroom throughout the day.

The RFP scope of work consists of the management of the RBTC's facility maintenance and upkeep, janitorial and landscaping maintenance and related services, including the provision of all labor, supervision, technical support, administration, oversight, quality control, equipment, supplies and materials in a professional and timely manner. The contractor will be responsible to establish subcontracts for on-call services such as plumbing, locksmith, painting, etc. Major repairs to the RBTC will be coordinated with the Public Works Department.

The City will be responsible to provide vehicular area sweeping services, and all utilities. RBTC security services will also be provided by the City. City Council approved the RBTC Security Services RFP on June 1, 2021, which was issued on June 3, 2021, and the proposals received on July 26, 2021 are currently under evaluation.

### RFP Evaluation Process

A Transit Center Proposals Review Committee comprised of representatives with transit operations and property management expertise from the City Transit staff and external representatives will evaluate the proposals in accordance with the evaluation criteria included in the RFP. The committee

will select a proposer that will be recommended for City Council consideration and approval.

Consistent with City procurement policy, the City is not obligated to accept the lowest priced proposal and will consider all factors in selecting a property management company. The evaluation criteria will be based on the categories detailed below which include: Contractor’s Experience, Qualifications of Key Personnel, Technical Project Approach, and Cost Effectiveness. Proposals will be scored using the evaluation criteria and point system as shown in the following table:

| Evaluation Criteria                 | Max Possible Points |
|-------------------------------------|---------------------|
| Project Approach                    | 40                  |
| Experience and Technical Competence | 25                  |
| Cost Proposal                       | 20                  |
| Qualifications of Key Personnel     | 15                  |
| Total Possible Points               | 100                 |

The RFP schedule is shown below:

|                              |                                 |
|------------------------------|---------------------------------|
| Request for Proposals Issued | August 9, 2021                  |
| Pre-proposal Conference      | August 25, 2021                 |
| Proposals Due                | September 22, 2021              |
| City Council Award           | November 16, 2021               |
| Start of Service -TBD        | Upon Completion of Construction |

**COORDINATION**

The Transit Division worked with Roy Glauthier Consulting and the Public Works Department to develop the Transit Center Property Management Request for Proposals. The sample agreement has been approved as to form by the City Attorney’s office.

**FISCAL IMPACT**

The City transportation programs are funded by dedicated transportation funding under the Municipal Transit Operator Formula Allocation Procedure (FAP) and Local Return Proposition A funds. The City receives approximately \$1.5 million annually in Proposition A Funds, and unexpended Local Return Proposition A Fund funds are placed in the Proposition A Special Revenue Fund for future allocation. The FY 2019-20 CAFR lists a Local Return Proposition A Fund fund balance of \$2.4 million. The City Council approved additional RBTC funding in the FY 2021-22 Transit Fund budget for contracted professional services and maintenance agreements as line item transfers and Decision Packages in anticipation of increased costs for services. The Local Return Proposition A (dedicated transit funds) reserve can be used to increase the funding upon the contract award if necessary. If Local Return Proposition A Fund sales tax revenues do not meet the City’s costs in the future, other Local Return funds such as Proposition C, Measure R and Measure M may be used. The City may also consider generating revenues via advertising. Transit projects, programs and services receive no support from the General Fund.

jrooney

**APPROVED BY:**

*Joe Hoefgen, City Manager*

**ATTACHMENTS**

1. RFP Redondo Beach Transit Center Property Management and Maintenance Services #2122-002
2. RBTC Powerpoint Presentation

**CITY OF REDONDO BEACH  
COMMUNITY SERVICES DEPARTMENT**

**Request for Proposals  
#2122-002  
For**

**Property Management and Maintenance Services  
for the  
Redondo Beach Transit Center**



**RFP Released: August 9, 2021  
Proposals Due: September 22, 2021**

**Proposals Must Be Delivered To:  
City of Redondo Beach - Purchasing  
415 Diamond Street  
Redondo Beach, CA 90277**

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## **Attachments**

- 1 Transit Center Building Plan
- 2 Transit Center Site Plan
- 3 Depiction of Redondo Beach Gateway Public Art
- 4 Custodial Specifications for the RBTC

## **Documents Posted on BCT Website at [www.beachciestransit.org](http://www.beachciestransit.org)**

1. Proposal Questionnaire
2. Proposal Checklist
3. Addenda Acknowledgement
4. References
5. Proposed DBE Participation
6. Cost Proposal Form

# **ANNOUNCEMENT OF REQUEST FOR PROPOSALS**

## **REQUEST FOR PROPOSALS #2122- 002 PROPERTY MANAGEMENT AND MAINTENANCE SERVICES FOR THE REDONDO BEACH TRANSIT CENTER**

The City of Redondo Beach (City) is soliciting proposals from qualified and experienced firms for the management and maintenance of the new Redondo Beach Transit Center (RBTC), expected to be completed on or about January 1, 2022, and commencing public operations on or about January 15, 2022. The RBTC will serve 5 transit operators as an intermodal transit facility for the South Bay region and may be a future Metro Rail station by 2028. The facility also provides public bathrooms, a driver lounge area, transit office and a police department substation.

City will administer and oversee the Transit Center and provide security, sweeping and all utilities as described in RFP Section 4.1. As described in RFP Section 4.2 and 4.3, the selected Contractor shall provide all labor, supervision, technical support, administration, oversight, quality control, equipment, supplies and materials in a professional and timely manner to maintain the Transit Center in a clean, attractive, safe and welcoming manner.

The base term of the contract shall be approximately three years and 6 months beginning about January 1, 2022, and ending June 30, 2025. Upon completion of the base term, City may extend the contract for two, one-year option periods at its sole discretion. Compensation for each year of this option may increase no more than the annual increase in the Consumer Price Index for the State of California (Los Angeles-Riverside-Orange County statistical area) for the most recently reported calendar year.

Proposals will be received by the City Clerk of the City of Redondo Beach, 415 Diamond Street, Door 1, Redondo Beach, California, until 2:00 p.m. PDT on September 22, 2021.

An optional online virtual pre-proposal conference is scheduled for 1:30 p.m. PDT, Wednesday, August 25, 2021, using Microsoft Teams. Proposers should contact the City at [bct@redondo.org](mailto:bct@redondo.org) by August 20, 2021, if they intend to attend the meeting. Please save the pre-proposal conference date in your calendars. Responding individuals will be emailed a Microsoft Teams invitation to participate in the Pre-Proposal Conference no later than 5:00 p.m. Monday, August 23, 2021.

Proposals received after specified date and time will be considered late and returned to the proposer unopened. Each proposal shall include the forms provided in the RFP,

and shall be submitted complete, in accordance with the RFP instructions in a sealed package with the proposal number and the name and address of the proposer appearing on the outside of the package. Proposals submitted by telephone, fax, or electronic mail will not be accepted. The City of Redondo Beach reserves the right to reject any and all proposals received and, to the extent permitted by law, to waive any irregularities in any proposal.

RFP and Proposal documents may be obtained from the Community Services Department, at the City's website at [www.beachcitiestransit.org](http://www.beachcitiestransit.org). The deadline for submission of questions regarding this RFP is 3:00 p.m. PDT Tuesday, September 7, 2021. The deadline for submitting proposals is Wednesday, September 22, 2021, at 2:00 p.m. PDT. Please direct all questions and requests for clarification to Joyce Rooney, Transit Manager by email at [bct@redondo.org](mailto:bct@redondo.org), or facsimile copy to (310) 798-8273.

# **SECTION 1 INTRODUCTION, BACKGROUND AND SUMMARY OF SERVICES**

The City of Redondo Beach (City) is soliciting proposals from qualified and experienced firms for the management and maintenance of the Redondo Beach Transit Center commencing on or about January 1, 2022.

## **1.1 CITY OF REDONDO BEACH**

Redondo Beach is a full-service city with its own police, fire and public works departments, two public libraries, a performing arts center, fifteen parks, thirteen parkettes, a large recreational and commercial harbor including King Harbor, a 1,400-slip private craft port; the Redondo Beach Pier and Seaside Lagoon; and public beaches.

Located in the coastal edge of Los Angeles County, just twenty miles from downtown Los Angeles and seven miles south of Los Angeles International Airport, Redondo Beach has been a preferred resort destination for more than a century and one of the most desirable areas to live in the country. The City's population has been slowly, but steadily growing in the past few years. The 2020 Census reports a total population of 67,423.

Significant concentrations of employment and retail activity include the northern industrial complex anchored by the Northrop Grumman Corporation campus; the Harbor/Pier area; the South Bay Galleria - a regional mall anchoring the east end of the city; and an eclectic mix of specialty shops, restaurants and services known as the Riviera Village area in the south end of the city.

## **1.2 REDONDO BEACH TRANSIT CENTER**

The new Redondo Beach Transit Center (RBTC) is under construction, with the anticipated opening date in early January 2022. The new transit center is located at 1521 Kingsdale Avenue (directly south of the Target). The entire site is approximately 6.5 acres in size. The RBTC will serve 5 transit operators as an intermodal transit facility for the South Bay region and may be a future Metro Rail station by 2028.

RBTC amenities include 12 bus bays, a passenger waiting area, a ticket vending machine, real-time arrival monitors, a driver operator lounge, security offices, public and private restrooms, bicycle facilities, and public art. The facility includes a public parking lot with 320 parking spaces, EV charging, and a drop-off kiss and ride lot with 13 parking spaces. Blue phones will be at various locations, and security cameras will monitor all areas of the facility. Regional and Local transit operators serving the transit center are Metro, Beach Cities Transit, Torrance Transit, GTrans, and the Lawndale Beat. Transit services will operate seven days a week, with Metro routes leaving and

arriving between 5 a.m. and 12:30 a.m. Beach Cities Transit, Torrance Transit, GTrans, and the Lawndale Beat operate daily services between 6 a.m. and 9 p.m.

The Transit Center Building Plan and Transit Center Site Plan appear as Attachments 1 and 2 to this RFP document.

## **SECTION 2 PROCUREMENT PROCESS AND SCHEDULE**

The City of Redondo Beach (City) is soliciting a Request for Proposals (RFP) from qualified firms for the management and maintenance of the Redondo Beach Transit Center commencing on or about January 1, 2022. The City seeks proposals for a contract with a Base Term of three (3) years and 6 months with two (2) one-year extensions at the sole discretion of the City. Due to uncertainty regarding the completion date of construction on the Redondo Beach Transit Center, the City may, upon 2 weeks' written notice, adjust the start date of services under this contract up to two (2) weeks earlier or up to eight (8) later than January 1, 2022.

All proposals will be for the complete management and maintenance of the Redondo Beach Transit Center so that nothing remains to be purchased, provided or supplied by the City, other than as noted within the provisions of this RFP.

Proposals will be delivered and addressed to:

**City of Redondo Beach – City Clerk  
415 Diamond Street, Door 1  
Redondo Beach, CA 90277  
Attention: Redondo Beach Transit Center  
Property Management and Maintenance Services Proposal #2122-002**

No oral, telegraphic, electronic, facsimile, or telephonic proposals or modifications will be considered. Proposals received after the submittal deadline will be returned unopened.

Proposals shall be submitted in three-ring binders and must include one original, seven (7) copies and one electronic copy on flash drive. The total proposal packet must be sealed and clearly marked on the outside:

**City of Redondo Beach  
Redondo Beach Transit Center  
Property Management and Maintenance Services Proposal #2122-002**

Proposals will not be opened publicly and the City will endeavor to keep the proposals confidential until a preferred proposer is recommended to the City Council.

## 2.1 SCHEDULE

Note that all times specified are Pacific Daylight Time.

|                                      |                                    |
|--------------------------------------|------------------------------------|
| Request for Proposals Issued         | August 9, 2021                     |
| Pre-proposal Conference              | 1:30 p.m. Wed, Aug 25              |
| Deadline for Submission of Questions | 3:00 p.m. Tues, Sep 7              |
| Final Addenda and Answers Issued     | Thurs, Sep 9                       |
| <b>PROPOSALS DUE</b>                 | <b>2:00 p.m. Wed, September 22</b> |
| Evaluation Period                    | Sep 22 - Oct 28                    |
| Interviews                           | Wed, October 13                    |
| Contract Award                       | Tue, November 16                   |
| <b>START OF SERVICE</b>              | January 1, 2022**                  |

\*\*Due to uncertainty regarding the completion date of construction on the Redondo Beach Transit Center, the City may, upon 2 weeks' written notice, adjust the start date of services under this contract up to two (2) weeks earlier or up to eight (8) later than January 1, 2022.

## 2.2 PRE-PROPOSAL CONFERENCE

An optional online virtual pre-proposal conference is scheduled for 1:30 p.m. PDT, Wednesday, August 25, 2021, using Microsoft Teams. Proposers should contact the City at [bct@redondo.org](mailto:bct@redondo.org) by August 20, 2021, if they intend to attend the meeting. Please save the pre-proposal conference date in your calendars. Responding individuals will be emailed a Microsoft Teams invitation to participate in the Pre-Proposal Conference no later than 5:00 p.m. Monday, August 23, 2021.

## 2.3 WRITTEN QUESTIONS

Proposers must submit ALL questions and requests for clarification or additional information regarding the meaning or intent of this RFP in writing via e-mail no later than 3:00 PM on Tuesday, September 7, 2021, to:

BCT RFP #2122-002  
City of Redondo Beach  
Community Services Department  
1922 Artesia Blvd.  
Redondo Beach CA 90278  
Attention: RBTC Property Management and Maintenance Services RFP  
Email: [bct@redondo.org](mailto:bct@redondo.org)  
Facsimile: (310) 798-8273

The City will not respond to questions received after the deadline. Responses to the questions will be posted on-line at [www.beachciestransit.org](http://www.beachciestransit.org) and emailed. All

communication regarding this RFP between the City and proposers will be documented and distributed simultaneously to all proposers.

Proposers downloading the RFP and related documents from the City's website should email [bct@redondo.org](mailto:bct@redondo.org) to register their interest in receiving responses to questions and other updates.

## **2.4 SOLE POINT OF CONTACT**

Proposers must direct all questions, clarifications, requests for information, etc. regarding the RFP in writing to the [bct@redondo.org](mailto:bct@redondo.org) email address, attention Joyce Rooney. Proposers may not contact other City officials or staff regarding this RFP.

## **2.5 TECHNICAL PROPOSAL FORMAT**

- A. The Technical Proposal limit is 20 pages. The proposer may choose to allocate pages between any of the criteria as long as the proposal does not exceed 20 pages. If a proposer submits a proposal exceeding this limit, the City of Redondo Beach will consider the pages up to the allowable number and discard all subsequent pages.
- B. The following are excluded from the page count:
  - a. Title Page
  - b. Table of Contents
  - c. Letter of Transmittal [maximum 2 pages]
  - d. Tabs or Indices
  - e. Additional lists of references
  - f. Resume/background information [please restrict to a maximum of three (3) pages per individual]
  - g. Required forms as listed in Section 5, Required Forms.
- C. "One page" is defined as one side of a single 8-½ x 11" page, with 11 point minimum for the substantive text. Any page over this size will be counted as two (2) pages. Any page or partial page with substantive text, table, graphics, charts, resumes, etc. will be counted as one (1) page. Proposers may use their discretion for the font size of other materials (e.g. graphics, charts).

## **2.6 TECHNICAL PROPOSAL CONTENT**

- A. Each technical proposal should enable the evaluation committee to make a thorough evaluation and arrive at a sound determination as to whether or not the

proposal will meet the City's requirements. Each technical proposal must be specific, detailed and complete as to clearly and fully demonstrate that the proposer has a thorough knowledge and understanding of the requirements and has valid and practical solutions for technical problems. Statements which paraphrase the requirements or attest that "standard procedures will be employed" are inadequate to demonstrate how the proposer will comply with the requirements of this procurement.

B. To achieve a uniform review process and obtain the maximum degree of compatibility, proposals must be organized as follows:

1. Title Page

Show the RFP number and title, the name of the firm, address, telephone number(s), name and title of the contact person, telephone number(s), email address, facsimile number and date.

2. Table of Contents

Clearly identify the materials by section and page number.

3. Letter of Transmittal

The letter should be addressed to City's Transit Manager, Joyce Rooney and signed by a corporate officer with authority to bind the firm. The letter must contain the following:

- a. Identification of proposing firm(s), including name, address, telephone number(s) and email addresses of each subcontractor. Provide a brief synopsis of the firm, including when and where incorporated, major business activities, and a listing of officers of the company. State whether the firm is local, regional, or national and how long the firm has been in existence under current ownership/management.
- b. Proposed working relationship among proposing firms (e.g., prime, subcontractor), if applicable.
- c. Acknowledgement of receipt of RFP addenda, if any.
- d. Name, title, address, telephone number and email address of the contact person for this project.
- e. Signature of a person authorized to bind the proposing firm to the terms of the proposal.

- f. Briefly state the firm's understanding of the services to be performed and make a positive commitment to provide the services as specified.

#### 4. Required Forms

Include completed Forms 1 through 5.

#### 5. Key Personnel Experience and Qualifications

- a. This section should demonstrate the proposer's experience, skills and qualifications of the Project Manager and other key personnel in the implementation of property management and maintenance services and in meeting client goals, objectives and schedules.
- b. Provide a detailed list of buildings managed in the last (5) five years, their respective rentable square feet, and the name of the property owner for whom the property is managed.
- c. Provide an explanation of why the Contractor is best qualified to perform the contract and demonstrate its qualifications including an item-by-item disclosure outlining how the Building Manager meets or exceeds the requirements of this RFP.
- d. Submit a business plan, schedule of proposed deliverables, and project management system for this project using methodologies that have been successfully employed in other engagements of similar size and complexity. The plan should include, in the Contractor's own words, their understanding of the issues and of the project at hand. Contractors are required to present a detailed description of the methodology to be used by it in achieving the objectives of the project and accomplishing the tasks described in the Scope of Services with separate and specific reference to each subsection.

#### 6. Program Management

- a. This section should demonstrate the experience, skills and qualifications of key personnel and staff to perform the required services. Present the management approach to be followed and the management techniques required for implementation and control of the work. At minimum address and include a service start-up plan and schedule.
- b. Provide an organizational chart showing how the project will be staffed in all functional areas. Indicate the number of employees of each type. Indicate how the on-site staff will be supported by other

technical or support staff and the reporting relationships between on-site staff and other firm management staff, if applicable.

- c. Define and identify the proposed key on-site project staff. Provide resumes and references for all key staff. Indicate whether each has worked in property management situations similar to what is requested in the RFP and in what capacity they served at these other operations.

#### 7. Project Approach

- a. This section should describe how the Contractor will carry out the property management responsibilities detailed herein so as to achieve or exceed the City's expectations.
- b. Provide a projected Work Plan for the conduct of regular Transit Center cleaning, janitorial and scheduled maintenance as well as an inspection schedule to identify any systems, components, or Transit Center components that require repair, replacement or attention by qualified third parties.
- c. Identify all subcontractors that will be used for providing required services and for on-call services and trades as required.
- d. Describe and provide a timeline for the implementation of property management responsibilities at the RBTC based on a contract start date of November 15 and a commencement of public services on December 1, 2021.

