



**AGENDA**

**MEETINGS OF THE PUBLIC FINANCING AUTHORITY, WATER UTILITY AUTHORITY, HOUSING SUCCESSOR, SUCCESSOR AGENCY, AND CITY COUNCIL**

**TUESDAY, MARCH 17, 2026  
AT 6:00 P.M.**

**CITY HALL COUNCIL CHAMBERS  
11710 TELEGRAPH ROAD  
SANTA FE SPRINGS, CA 90670**

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**CITY COUNCIL**

Joe Angel Zamora, Mayor  
Annette Rodriguez, Mayor Pro Tem  
Juanita Martin, Councilmember  
John M. Mora, Councilmember  
William K. Rounds, Councilmember

**CITY MANAGER**

René Bobadilla, P.E.

**CITY ATTORNEY**

Rick Olivarez

**CITY STAFF**

Assistant City Manager  
Interim Fire Chief  
Police Chief  
Director of Community Development  
Director of Finance  
Director of Parks and Recreation  
Director of Police and Community Services  
Director of Public Works  
City Clerk

Nicholas Razo  
Michael Kozicki  
Aviv Bar  
Cuong Nguyen  
Julio Morales  
Gus Hernandez  
Arlene Salazar  
James Enriquez  
Maribel Garcia

## NOTICES

This City Council Meeting ("Council") will be held in person and will meet at City Hall – City Council Chambers, 11710 E. Telegraph Road, Santa Fe Springs, California. The meeting will be live streamed on the City's YouTube Channel and can be accessed on the City's website via the following link: [https://santafesprings.gov/city\\_council/city\\_council\\_meetings/index.php](https://santafesprings.gov/city_council/city_council_meetings/index.php)

**Americans with Disabilities Act:** In compliance with the ADA, if you need special assistance to participate in a City meeting or other services offered by this City, please contact the City Clerk's Office. Notification of at least 48 hours prior to the meeting or time when services are needed will assist the City staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service.

**SB 1439:** Effective January 1, 2025, City Council Members are subject to SB 1439 and cannot participate in certain decisions for a year after accepting campaign contributions of more than \$500 from an interested person. The Council Member would need to disclose the donation and abstain from voting.

**Public Comments:** The public is encouraged to address City Council on any matter listed on the agenda or on any other matter within its jurisdiction. If you wish to address the City Council on the day of the meeting, please fill out a speaker card provided at the door and submit it to City Clerk staff. You may also submit comments in writing by sending them to the City Clerk's Office at [cityclerk@santafesprings.gov](mailto:cityclerk@santafesprings.gov). All written comments received by 12:00 p.m. the day of the City Council Meeting will be distributed to the City Council and made a part of the official record of the meeting. Written comments will not be read at the meeting, only the name of the person submitting the comment will be announced. 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.

**Council Meeting Start Times:** If there is a closed session or study session scheduled on the agenda, the regular meeting shall be scheduled to start at 5:00 p.m. and open session shall start at 6:00 p.m. If there is no closed session or study session scheduled on the agenda, the regular meeting shall be scheduled to start at 6:00 p.m.

**Please Note:** Staff reports and supplemental attachments are available for inspection online and at the office of the City Clerk in City Hall, during regular business hours 7:30 a.m. – 5:30 p.m., Monday – Thursday. Telephone: (562) 868-0511.

**CALL TO ORDER****ROLL CALL****INVOCATION****PLEDGE OF ALLEGIANCE****PRESENTATIONS – NONE****CHANGES TO AGENDA****PUBLIC COMMENTS ON NON-AGENDA, & NON-PUBLIC HEARING AGENDA ITEMS**

At this time, the general public may address the City Council on both non-agenda and non-public hearing agenda items. Comments relating to public hearing items will be heard during the public hearing. Please be aware that the maximum time allotted for members of the public to speak shall not exceed three (3) minutes per speaker. State Law prohibits the City Council from taking action or entertaining extended discussion on a topic not listed on the agenda. Please show courtesy to others and direct all of your comments to the City Council.

**STAFF COMMUNICATIONS ON ITEMS OF COMMUNITY INTEREST****PUBLIC HEARING****1. PUBLIC HEARING FOR FIRST READING OF ORDINANCE NO. 1167 TO AMEND SECTIONS 155.123 (CONDITIONAL USES), 155.153 (CONDITIONAL USES), 155.175.2 (USES), 155.183 (CONDITIONAL USES), 155.213 (CONDITIONAL USES), 155.243 (CONDITIONAL USES), AND ADD SECTION 155.725 (CONDITIONAL USE PERMIT FOR TRUCK, TRAILER, CHASSIS OR CONTAINER STORAGE) WITHIN TITLE 15, CHAPTER 155, OF THE SANTA FE SPRINGS MUNICIPAL CODE AND DETERMINATION THAT THE PROJECT IS EXEMPT FROM CEQA (COMMUNITY DEVELOPMENT)****It is recommended that the City Council:**

1. Open the Public Hearing; and
2. Receive any comments from the public wishing to speak on this matter and thereafter close the Public Hearing; and
3. Find and determine that the proposed Zoning Code Amendment is consistent with the goals, policies, and programs of the City's General Plan; and
4. Find and determine that this Project is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3); and
5. Introduce by title only and waive further reading of Ordinance No. 1167: An Ordinance of the City of Santa Fe Springs Municipal Code relating to the temporary storage of trucks, chassis, and containers on already entitled properties through approval of a Conditional Use Permit; and
6. Take such additional, related action that may be desirable.

## **2. PUBLIC HEARING TO CONSIDER APPROVAL OF AN OPERATING COVENANT AGREEMENT WITH THE OLIVE BANQUET INC. AND THE OLIVE BANQUET SS, LLC (COMMUNITY DEVELOPMENT)**

### **It is recommended that the City Council:**

1. Open the Public Hearing;
2. Receive any comments from the public wishing to speak on this matter and thereafter close the Public Hearing; and
3. Determine that the approval of the Operating Covenant Agreement is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15061(b)(3) (Common Sense Exemption); and
4. Approve the Operating Covenant Agreement with The Olive Banquet Inc. and The Olive Banquet SS, LLC for the property located at 11900 Telegraph Road and authorize the City Manager to execute the Operating Covenant Agreement and supporting exhibits substantially in the form presented, with such minor modifications as approved by the City Attorney; and
5. Take such additional, related action that may be desirable.

## **OLD BUSINESS - NONE**

## **REGULAR BUSINESS**

### **3. FISCAL YEAR 2025-26 MID-YEAR BUDGET ADJUSTMENTS (FINANCE)**

#### **It is recommended that the City Council:**

1. Approve staff recommendation of an additional appropriation of \$440,000 to the FY 2025-26 General Fund Budget for Public Works emergency repairs and Parks & Recreation one-time costs and special event costs;
2. Approve staff recommendation for personnel adjustments of \$77,087 to promote Economic Development, expand Public Safety, and other service enhancements.
3. Approve and adopt the revised salary schedule in Attachment B.

### **4. APPOINTMENT OF AN ALTERNATE TO THE SOUTHEAST WATER COALITION (CITY CLERK)**

#### **It is recommended that the City Council:**

1. Appoint an alternate to the Southeast Water Coalition; and
2. Take such additional, related action that may be desirable.

## **CONSENT CALENDAR**

All matters listed under the Consent Calendar are considered to be routine. Any items a Councilmember wishes to discuss should be designated at this time. All other items may be approved in a single motion. Such approval will also waive the reading of any Ordinance.