#### 8. Cost Proposal

Include the Cost Proposal forms included herein as Form 6. Clearly explain any added cost elements or on-call services/trades.

#### 9. Financial Condition of the Firm.

In this section the proposer must provide information demonstrating that proposer has the necessary financial resources to perform the contract in a satisfactory manner. The proposer is required to permit the City to inspect and examine its financial statements. The Proposer shall submit two (2) years of its most recent audited financial statements.

#### 10. Subcontractor Utilization Plan. For each anticipated subcontract, provide:

- a. Subcontractor's name, address, and telephone number including the name, title and telephone number of the contact person.
- b. DBE category, if applicable.

- c. Type(s) of goods or services to be provided.
- d. Estimated value of subcontract.
- e. The following signed and dated certification statement: "I certify that each subcontractor has been notified that it has been listed in this proposal and that each subcontractor has consented, in writing, to its name being submitted for this RFP. Additionally, I certify that I shall notify each subcontractor in writing if the award is granted to my firm, and I will make all documentation available to the City of Redondo Beach upon request."

11. Exceptions Omissions and Form of Contract

- a. Exceptions. **Note that any objections, changes, modifications or exceptions to the Professional Services Agreement contained in Section 5 of this RFP shall be stated in Offeror's proposal in order to be considered by City.**
- b. Omissions. The Contractor will be responsible for providing all services, equipment, facilities, and functions which are necessary for the safe, reliable, efficient, and well-managed operation of the program, within the general parameters described in this RFP, and consistent with established industry practices, regardless of whether those services, equipment, facilities, and functions are specifically mentioned in this RFP or not. The proposer should clearly identify any omissions to the requirements set forth in the RFP.
- c. Sample Contract and Conditions. In addition to carefully reading all of the information in the RFP, the proposer must carefully read and review the sample Professional Services Agreement contained in Section 5 of this RFP. The successful proposer will be required to enter into a contract with the City, which will be substantially similar to the sample provided. Therefore, the proposer must submit any proposed changes to the sample contract with the proposal. Any requested changes must be clearly identified along with the page(s) on which the change(s) appear. The proposer must also provide the rationale for any requested changes. If no changes are made, the proposer will be deemed to have accepted the sample contract. If the proposer request changes, such requests may be considered in any negotiations with the City. Failure to reach an agreement may result in the City pursuing negotiations with the second ranked proposer.

12. Disclosure of Investigations/Actions.

Proposer must provide a detailed description of any investigation or litigation, including administrative complaints or other administrative proceedings, involving any public sector clients during the past five (5) years including the nature and status of the investigation, and, for any litigation, the caption of the action, a brief description of the action, the date of inception, current status, and, if applicable, disposition. If proposer has ever failed to complete any awarded work please explain. If proposer has ever been terminated from a contract, please explain.

**2.7 TECHNICAL PROPOSAL EVALUATION CRITERIA**

Each proposal will be evaluated and ranked by the evaluation committee. Factors to be considered, and the corresponding weight for each, are shown in Exhibit 1.

The evaluation committee may also contact and evaluate a proposer's and subcontractor's references; contact any proposer to clarify any response; contact any current users of a proposer's services; solicit information from any available source concerning any aspect.

**2.8 PRESENTATIONS/INTERVIEWS/WRITTEN RESPONSES**

Each proposal will be evaluated and ranked by the evaluation committee. Factors to be considered are as listed in Exhibit 1.

The evaluation committee may also contact and evaluate a proposer's and subcontractor's references; contact any proposer to clarify any response; contact any current users of a proposer's services; solicit information from any available source concerning any aspect of a proposal; and seek and review any other information deemed pertinent to the evaluation process.

The evaluation committee, at its sole discretion, may request an oral presentation or discussion with the most qualified proposer(s).

After evaluation of the proposal and discussion with selected proposers or recommended contractor, the City reserves the right to further negotiate the proposed work scope and/or method and cost.

Contract award will be based on a combination of factors that represent the best overall value for completing the work scope as determined by the City, including: the proposal criteria in Exhibit 1; results of background and reference checks; results from the interviews and presentation phase; and proposed cost.

Contract award is contingent upon the successful negotiation of final contract terms. Negotiations will be confidential and not subject to disclosure to competing proposers. If contract negotiations cannot be concluded successfully, the City may negotiate a contract with other proposers or withdraw the RFP.

**Exhibit 1, Evaluation Criteria**

| <b>Evaluation Criteria</b>   | <b>Points</b> |
|--|---------------|
| <p><b>Project Approach</b></p> <p>Proposals will be evaluated on the quality, clarity and completeness of their approach and methodology for performing the requirements of this RFP as well as their demonstrated understanding of the applicable issues and requirements for building management as the specific requirements of the RBTC.</p> | <b>40</b>     |
| <p><b>Experience and Technical Competence</b></p> <p>Proposals will be evaluated in terms of demonstrated experience in similar projects, current client references and contract status, past contracts and reasons for separation/termination.</p>  | <b>25</b>     |
| <p><b>Cost Proposal</b></p> <p>Evaluation of the submitted Cost Proposal will assess its completeness in terms of specific cost elements and appropriateness in relation to the work to be done. Cost Proposals will be compared and contrasted against those of other proposing firms and other similar City contracts.</p>                     | <b>20</b>     |
| <p><b>Qualifications of Key Personnel</b></p> <p>Qualifications and experience of the assigned Project Manager and other named personnel assigned to this project.</p>   | <b>15</b>     |
| <p><b>Total Possible Points</b></p>  | <b>100</b>    |

## **2.9 ACCEPTANCE PERIOD**

All proposals must include a statement that proposals are valid for 180 days after the RFP submission deadline.

## **2.10 AUTHORIZED SIGNATURES**

Every proposal must be signed by the person or persons legally authorized to bind the proposer to a contract. Upon request of the City, the corporation or other entity will provide a certified copy of the bylaws or resolution of the board of directors showing the authority of the officer signing the proposal to execute contracts on behalf of the corporation or other entity.

## **2.11 PROTESTS**

Protests regarding any aspect of this Request For Proposals, the solicitation process, or the proposed award of a contract must be submitted in accordance with the following procedures.

### **A. Types of Protests**

There are three basic types of protests, based on the time in the procurement cycle when they occur. Differences in the protest process between these three types, if any, are noted.

1. Pre-bid or Solicitation Phase Protest is received prior to the bid opening or proposal due date. A Pre-bid Protest must be received by the City prior to the published time and date for receipt of proposals or bids following the content and submission procedures specified herein. Depending upon when the protest is received and the agency's review, the City may or may not delay the bid opening or proposal due date.
2. Pre-award Protest is a protest against making an award and is received after receipt of proposals or bids, but before award of a contract. A Pre-award Protest must be submitted to the City following the content and submission procedures specified herein within three (3) working days of the date the protester learned or should have learned of the basis of appeal. Pre-award Protests must be received by the City prior to the agency's formal action on the contract award. Depending upon when the protest is received and the agency's review, the City may or may not delay the contract award.
3. Post-award Protest is received after award of a contract. A Post-award Protest must be submitted to the City following the content and submission procedures specified herein within five (5) working days of the date the protester learned or should have learned of the basis of appeal.

## **B. Content and Submission of Protests**

Protests must contain the following information:

- Description of the solicitation or contract and number;
- Name of protestor with address, contact individual, phone numbers and email addresses;
- Statement of the grounds for protest; and
- Statement of the proposed relief or remedy.

Protests must be submitted in writing email with hard-copy back-up, USPS, FedEx or other package delivery service, via facsimile copy, or hand-delivered to:

City of Redondo Beach  
Community Services Department  
Cameron Harding, Director  
1922 Artesia Blvd.  
Redondo Beach, CA 90278  
FAX: (310) 798-8273  
Email: bct@redondo.org

## **C. Evaluation and Decision on Protest**

Upon receipt of a protest, the City of Redondo Beach will review the grounds for the protest and, within five (5) working days provide a written response addressing in detail each substantive issue raised in the protest. A copy of the protest and the City's decision will be transmitted to the protestor and to each firm or individual who has received a copy of the RFP or solicitation. The Director of the Community Services Department for the City of Redondo Beach is the responsible official for evaluation of protests and has the authority to make the final determination in matters of protest. With the exception of a reconsideration as noted below, the decision of the City of Redondo Beach will be final.

Should material information become available subsequent to the Community Services Director's decision on a protest or the protestor believes that an error has been made of law or regulation, the protestor may request reconsideration of that decision by formal notice to the Community Services Director within five (5) working days of the date of the original protest decision.

## **SECTION 3 COMPENSATION**

### **3.1 CONTRACTOR COMPENSATION**

City shall compensate Contractor on a monthly basis in arrears for performance of the services as specified in Section 4, Scope of Work, of this RFP. Contractor compensation shall be constituted as follows:

#### **3.1.1 Fixed Fee**

Contractor shall be paid a Fixed Fee for each Contract Period, payable in monthly installments, to cover the costs of performing those services set forth in Section 4, Scope of Work. Typically, Fixed Costs shall include, but are not limited to, the following cost elements: all salaries and wages and associated fringe benefits; overhead costs; uniforms; physicals and drug/alcohol tests; equipment and supplies; all capital, maintenance, operating and insurance costs of support vehicles, if any, report reproduction; and management fee.

The City will not pay for any travel time to or from the Redondo Beach Transit Center. Contractor shall estimate all travel time requirements and include such costs within their proposed Fixed Costs.

#### **3.1.2 On-Call Costs and Expenses**

Contractor will be reimbursed for costs and/or expenses related to On-Call services and trades which are incurred at the direction and approval of the City to perform property maintenance and repair services that are required on an as-needed or irregular timeframe. For On-Call maintenance services and trades, the Contractor will be paid at the rates specified in the Cost Proposal not to exceed the labor hours and materials in the Work Order approved in advance by the City, however, there is no guarantee as to the usage or quantity of On-Call services that may be required by the City.

For repairs and maintenance not anticipated in the Cost Proposal as an On-Call service, the reimbursable costs and expenses shall not exceed the Work Order approved in advance by the City or the usual and customary charges for such services imposed by property management agents managing similar properties in the same geographical area.

#### **3.1.3 Pass-Through Costs**

On a monthly basis, Contractor will also invoice City for reimbursement of certain out-of-contract facility or property management costs that Contractor has incurred at specific written direction of the City. City will only reimburse costs that are approved in writing prior to being incurred.

### **3.2 COMPENSATION IN OPTION PERIODS**

In the event that the either or both of the two (2) one-year option periods is exercised by the City, Contractor compensation for each year of the option will be negotiated between the parties, but in no case shall that compensation increase no more than the annual increase in the Consumer Price Index for the State of California (Los Angeles-Riverside-Orange County statistical area) for the most recently reported calendar year.

### **3.3 COST PROPOSAL**

Proposer's cost proposal and proposed allocation of contract resources must demonstrate an understanding of the Scope of Work requirements as described in this RFP and attachments thereto. Proposer shall submit its proposed annual costs for the services described herein using the following Cost Proposal Forms, which are posted on the BCT website [www.beachciestransit.org](http://www.beachciestransit.org) as Microsoft Excel files to facilitate proposal preparation.

Proposers are requested not to change formulas and the pre-entered descriptions of cost elements but may add blank lines if additional cost categories are required.

**Form 6, Cost Proposal  
Page 1, Proposal Form**

**CITY OF REDONDO BEACH  
REDONDO BEACH TRANSIT CENTER  
PROPERTY MANAGEMENT  
Request for Proposal  
  
FORM 6, COST PROPOSAL  
Page 1: PROPOSAL FORM**

**Proposing Firm:** \_\_\_\_\_

This PROPOSAL FORM is to be used to submit the OFFEROR'S Cost Proposal for all work described in Section 4, Scope of Work and Section 5, Sample Agreement.

The OFFEROR'S Cost Proposal must consist of a Fixed Fee in accordance with Section 3, Cost Proposal, of the Request For Proposals. Such rates shall be proposed for each of the three (3) periods in the Base Term contemplated in this RFP, and shall be based on the number of months within each period, as stated below. The detailed budget breakdown included with this PROPOSAL FORM should be consistent with rates proposed.  
OFFERORS shall not modify cost categories.

**All cells below are automatically computed -- Do not overwrite formulas.**

| <b>Price Proposal</b>              | <u>Period 1</u> | <u>Period 2</u> | <u>Period 3</u> |
|------------------------------------|-----------------|-----------------|-----------------|
| <b>Months in Contract Period</b>   | <b>18</b>       | <b>12</b>       | <b>12</b>       |
| <br>Fixed Monthly Rate             | \$0.00          | \$0.00          | \$0.00          |
| <br>Proposed Total Cost For Period | \$0.00          | \$0.00          | \$0.00          |
| <br>Total Base Term Proposed Cost  | \$0.00          |                 |                 |

**Form 6, Cost Proposal  
Page 2, Fixed Cost Detail**

**CITY OF REDONDO BEACH  
REDONDO BEACH TRANSIT CENTER  
PROPERTY MANAGEMENT**

**Request for Proposal**

**FORM 6, COST PROPOSAL  
PAGE 2: FIXED COST DETAIL**

**Proposing Firm:** \_\_\_\_\_

Costs shown are to be the total fixed costs by category for that period

| Fixed Cost Elements<br>Months in Period                     | Period 1 | Period 2 | Period 3 |
|---|----------|----------|----------|
|   | 18       | 12       | 12       |
| Project Management/Supervision Salary                       |          |          |          |
| Project Management/Supervision Fringes                      |          |          |          |
| Janitorial Staff Wages                                      |          |          |          |
| Janitorial Staff Fringe                                     |          |          |          |
| Landscaping Staff Wages                                     |          |          |          |
| Landscaping Staff Fringe                                    |          |          |          |
| Other Wages (specify)                                       |          |          |          |
| _____   |          |          |          |
| _____   |          |          |          |
| _____   |          |          |          |
| Other Fringes (specify)                                     |          |          |          |
| _____   |          |          |          |
| _____   |          |          |          |
| _____   |          |          |          |
| Hiring/Training Expenses                                    |          |          |          |
| Janitorial Materials & Supplies                             |          |          |          |
| Equipment Costs   |          |          |          |
| Support Vehicle Capital Costs                               |          |          |          |
| Support Vehicle Operating Costs                             |          |          |          |
| Insurance   |          |          |          |
| Accounting  |          |          |          |
| Start-up Costs  |          |          |          |
| Other Expense (Specify)                                     |          |          |          |
| _____   |          |          |          |
| _____   |          |          |          |
| _____   |          |          |          |
| _____   |          |          |          |
| _____   |          |          |          |
| _____   |          |          |          |
| _____   |          |          |          |
| _____   |          |          |          |
| Overhead  |          |          |          |
| Management Fee/Profit                                       |          |          |          |
| Total Fixed Costs   | \$0.00   | \$0.00   | \$0.00   |
| Monthly Fixed Cost<br>(Total Fixed Costs /Months in Period) | \$0.00   | \$0.00   | \$0.00   |

Note: Listing of typical cost items on this provided form does not require Contractor to provide this position, utility or service.

**Form 6, Cost Proposal  
Page 3, On-Call Rates**

**CITY OF REDONDO BEACH  
REDONDO BEACH TRANSIT CENTER  
PROPERTY MANAGEMENT**

**Request for Proposal**

|  |
|--|
| <b>FORM 6, COST PROPOSAL<br/>PAGE 3: ON-CALL RATES</b> |
|--|

Proposing Firm: \_\_\_\_\_

| On-Call Services/Trades       | Unit    | Proposed Unit Rate for On-Call Service by Period |                      |                      |
|-------------------------------|---------|--|----------------------|----------------------|
|                               |         | Period 1   | Period 2             | Period 3             |
| Plumbing Services             | Hour    | <input type="text"/>                             | <input type="text"/> | <input type="text"/> |
| Painting                      | Hour    | <input type="text"/>                             | <input type="text"/> | <input type="text"/> |
| General Handyman Services     | Hour    | <input type="text"/>                             | <input type="text"/> | <input type="text"/> |
| Locksmith                     | Hour    | <input type="text"/>                             | <input type="text"/> | <input type="text"/> |
| Locksmith, Emergency Services | Hour    | <input type="text"/>                             | <input type="text"/> | <input type="text"/> |
| Locksmith, Annual Rekeying    | Project | <input type="text"/>                             | <input type="text"/> | <input type="text"/> |
| HVAC Services                 | Hour    | <input type="text"/>                             | <input type="text"/> | <input type="text"/> |
| HVAC Emergency Services       | Hour    | <input type="text"/>                             | <input type="text"/> | <input type="text"/> |
| Graffiti Removal              | Hour    | <input type="text"/>                             | <input type="text"/> | <input type="text"/> |
| _____                         | _____   | <input type="text"/>                             | <input type="text"/> | <input type="text"/> |
| _____                         | _____   | <input type="text"/>                             | <input type="text"/> | <input type="text"/> |
| _____                         | _____   | <input type="text"/>                             | <input type="text"/> | <input type="text"/> |
| _____                         | _____   | <input type="text"/>                             | <input type="text"/> | <input type="text"/> |

## **SECTION 4 SCOPE OF WORK**

### **4.1 CITY RESPONSIBILITIES**

The City of Redondo Beach shall provide the following with respect to the Redondo Beach Transit Center:

- A. Protect and maintain City assets by monitoring the contract;
- B. Evaluate, identify, plan, and coordinate future capital improvement projects;
- C. Review all financial reports and property reports;
- E. Receive and process insurance documents;
- F. Enter into and administer a separate contract for security services at the RBTC;
- G. Contract for, administer and monitor sweeping services for all vehicular travel surfaces at the RBTC;
- H. Arrange and pay for water, electricity, sewer, and refuse collection for the RBTC;
- I. Contract for On-Call, unanticipated and extraordinary maintenance, services and repairs separate from this contract if it is deemed to be in the City's best interests to do so;
- J. Coordinate, monitor and administer construction projects for the Property as recommended and approved by the City;
- K. Any additional duties and responsibilities as deemed necessary in the City's sole discretion.

### **4.2 GENERAL WORK STATEMENT**

- A. The Contractor shall be fully responsible for management and maintenance of the Redondo Beach Transit Center facilities as identified and described within this solicitation. The specifications listed herein are a statement of the minimum level of work and services to be provided.
- B. The Contractor shall provide all labor, supervision, technical support, administration, oversight, quality control, equipment, supplies and materials in a professional and timely manner to accomplish the following basic activities:
  - (1) General custodial cleaning and janitorial services;
  - (2) Trash collection;
  - (3) Recycling processing and removal;
  - (4) Window washing;
  - (5) HVAC system servicing and maintenance;
  - (6) Fire and Life Safety equipment and system maintenance;
  - (7) Landscape maintenance;
  - (8) Pest Control;
  - (9) Vandalism repair and graffiti removal

- (10) Regular paint touch-up; and
- (11) All other services as are usual and customary under property management contracts of a similar nature.