## **PUBLIC FINANCING AUTHORITY**

### **5. MINUTES OF THE FEBRUARY 17, 2026 PUBLIC FINANCING AUTHORITY MEETINGS (CITY CLERK)**

#### **It is recommended that the Public Financing Authority:**

1. Approve the minutes as submitted.

**6. MONTHLY REPORT ON THE STATUS OF DEBT INSTRUMENTS ISSUED THROUGH THE CITY OF SANTA FE SPRINGS PUBLIC FINANCING AUTHORITY (PFA) (FINANCE)**

**It is recommended that the Public Financing Authority:**

1. Receive and file the report.

WATER UTILITY AUTHORITY

**7. MINUTES OF THE FEBRUARY 17, 2026 WATER UTILITY AUTHORITY MEETINGS (CITY CLERK)**

**It is recommended that the Water Utility Authority:**

1. Approve the minutes as submitted.

**8. MONTHLY REPORT ON THE STATUS OF DEBT INSTRUMENTS ISSUED THROUGH THE CITY OF SANTA FE SPRINGS WATER UTILITY AUTHORITY (WUA) (FINANCE)**

**It is recommended that the Water Utility Authority:**

1. Receive and file the report.

HOUSING SUCCESSOR

**9. MINUTES OF THE FEBRUARY 17, 2026 HOUSING SUCCESSOR MEETINGS (CITY CLERK)**

**It is recommended that the Housing Successor:**

1. Approve the minutes as submitted.

SUCCESSOR AGENCY

**10. MINUTES OF THE FEBRUARY 17, 2026 HOUSING SUCCESSOR MEETINGS (CITY CLERK)**

**It is recommended that the Successor Agency:**

1. Approve the minutes as submitted.

**11. APPROVAL OF NON-EXCLUSIVE LICENSE AGREEMENT WITH VEHICLE PARKING UNLIMITED, LLC FOR USE OF MC&C IV FOR COMMERCIAL VEHICLE PARKING AND STORAGE (COMMUNITY DEVELOPMENT)**

**It is recommended that the Successor Agency:**

1. Determine that the proposed non-exclusive license agreement with Vehicle Parking Unlimited, LLC (VPU) is exempt from the California Environmental Quality Act (CEQA) (Pub. Res. Code § 21000 *et seq.*) pursuant to CEQA Guidelines Section 15301 (Minor Alterations to Land); and
2. Adopt Resolution 10003, approving a month-to-month license agreement between the Successor Agency to the Community Development Commission/Redevelopment Agency of the City of Santa Fe Springs (Successor Agency) and VPU for the use of MC&C IV site located at 12381 Romandel Avenue; and
3. Take such additional, related, action that may be desirable.

CITY COUNCIL

**12. MINUTES OF THE FEBRUARY 17, 2026 CITY COUNCIL MEETINGS (CITY CLERK)**

**It is recommended that the City Council:**

1. Approve the minutes as submitted.

### **13. APPROVE PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF SANTA FE SPRINGS AND UNIVERSAL WASTE SYSTEMS, INC., TO PROVIDE ILLEGAL DUMPING CLEAN UP AND DISPOSAL SERVICES (POLICE AND COMMUNITY SERVICES)**

#### **It is recommended that the City Council:**

1. Authorize the City Manager to enter into a Professional Services Agreement with Universal Waste System, Inc. in final form that is acceptable to the City Attorney to provide removal and disposal services of illegally dumped items throughout the City; and
2. Approve an agreement not-to-exceed \$300,000 for expenditures related to services provided by the hauler; and
3. Take such additional, related, action that may be desirable.

### **14. 2025 HOUSING ELEMENT ANNUAL PROGRESS REPORT (COMMUNITY DEVELOPMENT)**

#### **It is recommended that the City Council:**

1. Find that the preparation, review, and submission of the 2025 Housing Element Annual Progress Report is not subject to the California Environmental Quality Act (CEQA), as the actions are not a project as defined by Section 15378(b)(2) of the Public Resources Code; and
2. Receive and file the 2025 Housing Element Annual Progress Report; and
3. Authorize staff to submit the 2025 Housing Element Annual Progress Report to the California Department of Housing and Community Development (HCD) and to the Governor's Office of Planning and Research (OPR), and
4. Take such additional, related, action that may be desirable.

### **15. AWARD OF CONTRACTS – ON-CALL PROFESSIONAL ARCHITECTURAL CONSULTING SERVICES (RFQ NO. 26-1) (COMMUNITY DEVELOPMENT)**

#### **It is recommended that the City Council:**

1. Adopt Resolution No. 10004 awarding Professional Services Agreements to Dahlin Group, dSantana Arquitectura, RACAIA, Inc., RJM Design Group, TAIT & Associates Inc., and Tate Snyder Kimsley Architects, Inc., and authorizing the City Manager, or designee, to enter into and execute the Professional Services Agreements with all six firms; and
2. Take such additional, related action that may be desirable.

## **APPOINTMENTS TO BOARDS, COMMITTEES, AND COMMISSIONS**

### **COUNCIL COMMENTS**

Councilmember announcements; requests for future agenda items; conference/meeting reports. Members of the City Council will provide a brief report on meetings attended at the expense of the local agency as required by Government Code Section 53232.3(d).

### **ADJOURNMENT**

I, Maribel Garcia, City Clerk for the City of Santa Fe Springs hereby certify that a copy of this agenda has been posted no less than 72 hours at the following locations; City's website at [www.santafesprings.gov](http://www.santafesprings.gov); Santa Fe Springs City Hall, 11710 Telegraph Road; Santa Fe Springs City Library, 11700 Telegraph Road; and the Town Center Plaza (Kiosk), 11740 Telegraph Road.



## CITY COUNCIL AGENDA STAFF REPORT

**TO:** Honorable Mayor and City Council Members

**FROM:** René Bobadilla, P.E., City Manager

**BY:** Cuong Nguyen, Director of Community Development

**SUBJECT:** **PUBLIC HEARING FOR FIRST READING OF ORDINANCE NO. 1167 TO AMEND SECTIONS 155.123 (CONDITIONAL USES), 155.153 (CONDITIONAL USES), 155.175.2 (USES), 155.183 (CONDITIONAL USES), 155.213 (CONDITIONAL USES), 155.243 (CONDITIONAL USES), AND ADD SECTION 155.725 (CONDITIONAL USE PERMIT FOR TRUCK, TRAILER, CHASSIS OR CONTAINER STORAGE) WITHIN TITLE 15, CHAPTER 155, OF THE SANTA FE SPRINGS MUNICIPAL CODE AND DETERMINATION THAT THE PROJECT IS EXEMPT FROM CEQA**

**DATE:** March 17, 2026

### **RECOMMENDATION:**

It is recommended that the City Council:

1. Open the Public Hearing; and
2. Receive any comments from the public wishing to speak on this matter and thereafter close the Public Hearing; and
3. Find and determine that the proposed Zoning Code Amendment is consistent with the goals, policies, and programs of the City's General Plan; and
4. Find and determine that this Project is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3); and
5. Introduce by title only and waive further reading of Ordinance No. 1167: An Ordinance of the City of Santa Fe Springs Municipal Code relating to the temporary storage of trucks, chassis, and containers on already entitled properties through approval of a Conditional Use Permit; and
6. Take such additional, related action that may be desirable.

### **FISCAL IMPACT**

Adoption of the proposed Zoning Code Amendment will not have a direct fiscal impact. The amendment establishes a regulatory framework that may allow property owners to generate interim revenue from vacant entitled sites, thereby supporting property maintenance, remediation, and readiness for future development.

## **BACKGROUND**

The City of Santa Fe Springs contains properties that have received zoning approvals, land use entitlements, or other discretionary approvals for future development but remain vacant for extended periods due to market conditions, financing, or the need to complete additional regulatory processes. An extended vacancy can contribute to nuisance conditions, illegal dumping, and visual blight.

The proposed Zoning Code Amendment establishes a mechanism to allow regulated interim storage of trucks, trailers, chassis, and shipping containers on such properties through approval of a Conditional Use Permit (CUP). The City finds that, when properly screened and regulated, this type of interim use can be compatible with industrial and mixed-use areas while reducing adverse impacts associated with vacant lots and helping property owners support site upkeep and environmental remediation efforts.

The amendment would:

- Add Section 155.725 establishing a Conditional Use Permit process and operating standards for truck, trailer, chassis, and container storage.
- Allow this interim use in the C-1, C-4, M-1, M-2, ML, MU, MU-DT, and MU-TOD zones, subject to CUP approval.
- Require that the site be undeveloped and have received, or be concurrently receiving, development plan approval for future development.
- Prohibit washing, repair, or habitation of vehicles or containers on site.
- Require perimeter fencing, controlled access, security measures, and compliance with all applicable regulations.
- Limit permits to an initial term not to exceed two years, with limited extension eligibility.
- Establish application materials, operational standards, findings, and revocation provisions.

Corresponding amendments to Sections 155.123, 155.153, 155.175.2, 155.183, 155.213, and 155.243 incorporate this use into the City's use tables and conditional use listings, referencing the new regulatory section (155.725).

## **PLANNING COMMISSION PUBLIC HEARING AND RECOMMENDATION**

On February 18, 2026, the Planning Commission conducted a duly noticed public hearing to review and consider the proposed Zoning Code Amendment (ZCA) regarding the temporary storage of trucks, trailers, chassis, and containers. Following a thorough evaluation of written and oral reports and public discussions during the meeting, the Commissioners voted unanimously to adopt Resolution No. 314-2026. This resolution recommends that the City Council approve and adopt Ordinance No. 1167 to effectuate the proposed amendments to the text of the City's Municipal Code, and determine that the proposed ZCA is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3).

As part of the final review process, minor revisions have been incorporated into the proposed Zoning Code Amendment, including a clarifying amendment that ensures the subject site has been approved or will be approved for future development in accordance with the intent of the proposed ordinance. Specific revisions have been incorporated into Section 155.725 (A)(1).

### **ANALYSIS**

The proposed Zoning Code Amendment is consistent with the Santa Fe Springs 2040 General Plan, particularly the following Land Use policies:

- Policy LU-1.2 – *Economic Diversity*, by supporting continued economic activity and interim revenue-generating uses on entitled properties awaiting development.
- Policy LU-3.4 – *Repurpose Petroleum Production Lands*, by helping property owners maintain and prepare sites transitioning from prior industrial uses.
- Policy LU-4.7 – *Adaptive Reuse and Redevelopment*, by providing a temporary use option that reduces blight and supports timely redevelopment.

The CUP process ensures that each site is reviewed on a case-by-case basis, with the Planning Commission retaining discretion to impose conditions necessary to protect public health, safety, and welfare. The standards regarding screening, security, operational limits, and duration ensure the use remains temporary and does not conflict with long-term planning goals.

### **ENVIRONMENTAL**

The Zoning Code Amendment is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) (Common Sense Exemption), as the ordinance does not approve specific development or construction, and it can be seen with certainty that there is no possibility that adoption of the text amendment itself may have a significant effect on the environment. Any future project would be subject to separate environmental review, as applicable.

### **DISCUSSION**

The proposed Zoning Code Amendment addresses vacant properties that have received, or are pursuing, development approvals but remain undeveloped due to market conditions, financing, environmental review, or construction timing. An extended vacancy can contribute to illegal dumping, nuisance activity, and visual blight.

The amendment establishes a regulated interim use allowing truck, trailer, chassis, and container storage on eligible sites through approval of a Conditional Use Permit (CUP). The intent is to provide a temporary and controlled use that activates vacant land, supports site maintenance and potential remediation efforts, and reduces nuisance conditions – without altering the City's long-term land use vision.

The ordinance includes safeguards to ensure the use remains temporary and compatible, including time limits, operational restrictions, security requirements, case-by-case Planning Commission review, and clear revocation provisions. These standards ensure interim storage remains subordinate to future development and consistent with the City’s long-term planning goals.

**PUBLIC NOTIFICATION**

This matter was set for Public Hearing in accordance with the requirements of Sections 65090 and 65091 of the State Planning, Zoning, and Development Laws and the requirements of Sections 155.860 through 155.864 of the City’s Municipal Code.

The legal notice was posted at Santa Fe Springs City Hall, the City’s Town Center Kiosk, and the Santa Fe Springs Library on March 4, 2026, and published in a newspaper of general circulation (Los Cerritos Community News) on March 4, 2026, as required by the State Zoning and Development Laws. As of the date of this report, staff have not received any further inquiries regarding the Project.

**SUMMARY/NEXT STEPS**

Staff is recommending that the City Council approve and adopt Ordinance No. 1167 to effectuate the proposed amendments to the text of the City’s Municipal Code and determine that the Ordinance is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3). Upon City Council approval of the first reading of Ordinance No. 1167, the Ordinance will be placed on the City Council meeting agenda of April 7, 2026, for a second reading. If adopted, the Ordinance will take effect on May 7, 2026.

**ATTACHMENT(S):**

- A. Ordinance No. 1167
  - a. Exhibit A – Amendments to Sections 155.123 (Conditional Uses), 155.153 (Conditional Uses), 155.175.2 (Uses), 155.183 (Conditional Uses), 155.213 (Conditional Uses), 155.243 (Conditional Uses), And Add Section 155.725 (Conditional Use Permit For Truck, Trailer, Chassis Or Container Storage) Within Title 15, Chapter 155, Of The Santa Fe Springs Municipal Code

<b><u>ITEM STATUS:</u></b>	
APPROVED:	<input type="checkbox"/>
DENIED:	<input type="checkbox"/>
TABLED:	<input type="checkbox"/>
DIRECTION GIVEN:	<input type="checkbox"/>
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City Clerk, Maribel Garcia	

## Exhibit A – Zone Code Amendments

### Key:

Normal Text= Existing unmodified Code language

~~Strikethrough Text~~= Proposed language to be removed from existing Code

Underline Text = Proposed language to be added to Code

*Code of Ordinances of the City of Santa Fe Springs Chapter 155, Section 155.725  
CONDITIONAL USE PERMIT FOR TRUCK, TRAILER CHASSIS OR CONTAINER STORAGE is  
hereby added as follows:*

### **§155.725 CONDITIONAL USE PERMIT FOR THE STORAGE OF TRUCKS, TRAILERS, CHASSIS OR CONTAINERS**

A Conditional Use Permit (CUP) may be obtained for the storage of trucks, trailers, chassis or containers, as defined in § 155.003, in the C-1, C-4, M-L, M-1, M-2, MU, MU-DT, and MU-TOD zones in accordance with the requirements of this section.

#### (A) Required Site Characteristics

- (1) The subject site shall have received a development plan approval and a development agreement has been entered into or shall have received a development plan approval concurrently with the approval of a development agreement for the future development of the subject site concurrently with the approval of a CUP pursuant to this Section. For the purposes of this Section, “development plan approval” shall mean a development plan approval pursuant to Section 155.735 et seq. or equivalent zoning approval to permit development of the subject site.
- (2) The subject site, or a portion thereof, used for storage of trucks, trailers, chassis, or containers shall be undeveloped.

- (B) Standard Conditions of Approval. In addition to any other conditions of approval set forth in the CUP, the following conditions shall apply to all permits granted pursuant to this section. Nothing in this section is intended to limit the City’s authority to conditionally approve an application for a CUP or renewal thereof to protect and promote the public welfare, health and safety. The Planning Commission shall have discretion to modify or amend these conditions on a case-by-case basis as may be necessary or appropriate under the circumstances:

- (1) The permit shall be limited to a period of not more than two years, unless an extension is granted by the Planning Commission as set forth in this section.
- (2) The development agreement shall be executed and entered into prior to the issuance of the first building permit. For purposes of this section, building permit shall mean demolition, grading, or building permit.
- (3) The use shall operate in such a manner as to not be detrimental to property or improvements in the surrounding area or to the public health, safety, or general welfare.
- (4) The truck, trailer, chassis or container storage use shall fully comply with all applicable building, fire, and other state and local laws.
- (5) Washing or repairing of trucks, trailers, chassis or other containers is strictly prohibited at all times.
- (6) Sleeping, living, or otherwise occupying any truck, trailer, chassis, or container while parked or stored on the subject site shall be strictly prohibited at all times.
- (7) Trucks, trailers, chassis, and/or containers shall not be located within the required setback areas for the underlying zoning district.
- (8) Maximum Capacity. The total number of trucks, trailers, chassis or containers shall be determined on a case-by-case basis, based on site size.
- (9) Security. The site shall be secured with controlled access gates and perimeter fencing. Gates shall remain closed when the site is not in operation.
- (10) Perimeter fencing. A minimum six-foot fence shall be installed and maintained along all property lines of the subject site.