- C. The Contractor shall also provide all labor, materials, supervision, and quality control in a professional and timely manner to develop and deliver repairs and alterations of a nature outside basic services. This work will be included under a cost reimbursable format defined herein. Refer to section 4.4.A, Limits of Contractor Responsibility for procedures relating to projects outside the scope of Contractor services.
- D. Coordinate major facility improvement projects for the Transit Center with the City;
- E. This is a Fixed-Price Contract with cost reimbursement items as specified herein.
- F. There are a number of deliverables to be submitted by the Contractor as specified in Section 4.5, Property Management and Maintenance Services Reporting.

### **4.3 CONTRACTOR SCOPE OF WORK**

#### **A. Overview**

This section details and clarifies the property management responsibilities of the Contractor with regard to the Redondo Beach Transit Center (“RBTC” or “Transit Center”) as envisioned by the City at this time. Failure by the City to list a duty or responsibility shall not release Contractor for responsibility to carry out or provide that duty or responsibility if it is usual and customary in similar property management contracts unless it is specifically listed in Section 4.1, City Responsibilities.

#### **B. Interior Custodial/Janitorial Work**

The interior building spaces, including all Offices, Operator Lounge, Storage Areas, Hallways and Staff and Public Bathrooms, shall be thoroughly cleaned and maintained by the Contractor in accordance with the requirements contained in Attachment 4, Custodial Specifications for Redondo Beach Transit Center.

#### **C. Building Exterior, Entries, Doors and Windows**

Clean all high traffic areas, sidewalks, common areas, and entry ways to remove any soiling, dust or stains from floors, doors, door hardware and work surfaces on a daily basis and as necessary. Ensure that building exterior entryways are

given special attention on a daily basis to remove litter, clean exterior door glass and metal surfaces, and remove graffiti as needed.

**D. Exterior Public Areas**

1. "Exterior Public Areas" shall include all passenger waiting areas, pedestrian walkways, stairs, ramps, and areas containing bicycle lockers and racks.
2. Hot-water clean (180°F) the exterior public areas on a monthly basis, including all concrete around the building, steps, and adjacent sidewalk at the bus stop locations.
3. Remove all trash and foreign substances (gum, graffiti, soda spills, food, etc.) from concrete, sidewalk, steps, and/or brick pavers on a daily basis (365 days a year).
4. Do not use cleaning chemicals unless requested and approved by the City.
5. Provide additional hot-water cleaning (180°F) at any time at no additional cost to the City if a hazard to the public exists.

**E. Vehicular Travel Surfaces**

1. "Vehicular Travel Surfaces" shall include all bus travel lanes, bus loading/unloading areas, bus layover areas, automobile travel lanes, and auto parking.
2. City shall be responsible for regular sweeping of all vehicular travel surfaces.
3. Contractor shall be responsible for removal of trash in the vehicular area on a daily basis.

**F. Pest Control**

Provide Integrated Pest Management (IPM) service to maintain a pest free environment. Applicator shall meet all local, state, federal requirements. Service provider shall provide a complete record of each pest management service provided at time of service, providing an on-site log book to document each service including Material Safety Data Sheets (MSDS) for each product used.

**G. Landscaping and Irrigation**

1. Provide landscaping services on a weekly basis and as needed. All trees and shrubs will be pruned as necessary to promote healthy growth and to maintain appropriate appearance.
2. Maintain existing irrigation systems to provide proper operation.

## **H. Exterior & Monument Signs**

Properly maintain all exterior and monument signs, including the replacement of lamps, as necessary. Directional signs will be provided as necessary to ensure proper traffic flow. Transit operator signage will be cleaned weekly and as needed to maintain a welcoming public image. If damaged, transit signage will be replaced as necessary with signage provided by the City or the respective transit operator. Damaged signage will be reported to the City within 4 hours during normal business hours or before 10:00 a.m. on the next workday.

## **I. Public Artpiece**

The Public Artpiece depicted in Attachment 3 will be installed at the west end of the passenger waiting area. Contractor shall clean the Artpiece on a weekly basis and as needed using City-approved procedures and materials. Any damage noted to the Artpiece shall be reported to the City within 4 hours during normal business hours or before 10:00 a.m. on the next workday.

## **J. Electrical Systems**

1. Inspect electrical systems annually to ensure their safety and reliability.
2. Establish a comprehensive preventive maintenance program for all electrical system components.

## **K. Exterior Lighting**

Repair or replace exterior lighting within twenty-four (24) hours of any failure. Proper exterior lighting is essential to the safety of transit operations and the public.

## **L. Plumbing Systems**

1. Maintain all water and natural gas piping, sanitary sewers, rain leaders, and other plumbing fixtures commonly serving the entire Center to ensure proper operation and a leak free condition.
2. Provide a comprehensive preventive maintenance, hydro-jetting and inspection program, which shall be maintained for all plumbing system components. All control and isolation valves shall be exercised at a minimum of every six months.

### **M. Fire Sprinklers & Fire Extinguishers**

1. Inspect all Fire Sprinkler Systems and test all related equipment at least annually or in accordance with local codes to ensure their reliability, monitoring and detection systems.
2. Inspect any fire extinguishers annually and recharge as necessary.

### **N. Fire Alarm Systems Maintenance**

1. Inspect and monitor all fire alarm systems and components, including panels, enunciators, and smoke and heat detectors in common areas, and test the systems semi-annually.
2. Establish a comprehensive preventative maintenance program for all fire alarm system components.

### **O. Roof Inspection/Repairs**

All roofs shall be inspected and maintained at least every three months for debris and potential problems or immediately after storm incidents. Documentation shall be provided by the Contractor in the monthly report. All repairs are to be performed by a qualified technician appropriate for the type of roof serviced. The Contractor will conduct an annual formalized inspection to determine current condition and proper maintenance. The Contractor shall use a comprehensive industry standard or better preventative maintenance program to maintain all roofs, including all drainage systems.

### **P. Hours of Work**

Contractor shall perform maintenance of the Redondo Beach Transit Center on a daily basis, including holidays. Specific requirements as to frequency and timing of work vary by area and nature of the work being done as follows:

#### **1. Public and Staff Bathrooms**

Shall be serviced at least every two (2) hours between the hours of 8:00 a.m. and 6:00 p.m. and as needed to maintain cleanliness standards and cleaned thoroughly as specified in Attachment 4 two (2) times each day, once between 12:00 p.m. and 2:00 p.m. and a second time between 8:00 p.m. and 10:00 p.m.

2. Office Areas, Operator Lounge, Storage Areas and Hallways  
Shall be cleaned thoroughly as specified in Attachment 4 one (1) time each day between 4:00 p.m. and 8:00 p.m. Additionally, the Operator Lounge shall be serviced as needed at least every two (2) hours between the hours of 8:00 a.m. and 4:00 p.m.
3. Disruptive activities  
Activities such as carpet cleaning, floor stripping and waxing, hot-water cleaning the exterior public areas, etc. shall be done at low-traffic times as scheduled with the City representative.
4. Emergency Repairs  
The Contractor shall provide a local emergency contact number for staff available 24 hours a day to respond to emergency service calls. The Contractor is to provide a verbal response within 30 minutes and on-site service within two hours of notification.

#### **4.4 GENERAL REQUIREMENTS**

##### **A. Limits of Contractor Responsibility**

The Contractor shall be inclusively responsible, as part of the contract, for all routine repairs, replacement and preventive maintenance related repairs required for the transit facilities listed in this Scope of Work. "Routine repairs, replacement and maintenance" is defined as any single item or project with a total cost or value of \$2,000 or less, and that is included in the Scope of Work. Repairs, including parts and labor, estimated to total less than \$2,000 shall be considered inclusive to the contract and provided at no additional cost to the City.

Repairs caused by lack of maintenance, negligence, absence of care, or willful misconduct by Contractor or subcontractor staff shall be repaired by the Contractor at no cost to the City.

Repair costs over \$2,000, not caused by lack of maintenance, negligence, absence of care or willful misconduct by Contractor or subcontractor staff shall be the responsibility of the City.

City Public Works Department staff shall perform an inspection of any project with an estimated cost (labor and materials) of \$2,000 or more to determine an appropriate plan

for repair. City may direct Contractor to manage, supervise and carry out repairs and maintenance pursuant to an approved plan. Projects assigned to the Property Manager for repairs must follow competitive bidding procedures in accordance with Redondo Beach Municipal Code 2-6.02 and 2-6.07, which include, but are not limited to, formal bidding for capital improvements and/or maintenance.

B. The Contractor will manage and maintain the facilities and will arrange for the performance of any and all things necessary for the proper operation and maintenance of the facilities, buildings, attachments and all designated equipment subject to: (1) the budgets, policies and procedures of the City; and (2) all applicable laws, codes, permits and regulations. The Contractor shall maintain all equipment based on industry standards, best practices, and within the guidelines of the OEM. In cases where OEM guidelines are not available, the Contractor will develop guidelines, following best practices and industry standards.

C. Every effort shall be made to complete repairs in a timely manner. The Contractor shall notify the City for any repairs requiring extended time (more than seven days) due to parts procurement or any service impacting or potentially impacting service/operational activity for any one site.

**D. Cleaning Products, Materials, Parts and Supplies**

1. Contractor shall supply all cleaning supplies needed in fulfilling this contract. This includes cleaners, finishes, etc., for the treatment of the various types of flooring, carpeting, counters, desks, furniture, etc. Use only such materials and cleaning processes as are recommended and approved by the appropriate manufacturer.
2. All preventive maintenance and expendable parts and supplies including, but not limited to, rubber goods, light bulbs, HVAC filters, lubricants, bearings, paint, fasteners, media, and all products to maintain the facilities and equipment shall be provided by the Contractor at no additional cost to the City.

**E. Staffing**

1. Except for pre-arranged work approved by the City, the Contractor is inclusively responsible, as part of the contract, for all labor (technicians, subcontractors, general labor, supervision, administration and any members used for the administration of the contract) for the transit facilities.

2. The Contractor will have, at all times, a sufficient number of capable qualified and licensed (by local, state and federal requirements) employees and all necessary equipment to properly, adequately, safely and economically manage and maintain the City facilities as required by the contract. All matters pertaining to the employment, supervision, administration, compensation, promotion and discharge of employees of the Contractor or its subcontractors are the responsibility of the Contractor. The City will in no way be liable to the Contractor or others for any negligent action or omission on the part of such employees. Qualified staff coverage is expected to meet the demands of the facilities operation and required maintenance for the facilities and related equipment.
3. The Contractor shall employ staff as necessary to fulfill its duties in accordance with the specifications of this Scope of Work. The Contractor shall provide project management through a Contractor Project Manager (Project Manager) assigned to the contract at a level and capability sufficient to oversee its functions and employees. The principal function of the Project Manager will be to oversee the Contractor's employees and vendors/subcontractors; and to monitor operational activities associated with this Scope of Work.

#### F. Contractor's Project Manager

1. The City reserves the right to review the qualifications of the Project Manager and may request the removal of the Project Manager at its discretion at any time during the duration of the contract.
2. Should the Project Manager be unavailable to perform his/her duties, the Contractor shall appoint a staff member temporarily to serve in his/her place. Project Manager shall notify the City's designated representative whenever such substitution will occur prior to substituting. If Project Manager will be unavailable for more than two weeks, the Contractor shall provide a qualified Project Manager as a substitute, subject to City approval.
3. Project Manager assigned to this contract shall not be replaced without 30 calendar days advance written notice to the City, unless the departing employee does not provide the Contractor with such notice or the employee is removed for cause. Moreover, the Project Manager shall remain in the position for a minimum of one year from the contract start date, unless they are no longer in the employ of the Contractor.

#### G. Building Security.

1. Keys to the building will be issued to the Contractor by the City of Redondo Beach. Any such keys must not be duplicated.

2. Employees of the Contractor and any subcontractors shall maintain a secure environment while cleaning or performing maintenance on the facility. No one is allowed into the facility other than those individuals responsible for performing janitorial or maintenance services. The contractor shall ensure that the building is properly secured when leaving.

H. Inspection And Correction of Deficiencies

1. Performance evaluations will be given to the Contractor noting exceptions in performance to the required janitorial specifications. The City will immediately notify the Contractor of the reported performance exception(s).
2. The Contractor must correct these deficiencies as follows:
  - i. Within 24 hours for any daily, weekly or monthly activity; and
  - ii. Within 48 hours for any activity listed as quarterly or semi-annual.
3. In the event the Contractor-provided resolution is not satisfactory to the City, the City may provide janitorial service as described in these specifications and the Contractor's compensation will then be reduced by the actual cost of such replacement service.

I. The Contractor shall maintain an office within two (2) hours' drive time of the Redondo Beach Transit Center at peak drive time.

J. When required by the City, the Contractor shall coordinate required maintenance and repair work with the City, transit operators, and any subcontractors.

K. The Contractor is advised that any failure or negligence in performing day-to-day operations, maintenance or replacement of critical building systems (Example: Electrical, Plumbing, Security, Roofing, Fire Life Safety Systems, etc.) may result in significant damage to the building, its transit operators and equipment, machinery, and information systems. As such, the City requires that the Contractor employ "best practices" in carrying out its duties and obligations.

L. The Contractor shall work cooperatively with the City in matters of assuring facility maintenance service quality, providing operational data, responding to comments and complaints received from the public and other sources and responding to specific requests for other assistance and meetings as the need arises.

M. The Contractor shall perform subcontractor monitoring by formal tracking and supervision.

N. The Contractor shall provide and maintain, during the entire period of the contract, equipment and tools sufficient in number, operational condition and capacity to efficiently perform the work and render the services specified in this Scope of Work. City shall provide a maintenance room in the transit center building for storage of janitorial equipment and supplies, however, Contractor shall be responsible for all items stored on site.

O. All vehicles used by the Contractor shall be appropriately licensed and clearly identified with a vehicle number, the company, and phone number of the local office on each side of the equipment, including personnel transportation vehicles. The letters shall be at least three inches high and of proportionate width, in distinctly contrasting color with the background, and shall be in plain view of the public. The City will not pay for travel to and from any site nor provide any vehicles, equipment, tools, etc. necessary for performing the work required by this Scope of Work.

P. Health, Safety, And Environmental Protection

The Contractor shall conform to all applicable Federal, State and local laws, and to the requirements of these specifications. In performing janitorial work in a City facility, the Contractor shall:

- Take all reasonable steps and precautions to prevent accidents and to preserve the health and safety of visitors, contractor personnel, and City personnel performing or in any way coming into contact with the performance of this contract;
- Take all reasonable precautions to prevent the release of hazardous chemicals into the environment; and
- Take such additional precautions as the office manager/supervisor may reasonably require for health, safety, and environmental protection.

i. Damage Reports. In all instances where City property or equipment is damaged, the Contractor shall submit to the City a full report of the facts and extent of such damage -- verbally and in writing within 24 hours of the occurrence.

ii. Accident Reports. The Contractor shall comply with City, OSHA and other regulatory agency requirements for record keeping and reporting of all accidents

resulting in death, trauma, or occupational illness. The Contractor shall provide a verbal report to the City and a written follow-up report to the City within 24 hours of occurrence.

iii. Chemical Spills. The Contractor shall maintain an established plan that addresses incidental and emergency spills of any chemicals brought on-site.

#### Q. RIGHT TO KNOW ACT (ACT 80 of 1986)

The "Right to Know Act" is intended to provide protection and information to employees who encounter hazardous substances at the workplace. To comply with this act, it is necessary that you fulfill the following:

##### Labels

Labels on all incoming containers of hazardous chemicals shall (1) clearly state the identity of the contents, (2) display appropriate hazard warning(s), (3) include first aid information, and (4) list the name and address of the chemical manufacturer, importer, or other responsible party.

##### Responsibility of Contractor

The Contractor shall comply with the requirements of Act 80 of 1986 with respect to the labeling of hazardous chemicals and the provision of Material Safety Data Sheets before such materials are introduced into the workplace. Otherwise, such materials will not be allowed on the premises.

##### Material Safety Data Sheets

Material Safety Data Sheets (MSDS) related to hazardous chemicals shall be presented to the appropriate City representative prior to the introduction of such substances into City buildings. It is recommended that the format of OSHA Form 174, dated September 1985, be used as a standard for Material Safety Data Sheets. The Contractor shall maintain two, updated MSDS files on-site: one placed in the office of the City Transit Division's on-site office and the second in the Contractor's Maintenance Storage Room.

#### **4.5 PROPERTY MANAGEMENT REPORTING**

The Contractor shall be responsible for establishing and maintaining records of all maintenance and repair services relating to the Redondo Beach Transit Center sufficient to facilitate and document the following required reports. Contractor shall

provide the City with proposed formats for these reports within two (2) weeks of contract award for review and approval.

Reports shall be due to the City no later than ten (10) working days following the end of each month.

#### **A. Monthly Reports**

1. Maintenance and Service Log

This report will provide a comprehensive chronological record of maintenance and services provided at the RBTC during each calendar month including, but not limited to, type of maintenance or service provided, date provided, time period covered, names of Contractor or Subcontractor staff providing service, description of maintenance or service, and whether follow-up or additional work is required.

2. Transit Center Maintenance/Service Request Log

This document will record, in chronological order of reporting, all requests for, complaints about, or identification of needed repairs at the RBTC, its structures, facilities, grounds and amenities. The log shall indicate the source of the maintenance or service request, date and time of report, individual making request/report (with email address and phone number), general nature of the maintenance or service, description of the reported maintenance need or deficiency, and resolution of the request/complaint.

3. On-Call Service Record and Accounting

This report will detail each On-Call service request submitted to the City in order of request, listing the service or trade, description of the work to be done, estimated hours and materials, and estimated cost of each work request. Record shall also show date of City approval, date(s) work was done, completion date, and total final cost of each On-Call engagement.

4. Property Management Expenditure Report

Maintained on a fiscal year basis (July 1 through June 30), this report will show Property Management fees and expenditures during the current month and year-to-date against budget or, for on-call services, approved cost estimate. On-call services will be tracked by project and trade.

On-call services that have been approved but have no expenditures should be shown with the approved cost and zero expenditures to show approved obligations.

## **B. Annual Reports**

### **1. Projected On-Call and Extraordinary Service Budget**

No later than March 1 of each year during the term of this contract, including any extensions thereof, the Contractor shall provide the City with a projected listing and budget for On-Call and Extraordinary services and trades which are projected for the City's subsequent fiscal year in order to maintain the Redondo Beach Transit Center's buildings, systems, surfaces, landscaping and amenities in full and proper operating condition and appearance. The City's fiscal year runs from July 1 through the following June 30.

The projection of needed services will be based on the Transit Center Maintenance/Service Request Log, the Contractor's professional experience and knowledge of similar properties, and discussions with City's Transit Manager.

### **2. Year-End Property Management Expenditure Report**

This report will provide a year-end accounting of Property Management fees and expenditures during the just-completed fiscal year against budget or, for on-call services, approved cost estimates. On-call services will be tracked by project and trade.

**SECTION 5  
SAMPLE AGREEMENT**

**5.1 STANDARD TERMS AND CONDITIONS**

Following the award of a contract pursuant to this Request for Proposals, City and Contractor shall enter into the written Professional Services Agreement, the text of which follows.

**Note that any objections, changes, modifications or exceptions to this Contract shall be stated in Offeror’s proposal in order to be considered by City.**

**5.2 SAMPLE AGREEMENT LANGUAGE**

**FOR PROJECT SERVICES  
BETWEEN THE CITY OF REDONDO BEACH  
AND \_\_\_\_\_**

THIS AGREEMENT FOR PROJECT SERVICES (this "Agreement") is made between the City of Redondo Beach, a chartered municipal corporation ("City") and \_\_\_\_\_, a [type of entity] ("Contractor" or "Consultant").

The parties hereby agree as follows:

- A. Description of Project or Scope of Services. The project description or scope of services to be provided by Contractor, and any corresponding responsibilities of City or services required to be performed by City are set forth in Exhibit "A".
  
- B. Term and Time of Completion. Contractor shall commence and complete the project or services described in Exhibit "A" in accordance with the schedule set forth in Exhibit "B".
  
- C. Compensation. City agrees to pay Contractor for work performed in accordance with Exhibit "C".

\* \* \* \* \*

## GENERAL PROVISIONS

1. Independent Contractor. Contractor acknowledges, represents and warrants that Contractor is not a regular or temporary employee, officer, agent, joint venturer or partner of the City, but rather an independent contractor. This Agreement shall not be construed as a contract of employment. Contractor shall have no rights to any benefits which accrue to City employees unless otherwise expressly provided in this Agreement. Due to the independent contractor relationship created by this Agreement, the City shall not withhold state or federal income taxes, the reporting of which shall be Contractor's sole responsibility.
2. Brokers. Contractor acknowledges, represents and warrants that Contractor has not hired, retained or agreed to pay any entity or person any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement.
3. City Property. All plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials prepared for or obtained pursuant to this Agreement shall upon request be delivered to the City within a reasonable time, and the rights thereto shall be deemed assigned to the City. If applicable, Contractor shall prepare check prints upon request. Said plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials shall be specific for the project herein and shall not be used by the City for any other project without Contractor's consent. Notwithstanding the foregoing, Contractor shall not be obligated to assign any proprietary software or data developed by or at the direction of Contractor for Contractor's own use; provided, however, that Contractor shall, pursuant to Paragraph 14 below, indemnify, defend and hold the City harmless from and against any discovery or Public Records Act request seeking the disclosure of any such proprietary software or data.
4. Inspection. If the services set forth in Exhibit "A" shall be performed on City or other public property, the City shall have the right to inspect such work without notice. If such services shall not be performed on City or other public property, the City shall have the right to inspect such work upon reasonable notice. Inspections by the City shall not relieve or minimize the responsibility of Contractor to conduct any inspections Contractor has agreed to perform pursuant to the terms of this Agreement. Contractor shall be solely liable for said

inspections performed by Contractor. Contractor shall certify in writing to the City as to the completeness and accuracy of each inspection required to be conducted by Contractor hereunder.

5. Services. The project or services set forth in Exhibit "A" shall be performed to the full satisfaction and approval of the City. In the event that the project or services set forth in Exhibit "A" are itemized by price in Exhibit "C", the City in its sole discretion may, upon notice to Contractor, delete certain items or services set forth in Exhibit "A", in which case there shall be a corresponding reduction in the amount of compensation paid to Contractor. City shall furnish Contractor, to the extent available, with any City standards, details, specifications and regulations applicable to the Project and necessary for the performance of Contractor's services hereunder. Notwithstanding the foregoing, any and all additional data necessary for design shall be the responsibility of Contractor.

6. Records. Contractor, including any of its subcontractors, shall maintain full and complete documents and records, including accounting records, employee time sheets, work papers, and correspondence pertaining to the project or services set forth in Exhibit "A". Contractor, including any of its subcontractors, shall make such documents and records available for City review or audit upon request and reasonable notice, and shall keep such documents and records, for at least four (4) years after Contractor's completion of performance of this Agreement. Copies of all pertinent reports and correspondence shall be furnished to the City for its files.

7. Changes and Extra Work. All changes and/or extra work under this Agreement shall be performed and paid for in accordance with the following:

Only the City Council, City Manager, or the Department Head responsible for the administration of, or supervision of the scope of work under, this Agreement may authorize extra and/or changed work. Contractor expressly recognizes that other City personnel are without authorization to either order extra and/or changed work or waive contract requirements. Failure of Contractor to secure the written authorization for such extra and/or changed work shall constitute a waiver of any and all right to adjustment in contract price due to such unauthorized work and Contractor thereafter shall be entitled to no compensation whatsoever for performance of such work.

If Contractor is of the opinion that any work which Contractor has been directed to perform is beyond the scope of this Agreement and constitutes extra work,

Contractor shall promptly notify the City of the fact. The City shall make a determination as to whether or not such work is, in fact, beyond the scope of this Agreement and constitutes extra work. In the event that the City determines that such work does constitute extra work, City shall provide extra compensation to Contractor on a fair and equitable basis. A written amendment providing for such compensation for extra work shall be executed by Contractor and the City.

8. Additional Assistance. If this Agreement requires Contractor to prepare plans and specifications, Contractor shall provide assistance as necessary to resolve any questions regarding such plans and specifications that may arise during the period of advertising for bids, and Contractor shall issue any necessary addenda to the plans and specifications as requested. In the event Contractor is of the opinion that City's requests for addenda and assistance is outside the scope of normal services, the parties shall proceed in accordance with the changes and extra work provisions of this Agreement.

9. Professional Ability. Contractor acknowledges, represents and warrants that Contractor is skilled and able to competently provide the services hereunder, and possesses all professional licenses, certifications, and approvals necessary to engage in its occupation. City has relied upon the professional ability and training of Contractor as a material inducement to enter into this Agreement. Contractor shall perform in accordance with generally accepted professional practices and standards of Contractor's profession.

10. Business License. Contractor shall obtain a Redondo Beach Business License before performing any services required under this Agreement. The failure to so obtain such license shall be a material breach of this Agreement and grounds for immediate termination by City; provided, however, that City may waive the business license requirement in writing under unusual circumstances without necessitating any modification of this Agreement to reflect such waiver.

11. Termination Without Default. Notwithstanding any provision herein to the contrary, the City may, in its sole and absolute discretion and without cause, terminate this Agreement at any time prior to completion by Contractor of the project or services hereunder, immediately upon written notice to Contractor. In the event of any such termination, Contractor shall be compensated for: (1) all authorized work satisfactorily performed prior to the effective date of termination; and (2) necessary materials or services of others ordered by Contractor for this Agreement prior to Contractor's receipt of notice of termination, irrespective of

whether such materials or services of others have actually been delivered, and further provided that Contractor is not able to cancel such orders. Compensation for Contractor in such event shall be determined by the City in accordance with the percentage of the project or services completed by Contractor; and all of Contractor's finished or unfinished work product through the time of the City's last payment shall be transferred and assigned to the City. In conjunction with any termination of this Agreement, the City may, at its own expense, make copies or extract information from any notes, sketches, computations, drawings, and specifications or other data, whether complete or not.

12. Termination in the Event of Default. Should Contractor fail to perform any of its obligations hereunder, within the time and in the manner provided or otherwise violate any of the terms of this Agreement, the City may immediately terminate this Agreement by giving written notice of such termination, stating the reasons for such termination. Contractor shall be compensated as provided immediately above, provided, however, there shall be deducted from such amount the amount of damages, if any, sustained by the City by virtue of Contractor's breach of this Agreement.

13. Conflict of Interest. Contractor acknowledges, represents and warrants that Contractor shall avoid all conflicts of interest (as defined under any federal, state or local statute, rule or regulation, or at common law) with respect to this Agreement. Contractor further acknowledges, represents and warrants that Contractor has no business relationship or arrangement of any kind with any City official or employee with respect to this Agreement. Contractor acknowledges that in the event that Contractor shall be found by any judicial or administrative body to have any conflict of interest (as defined above) with respect to this Agreement, all consideration received under this Agreement shall be forfeited and returned to City forthwith. This provision shall survive the termination of this Agreement for one (1) year.

14. Indemnity. To the maximum extent permitted by law, Contractor hereby agrees, at its sole cost and expense, to defend protect, indemnify, and hold harmless the City, its elected and appointed officials, officers, employees, volunteers, attorneys, and agents (collectively "Indemnitees") from and against any and all claims, including, without limitation, claims for bodily injury, death or damage to property, demands, charges, obligations, damages, causes of action, proceedings, suits, losses, stop payment notices, judgments, fines, liens, penalties, liabilities, costs and expenses of every kind and nature whatsoever, in

any manner arising out of, incident to, related to, in connection with or arising from any act, failure to act, error or omission of Contractor's performance or work hereunder (including any of its officers, agents, employees, Subcontractors) or its failure to comply with any of its obligations contained in the Agreement, or its failure to comply with any current or prospective law, except for such loss or damage which was caused by the sole negligence or willful misconduct of the City. Notwithstanding the foregoing, nothing in this Section 14 shall be construed to encompass Indemnitees' active negligence to the limited extent that this Agreement is subject to Civil Code Section 2782(b). Contractor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Contractor or Indemnitees. This indemnification obligation shall survive this Agreement and shall not be limited by any term of any insurance policy required under this Agreement.

a. Nonwaiver of Rights. Indemnitees do not and shall not waive any rights that they may possess against Contractor because the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement.

b. Waiver of Right of Subrogation. Contractor, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation and contribution against the Indemnitees.

15. Insurance. Contractor shall comply with the requirements set forth in Exhibit "D." Insurance requirements that are waived by the City's Risk Manager do not require amendments or revisions to this Agreement.

16. Non-Liability of Officials and Employees of the City. No official or employee of the City shall be personally liable for any default or liability under this Agreement.

17. Compliance with Laws. Contractor shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals, with respect to this Agreement, including without limitation all environmental laws, employment laws, and non-discrimination laws.

a. Acknowledgement. Contractor acknowledges that eight (8) hours labor constitutes a legal day's work. Contractor shall comply with and be bound by

Labor Code Section 1810. Contractor shall comply with and be bound by the provisions of Labor Code Section 1813 concerning penalties for workers who work excess hours. Contractor shall, as a penalty to the City, forfeit twenty-five dollars (\$25) for each worker employed in the performance of this Agreement by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one (1) calendar day and forty (40) hours in any one calendar week. Pursuant to Labor Code section 1815, work performed by employees of Contractor in excess of 8 hours per day, and 40 hours during any one week shall be permitted upon public work upon compensation for all hours worked in excess of 8 hours per day at not less than 1 1/2 times the basic rate of pay. For every subcontractor who will perform work on the project, Contractor shall be responsible for such subcontractor's compliance with Labor Code Sections 1810, 1813 and 1815, and Contractor shall include in the written contract between it and each subcontractor copies of Labor Code Sections 1810, 1813 and 1815 and a requirement that each subcontractor shall comply with these aforementioned sections. Contractor shall be required to take all actions necessary to enforce such contractual provisions and ensure subcontractor's compliance, including without limitation, conducting a periodic review of the certified payroll records of the subcontractor and upon becoming aware of the failure of the subcontractor comply with Labor Code Sections 1810, 1813 and 1815, Contractor shall diligently take corrective action to halt or rectify the failure.

b. Prevailing Wages. City and Contractor acknowledge that this project is a public work to which prevailing wages apply. Contractor shall comply with the Agreement to Comply with California Labor Law Requirements set forth in Exhibit "E", which is attached hereto and incorporated by reference.

18. Limitations Upon Subcontracting and Assignment. Contractor acknowledges that the services which Contractor shall provide under this Agreement are unique, personal services which, except as otherwise provided herein, Contractor shall not assign or sublet to any other party without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion. In the event that the City, in writing, approves any assignment or subletting of this Agreement or the retention of subcontractors by Contractor, Contractor shall provide to the City upon request copies of each and every subcontract prior to the execution thereof by Contractor and subcontractor. Any attempt by Contractor to assign any or all of its rights under this Agreement

without first obtaining the City's prior written consent shall constitute a material default under this Agreement.

The sale, assignment, transfer or other disposition, on a cumulative basis, of twenty-five percent (25%) or more of the ownership interest in Contractor or twenty-five percent (25%) or more the voting control of Contractor (whether Contractor is a corporation, limited liability company, partnership, joint venture or otherwise) shall constitute an assignment for purposes of this Agreement. Further, the involvement of Contractor or its assets in any transaction or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buyout or otherwise), whether or not a formal assignment or hypothecation of this Agreement or Contractor's assets occurs, which reduces Contractor's assets or net worth by twenty-five percent (25%) or more shall also constitute an assignment for purposes of this Agreement.

19. Subcontractors. Contractor shall provide properly skilled professional and technical personnel to perform any approved subcontracting duties. Contractor shall not engage the services of any person or persons now employed by the City without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion.

20. Integration. This Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes any previous oral or written agreement; provided, however, that correspondence or documents exchanged between Contractor and City may be used to assist in the interpretation of the exhibits to this Agreement.

21. Amendment. This Agreement may be amended or modified only by a subsequent written amendment executed by both parties.

22. Conflicting Provisions. In the event of a conflict between the terms and conditions of this Agreement and those of any exhibit or attachment hereto, this Agreement proper shall prevail. In the event of a conflict between the terms and conditions of any two or more exhibits or attachments hereto, those prepared by the City shall prevail over those prepared by Contractor.

23. Non-Exclusivity. Notwithstanding any provision herein to the contrary, the services provided by Contractor hereunder shall be non-exclusive, and City reserves the right to employ other contractors in connection with the project.

24. Exhibits. All exhibits hereto are made a part hereof and incorporated herein by reference; provided, however, that any language in Exhibit "A" which does not pertain to the project description, proposal, or scope of services (as applicable) to be provided by Contractor, or any corresponding responsibilities of City, shall be deemed extraneous to, and not a part of, this Agreement.
25. Time of Essence. Time is of the essence of this Agreement.
26. Confidentiality. To the extent permissible under law, Contractor shall keep confidential its obligations hereunder and the information acquired during the performance of the project or services hereunder.
27. Third Parties. Nothing herein shall be interpreted as creating any rights or benefits in any third parties. For purposes hereof, transferees or assignees as permitted under this Agreement shall not be considered "third parties."
28. Governing Law and Venue. This Agreement shall be construed in accordance with the laws of the State of California without regard to principles of conflicts of law. Venue for any litigation or other action arising hereunder shall reside exclusively in the Superior Court of the County of Los Angeles, Southwest Judicial District.
29. Attorneys' Fees. In the event either party to this Agreement brings any action to enforce or interpret this Agreement, the prevailing party in such action shall be entitled to reasonable attorneys' fees (including expert witness fees) and costs. This provision shall survive the termination of this Agreement.
30. Claims. Any claim by Contractor against City hereunder shall be subject to Government Code §§ 800 *et seq.* The claims presentation provisions of said Act are hereby modified such that the presentation of all claims hereunder to the City shall be waived if not made within six (6) months after accrual of the cause of action.
31. Interpretation. Contractor acknowledges that it has had ample opportunity to seek legal advice with respect to the negotiation of this Agreement. This Agreement shall be interpreted as if drafted by both parties.

32. Warranty. In the event that any product shall be provided to the City as part of this Agreement, Contractor warrants as follows: Contractor possesses good title to the product and the right to transfer the product to City; the product shall be delivered to the City free from any security interest or other lien; the product meets all specifications contained herein; the product shall be free from material defects in materials and workmanship under normal use for a period of one (1) year from the date of delivery; and the product shall be fit for its intended purpose(s). Notwithstanding the foregoing, consumable and maintenance items (such as light bulbs and batteries) shall be warranted for a period of thirty (30) days from the date of delivery. All repairs during the warranty period shall be promptly performed by Contractor, at Contractor's expense, including shipping. Contractor shall not be liable under this warranty for an amount greater than the amount set forth in Exhibit "C" hereto.

33. Severance. Any provision of this Agreement that is found invalid or unenforceable shall be deemed severed and all remaining provisions of this Agreement shall remain enforceable to the fullest extent permitted by law.

34. Authority. City warrants and represents that upon City Council approval, the Mayor of the City of Redondo Beach is duly authorized to enter into and execute this Agreement on behalf of City. The party signing on behalf of Contractor warrants and represents that he or she is duly authorized to enter into and execute this Agreement on behalf of Contractor and shall be personally liable to City if he or she is not duly authorized to enter into and execute this Agreement on behalf of Contractor.

35. Waiver. The waiver by the City of any breach of any term or provision of this Agreement shall not be construed as a waiver of any subsequent breach.

*SIGNATURES FOLLOW ON NEXT PAGE*

IN WITNESS WHEREOF, the parties have executed this Agreement in Redondo Beach, California, as of this \_\_\_\_ day of \_\_\_\_\_, 2021.

CITY OF REDONDO BEACH, \_\_\_\_\_,  
a chartered municipal corporation a [type of entity]

\_\_\_\_\_  
\_\_\_\_\_  
William C. Brand, Mayor

By:  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Eleanor Manzano, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Michael W. Webb, City Attorney

APPROVED: \_\_\_\_\_

\_\_\_\_\_  
Diane Strickfaden, Risk Manager

**EXHIBIT "A"**  
**PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES**

**EXHIBIT "B"**  
**SCHEDULE OF PERFORMANCE**

**TERM.** The term of this Agreement shall commence on January 1, 2022, and expire on June 30, 2025 ("Term"), unless otherwise extended or terminated as herein provided. Due to uncertainty regarding the completion date of construction on the Redondo Beach Transit Center, the City may, upon 2 weeks' written notice, adjust the start date of services under this contract up to two (2) weeks earlier or up to eight (8) later than January 1, 2022.

**EXHIBIT "C"**  
**COMPENSATION**

Provided Contractor is not in default under this Agreement, Contractor shall be compensated as provided below.

A. **AMOUNT.** Contractor shall be paid in accordance with the following schedule.

B. **Method of Payment.** Contractor shall provide monthly invoices indicating the services performed during the prior month to the City for approval and payment. Invoices must also be itemized, adequately detailed, based on accurate records, and in a form reasonably satisfactory to City. Contractor may be required to provide back-up material upon request.

C. **Schedule for Payment.** City agrees to pay Contractor within thirty (30) days of receipt of the monthly invoice; provided, however, that services are completed to the City's reasonable satisfaction.

D. **Notice.** Written notices to City and Contractor shall be given by registered or certified mail, postage prepaid and addressed to or personally served on the following parties.

Contractor:

City: City of Redondo Beach  
415 Diamond Street  
Redondo Beach, CA 90277  
Attention:

All notices, including notices of address changes, provided under this Agreement are deemed received on the third day after mailing if sent by registered or certified mail. Changes in the respective address set forth above may be made from time to time by any party upon written notice to the other party.