(C) Application Filing, Fees and Process

- (1) Application and Contents. Any person seeking a conditional use permit pursuant to this section, shall as part of their application, provide the following information:
  - a. Name of applicant.
  - b. Address of subject site.
  - c. Description of all activities involved, including but not limited to, the number and type of truck, trailers, chassis, or container to be stored and any items that will be stored with them and hours in which the subject site will be utilized for the proposed use.
  - d. Duration of proposed activities.

- e. A site plan accurately drawn to scale depicting vehicular access and queuing, fire lanes, perimeter fencing, and storage areas. Site plans must comply with all applicable stormwater run-off and NPDES requirements.
  - f. Approved zoning land use approvals or entitlements for the future development of subject site, including but not limited to a development plan approval, shall have been granted within the last 24 months or shall concurrently submitted with the request for truck, trailer, or container storage use pursuant to this section.
  - g. A security or safety plan for the proposed use.
  - h. A site maintenance and operations plan for ongoing property cleaning, dust mitigation, and litter control.
- (2) Filing Fee. By resolution, the City Council shall establish and from time to time adjust a schedule of fees for the issuance of a Conditional Use Permit pursuant to this section. Fees shall be calculated so as to recover the cost of administration and enforcement of this section, including but not limited to, issuing a Conditional Use Permit, and administering this Conditional Use Permit program.
- (3) Findings. The approval of the Conditional Use Permit for the storage of trucks, trailers, chassis, or containers may be granted by the Planning Commission, only if all of the following findings can be made:
- (a) The operation of the requested conditional use at the subject site would not be detrimental to the harmonious and orderly growth of the City, nor endanger, jeopardize, or otherwise constitute a hazard to the public convenience, health, interest, safety, or general welfare;
  - (b) The subject site is adequate in size and shape to accommodate the temporary use without material detriment to the use and enjoyment of other properties located adjacent to and in the vicinity of the lot;
  - (c) The subject site is adequately served by the streets or highways having sufficient width and improvements to accommodate the kind and quantity of traffic that the temporary use would or could reasonably be expected to generate; and
  - (d) The use is consistent with all applicable provisions of the General Plan, any applicable specific plan, this Code and other City regulations; and
  - (e) Adequate temporary parking to accommodate vehicular traffic to be generated by the use would be available on-site.

(4) Decision.

- (a) A letter setting forth the Planning Commissions action granting or denying the conditional use permit shall be mailed to the applicant pursuant to §155.719.

(5) Appeal of Decision

- (a) An appeal of the decision made by the Planning Commission shall be made in writing and filed with the City Clerk.
- (b) Said appeal must be received within 14 days from the date of the decision pursuant to §155.865. The filing of an appeal within the prescribed time limit shall have the effect of staying the effective date of the Commission's action until such time as the City Council has acted on the appeal.
- (c) Each appeal shall be considered de novo (new) and the City Council, as the hearing body, may reverse, modify or affirm the decision in regard to the entire project in whole or in part. In taking its action on an appeal, the City Council shall state the basis for its action. The City Council may approve (in full or in part), conditionally approve (in full or in part), and may modify, delete, or add such conditions as it deems necessary. The City Council may also refer the matter back to the Planning Commission for further action.

(D) Extension of Conditional Use Permit

- (1) The holder of a conditional use permit pursuant to this Section may file an application with the Planning Commission Secretary to request a twelve-month extension. The applicant shall submit the request for such extension at least 90 days but no more than 180 days prior to the expiration of the permit.
- (2) The conditional use permit may be extended for no more than one twelve-month period beyond the term of the original approval.
- (3) The Planning Commission may grant the extension if it finds:
- (a) That there have been no changes in the conditions or circumstances of the subject site or operations that would have been grounds for denial of the original permit application; and
- (b) That the applicant is in compliance with all permit terms and conditions, and all local, state, and federal laws.

(E) Abandonment and Violation

- (1) A conditional use permit granted pursuant to this Section which is , or has been unused, abandoned or discontinued for a period of twelve months, shall become null and void. The abandonment or nonuse of the permit for a period of twelve consecutive months shall terminate said permit and any privileges granted thereunder shall become null and void.
- (2) Violation of any term or condition of the permit, or any local, state, or federal law, is cause for the permit to be revoked pursuant to section 155.811, et seq of this code.

*Code of Ordinances of the City of Santa Fe Springs Chapter 155, Section 155.123  
CONDITIONAL USES is hereby amended to read as follows:*

**§155.123 CONDITIONAL USES.**

(K) Truck, Trailer, Chassis, or Container Storage, subject to the regulation set forth in § 155.725.

*Code of Ordinances of the City of Santa Fe Springs Chapter 155, Section 155.153  
CONDITIONAL USES is hereby amended to read as follows:*

**§155.153 CONDITIONAL USES.**

(MM) Truck, Trailer, Chassis, or Container Storage, subject to the regulation set forth in § 155.725.

*Code of Ordinances of the City of Santa Fe Springs Chapter 155, Section 155.175.2 USES is hereby amended to include the following new line item in Table 1: Mixed-Use Allowed Uses and Permit Requirements as follows:*

<u>Truck, Trailer, Chassis or Container Storage subject to the regulations set forth in § 155.725</u>	<u>CUP</u>	<u>CUP</u>	<u>CUP</u>	<u>Subject to regulations in §155.725</u>
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*Code of Ordinances of the City of Santa Fe Springs Chapter 155, Section 155.183  
CONDITIONAL USES is hereby amended to read as follows:*

**§155.183 CONDITIONAL USES.**

(J) Truck, Trailer, Chassis, or Container Storage, subject to the regulation set forth in § 155.725.

*Code of Ordinances of the City of Santa Fe Springs Chapter 155, Section 155.213  
CONDITIONAL USES is hereby amended to read as follows:*

**§155.213 CONDITIONAL USES.**

(Z) Truck, Trailer, Chassis, or Container Storage, subject to the regulation set forth in § 155.725.

*Code of Ordinances of the City of Santa Fe Springs Chapter 155, Section 155.243  
CONDITIONAL USES is hereby amended to include the following permitted use:*

**§155.243 CONDITIONAL USES.**

(P) Truck, Trailer, Chassis, or Container Storage, subject to the regulation set forth in § 155.725.

**ORDINANCE NO. 1167**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS ADOPTING A ZONE TEXT AMENDMENT TO AMEND SECTIONS 155.123 (CONDITIONAL USES), 155.153 (CONDITIONAL USES), 155.175.2 (USES), 155.183 (CONDITIONAL USES), 155.213 (CONDITIONAL USES), 155.243 (CONDITIONAL USES), AND ADD SECTION 155.725 (CONDITIONAL USE PERMIT FOR TRUCK, TRAILER, CHASSIS OR CONTAINER STORAGE) WITHIN TITLE 15, CHAPTER 155, OF THE SANTA FE SPRINGS MUNICIPAL CODE**

WHEREAS, pursuant to California Constitution Article XI, Section 7, the City of Santa Fe Springs (the "City"), a general law city, has the authority to enact local planning and land use regulations to protect the public health, safety, and welfare of its residents through its police power; and

WHEREAS, the City's General Plan and Zoning Code establish land use designations and development standards intended to promote orderly development, economic vitality, and compatible land uses throughout the City; and

WHEREAS, certain properties within the City have received, or are in the process of receiving, zoning approvals, land use entitlements, or other discretionary approvals for future development; and

WHEREAS, such properties may remain vacant for extended periods of time prior to commencement of development due to financing, market conditions, and the need to complete required municipal processes and approvals; and

WHEREAS, prolonged vacancy of entitled properties may contribute to blight, nuisance conditions, and illegal dumping; and

WHEREAS, the City finds that allowing regulated interim uses on vacant entitled properties may assist property owners in generating interim revenue while preparing for future development and also reduce the adverse impacts associated with vacant and unused lots in the City; and

WHEREAS, the City further finds that such interim revenue may support required environmental assessment, cleanup, and remediation efforts; and

WHEREAS, the City has prepared a Zone Text Amendment to the City's Zoning Ordinance, as codified in Title 15 (Land Use), Chapter 155 (Zoning) of the Santa Fe Springs Municipal Code, which amends Sections 155.172 (Uses), 155.213 (Conditional Uses), 155.243 (Conditional Uses), 155.183 (Conditional Uses), 155.123 (Conditional Uses), 155.153 (Conditional Uses) and adds Section 155.725 (Conditional Use Permit for Truck, Trailer Chassis or Container Storage); and