**EXHIBIT "D"**  
**INSURANCE REQUIREMENTS FOR CONTRACTORS**

Without limiting Contractor's indemnification obligations under this Agreement, Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, or employees.

Minimum Scope of Insurance

Coverage shall be at least as broad as:

Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).

Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).

Workers' Compensation insurance as required by the State of California.

Employer's Liability Insurance.

Minimum Limits of Insurance

Contractor shall maintain limits no less than:

General Liability: \$2,000,000 per occurrence for bodily injury, personal injury and property damage. The general aggregate limit shall apply separately to this project

Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.

Employer's Liability: \$1,000,000 per accident for bodily injury or disease.

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers or (2) the Contractor shall provide a financial guarantee

satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses.

#### Other Insurance Provision

The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

#### Additional Insured Endorsement:

**General Liability:** The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of work performed by or on behalf of the Contractor. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance, or as a separate owner's policy.

**Automobile Liability:** The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Contractor.

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

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.

Each insurance policy shall be endorsed to state that the inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverages afforded shall apply as though separate policies had been issued to each insured.

Each insurance policy shall be in effect prior to awarding the contract and each insurance policy or a successor policy shall be in effect for the duration of the project. The maintenance of proper insurance coverage is a material element of the contract and failure to maintain or renew coverage or to provide evidence of renewal may be treated by the City as a material breach of contract on the Contractor's part

#### Acceptability of Insurers

Insurance shall be placed with insurers with a current A.M. Best's rating of no less than A:VII and which are authorized to transact insurance business in the State of California by the Department of Insurance.

#### Verification of Coverage

Contractor shall furnish the City with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on the City authorized forms provided with the contract specifications. Standard ISO forms which shall be subject to City approval and amended to conform to the City's requirements may be acceptable in lieu of City authorized forms. All certificates and endorsements shall be received and approved by the City before the contract is awarded. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by these specifications at any time.

#### Subcontractors

Contractor shall include all subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

#### Risk Management

Contractor acknowledges that insurance underwriting standards and practices are subject to change, and the City reserves the right to make changes to these provisions in the reasonable discretion of its Risk Manager.

## EXHIBIT "E"

### AGREEMENT TO COMPLY WITH CALIFORNIA LABOR LAW REQUIREMENTS

1. Contractor acknowledges that the project as defined in this Agreement between Contractor and the City, to which this Agreement to Comply with California Labor Law Requirements is attached and incorporated by reference, is a "public work" as defined in Division 2, Part 7, Chapter 1 (commencing with Section 1720) of the California Labor Code ("Chapter 1"), and that this Agreement is subject to (a) Chapter 1, including without limitation Labor Code Section 1771 and (b) the rules and regulations established by the Director of Industrial Relations ("DIR") implementing such statutes. Contractor shall perform all work on the project as a public work. Contractor shall comply with and be bound by all the terms, rules and regulations described in 1(a) and 1(b) as though set forth in full herein.
2. California law requires the inclusion of specific Labor Code provisions in certain contracts. The inclusion of such specific provisions below, whether or not required by California law, does not alter the meaning or scope of Section 1 above.
3. Pursuant to Labor Code Section 1771.4, Contractor shall post job site notices, as prescribed by regulation.
4. Pursuant to Labor Code Section 1773.2, copies of the prevailing rate of per diem wages for each craft, classification, or type of worker needed to perform the Agreement are on file at City Hall and will be made available to any interested party on request. Contractor acknowledges receipt of a copy of the DIR determination of such prevailing rate of per diem wages, and Contractor shall post such rates at each job site covered by this Agreement.
5. Contractor shall comply with and be bound by the provisions of Labor Code Sections 1774 and 1775 concerning the payment of prevailing rates of wages to workers and the penalties for failure to pay prevailing wages. The Contractor shall, as a penalty to the City, forfeit the maximum amount allowable by law for each calendar day, or portion thereof, for each worker paid less than the prevailing rates as determined by the DIR for the work or craft in which the worker is employed for any public work done pursuant to this Agreement by Contractor or by any subcontractor.
6. Contractor shall comply with and be bound by the provisions of Labor Code Section 1776, which requires Contractor and each subcontractor to (1) keep accurate payroll records and verify such records in writing under penalty of perjury, as specified in Section 1776, (2) certify and make such payroll records available for inspection as provided by Section 1776, and (3) inform the City of the location of the records.

7. Contractor shall comply with and be bound by the provisions of Labor Code Sections 1777.5, 1777.6 and 1777.7 and California Administrative Code title 8, section 200 *et seq.* concerning the employment of apprentices on public works projects. Contractor shall be responsible for compliance with these aforementioned Sections for all apprenticeable occupations. Prior to commencing work under this Agreement, Contractor shall provide City with a copy of the information submitted to any applicable apprenticeship program. Within sixty (60) days after concluding work pursuant to this Agreement, Contractor and each of its subcontractors shall submit to the City a verified statement of the journeyman and apprentice hours performed under this Agreement.

8. Contractor acknowledges that eight (8) hours labor constitutes a legal day's work. Contractor shall comply with and be bound by Labor Code Section 1810. Contractor shall comply with and be bound by the provisions of Labor Code Section 1813 concerning penalties for workers who work excess hours. The Contractor shall, as a penalty to the City, forfeit twenty-five dollars (\$25) for each worker employed in the performance of this Agreement by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one (1) calendar day and forty (40) hours in any one calendar week in violation of the provisions of Division 2, Part 7, Chapter 1, Article 3 of the Labor Code. Pursuant to Labor Code section 1815, work performed by employees of Contractor in excess of 8 hours per day, and 40 hours during any one week shall be permitted upon public work upon compensation for all hours worked in excess of 8 hours per day at not less than 1 and 1/2 times the basic rate of pay.

9. California Labor Code Sections 1860 and 3700 provide that every employer will be required to secure the payment of compensation to its employees. In accordance with the provisions of California Labor Code Section 1861, Contractor hereby certifies as follows:

“I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.”

10. For every subcontractor who will perform work on the project, Contractor shall be responsible for such subcontractor's compliance with Chapter 1 and Labor Code Sections 1860 and 3700, and Contractor shall include in the written contract between it and each subcontractor a copy of those statutory provisions and a requirement that each subcontractor shall comply with those statutory provisions. Contractor shall be required to take all actions necessary to enforce such contractual provisions and ensure subcontractor's compliance, including without limitation, conducting a periodic review of

the certified payroll records of the subcontractor and upon becoming aware of the failure of the subcontractor to pay his or her workers the specified prevailing rate of wages. Contractor shall diligently take corrective action to halt or rectify any failure.

11. To the maximum extent permitted by law, Contractor shall indemnify, hold harmless and defend (at Contractor's expense with counsel acceptable to the City) the City, its officials, officers, employees, agents, independent contractors, and volunteers from and against any demand or claim for damages, compensation, fines, penalties or other amounts arising out of or incidental to any acts or omissions listed above by any person or entity (including Contractor, its subcontractors, and each of their officials, officers, employees and agents) in connection with any work undertaken or in connection with the Agreement, including without limitation the payment of all consequential damages, attorneys' fees, and other related costs and expenses. All duties of Contractor under this Section shall survive termination of the Agreement.

## **SECTION 5 REQUIRED FORMS**

The following forms must be completed, properly executed, and included in each Proposal in order for that Proposal to be valid. Missing, incomplete or unexecuted forms may render a Proposal noncompliant and cause that Proposal to be rejected for cause.

The forms appearing here will also be provided in Microsoft Word or Excel on the City's website to expedite proposal preparation.

- 1. Proposal Questionnaire**
- 2. Proposal Checklist**
- 3. Addenda Acknowledgement**
- 4. References**
- 5. Proposed DBE Participation**
- 6. Cost Proposal [Included in Section 4 above]**

FORM 1

CITY OF REDONDO BEACH  
COMMUNITY SERVICES DEPARTMENT

---

PROPOSAL TO PROVIDE PROPERTY MANAGEMENT AND MAINTENANCE  
SERVICES FOR THE REDONDO BEACH TRANSIT CENTER

---

PROPOSAL QUESTIONNAIRE

1. Name of Organization: \_\_\_\_\_  
\_\_\_\_\_
  
2. Organization is a: (circle one)  
  
Corporation / Partnership / Association or Sole Proprietorship
  
3. Organization is a Disadvantaged Business Enterprise (DBE) (Complete and submit the Proposed Disadvantaged Business Enterprise (DBE) Participation form, if applicable):      Yes \_\_\_\_\_      No \_\_\_\_\_
  
4. Organization's Principal Address and Telephone Number:  
  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_
  
5. Organization's Authorized Representative:  
  
Name: \_\_\_\_\_  
  
Title: \_\_\_\_\_  
  
Telephone Number: \_\_\_\_\_  
  
Email: \_\_\_\_\_

**Proposal Questionnaire – Page 2**

6. How many years has your business been established? \_\_\_\_\_

How many years has your business been under your present name? \_\_\_\_\_

How many years under former names? (List each name and number of years)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

7. How many years has your business been providing property management services? \_\_\_\_\_

8. What other types of services does your business provide?

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

9. Do you have any affiliated companies? (If parent company, list subsidiaries and divisions. If subsidiary or division, name parent company, its principals and their addresses):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

10. Have there been any contract terminations for the services your firm performs before the fulfillment of the contract within the past five years?

Yes \_\_\_\_\_ or No \_\_\_\_\_

If Yes, list the date, client, and reason for termination below:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Proposal Questionnaire – Page 3**

11. Is Proposer aware of any real, potential, or perceived conflict of interest which would or could result should a contract be awarded to their firm? \_\_\_ Yes \_\_\_ No

If Yes, please explain: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

12. Organization’s Credit References: (name, address, telephone number & contact person) Provide at least three.

a. \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

b. \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

c. \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

13. City of Redondo Beach Business License Number: \_\_\_\_\_

[If not current license holder, Business License will be required before initiation of services.]

14. Provide an organization chart for your overall organization and as proposed for this project. Organization chart attached?

Yes \_\_\_\_\_ or No \_\_\_\_\_

**Proposal Questionnaire – Page 4**

The undersigned, being cognizant of the pages, documents, and attachments contained herein, agrees to provide the City of Redondo Beach with the services described in the Request for Proposals. All cost proposals are certified to be firm for a period of 120 days from the deadline for proposal submission, September 22, 2021.

Respectfully submitted,

Name of Company \_\_\_\_\_

\_\_\_\_\_  
Address City State Zip Code

\_\_\_\_\_  
By (Signature) Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Telephone Number Date

**FORM 2  
PROPOSAL CHECKLIST**

**Proposer's Name:** \_\_\_\_\_

Proposals shall be submitted in a three-ring binder, one original, so marked, and seven (7) copies, marked "Copy," and one electronic copy on flash drive. The total proposal packet must be sealed and clearly marked on the outside:

**City of Redondo Beach  
Property Management and Maintenance Service Proposal #2122-002  
Redondo Beach Transit Center**

Proposers are requested to submit this Checklist and the following information, providing the content generally in the sequence shown below. If documentation provided is incomplete, the Proposer may be considered non-responsive and ineligible for award of a Contract.

**COVER LETTER**, including company name, address, contact name, phone and fax numbers and email address for authorized company representative.

**Required Forms and Certifications**

1. Proposal Questionnaire
2. Proposal Checklist
3. Addenda Acknowledgement
4. References
5. Proposed DBE Participation
6. Cost Proposal

**Financial Statements/Reviews** for the last two available years. If statements are to be treated as Confidential, provide in a separate envelope.

**Proposal Narrative addressing, at a minimum, the following areas:**

- Proposer's Property Management Experience Related to the Redondo Beach Transit Center;
- Organizational description;
- Staffing Plan, including salary and benefits, resumes;
- Accounting and Reporting systems;
- Insurance;
- Operations;
- Vehicle Maintenance and Servicing;
- Safety Program;
- Screening and Selection Program;
- Training Program; and
- Implementation Plan/Time Schedule.

**FORM 3  
CITY OF REDONDO BEACH RFP #2122-002**

**ADDENDA ACKNOWLEDGEMENT**

CONTRACTOR NAME: \_\_\_\_\_

CONTRACTOR hereby acknowledges that it has received and read the following Addenda:

Addendum # \_\_\_\_\_ Signature \_\_\_\_\_

**FORM 4**  
**REFERENCES**

Proposer's Name \_\_\_\_\_

Please list a minimum of at least four references of similar size and type of transit services, including governmental agencies, if available.

**Reference 1**

AGENCY/COMPANY NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

CONTACT PERSON: \_\_\_\_\_

EMAIL ADDRESS: \_\_\_\_\_

PHONE NUMBER: \_\_\_\_\_

LENGTH OF CONTRACT: \_\_\_\_\_ YEARS

DESCRIPTION OF SERVICES PROVIDED:

**Reference 2**

AGENCY/COMPANY NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

CONTACT PERSON: \_\_\_\_\_

EMAIL ADDRESS: \_\_\_\_\_

PHONE NUMBER: \_\_\_\_\_

LENGTH OF CONTRACT: \_\_\_\_\_ YEARS

DESCRIPTION OF SERVICES PROVIDED:

**Reference 3**

AGENCY/COMPANY NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

CONTACT PERSON: \_\_\_\_\_

EMAIL ADDRESS: \_\_\_\_\_

PHONE NUMBER: \_\_\_\_\_

LENGTH OF CONTRACT: \_\_\_\_\_ YEARS

DESCRIPTION OF SERVICES PROVIDED:

**Reference 4**

AGENCY/COMPANY NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

CONTACT PERSON: \_\_\_\_\_

EMAIL ADDRESS: \_\_\_\_\_

PHONE NUMBER: \_\_\_\_\_

LENGTH OF CONTRACT: \_\_\_\_\_ YEARS

DESCRIPTION OF SERVICES PROVIDED:

**FORM 5**

**PROPOSED DISADVANTAGED BUSINESS ENTERPRISE (DBE) PARTICIPATION  
(OPTIONAL)**

The bidder is or intends to utilize the following DBE contractors on this project.  
Signature of participating DBE is confirmation of willingness to participate on this project.

Company

Address

City, ST, ZIP

Phone Number

Fax Number

Contact Name

Contact Email

DBE Certifying  
Agency

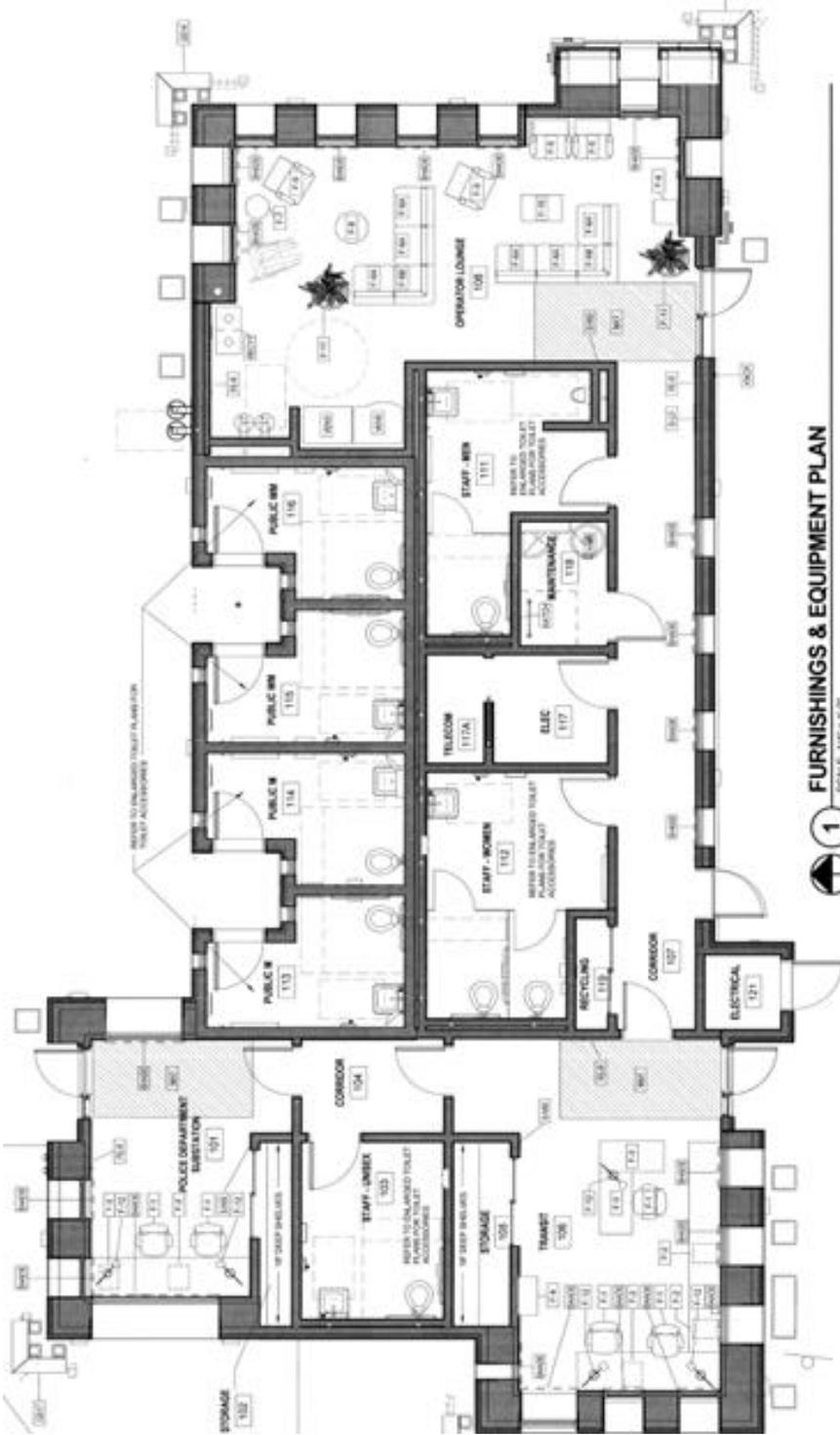
Type of work to be  
performed

Annual Dollar value  
of participation

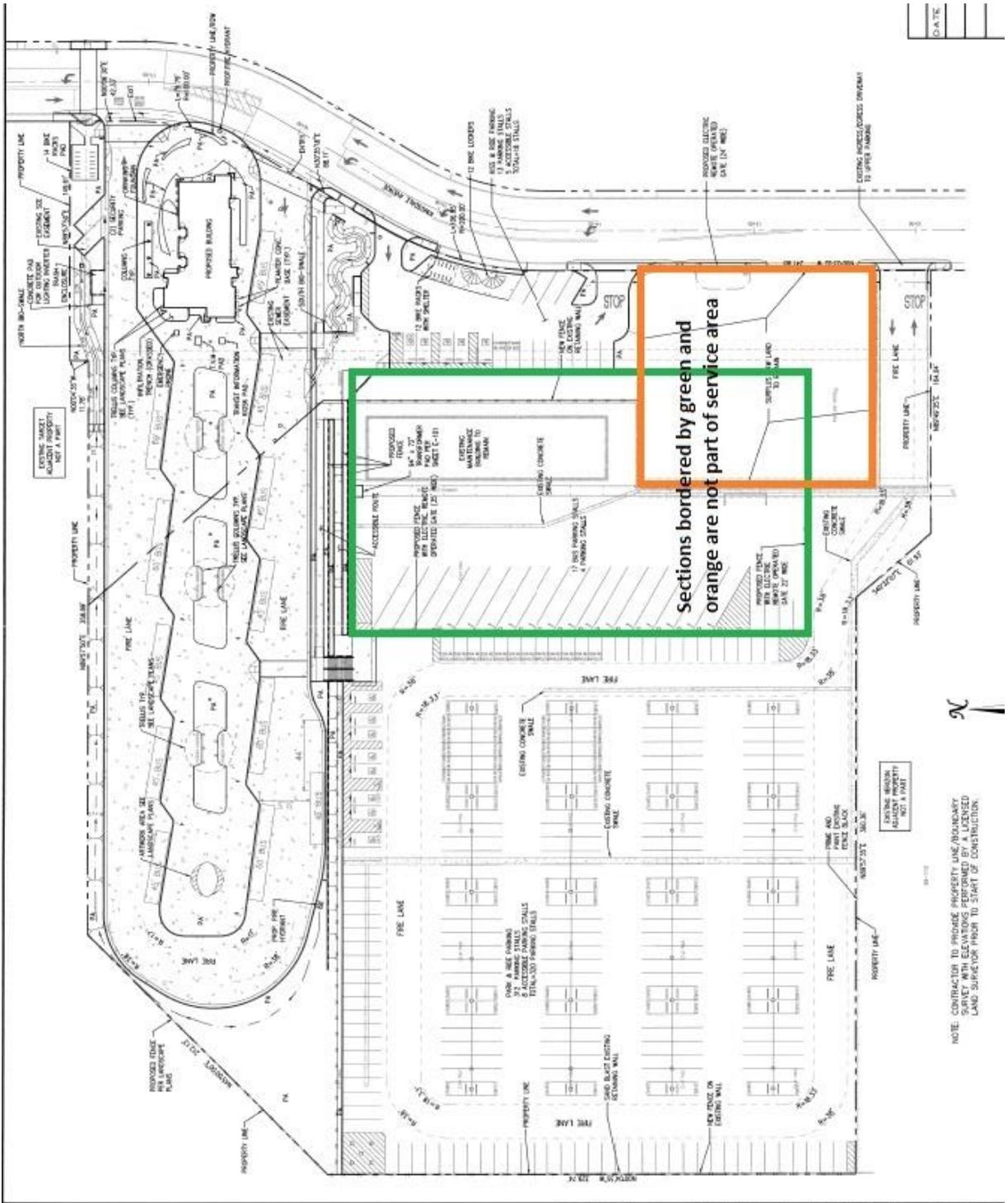
Signature of  
participating DBE

[Add forms for additional DBE firms]