WHEREAS, the City finds that the temporary storage of trucks, chassis, and shipping containers, when appropriately screened and regulated, can be compatible with surrounding uses and may reduce adverse impacts of vacant and unused lots; and

WHEREAS, the purpose of the Ordinance is to allow for the temporary storage of trucks, chassis, and containers on already entitled properties through approval of a Conditional Use Permit, thereby allowing the City to evaluate site-specific conditions and impose operational and development standards; and

WHEREAS, on January 23, 2026, the City of Santa Fe Springs Department of Planning and Development published a legal notice in the *Los Cerritos Community News*, a local paper of general circulation, indicating the date and time of the public hearing for the Planning Commission. A public hearing notice was also posted in the Santa Fe Springs City Hall Window, the City's Town Center kiosk, and Santa Fe Springs Library; and

WHEREAS, pursuant to Government Code Section 65854, the Planning Commission conducted a duly noticed public hearing on this matter on February 18, 2026, wherein the Planning Commission considered all public comments received before and during the public hearing, the presentation by City staff, the relevant staff report, and all other pertinent documents regarding proposed Ordinance 1167; and

WHEREAS, at the close of the public hearing, the Planning Commission voted to recommend approval of the proposed ordinance by a 4-0 vote; and

WHEREAS, on March 17, 2026, the City Council held a duly noticed public hearing regarding the proposed Ordinance, considered all public comments received before and during the public hearing, the presentation by City Staff, the relevant staff report inclusive of the Planning Commission's recommendation, and all other pertinent documents regarding the proposed Ordinance; and

WHEREAS, the proposed Ordinance is consistent with the City's General Plan, including Land Use Policy 1.2, in that it supports continued economic activity by allowing interim revenue-generating uses on entitled properties awaiting development; and

WHEREAS, the Ordinance is further consistent with the City's General Plan, including Land Use Policy 4.7, because it provides a temporary use option for underutilized or vacant properties, thereby promoting adaptive reuse and timely redevelopment; and

WHEREAS, the City Council desires to establish a clear regulatory framework that allows property owners with approved or pending land use entitlements to utilize vacant sites for the storage of trucks, trailer chassis, and/or containers, while preserving the City's long-term planning goals and encouraging the timely development of the land.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS DOES HEREBY FIND, DETERMINE, AND ORDAIN AS FOLLOWS:

SECTION I. Findings:

1. The above recitals are true and correct and are a substantial part of this Ordinance.
2. That the facts in this matter are as stated in the staff report regarding the proposed amendments to the text of the City's Zoning Ordinance.
3. The Exhibits attached to this Ordinance are each incorporated by reference and made a part of this Ordinance.
4. The proposed Ordinance is consistent with the following Santa Fe Springs General Plan Goals and Policies:
  - a. Policy LU-1.2: Economic Diversity. Support a diversified economy with a balance of small and large businesses across a broad range of industries that provide employment, commercial, and experiential opportunities.
  - b. Policy LU-3.4: Repurpose Petroleum Production Lands. Encourage the remediation and development of properties transitioning from petroleum production.
  - c. Policy LU-4.7: Adaptive Reuse and Redevelopment. Collaborate with business owners and landowners with underinvested properties to support adaptive reuse and redevelopment.
5. The Ordinance meets the requirements as contained in State Planning and Zoning Law (Government Code § 65800 *et seq.*)
6. The Ordinance has been prepared and will be adopted in accordance with the requirements of the State Planning and Zoning Law

SECTION II. Amendments:

1. Code of Ordinances of the City of Santa Fe Springs Chapter 155, Section 155.123 CONDITIONAL USES is hereby amended as provided in Exhibit "A" attached hereto and incorporated by reference.
2. Code of Ordinances of the City of Santa Fe Springs Chapter 155, Section 155.153 CONDITIONAL USES is hereby amended as provided in Exhibit "A" attached hereto and incorporated by reference.

3. Code of Ordinances of the City of Santa Fe Springs Chapter 155, Section 155.725 CONDITIONAL USE PERMIT FOR TRUCK, TRAILER CHASSIS OR CONTAINER STORAGE is hereby amended as provided in Exhibit "A" attached hereto and incorporated herein by reference.
4. Code of Ordinances of the City of Santa Fe Springs Chapter 155, Section 155.175.2 USES is hereby amended as provided in Exhibit "A" attached hereto and incorporated by reference.
5. Code of Ordinances of the City of Santa Fe Springs Chapter 155, Section 155.183 CONDITIONAL USES is hereby amended as provided in Exhibit "A" attached hereto and incorporated by reference.
6. Code of Ordinances of the City of Santa Fe Springs Chapter 155, Section 155.213 CONDITIONAL USES is hereby amended as provided in Exhibit "A" attached hereto and incorporated by reference.
7. Code of Ordinances of the City of Santa Fe Springs Chapter 155, Section 155.243 CONDITIONAL USES is hereby amended as provided in Exhibit "A" attached hereto and incorporated by reference.

**SECTION III.** Environmental Findings and Determination:

This Ordinance is exempt from the California Environmental Quality Act (CEQA) under Section 15061(b)(3), under the "Common Sense" exemption, because the Ordinance does not approve any development or construction, and any future project would be subject to future CEQA reviews; therefore, no further action is required under CEQA.

**SECTION IV.** If any section, subsection, subdivision, paragraph, sentence, clause, or phrase in this Ordinance, or any part thereof, is held invalid or unconstitutional, such decision shall not affect the validity of the remaining section or portions of this Ordinance or of Chapter 155, or any part thereof. The City Council hereby declares that it would have adopted each section, subsection, subdivision, paragraph, sentence, clause, or phrase in this Ordinance irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses, or phrases may be declared invalid or unconstitutional.

**Section V.** The City Clerk shall certify to the adoption of this Ordinance and shall cause the same to be posted in at least three (3) public places in the City, such posting to be completed not later than fifteen (15) days after passage thereof.

PASSED AND ADOPTED this 7<sup>th</sup> day of April, 2026, by the following vote:

AYES:  
NOES:  
ABSTAIN:

ABSENT:

---

Jose Angel Zamora, Mayor

ATTEST:

---

Maribel Garcia, City Clerk

Attachments:

- a. Exhibit A – Amendments to Sections 155.123 (Conditional Uses), 155.153 (Conditional Uses), 155.175.2 (Uses), 155.183 (Conditional Uses), 155.213 (Conditional Uses), 155.243 (Conditional Uses), And Add Section 155.725 (Conditional Use Permit For Truck, Trailer, Chassis Or Container Storage) Within Title 15, Chapter 155, Of The Santa Fe Springs Municipal Code



## CITY COUNCIL AGENDA STAFF REPORT

**TO:** Honorable Mayor and City Council Members  
**FROM:** René Bobadilla, P.E., City Manager  
**BY:** Cuong Nguyen, Director of Community Development  
**SUBJECT:** **PUBLIC HEARING TO CONSIDER APPROVAL OF AN OPERATING COVENANT AGREEMENT WITH THE OLIVE BANQUET INC. AND THE OLIVE BANQUET SS, LLC**  
**DATE:** March 17, 2026

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### **RECOMMENDATION:**

It is recommended that the City Council:

1. Open the Public Hearing;
2. Receive any comments from the public wishing to speak on this matter and thereafter close the Public Hearing;
3. Determine that the approval of the Operating Covenant Agreement is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15061(b)(3) (Common Sense Exemption);
4. Approve the Operating Covenant Agreement with The Olive Banquet Inc. and The Olive Banquet SS, LLC for the property located at 11900 Telegraph Road and authorize the City Manager to execute the Operating Covenant Agreement and supporting exhibits substantially in the form presented, with such minor modifications as approved by the City Attorney; and
5. Take such additional, related action that may be desirable.

### **FISCAL IMPACT**

The Operating Covenant Agreement provides for a conditional grant in the amount of \$3,100,000 to support the operation of The Olive RestoBar restaurant and banquet facility. The City's interests associated with the grant and the operating covenants required under the agreement are secured by a Performance Deed of Trust recorded on title of the Property.

### **BACKGROUND**

At the March 3, 2026 City Council meeting, the City Council opened the public hearing for the proposed Operating Covenant Agreement related to the establishment and operation of The Olive RestoBar, a restaurant and banquet facility to be located at 11900 Telegraph Road (the "Property").

Because several provisions of the agreement required additional refinement, the City Council continued the public hearing to a future meeting to allow staff and the operator additional time to finalize the agreement.

The project includes the operation of a full-service restaurant and a banquet hall event space intended to provide dining, entertainment, and event hosting opportunities within the community. The City's participation is structured as a conditional grant designed to support the ongoing operation of the business, job creation and retention, and the continued use of the property for restaurant-related activities.

To secure the obligations contained in the Operating Covenant Agreement, the City and the restaurant operator will record a Performance Deed of Trust against the Property.

### **ANALYSIS**

The City seeks to revitalize its downtown and has commenced the development of a Downtown Specific Plan. An anchor business in the vicinity of the downtown area could serve as a catalyst for broader downtown revitalization efforts. To support downtown revitalization and broader economic development efforts, the City has the opportunity to utilize Assembly Bill 562 ("AB 562"), which allows local jurisdictions to provide economic development subsidies in order to promote economic growth and the creation of new local job opportunities. AB 562 requires the City Council to hold a noticed public hearing and provide certain information on its website regarding the proposed economic development subsidy.

To assist in the economic development of the City's future downtown by bringing an Olive RestoBar and banquet hall to the property located at 11900 Telegraph Road, the proposed Operating Covenant Agreement would provide The Olive Banquet Inc. and The Olive Banquet SS LLC with a conditional grant of Three Million One Hundred Thousand Dollars (\$3,100,000) in exchange for compliance with certain operating covenants for a period of ten (10) years, including the continuous operation of the restaurant and banquet facility and creating and maintaining forty (40) full time equivalent jobs.

The Public Hearing Notice was published on the City's website for a public hearing to be held on March 17, 2026. The Economic Development Subsidy / AB 562 Report to be published on the City's website is attached as Attachment B.

### **ENVIRONMENTAL**

Staff reviewed the proposed project in accordance with the California Environmental Quality Act (CEQA) guidelines and has been determined that the project is exempt pursuant to CEQA Regulation 15061(b)(3). The approval of the Operating Covenant Agreement does not approve any development or construction, and any future projects will be subject to review pursuant to CEQA. Any future development or construction on the Property would be subject to the City's entitlement process and environmental review pursuant to CEQA as required by law. In addition, Section 15061(b)(3) includes the general rule that CEQA applies only to activities which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the

activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Therefore, no further action is required under CEQA.

**DISCUSSION**

The proposed restaurant and banquet facility will expand dining and event space options within the City and is expected to serve both residents and visitors. In addition, the project is anticipated to generate employment opportunities and increased economic activity that will contribute to the City’s ongoing economic development and downtown revitalization efforts, generating sales tax revenue and strengthening and diversifying its local dining and hospitality offerings.

The conditional structure of the City’s grant ensures that public funds are tied directly to the continued operation of the business and the fulfillment of the operating covenants established in the agreement. The City’s participation was an important factor in facilitating the project and helping ensure the long-term viability of a restaurant and banquet facility at this location, which supports the City’s broader economic development objectives of expanding dining, entertainment, and community gathering spaces.

**SUMMARY/NEXT STEPS**

It is recommended that the City Council:

- Open the public hearing and receive testimony on the consideration of an Operating Covenant Agreement between the City of Santa Fe Springs, The Olive Banquet Inc. and The Olive Banquet SS, LLC.
- Adopt the attached resolution making certain findings, approving the Operating Covenant Agreement, and authorizing the City Manager to execute the Operating Covenant Agreement, including minor modifications as appropriate, and any other pertinent documents necessary to effectuate and/or implement the Operating Covenant Agreement.

**ATTACHMENT:**

- A. Resolution No. 10005
- B. Economic Development Subsidy / AB 562 Report
- C. Operating Covenant Agreement
- D. Public Hearing Notice

<b><u>ITEM STATUS:</u></b>	
APPROVED:	<input type="checkbox"/>
DENIED:	<input type="checkbox"/>
TABLED:	<input type="checkbox"/>
DIRECTION GIVEN:	<input type="checkbox"/>
<hr/>	
City Clerk, Maribel Garcia	

**RESOLUTION NO. 10005**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS APPROVING AN OPERATING COVENANT AGREEMENT WITH THE OLIVE BANQUET INC.**

**WHEREAS**, the City of Santa Fe Springs (“City”) seeks revitalize its downtown and has commenced a process to adopt a downtown specific plan;

**WHEREAS**, the City desires to facilitate the economic development of its downtown by providing strategic incentives that will lead to jobs, increased property tax revenue, financial investment, and increased community amenities;

**WHEREAS**, The Olive Banquet SS LLC, a California limited liability company, intends to enter into a purchase agreement for the acquisition of that certain real property located at 11900 Telegraph Road within the City (the “Property”);

**WHEREAS**, The Olive Banquet SS LLC and The Olive Banquet Inc., a California corporation (collectively “Restaurant Owner”), proposes to operate a restaurant and rentable banquet hall on the Property (the “Restaurant”);

**WHEREAS**, the Property is located along the City’s primary thoroughfare and immediately adjacent to the area identified by the City for its future downtown;

**WHEREAS**, the City desires to ensure that the area planned for its future downtown includes ample dining options and that residents have access to rentable event spaces in the City;

**WHEREAS**, the Restaurant is expected to generate significant economic benefits to the City, including but not limited to: (i) the creation and retention of permanent local jobs; (ii) increased sales tax revenues from on-site food, beverage, and event-related expenditures; (iii) increased property tax revenues and assessed valuation resulting from investment in and activation of the Property; (iv) indirect economic activity benefiting nearby businesses; and (v) enhancement of community amenities that support local quality of life and business attraction through the provision of dining and nightlife options for local residents;

**WHEREAS**, the City desires to facilitate the provision of economic benefits by the Restaurant by ensuring that the future Restaurant remains in business;

**WHEREAS**, in order to ensure the retention of the Restaurant and the facilitation of jobs and other economic benefits by the Restaurant, the City and Restaurant Owner have agreed to enter into an Operating Covenant Agreement (the “Agreement”), attached hereto in substantial form as Exhibit “A,” whereby the Restaurant Owner commits to creating and maintaining forty (40) full time equivalent jobs in the City for a period of ten

(10) years in exchange for a conditional grant by City of Three Million One Hundred Thousand Dollars (\$3,100,000) to The Olive Banquet SS LLC (the "Grant");

**WHEREAS**, the City has caused the preparation of an economic analysis of the Agreement in accordance with Government Code Section 53083. A copy of the report (the "Economic Development Subsidy Report") is attached hereto as Exhibit "B" and was made available to the public and posted on the City's website prior to the March 17, 2026 public hearing;

**WHEREAS**, the Economic Development Summary Report describes all beneficiaries of the economic development subsidy under the Agreement, describes the start and end dates for the economic development subsidy under the Agreement, describes the economic development subsidy called for under the Agreement, including the estimated total amount of the expenditure of public funds as a result of the economic development subsidy, includes a statement of the public purposes for the economic development subsidy under the Agreement, contains an estimate of the projected tax revenue to the City as a result of the economic development subsidy, and contains an estimate of the number of jobs that will be retained and created by the economic development subsidy under the Agreement; and

**WHEREAS**, the Economic Development Summary Report concludes that, over the term of the Agreement, Restaurant Owner will receive a Three Million One Hundred Thousand Dollars (\$3,100,000) total subsidy, that the City will receive approximately One Million Three Hundred Twenty-Seven Thousand Five Hundred Dollars (\$1,327,500) in sales tax revenue, and that approximately forty (40) full-time jobs will be created and retained as a result of the Agreement; and

**WHEREAS**, prior to approval of the Agreement, the City made the required information available to the public in written form and on the City's website, as required by Government Code Section 53083(a); and

**WHEREAS**, on March 17, 2026, the City Council held a duly noticed public hearing regarding the Agreement and the City's obligations to pay the Grant as required by Government Code Section 53083(b); and

**WHEREAS**, the City Council has duly considered the terms of the proposed Agreement, the Summary Report, the value of the assistance provided by the City, the benefits to be derived from the Agreement, the report of City Staff, and other testimony provided at the March 17, 2026 public hearing.