**ATTACHMENT 1  
TRANSIT CENTER BUILDING PLAN**

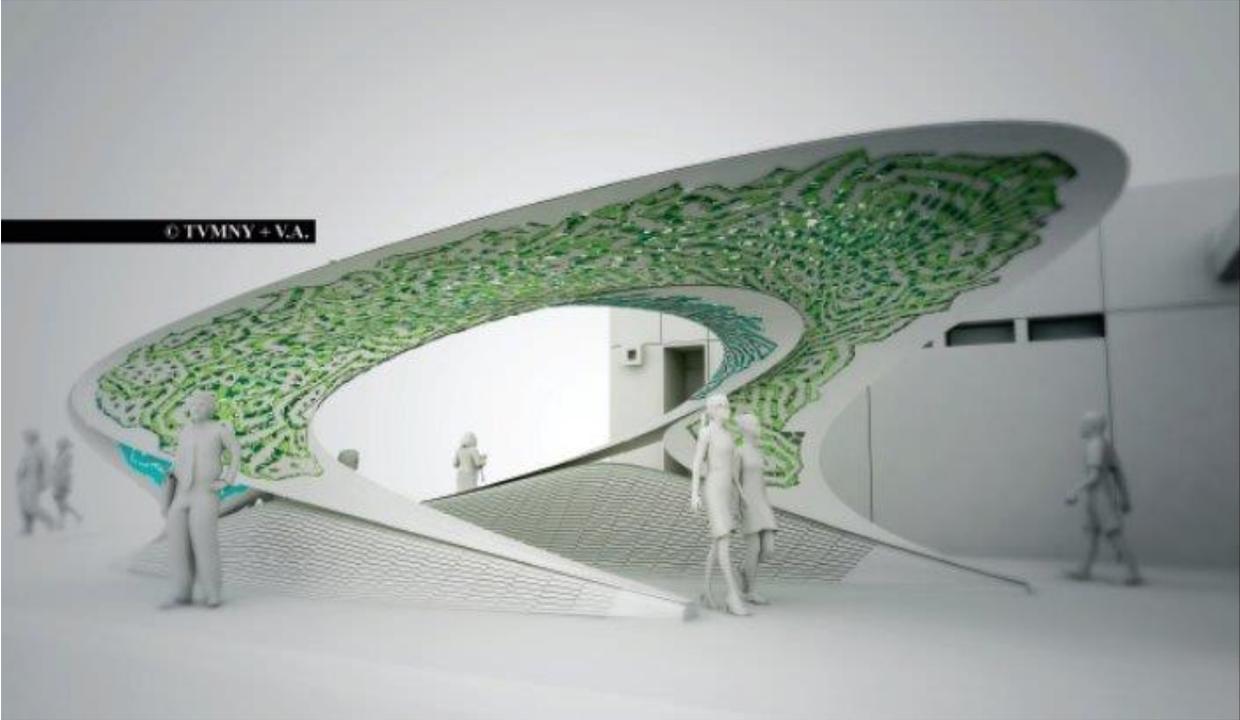


# ATTACHMENT 2 TRANSIT CENTER SITE PLAN





**ATTACHMENT 3**  
**DEPICTION OF REDONDO BEACH GATEWAY PUBLIC ART**



**ATTACHMENT 4**  
**CUSTODIAL SPECIFICATIONS FOR THE**  
**REDONDO BEACH TRANSIT CENTER**

The following specifications describe the minimum level of janitorial/(housekeeping services required by the City of Redondo Beach (City) for the cleaning and maintenance of the Redondo Beach Transit Center, to the best of the City's understanding. Recognizing that the City is a municipal government agency and not a professional Property Management or custodial maintenance firm, the City will entertain modifications and alternatives to these specifications so long as the resulting maintenance and cleaning of the Transit Center is equal to or better than that envisioned in these specifications.

**JANITORIAL SPECIFICATIONS**

I. **DAILY SERVICES:** Services to be performed daily including holidays.

A. **INTERIOR BUILDING CLEANING**

Office Areas, Operator Lounge, Storage Areas and Hallways.

1. Empty waste receptacles and remove waste to designated area.
2. Wash or damp wipe, inside and outside, all waste receptacles presenting a soiled or odorous condition.
3. Replace liners when torn or soiled.
4. Dust mop all non-carpeted floors. Damp mop all spills.
5. Thoroughly vacuum all carpeted floors including corners, and underneath partitions each and every day. Spot clean all carpeted areas as needed.
6. Remove all mats and runners and clean floor area underneath. Clean all mats and runners by best means. Replace all mats and runners.
7. Clean and disinfect drinking fountains.
8. Clean and polish all glass.
9. Move all chairs and clean floor area underneath and replace chairs in proper place.

B. **PUBLIC AND STAFF BATHROOMS**

At a minimum, daily cleaning of bathrooms will entail the following:

1. Clean and disinfect sinks, diaper changing stations, soap dispensers, hand sanitizers, paper towel dispensers, and/or hand-dryers. Clean pipes beneath all sinks.
2. Disinfect toilet seats and toilet paper dispensers.
3. Use approved cleaners, materials and equipment to clean toilets and urinals.
4. Clean mirrors and counters and polish chrome.
5. Refill toilet paper, paper towel, soap dispensers, and hand sanitizer dispensers. (See below Section V – “Responsibility for Replenishable Supplies”).
6. Empty and disinfect all trash receptacles and sanitary napkin/tampon dispensers and disposal units (if applicable).
7. Sweep and damp mop floors with a germicidal solution paying special attention around washbowls, toilets and urinals.
8. Ensure hand dryers work properly.
9. Clean switch, door and kick plates.
10. Maintain floor traps free of odor.
11. Remove graffiti and repair vandalism. Repair or replace fixtures, partitions, and doors as required.

## II. WEEKLY SERVICE

### A. INTERIOR BUILDING CLEANING

Office Areas, Operator Lounge, Storage Areas and Hallways.

1. Dust high and low, including clocks, all surfaces on which dust gathers.
2. Clean all cleared desk and countertop areas with approved desk/counter cleaner.
3. Remove all cobwebs, clean baseboards.
4. Clean and buff all hard surfaced floors.
5. Clean by most appropriate means all furniture. Wash thoroughly all fiberglass/vinyl furniture.

B. PUBLIC AND STAFF BATHROOMS

1. Clean partition walls and doors with germicidal solution, making sure to thoroughly rinse.
2. Clean and buff floors, with special attention to grouting, corners of floor, baseboards, and stalls.
3. Spot clean walls around sinks, waste receptacles, behind urinals and toilets.
4. Dust and clean the under-lavatory guard covering supply and drain lines and any exposed supply and drain lines under sinks and behind toilets
5. Dust radiators, grills, ledges, etc.

III. MONTHLY SERVICE

A. INTERIOR BUILDING CLEANING

Office Areas, Operator Lounge, Storage Areas and Hallways.

1. Dust/vacuum window hangings and upholstered furniture.
6. Clean all carpeted areas of heavy traffic showing noticeably greater soil than general area.
7. Spot clean walls, ceilings, doors, vents and other surfaces, removing all cobwebs, fingerprints, smears and stains.
8. Clean partition glass.
9. Vacuum exposed air bars and heating outlets.
10. Vacuum all upholstered chairs and fabric partitions.

B. PUBLIC AND STAFF BATHROOMS

1. Wash with germicidal solution entrance doorways, ledges, etc.

C. WINDOWS - MONTHLY

1. Wash all exterior windows inside and outside (weather permitting).

IV. SEMI-ANNUAL SERVICE

Schedule to be set up with City representative at beginning of a service period. Any deviation from established schedule must be pre-approved by City.

A. INTERIOR BUILDING CLEANING

Office Areas, Operator Lounge, Storage Areas and Hallways.

1. Shampoo or steam clean carpets.
2. Clean light fixtures lens.
3. Clean ceilings and vents.

V. RESPONSIBILITY FOR REPLENISHABLE SUPPLIES

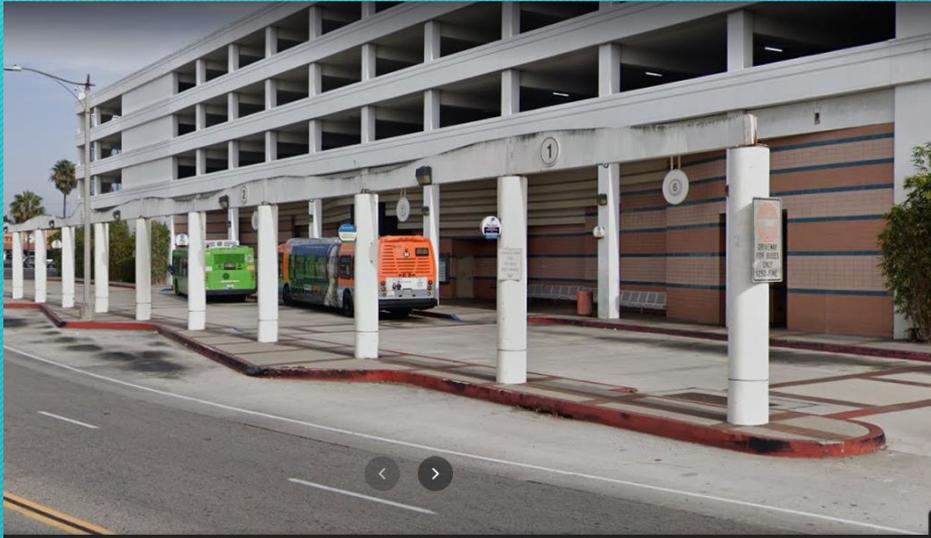
Contractor, as part of its Fixed Fee, is responsible for providing all replenishable supplies, including but not limited to: paper towels, toilet tissue, toilet seat covers, hand soap, plastic liners sanitary napkins/tampons, and hand sanitizer.

# Redondo Beach Transit Center Property Management & Maintenance Services Request For Proposals #2122-002



# Background

- Transit Center - November 1987
- Kingsdale/Artesia Blvd



# Property Management & Maintenance Services Scope of Work

Contractor provides property management services and maintenance of transit center including all labor, supervision, technical support, administration, oversight, equipment, supplies and materials:

- (1) General custodial cleaning and janitorial services;
- (2) Trash collection;
- (3) Recycling processing and removal;
- (4) Window washing;
- (5) HVAC system servicing and maintenance;
- (6) Fire and Life Safety equipment and system maintenance;
- (7) Landscape maintenance;
- (8) Pest Control;
- (9) Vandalism repair and graffiti removal
- (10) All other services as are usual and customary under property management contracts of a similar nature.

# Term of Agreement and Funding

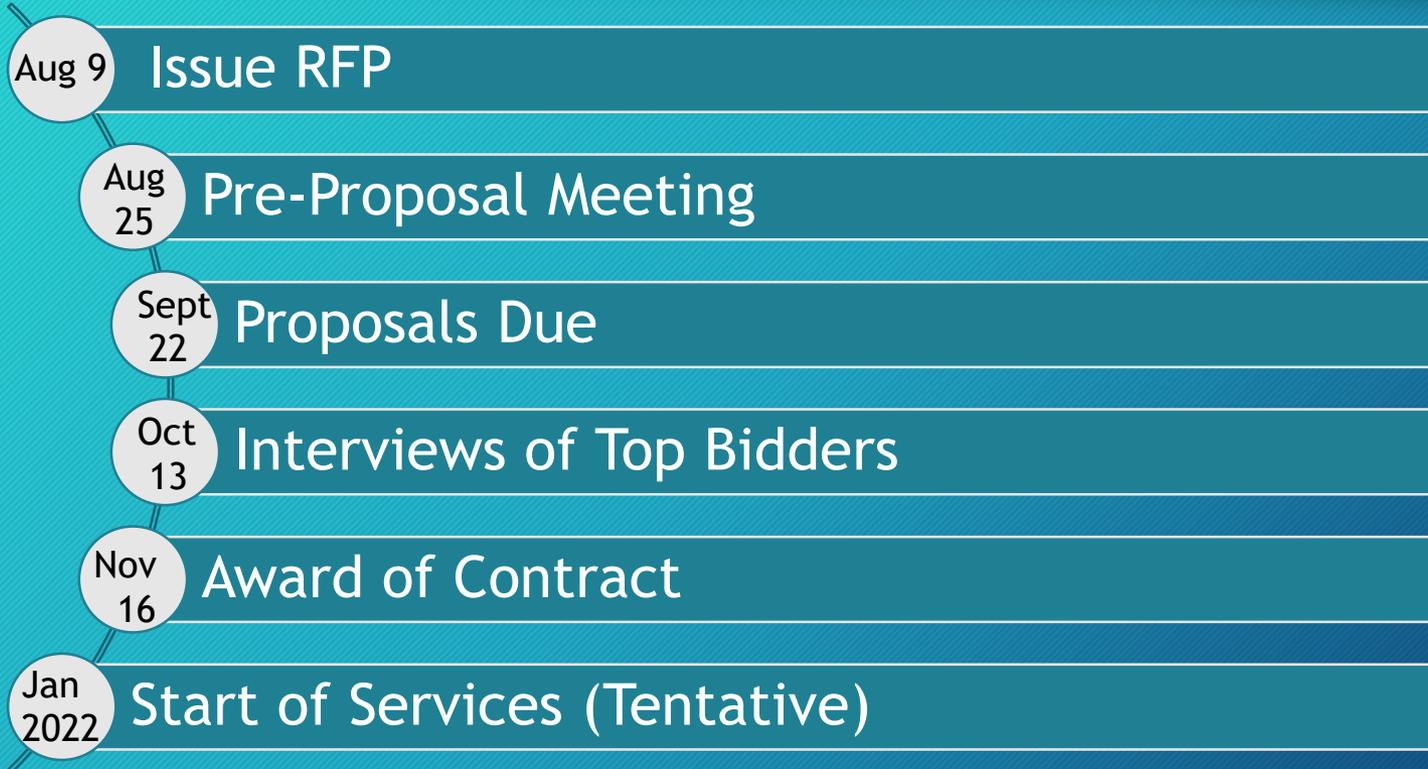
## Term:

- Three years & six months, with two one-year options

## Transit Enterprise Fund - Fund Sources:

- Dedicated Transportation Funds Local Return Proposition A  
Dedicated Transportation Funds - Municipal Operator Formula  
Allocation Procedure (FAP)
- General Funds will not fund the Transit Center operations and maintenance services