**NOW, THEREFORE, BE IT RESOLVED, DECLARED, DETERMINED, AND ORDERED BY THE CITY OF SANTA FE SPRINGS:**

**SECTION 1.** The City Council hereby makes the following findings:

- A. The recitals set forth above are true and correct and are incorporated herein by reference.
- B. The Restaurant Owner's significant capital investment to obtain all necessary approvals for and commence operations of the Restaurant and to operate the Restaurant, the imposition of the operating covenants, and the City's payment of the Grant constitute valid public purposes under Article XVI, Section 6 of the California Constitution as necessary for the economic enhancement of the City and contributing to the City's general fund for the health, safety, and welfare of its residents.
- C. The proposed Agreement is in the best interest of the City and its residents and is consistent with the public purposes outlined in applicable state and local laws. The Restaurant will generate tax revenues, retain and create significant employment opportunities, and serve as an anchor business to catalyze the City's revitalization of its downtown, thereby providing other tangible and intangible benefits to the City.
- D. The City's payment of the Grant is intended to incentivize the Restaurant Owner to invest significantly in the Restaurant, to continue to operate the Restaurant for at least ten (10) years, to generate sales tax revenues, and to create local employment opportunities.
- E. The benefits provided by the Restaurant over the ten (10) year period will result in substantially more benefits to the City than the cost of providing the Grant.

**SECTION 2.** City Council determines that this project is exempt from the California Environmental Quality Act ("CEQA") pursuant to CEQA Section 15061(b)(3) (common sense exemption), and a Notice of Exemption has been prepared. The exemption applies only to projects where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

**SECTION 3.** The Agreement between the City of Santa Fe Springs, The Olive Banquet Inc., and The Olive Banquet SS LLC, attached hereto as Exhibit "A," is hereby approved.

**SECTION 4.** The City Manager is hereby authorized to execute the Agreement, and any other related attachments or documents as necessary to effectuate and implement the Agreement, including any minor modifications as appropriate and recommended by the City Attorney.

**SECTION 5.** The City Clerk shall certify the adoption of this Resolution.

**APPROVED:**  
**ITEM NO.:**

**APPROVED and ADOPTED** this 17th day of March, **2026** by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Joe Angel Zamora, Mayor

ATTEST:

\_\_\_\_\_  
Maribel Garcia, City Clerk

**APPROVED:**  
**ITEM NO.:**

**EXHIBIT A**  
**OPERATING COVENANT AGREEMENT**

**APPROVED:**  
**ITEM NO.:**

**EXHIBIT B**  
**ECONOMIC DEVELOPMENT SUBSIDY REPORT**

## **ECONOMIC DEVELOPMENT SUBSIDY / AB 562 REPORT**

### **THE OLIVE BANQUET INC.**

#### **INTRODUCTION**

This Economic Development Subsidy / AB 562 Report (“Report”) has been prepared and published pursuant to the requirements of Government Code Section 53083, which requires local agencies to provide specific information to the public and holding a duly noticed public hearing before approving certain economic development subsidies.

The City of Santa Fe Springs (“City”) desires to assist in the economic development of the City’s future downtown by bringing an Olive RestoBar and banquet hall (together, the “Restaurant”) operated by The Olive Banquet Inc. The development and operation of the Restaurant is expected to generate significant economic benefits to the City, including but not limited to, the creation and retention of permanent local jobs, increased sales tax revenues, increased property tax revenues, economic activity benefiting nearby businesses, and increased community amenities. The City has the ability to implement the provisions of AB 562, a statewide economic development passed by Governor Brown in late 2013 for the purpose of allowing local jurisdictions to induce economic development. The City, The Olive Banquet Inc., and The Olive Banquet SS LLC are proposing to enter into an agreement to allocate General Funds to provide financial assistance in the form of an economic development subsidy to The Olive Banquet Inc. and The Olive Banquet SS LLC as described in the Operating Covenant Agreement, as more particularly described in this Report and in the Operating Covenant Agreement. Pursuant to Section 53083 of the California Government Code the following information will be posted on the City’s website.

#### **1. NAME AND ADDRESS OF THE ENTITY**

The Olive Banquet Inc., a California corporation, located at 9288 Lubec Street, Downey, CA 90240 and The Olive Banquet SS LLC, a California limited liability company, located at 9288 Lubec Street, Downey, CA 90240 (collectively, “Restaurant Owner”).

#### **2. THE START AND END DATES AND THE SCHEDULE FOR THE SUBSIDY**

The economic development subsidy will start when the Operative Covenant Agreement is approved by the City Council, the City receives three (3) originals of the Operative Covenant Agreement, one (1) original of the Notice of Agreement and Declaration of Covenants recorded against the property located at 11900 Telegraph Road in Santa Fe Springs (the “Property”), Restaurant Owner enters into an agreement to purchase the Property, and all conditions to the close of escrow on the Property are satisfied. The subsidy will end ten (10) years after Restaurant Owner receives all required governmental permissions and commences Restaurant operations on the Property, and is conditioned on Restaurant Owner’s assurance that the Restaurant will remain in business pursuant to the terms and conditions set forth in the Operating Covenant Agreement.

**3. DESCRIPTION OF SUBSIDY INCLUDING THE ESTIMATED TOTAL AMOUNT OF EXPENDITURE OF PUBLIC FUNDS OR REVENUE LOST BY THE LOCAL AGENCY AS A RESULT OF THE SUBSIDY**

The City would provide Restaurant Owner with assistance in consideration of certain covenants and restrictions detailed in the Operating Covenant Agreement. The subsidy will be in the form of a conditional grant of funds in the amount of Three Million One Hundred Thousand Dollars (\$3,100,000.00) (the “Grant”) to assist The Olive Banquet Inc. for a period of ten (10) years in the creation and maintenance of forty (40) full-time equivalent jobs and a minimum investment by Restaurant Owner of Six Million Dollars (\$6,000,000.00) into the City, which must be repaid in the event of default as detailed in the Operating Covenant Agreement.

**4. STATEMENT OF PUBLIC PURPOSE FOR THE SUBSIDY**

The Property is located on the City’s primary thoroughfare, immediately adjacent to the area identified by the City as its future downtown, for which the City has commenced the process of developing a Downtown Specific Plan. The City seeks an anchor project to serve as a catalyst for its broader efforts to revitalize its downtown. The subsidy is being provided to facilitate the economic development of the City’s future downtown by providing strategic incentives that will lead to permanent local jobs, increased sales tax revenues, increased property tax revenues and assessed valuation resulting from investment in and activation of the Property, economic activity benefitting nearby businesses, and enhancement of community amenities that support local quality of life and business attraction through the provision of dining and nightlife options for local residents.

**5. PROJECTED TAX REVENUE TO THE LOCAL AGENCY AS A RESULT OF THE SUBSIDY**

During the life of the Operating Covenant Agreement, the City is projected to receive approximately One Million Three Hundred Twenty-Seven Thousand Five Hundred Dollars (\$1,327,500) in sales tax revenue.

**6. ESTIMATED NUMBER OF JOBS CREATED BY THE SUBSIDY, CATEGORIZED BY FULL-TIME, PART-TIME, AND TEMPORARY POSITIONS**

The Operating Covenant Agreement requires The Olive Banquet Inc. to create and maintain forty (40) full-time equivalent jobs for a period of ten (10) years. Thus, the City and Restaurant Owner have estimated that the Operating Covenant Agreement will create forty (40) full-time jobs in the City.