# RFP Timeline

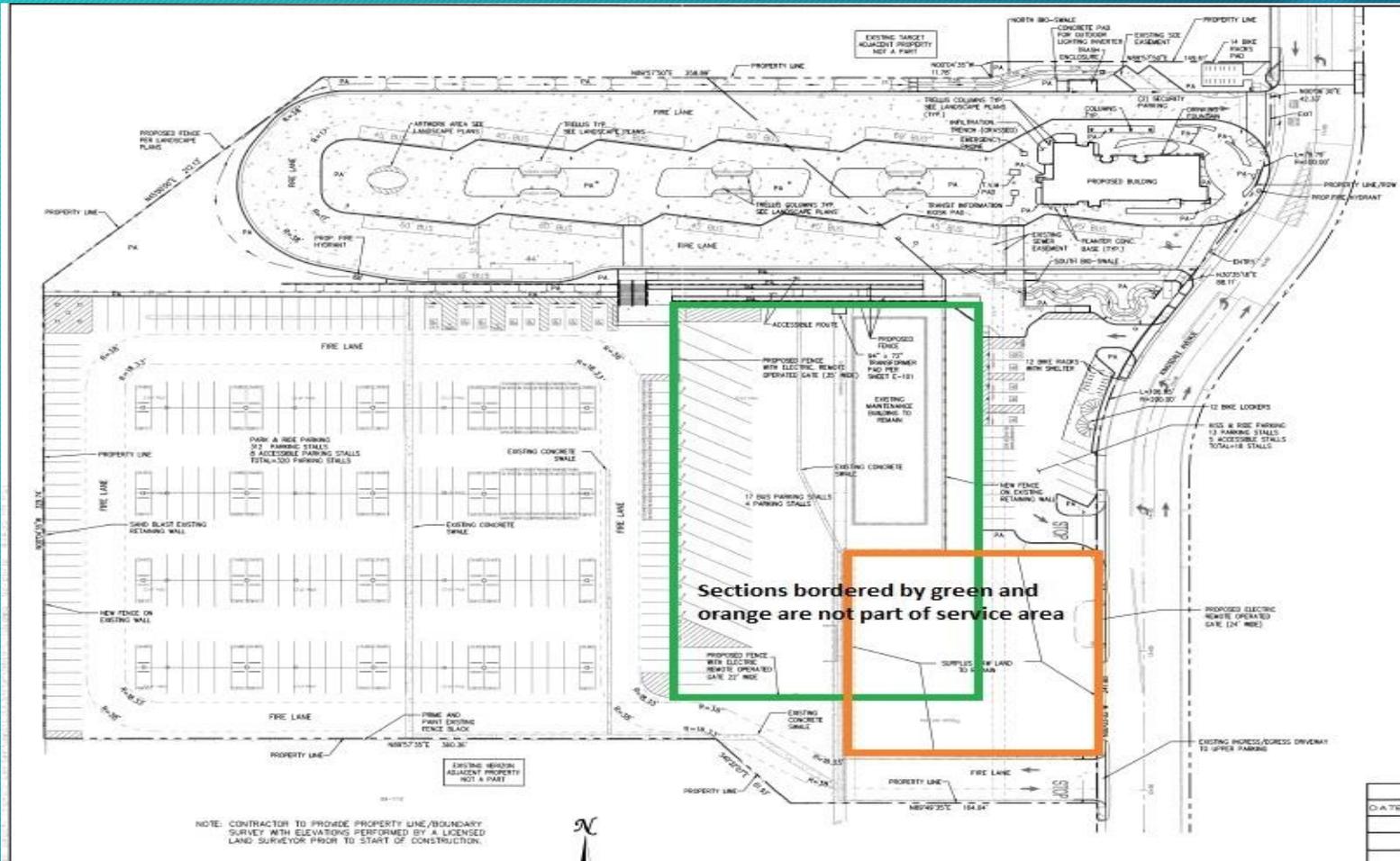


# Redondo Beach Transit Center

- 1521 Kingsdale Avenue
- Construction Completion - January 2022



# Transit Center Property Management & Maintenance Service Area



# Transit Center Aerial View



# Transit Center Facility Amenities

- Facility open during transit operations service hours
- 12 bus bays
- Passenger waiting area
- Ticket vending machine
- Real-time arrival monitors
- Driver operator lounge
- Security offices
- Public and private (driver/staff) restrooms
- Bicycle facilities
- Public art
- Public parking lot (320 spaces), EV charging
- Drop-off kiss and ride lot (13 spaces)
- Blue security phones
- Security cameras

# Regional & Local Transit Services

- Beach Cities Transit
- Metro Bus
- Torrance Transit
- GTrans
- Lawndale Beat
- Potential C Line  
(Green Line)  
Metro Rail Station



# Recommendation

Approve the Request For Proposals for  
Redondo Beach Transit Center  
Property Management & Maintenance Services  
#2122-002





# Administrative Report

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N.2., File # 21-2811

Meeting Date: 8/3/2021

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**To:** MAYOR AND CITY COUNCIL

**From:** STEPHEN PROUD, WATERFRONT & ECONOMIC DEVELOPMENT DIRECTOR

## **TITLE**

DISCUSSION AND POSSIBLE ACTION REGARDING THE FISCAL YEAR 2021-2022 STOREFRONT IMPROVEMENT PROGRAM FOR THE ARTESIA BOULEVARD AND AVIATION BOULEVARD COMMERCIAL CORRIDORS

## **EXECUTIVE SUMMARY**

The City Council has identified the revitalization of the Artesia/Aviation Commercial Corridors as a primary goal and adopted several related objectives as part of the City's previous Strategic Plans. One objective was the implementation of a Storefront Improvement Program ("Program"), which was initially launched with \$100,000 in funding approved by the City Council as part of the FY2017-2018 Operating Budget. Additional funding was approved by Council in 2018 in the amount of \$50,000 and a second round of the Program was opened.

As part of the FY2021-2022 Operating Budget, the Program was re-funded in the amount of \$100,000. For the City Council's review and consideration, the Waterfront and Economic Development Department ("WED") is presenting previously approved Program guidelines that set forth the framework and application requirements for participants in the Program. For consideration, staff has also attached a previously submitted Budget Response Report that explored the prospect of expanding the Program to other commercial areas within the City. As currently written, the Guidelines provide grant funding ranging from \$2,500 to \$15,000 to support improvements/upgrades to storefronts and façades within the defined corridor areas. If the Program is approved, the City will be conducting outreach to the businesses and property owners in the corridors and expects to open the application process on August 16, 2021. The application round will close on November 1, 2021, and the application review will begin immediately thereafter.

## **BACKGROUND**

The City Council has identified the revitalization of the Artesia/Aviation Commercial Corridors as a primary goal and adopted several related objectives including the implementation of a storefront improvement program for the Artesia/Aviation Commercial Corridors. As part of the FY2017-2018 Operating Budget, the Storefront Improvement Program ("Program") was created and launched in January 2018. The Program was funded again as part of the FY2018-2019 Operating Budget with an additional \$50,000 in grant funds made available. The last Program round closed on March 1, 2019.

On June 22, 2021, the City Council approved the City's Operating Budget for FY2021-2022, in which \$100,000 was allocated for the re-funding of the Program for the Artesia Boulevard and Aviation Boulevard Commercial Corridors. The Program, through this designated budget, will provide assistance to commercial business and property owners who want to improve their building façades. The objectives of the Program are to:

- Encourage and induce private investment in the commercial corridors;
- Enhance the appearance of the streetscape;
- Reduce vacancies in the Artesia/Aviation Corridors;
- Strengthen or restore the original character of any historic or vintage buildings; and
- Provide a catalyst for others to improve their buildings, signs, and awnings.

Applicants to the Program must own a business or building within the Program Area, which is defined as follows:

Artesia Boulevard Commercial Corridor: consists of commercial properties located in Redondo Beach along Artesia Boulevard between Axenty Way on the west end and Hawthorne Boulevard on the east end.

Aviation Boulevard Commercial Corridor: consists of properties located in Redondo Beach along Aviation Boulevard between Artesia Boulevard on the north end and Harper Avenue on the south end.

Applicants to the Program will have the option of applying for one of three Tiers of funding. Tier funding caps have remained unchanged from previous Program rounds, though the Council may consider increasing these limits in an effort to attract new applicants and larger façade revitalization projects. As currently written, Tier 1 funds are to be used for non-architectural elements such as paint, signage, and awnings. Tier 1 funding will reimburse 50% of the grantee's cost up to a maximum grant amount of \$2,500. Tier 2 funds may be used for all Tier 1 type improvements as well as additional significant façade improvements including, but not limited to, structural upgrades, façade tile or stone accents, complete window replacement or upgrading entryways for ADA compliance. Tier 2 funding will reimburse 50% of the grantee's cost up to a maximum grant amount of \$10,000. Tier 3 funding is available to multiple tenant commercial buildings, consisting of three or more tenants. Grant funds may be used for Tier 1 or Tier 2 type improvements. The Program reimburses 50% of the grantee's cost up to a maximum grant amount of \$15,000. Applicants have the option of using up to \$1,000 of their allocated grant funds for architectural and design services.

Eligible improvements under the Program are outlined in the Program Guidelines (attached) and include, but are not limited to, exterior paint, removal and replacement of old signs and awnings, repair and replacement of windows and entry doors, landscaping, and remediation of city and state code violations. All improvements made with Program grant funds must comply with all local, state, and federal regulations, as well as design review regulations.

If approved for grant funding under the Program, applicants must sign a Grant Agreement with the

City for a term not to exceed three years. The Grant Agreement details the terms and conditions associated with the Program, as well as required future maintenance obligations. All Grant Agreements will be forwarded to the City Council for review and consideration of final approval.

Grants will be disbursed on a reimbursement basis. Once the proposed improvements are completed, applicants will be required to submit to the City all documentation listed in the Guidelines demonstrating completion of the approved improvements. All proposed improvements are subject to City inspection. Grants are processed in the normal City accounts payable cycle of net 60 days. Grantee must have all City permits and fee obligations paid prior to reimbursement with Program grant funds.

Outreach for the Program will occur via the City's website and through local business groups to ensure that business and property owners within the Program Area are aware of the Program and the related deadlines. The Program will be open for applications beginning August 16, 2021. Similar to the City's previous application submittal periods, the application round will close on November 1, 2021 and the application review will begin immediately thereafter. Applications that best meet the criteria of the Program will be selected and forwarded to the City Council for final approval.

For the Council's consideration, staff has also attached a 2019 Budget Response Report exploring the prospect of expanding the Program to other commercial areas within the City. The City Council's decision at the time was not to expand the Program boundaries and to continue focusing on promoting and implementing the Program along the Artesia and Aviation Boulevard Corridors.

### **COORDINATION**

The Program Guidelines and Application were developed in consultation with the Community Development Department and the City Manager's Office. WED will continue work closely with the Community Development department to ensure that Program applicants are in compliance with all local regulations pertaining to façade upgrades.

### **FISCAL IMPACT**

Funding for the Program was allocated from the General Fund when the City Council approved the Operating Budget for Fiscal Year 2021-2022. Total funds available for the Program is \$100,000.

### **APPROVED BY:**

*Joe Hoefgen, City Manager*

### **ATTACHMENTS**

FY2021-2022 Storefront Improvement Program Guidelines

FY2021-2022 Storefront Improvement Program Application

2019 Budget Response Report: Storefront Improvement Program Expansion

**CITY OF REDONDO BEACH**  
**ARTESIA/AVIATION BOULEVARD COMMERCIAL STOREFRONT IMPROVEMENT**  
**PROGRAM GUIDELINES (FY 21/22)**

The City of Redondo Beach offers a Storefront Improvement Program (the Program) that provides up to a 50% matching grant to qualified businesses and property owners along the Artesia/Aviation Commercial Corridor for the completion of storefront improvements. This document contains information regarding grant funding, eligibility, evaluation criteria, and other program guidelines. Please contact the Waterfront and Economic Development Department at 310-318-0631 or storefront@redondo.org with any questions.

**I. GRANT FUNDS**

**A. Funding Available**

The Program provides matching grants to eligible applicants located within the Program Area (see Section II.A). The Program match requirement is set at a maximum of 50% of eligible costs. However, the City reserves the right to flex the match requirement on a case-by-case basis. Three tiers of grant funding are available to applicants:

**Tier 1:** To be used for non-architectural elements such as paint, signage, and awnings. The Program reimburses 50% of the grantee’s cost up to a maximum grant amount of \$2,500.

**Tier 2:** May be used for all Tier 1 type improvements as well as additional significant Storefront improvements including, but not limited to, structural upgrades, Storefront tile or stone accents, complete window replacement or upgrading entryways for ADA compliance. See Section II.C for a complete list of eligible improvements. The Program reimburses 50% of the grantee’s cost up to a maximum grant amount of \$10,000.

**Tier 3:** Multiple tenant commercial buildings, consisting of three or more tenants, are eligible for the Program under Tier 3. Grant funds may be used for Tier 1 or Tier 2 type improvements. The Program reimburses 50% of the grantee’s cost up to a maximum grant amount of \$15,000.

**B. Requests for Proposals**

The 2021-2022 Program round will be open for applications **August 16, 2021**. The submission deadline is **November 1, 2021**.

|   | Maximum Grant Amount | Match Required | Total Improvement Cost |
|---|----------------------|----------------|------------------------|
| Tier 1: Mini Grants                         | \$2,500              | 50%            | \$5,000                |
| Tier 2: Significant Storefront Improvements | \$10,000             | 50%            | \$20,000               |
| Tier 3: Multiple Tenant Commercial          | \$15,000             | 50%            | \$30,000               |

Applicants may request less than the maximum amount of the grant for any level or contribute more than 50% of the improvement costs. Applicants must wait to submit their applications until the application round is opened. Once the round is closed, no further applications will be accepted.

## II. ELIGIBILITY

### A. Program Area

Properties eligible for the Program must be located within one of the following areas:

- Artesia Boulevard Commercial Corridor, properties located within the City of Redondo Beach along Artesia Boulevard between Aviation Boulevard (on the west end) and Hawthorne Boulevard (on the east end).
- Aviation Boulevard Commercial Corridor, properties located within the City of Redondo Beach along Aviation Boulevard between Artesia Boulevard (on the north end) and Harper Avenue (on the south end).

Please refer to the attached Program Area Map for Program boundaries.

### B. Business Type

Applicants of the Storefront Grant program must be a commercial business located within the Program Area described above. Franchises and chain retailers are eligible under the Program.

### C. Improvements

Improvements assisted by the Program should enhance or restore the physical condition or appearance of the building. Proposed improvements must be visible from the street. Types of improvements include but are not limited to:

- Exterior paint
- Removal of old signs, awnings, and other exterior clutter
- Repair or replacement of exterior siding, stucco or other exterior finishes
- Installation of new entry doors that meet ADA accessibility requirements
- Repair and replacement of windows
- Installation of awnings
- Installation of signs
- Installation of exterior lighting
- Installation of permanent landscaping
- Entire storefront re-facing
- Remediation of city and state code violations
- Construction of outdoor dining and gathering spaces

Improvements not listed above but that contribute to the overall improvement of a storefront may be considered for grant funding on a case-by-case basis.

Up to \$1000 of the requested grant funds may be used for architectural and design services.

Improvements must comply with:

- All local, state and federal Regulations
- Design Review Requirements

#### **D. Applicant**

Applicants may be either an owner of, or tenant within, a proposed project. Both the owner and the tenant may apply to the Program if improvements are to different areas of the façade. If the applicant is a tenant, the property owner must also sign the Storefront Grant Application.

#### **E. Maintenance Requirements**

Approved applications will require that the applicant enter into a Grant Agreement with the City of Redondo Beach for a term not to exceed 3 years (sample Grant Agreement is attached). The Grant Agreement details the terms and conditions associated with the Program, as well as required future maintenance obligations. Improvements funded through the Program must be maintained for a minimum of 3 years (unless they are tenant-specific, in which a change in tenancy requires a change in the improvements, e.g. signs). If the improvements are not maintained, the City may exercise the option to request the grant funds be returned to the City. The City may also request grant funds be returned if within the 3-year term the property or business is sold or transferred.

#### **F. Improvements Ineligible for grants:**

- Construction of or improvements to new buildings
- Improvements to malls or regional shopping centers
- Chain-link fencing with or without slats
- Already completed projects or improvements
- Residential property improvements
- Religious facility improvements

### **III. APPLICATION PROCESS**

See the Program application for a step-by-step summary of the application process, and a detailed checklist of required materials. Program applications are available at the City of Redondo Beach, Waterfront and Economic Development Department, 415 Diamond Street, Redondo Beach or online at <http://www.redondo.org/economicdevelopment>.

Prior to formally submitting an application, applicants are encouraged to meet with Waterfront and Economic Development staff to discuss their proposed project.

### **IV. REVIEW PROCESS**

#### **A. Storefront Improvement Program Committee Review**

A committee consisting of City staff from the Waterfront and Economic Development Department, the Community Development Department and the City Manager's office will review applications. The Committee may: 1) approve, 2) disapprove or 3) approve with conditions. If approved with conditions, the Committee may request that the applicant make specific changes to the proposed improvements, or that the Applicant address pre-existing conditions prior to grant approval. All Grant Agreements will be forwarded to the City Council for review and consideration of final approval.

#### **B. Evaluation Criteria**

Program applications will be reviewed and evaluated based on the criteria listed below. Proposed improvements that best meet these criteria will be most competitive for grant funding.

- Project's contribution to the vitality of the Artesia/Aviation Commercial Corridors
- Amount of street frontage improved
- Total contribution from the grantee

- Prominence of the improved property within the Artesia/Aviation Commercial Corridors
- Design elements
- Property owner participation
- Impact on City fiscal resources
- Current condition of business/property
- Previous grant award history

## V. NOTIFICATION AND NEXT STEPS

After Committee Review is completed, Program applicants will be notified via email (if available) and postal mail about the Committee's decision. As noted, the Committee may:

- Approve
- Disapprove
- Approve with conditions. If approved with conditions, the Committee may request that the Applicant make specific changes to the proposed improvements, or that the Applicant address pre-existing conditions prior to grant approval.

### A. Approved Scope of Work

When Committee Review results in changes to the scope of work submitted with the application, an updated and approved Scope of Work (SOW) will be provided to the Program grantee for review and signature. The approved SOW will be attached to and made a permanent part of the Application.

Grantee must complete their projects in substantial conformance with the approved application and SOW. Any changes made after the grant is awarded must be reviewed and approved by the Committee (e.g. changes to a paint or awning color, sign or architectural design, material choices, etc).

### B. Required Forms

Upon grant award, the grantee will be required to sign hard copies of the following forms:

- **Grant Agreement** which details the Terms and Conditions associated with the grant.

### C. City Council Approval

All Grant Agreements will be forwarded to the City Council for review and consideration of final approval.

### D. Permits and Design Review

All necessary planning, building and other permits must be secured before construction is initiated. Permits can be obtained from the City of Redondo Beach Permit Counter, located at City Hall.

### E. Deadline to Complete Work

- For Tier One grants, improvements must be completed within **three months** of execution of the Grant Agreement.
- For Tier Two and Three grants, all work must be complete within **six months** of execution of the Grant Agreement.

## **F. Reimbursement**

After the proposed improvements are completed, the grantee must submit the following to the Waterfront and Economic Development Department to receive reimbursement:

- Owner's sworn statement stating that proposed improvements have been completed
- Contractor's sworn statement showing the full cost of the work and each separate component amount due to the contractor and each and every subcontractor involved in furnishing labor, materials or equipment in the work
- Proof of payment of the contract cost pursuant to the contractor's statement and final lien waivers from all contractors and subcontractors

If applicable, the Grantee shall also submit to the City a copy of the architect's statement of fees for professional services for preparation of plans and specifications.

All reimbursements will be made to the Grantee only. No reimbursement will be administered to a contractor or vendor.

All proposed improvements are subject to City inspection. Grants are processed in the normal City accounts payable cycle of net 60 days. Grantee must have all City permits and fee obligations paid prior to reimbursement with Program grant funds.

## **VI. GENERAL**

- Contracts for improvements shall be between the Program Grantee and the contractor.
- The availability of Program funds is subject to funding approval by the City Council each fiscal year.

**CITY OF REDONDO BEACH  
ARTESIA/AVIATION COMMERCIAL CORRIDOR  
STOREFRONT IMPROVEMENT PROGRAM  
PROGRAM APPLICATION FY 21/22**



**Section 1: Applicant Information**

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

**Check all that apply:**     Property Owner             Business Owner/Tenant

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

Property Address: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Assessor's Parcel No.: \_\_\_\_\_ Street Frontage: \_\_\_\_\_ LF (lineal feet)

Daytime Phone Number: \_\_\_\_\_ Email: \_\_\_\_\_

Total Number of Businesses in Building: \_\_\_\_\_

Name(s) of Other Businesses: \_\_\_\_\_

**Section 2: Property Owner Information (complete if tenant is applicant)**

Property Owner Name: \_\_\_\_\_

Property Owner Mailing Address: \_\_\_\_\_

Property Owner Daytime Phone Number: \_\_\_\_\_

As the legal owner of the above property, I hereby grant authorization to complete the storefront improvements indicated on this application.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**Section 3: Funding Request**

Grant (please choose only one option):

- Tier 1: Mini Grant  
*(50% of project cost up to a maximum of \$2,500)*
- Tier 2: Significant Storefront Improvement Grant  
*(50% of project cost up to a maximum of \$10,000)*
- Tier 3: Multiple Tenant Commercial Grant  
*(50% of project cost up to a maximum of \$15,000)*

Grant Amount Requested:    \$ \_\_\_\_\_

Estimated Total Project Cost: \$ \_\_\_\_\_

- I will be using a portion of approved grant funds for Architectural/Design services  
*(up to \$1000 of approved grant funding)*

**CITY OF REDONDO BEACH  
ARTESIA/AVIATION COMMERCIAL CORRIDOR  
STOREFRONT IMPROVEMENT PROGRAM  
PROGRAM APPLICATION FY 21/22**



**Section 4: Scope of Work**

Description of Proposed Improvements (attach additional pages if needed):

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**Section 5: Checklist**

Required Attachments:

- Copy of Business License
- Contractor Bids/Estimates (minimum of 3)
- Photos of Current Storefront (minimum of 3, depicting areas for proposed improvements)
- Designs/samples of proposed improvements (e.g. color swatch for new paint, design of new signage/awnings, etc.)
- Site Plans (for Tier 2 and Tier 3 applicants)
- Exterior Elevations (for Tier 2 and Tier 3 applicants)

**Section 6: Acknowledgment**

We certify that the owner is the property owner of record.

I have read and understand the Program Guidelines and accept them.

I certify that I am qualified and will abide by such conditions set forth in this application and all reasonable conditions which may be issued by the City of Redondo Beach in the implementation of this project including the obligation to maintain the improvements for a minimum of 3 years.

Property Owner(s) Signature:

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

Business Owner(s) Signature:

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

# CITY OF REDONDO BEACH

## Budget Response Report #22

June 4, 2019

### Question:

*How can the Storefront Improvement Program be expanded to include businesses in the Riviera Village and Pacific Coast Highway Commercial Corridor?*

### Response:

The City Council has identified the revitalization of the Artesia/Aviation Commercial Corridor (the “Corridor”) as a primary goal and has taken several actions to effectuate that goal, one of which is the creation of a storefront improvement program for the Corridor. The City Council approved \$100,000 of funding for the Storefront Improvement Program as part of the FY2017/2018 Operating Budget, and approved an additional \$50,000 of funding as part of the FY2018/2019 Operating Budget. The Storefront Improvement Program (the “Program”) aids commercial business and property owners who want to improve their building façades. The objectives of the Program are to:

- Encourage and induce private investment in the Corridor;
- Enhance the appearance of the streetscape;
- Reduce vacancies in the Corridor;
- Strengthen or restore the original character of any historic or vintage buildings; and
- Provide a catalyst for others to improve their buildings, signs, and awnings.

Applicants to the Program have the option of applying for one of three Tiers of funding ranging from \$2,500 (minor improvements) to \$15,000 (multi-tenant, major improvements). Applicants have the option of using up to \$1,000 of their allocated grant funds for architectural and design services.

Eligible improvements under the Program are outlined in the Program Guidelines and include, but are not limited to, exterior paint, removal and replacement of old signs and awnings, repair and replacement of windows and entry doors, landscaping, and remediation of city and state code violations. All improvements made with Program grant funds must comply with all local, state, and federal regulations, as well as design review regulations. Applicants to the Program must own a business or building within the Program Area, which currently encompasses the Artesia/Aviation Boulevard Corridor within Redondo Beach.

Should the City Council desire to expand the Program to other areas of the City, such as the Riviera Village and/or the Pacific Coast Highway Commercial Corridor, two specific actions would need to be taken. First, the City Council would need to appropriate funding as part of the FY 2019-2020 budget process to allow for expansion of the program, as the current Artesia/Aviation application pool is expected to exhaust all remaining funds. Second, the Program Guidelines would need to be amended by the City Council to ensure that any specific needs currently present in the Riviera Village or PCH Corridor can be

addressed or explicitly targeted by the Program. Based on a windshield survey of these two prospective areas, the PCH Corridor exhibits a need that more closely resembles the conditions found on Artesia Blvd, while the Riviera Village is generally well maintained and is more readily able to attract private capital.

Attached is a copy of the current Program Guidelines.

Attachments:

- A – Program Guidelines

Attachment A  
**CITY OF REDONDO BEACH**  
**ARTESIA/AVIATION BOULEVARD COMMERCIAL STOREFRONT IMPROVEMENT**  
**PROGRAM GUIDELINES (FY 18/19)**

The City of Redondo Beach offers a Storefront Improvement Program (the Program) that provides up to a 50% matching grant to qualified businesses and property owners along the Artesia/Aviation Commercial Corridor for the completion of storefront improvements. This document contains information regarding grant funding, eligibility, evaluation criteria, and other program guidelines. Please contact the Waterfront and Economic Development Department at 310-318-0631 or storefront@redondo.org with any questions.

**I. GRANT FUNDS**

**A. Funding Available**

The Program provides matching grants to eligible applicants located within the Program Area (see Section II.A). The Program match requirement is set at a maximum of 50% of eligible costs. However, the City reserves the right to flex the match requirement on a case-by-case basis. Three tiers of grant funding are available to applicants:

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**B. Requests for Proposals**

The 2018-2019 Program round will be open for applications **February 1, 2019**. The submission deadline is **April 1, 2019**.

|   | Maximum Grant Amount | Match Required | Total Improvement Cost |
|---|----------------------|----------------|------------------------|
| Tier 1: Mini Grants                         | \$2,500              | 50%            | \$5,000                |
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Applicants may request less than the maximum amount of the grant for any level or contribute more than 50% of the improvement costs. Applicants must wait to submit their applications until the application round is opened. Once the round is closed, no further applications will be accepted.

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### A. Program Area

Properties eligible for the Program must be located within one of the following areas:

- Artesia Boulevard Commercial Corridor, properties located within the City of Redondo Beach along Artesia Boulevard between Aviation Boulevard (on the west end) and Hawthorne Boulevard (on the east end).
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Please refer to the attached Program Area Map for Program boundaries.

### B. Business Type

Applicants of the Storefront Grant program must be a commercial business located within the Program Area described above. Franchises and chain retailers are eligible under the Program.

### C. Improvements

Improvements assisted by the Program should enhance or restore the physical condition or appearance of the building. Proposed improvements must be visible from the street. Types of improvements include but are not limited to:

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Improvements not listed above but that contribute to the overall improvement of a storefront may be considered for grant funding on a case-by-case basis.

Up to \$1000 of the requested grant funds may be used for architectural and design services.

Improvements must comply with:

- All local, state and federal Regulations
- Design Review Requirements

**D. Applicant**

Applicants may be either an owner of, or tenant within, a proposed project. Both the owner and the tenant may apply to the Program if improvements are to different areas of the façade. If the applicant is a tenant, the property owner must also sign the Storefront Grant Application.

**E. Maintenance Requirements**

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**F. Improvements Ineligible for grants:**

- Construction of or improvements to new buildings
- Improvements to malls or regional shopping centers
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- Residential property improvements
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**III. APPLICATION PROCESS**

See the Program application for a step-by-step summary of the application process, and a detailed checklist of required materials. Program applications are available at the City of Redondo Beach, Waterfront and Economic Development Department, 415 Diamond Street, Redondo Beach or online at <http://www.redondo.org/economicdevelopment>.

Prior to formally submitting an application, applicants are encouraged to meet with Waterfront and Economic Development staff to discuss their proposed project.

**IV. REVIEW PROCESS**

**A. Storefront Improvement Program Committee Review**

A committee consisting of City staff from the Waterfront and Economic Development Department, the Community Development Department and the City Manager's office will review applications. The Committee may: 1) approve, 2) disapprove or 3) approve with conditions. If approved with conditions, the Committee may request that the applicant make specific changes to the proposed improvements, or that the Applicant address pre-existing conditions prior to grant approval. All Grant Agreements will be forwarded to the City Council for review and consideration of final approval.

**B. Evaluation Criteria**

Program applications will be reviewed and evaluated based on the criteria listed below. Proposed improvements that best meet these criteria will be most competitive for grant funding.

- Project's contribution to the vitality of the Artesia/Aviation Commercial Corridors
- Amount of street frontage improved
- Total contribution from the grantee

- Prominence of the improved property within the Artesia/Aviation Commercial Corridors
- Design elements
- Property owner participation
- Impact on City fiscal resources
- Current condition of business/property
- Previous grant award history

## V. NOTIFICATION AND NEXT STEPS

After Committee Review is completed, Program applicants will be notified via email (if available) and postal mail about the Committee's decision. As noted, the Committee may:

- Approve
- Disapprove
- Approve with conditions. If approved with conditions, the Committee may request that the Applicant make specific changes to the proposed improvements, or that the Applicant address pre-existing conditions prior to grant approval.

### A. Approved Scope of Work

When Committee Review results in changes to the scope of work submitted with the application, an updated and approved Scope of Work (SOW) will be provided to the Program grantee for review and signature. The approved SOW will be attached to and made a permanent part of the Application.

Grantee must complete their projects in substantial conformance with the approved application and SOW. Any changes made after the grant is awarded must be reviewed and approved by the Committee (e.g. changes to a paint or awning color, sign or architectural design, material choices, etc).

### B. Required Forms

Upon grant award, the grantee will be required to complete hard copies of the following forms:

- **Grant Agreement** which details the Terms and Conditions associated with the grant.

Hard copies of these forms must be returned to City staff within 3 weeks of the date the award is granted.

### C. City Council Approval

All Grant Agreements will be forwarded to the City Council for review and consideration of final approval.

### D. Permits and Design Review

All necessary planning, building and other permits must be secured before construction is initiated. Permits can be obtained from the City of Redondo Beach Permit Counter, located at City Hall.

### E. Deadline to Complete Work

- For Tier One grants, improvements must be completed within **three months** of execution of the Grant Agreement.
- For Tier Two and Three grants, all work must be complete within **six months** of execution of the Grant Agreement.

**F. Reimbursement**

After the proposed improvements are completed, the grantee must submit the following to the Waterfront and Economic Development Department to receive reimbursement:

- Owner's sworn statement stating that proposed improvements have been completed
- Contractor's sworn statement showing the full cost of the work and each separate component amount due to the contractor and each and every subcontractor involved in furnishing labor, materials or equipment in the work
- Proof of payment of the contract cost pursuant to the contractor's statement and final lien waivers from all contractors and subcontractors

If applicable, the Grantee shall also submit to the City a copy of the architect's statement of fees for professional services for preparation of plans and specifications.

All reimbursements will be made to the Grantee only. No reimbursement will be administered to a contractor or vendor.

All proposed improvements are subject to City inspection. Grants are processed in the normal City accounts payable cycle of net 60 days. Grantee must have all City permits and fee obligations paid prior to reimbursement with Program grant funds.

**VI. GENERAL**

- Contracts for improvements shall be between the Program Grantee and the contractor.
- The availability of Program funds is subject to funding approval by the City Council each fiscal year.



# Administrative Report

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O.I., File # 21-2832

Meeting Date: 8/3/2021

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**To: MAYOR AND CITY COUNCIL**

**From: JOE HOEFGEN, CITY MANAGER**

**TITLE**

STATUS REPORT ON CITY SERVICES AND PHASED REOPENING OF CITY FACILITIES DUE TO COVID-19

**EXECUTIVE SUMMARY**

Oral reports from Departments will be provided at the meeting.



# Administrative Report

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P.1., File # 21-2679

Meeting Date: 8/3/2021

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**To:** MAYOR AND CITY COUNCIL  
**From:** ELEANOR MANZANO, CITY CLERK

## **TITLE**

DISCUSSION AND CONSIDERATION OF DESIGNATING THE VOTING DELEGATE AND ALTERNATE FOR 2021 LEAGUE OF CALIFORNIA CITIES ANNUAL CONFERENCE AND AUTHORIZE THE CITY CLERK TO FORWARD THE VOTING DELEGATE FORM

## **EXECUTIVE SUMMARY**

Council is asked to designate the voting delegate and alternate for the League of California Cities 2021 Annual Conference to be held September 22-24, 2021.

On June 16, 2021, the League of California Cities announced that the 2021 annual conference is scheduled to be held in Sacramento, California.

On June 15, 2021, the City Council adopted Resolution No. CC-2106-059 appointing Councilmember Loewenstein as the delegate, and Mayor Brand as the alternate City representatives to the General League of California Cities. The resolution also appointed Mayor Brand as the delegate and Councilmember Loewenstein as the alternate to the Los Angeles Council Division of the League of California Cities.

## **BACKGROUND**

Annually, each City Council is asked to designate a voting representative and an alternate who would be registered and present at the League General Assembly Meeting during the annual conference. Traditionally, the City Council has confirmed the designated voting delegate for the Annual Business Meeting when the membership takes action on conference resolutions. This also confirms that the appointed delegate (or alternate in his/her absence) would be a registered attendant at the conference and may vote on behalf of the City on matters of League Policy.

## **APPROVED BY:**

*Eleanor Manzano, City Clerk*

## **FISCAL IMPACT**

None.

## **ATTACHMENTS**

League of California Cities - Voting Delegate Form

RECEIVED

Council Action Advised by August 31, 2021

2021 JUL -7 PM 2:05

CITY CLERK OFFICE  
RINDO BEACH CALIFORNIA

June 16, 2021

**TO: City Managers and City Clerks****RE: DESIGNATION OF VOTING DELEGATES AND ALTERNATES  
League of California Cities Annual Conference & Expo – September 22-24, 2021**

Cal Cities 2021 Annual Conference & Expo is scheduled for September 22-24, 2021 in Sacramento. An important part of the Annual Conference is the Annual Business Meeting (during General Assembly) on Friday, September 24. At this meeting, Cal Cities membership considers and acts on resolutions that establish Cal Cities policy.

In order to vote at the Annual Business Meeting, your city council must designate a voting delegate. Your city may also appoint up to two alternate voting delegates, one of whom may vote if the designated voting delegate is unable to serve in that capacity.

**Please complete the attached Voting Delegate form and return it to Cal Cities office no later than Wednesday, September 15. This will allow us time to establish voting delegate/alternate records prior to the conference.**

**Please note:** Our number one priority will continue to be the health and safety of participants. We are working closely with the Sacramento Convention Center to ensure that important protocols and cleaning procedures continue, and if necessary, are strengthened. Attendees can anticipate updates as the conference approaches.

- **Action by Council Required.** Consistent with Cal Cities bylaws, a city's voting delegate and up to two alternates must be designated by the city council. When completing the attached Voting Delegate form, please attach either a copy of the council resolution that reflects the council action taken, or have your city clerk or mayor sign the form affirming that the names provided are those selected by the city council. Please note that designating the voting delegate and alternates must be done by city council action and cannot be accomplished by individual action of the mayor or city manager alone.
- **Conference Registration Required.** The voting delegate and alternates must be registered to attend the conference. They need not register for the entire conference; they may register for Friday only. Conference registration will open mid-June at [www.cacities.org](http://www.cacities.org). In order to cast a vote, at least one voter must be present at the Business Meeting and in possession of the voting delegate card. Voting delegates and alternates need to pick up their conference badges before signing in and picking up the voting delegate card at the Voting Delegate Desk. This will enable them to receive the special sticker on their name badges that will admit them into the voting area during the Business Meeting.
- **Transferring Voting Card to Non-Designated Individuals Not Allowed.** The voting delegate card may be transferred freely between the voting delegate and alternates, but



## Annual Conference Voting Procedures

1. **One City One Vote.** Each member city has a right to cast one vote on matters pertaining to Cal Cities policy.
2. **Designating a City Voting Representative.** Prior to the Annual Conference, each city council may designate a voting delegate and up to two alternates; these individuals are identified on the Voting Delegate Form provided to the Cal Cities Credentials Committee.
3. **Registering with the Credentials Committee.** The voting delegate, or alternates, may pick up the city's voting card at the Voting Delegate Desk in the conference registration area. Voting delegates and alternates must sign in at the Voting Delegate Desk. Here they will receive a special sticker on their name badge and thus be admitted to the voting area at the Business Meeting.
4. **Signing Initiated Resolution Petitions.** Only those individuals who are voting delegates (or alternates), and who have picked up their city's voting card by providing a signature to the Credentials Committee at the Voting Delegate Desk, may sign petitions to initiate a resolution.
5. **Voting.** To cast the city's vote, a city official must have in their possession the city's voting card and be registered with the Credentials Committee. The voting card may be transferred freely between the voting delegate and alternates, but may not be transferred to another city official who is neither a voting delegate or alternate.
6. **Voting Area at Business Meeting.** At the Business Meeting, individuals with a voting card will sit in a designated area. Admission will be limited to those individuals with a special sticker on their name badge identifying them as a voting delegate or alternate.
7. **Resolving Disputes.** In case of dispute, the Credentials Committee will determine the validity of signatures on petitioned resolutions and the right of a city official to vote at the Business Meeting.

**2021 ANNUAL CONFERENCE  
VOTING DELEGATE/ALTERNATE FORM**

**Please complete this form and return it to Cal Cities office by Wednesday, September 15, 2021. Forms not sent by this deadline may be submitted to the Voting Delegate Desk located in the Annual Conference Registration Area. Your city council may designate one voting delegate and up to two alternates.**

To vote at the Annual Business Meeting (General Assembly), voting delegates and alternates must be designated by your city council. Please attach the council resolution as proof of designation. As an alternative, the Mayor or City Clerk may sign this form, affirming that the designation reflects the action taken by the council.

**Please note:** Voting delegates and alternates will be seated in a separate area at the Annual Business Meeting. Admission to this designated area will be limited to individuals (voting delegates and alternates) who are identified with a special sticker on their conference badge. This sticker can be obtained only at the Voting Delegate Desk.

**1. VOTING DELEGATE**

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

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

**2. VOTING DELEGATE - ALTERNATE**

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

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

**3. VOTING DELEGATE - ALTERNATE**

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

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

**PLEASE ATTACH COUNCIL RESOLUTION DESIGNATING VOTING DELEGATE AND ALTERNATES OR**

**ATTEST: I affirm that the information provided reflects action by the city council to designate the voting delegate and alternate(s).**

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

Email \_\_\_\_\_

Mayor or City Clerk \_\_\_\_\_  
(circle one) (signature)

Date \_\_\_\_\_ Phone \_\_\_\_\_

**Please complete and return by Wednesday, September 15, 2021 to:**

Darla Yacub, Assistant to the Administrative Services Director  
E-mail: [dyacub@cacities.org](mailto:dyacub@cacities.org)  
Phone: (916) 658-8254