**CITY OF SANTA FE SPRINGS**  
**OPERATING COVENANT AGREEMENT**

THIS OPERATING COVENANT AGREEMENT (this “Agreement”) is dated as of [DATE], for reference purposes only and is entered into by and between CITY OF SANTA FE SPRINGS, a California municipal corporation (“City”) and THE OLIVE BANQUET SS LLC, a California Limited Liability Company (“Restaurant Operator”), and THE OLIVE BANQUET INC, a California corporation (“Banquet Operator” and collectively with Restaurant Operator, “Restaurant Owner”). City and Restaurant Owner are sometimes referred to in this Agreement, each individually, as a “Party,” or, collectively, as the “Parties.” City and Restaurant Owner enter into this Agreement with reference to the following recited facts (each a “Recital”):

**RECITALS**

A. Restaurant Operator intends to enter into an agreement to purchase that certain real property containing an approximately 12,420 square foot building on approximately 40,503 square feet / 0.93 acres of land located at 11900 Telegraph Road, within the City of Santa Fe Springs, County of Los Angeles, State of California, APNs 8009-026-012 and 8009-026-018 (the “Property”). The Property is legally described in Exhibit “A”, which is attached hereto and incorporated herein by this reference, and more particularly depicted on the site plan set forth in Exhibit “B”, which is attached hereto and incorporated herein by this reference (the “Site Plan”).

B. Restaurant Operator intends to enter into a Real Estate Purchase Agreement for the purchase of the Property for use as (i) The Olive RestoBar restaurant to be operated by Restaurant Operator, and (ii) a separate banquet hall to be operated as a rentable event space by Banquet Operator (together, the “Restaurant”).

C. So long as the Property is used as the Restaurant, the Property benefits from a non-exclusive parking easement which allows ingress and egress on the driveways of, and parking on, the parking areas of the adjacent site pursuant to that Declaration of Restrictions, Grant of Easements, and Maintenance Agreement dated as of June 3, 1988, recorded in the official records of the Recorder of the County of Los Angeles, California as Instrument Number 88-959006 (“Parking Easement”), which was recorded contemplating the purchase by the predecessor-in-interest of the owner of the Property of land constituting APN 8009-026-018 and associated lot line adjustment, and therefore is still binding and in effect.

D. The Property is located along the City’s primary thoroughfare and immediately adjacent to the area identified by the City for its future downtown, for which the City has commenced a process to adopt a specific plan (“Downtown Specific Plan”).

E. The City desires to facilitate the economic development of this corridor by providing strategic incentives that will lead to jobs, increased property tax revenue, financial investment and increased community amenities.

F. City desires to ensure that the area planned for its future downtown includes ample dining options and that residents have access to rentable event spaces in the City. The development and operation of the Restaurant is expected to generate significant economic benefits to the City, including but not limited to: (i) the creation and retention of permanent local jobs; (ii) increased sales tax revenues from on-site food, beverage, and event-related expenditures; (iii) increased

property tax revenues and assessed valuation resulting from investment in and activation of the Property; (iv) indirect economic activity benefiting nearby businesses; and (v) enhancement of community amenities that support local quality of life and business attraction through the provision of dining and nightlife options for local residents. To support these goals, the City seeks to ensure the Restaurant remains in business and that Restaurant Owner is engaged in the creation and retention of new jobs in the City.

G. City desires to provide Restaurant Operator financial assistance in the form of a conditional grant of funds to assist Restaurant Owner with the costs of continuously operating and staffing the Restaurant, and maintaining job opportunities and, in consideration thereof, City desires assurance that the Restaurant will remain in business, all pursuant to the terms and conditions set forth in this Agreement.

H. City desires to provide such conditional grant of funds in an amount of Three Million One Hundred Thousand Dollars (\$3,100,000) for the purposes of assisting Restaurant Owner over a period of ten (10) years, to (i) create and maintain forty (40) full time equivalent jobs in the City, and (ii) a minimum investment by Restaurant Owner of Six Million Dollars (\$6,000,000) into the City through the project.

I. By its approval of this Agreement, the City Council of the City of Santa Fe Springs has found and determined that the operation of the Restaurant, the generation of new jobs, the anticipated increase in sales tax revenue, enhancement of property values and property tax base, and stimulation of surrounding commercial activity are vital and in the best interests of City and the health, safety, morals and welfare of its residents, including but not limited to supporting the City's efforts to revitalize its downtown and to provide rentable event spaces for residents, and in accord with the public purposes and provisions of applicable federal, state and local laws and requirements, and that the imposition of certain operating covenants and use restrictions upon the Property for use as the Restaurant constitutes a valid public purpose.

**NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING RECITALS, WHICH ARE INCORPORATED HEREIN BY THIS REFERENCE, FOR OTHER GOOD AND VALUABLE CONSIDERATION, AND THE MUTUAL PROMISES AND COVENANTS OF THE PARTIES SET FORTH IN THIS AGREEMENT, THE PARTIES AGREE, AS FOLLOWS:**

## **AGREEMENT**

### **ARTICLE 1**

#### **DEFINITIONS**

**1.1 Defined Terms.** In addition to the usage of certain words, terms or phrases that are defined elsewhere in this Agreement, the following words, terms and phrases are used in this Agreement, as follows:

(a) **“Banquet Operator”** means and refers to The Olive Banquet, Inc., a California Corporation which will operate the Banquet Hall portion of the Restaurant.

(b) **“CEQA”** means and refers to the California Environmental Quality Act, (Public Resources Code § 21000, *et seq.*).

- (c) **“Certification”** means and refers to that certification required by Restaurant Owner set forth in Section 3.3 of this Agreement.
- (d) **“City”** means and refers to the City of Santa Fe Springs.
- (e) **“City Manager”** means and refers to the City Manager of City or his or her designee or successor in function.
- (f) **“City Parties”** means and refers to City, its legislative body, officers, officials, members, employees, attorneys, representatives, and agents.
- (g) **“Claims”** shall have the meaning ascribed to the term in Section 5.6(b).
- (h) **“Close of Escrow”** shall have the meaning ascribed to the term in Section 3.5(b).
- (i) **“Closing Date”** shall have the meaning ascribed to the term in Section 3.5(b).
- (j) **“Completion Date”** means and refers to the date that Restaurant Owner has both: (i) received all required permissions from Governmental Agencies to lawfully operate the Restaurant on the Property which shall include without limitation all applicable State and local authorizations for the sale of alcoholic beverages, inclusive of beer, wine, and distilled spirits, for consumption on the Property for all Required Operations, inclusive of both restaurant and banquet hall operations; and (ii) Restaurant Owner commences operations on the Property.
- (k) **“Compliance Month”** means and refers to the number of months from and after the Completion Date for which there is no Event of Default by Restaurant Owner under this Agreement. For avoidance of doubt, “Compliance Month” does not include any partial months.
- (l) **“Compliance Year”** means and refers to a period of one year. The first Compliance Year commences on the Completion Date and ends on the first anniversary of the Completion Date. The second, third, fourth, fifth, sixth, seventh, eighth, ninth, and tenth Compliance Years follow thereafter.
- (m) **“Deed of Trust”** shall have the meaning set forth in Section 3.6 and is attached hereto in substantial form as Exhibit “D.”
- (n) **“Discretionary Approvals”** means an action which requires the exercise of judgment, deliberation or a decision on the part of the City and/or any City department, in the process of approval or disapproving a particular activity, as distinguished from ministerial actions and approvals which merely require the City and/or City staff to determine whether there has been compliance with the applicable statute, ordinance, or regulation, as the case may be.
- (o) **“Earned Forgiveness Amount”** means Nineteen Thousand Four Hundred Sixteen and 66/100 Dollars (\$19,416.66) multiplied by the number of completed Compliance Months during which no Event of Default has occurred.
- (p) **“Effective Date”** means and refers to the first date on which this Agreement has been approved by the City Council and City is in receipt of (i) three (3) originals of this Agreement executed by Restaurant Owner and City, (ii) one (1) original of the Notice of Agreement and Declaration of Covenants executed and acknowledged by Restaurant Owner and City and recorded

against the Property, and (iii) Restaurant Owner has executed and entered into an agreement to purchase the Property.

(q) **“Escrow”** shall have the meaning ascribed to the term in Section 3.5.

(r) **“Escrow Holder”** shall have the meaning ascribed to the term in Section 3.5.

(s) **“Event of Default”** shall have the meaning ascribed to the term in Section 5.2.

(r) **“Full-Time Equivalent Employment Positions”** means and refers to total annual hours worked (including credit for paid/unpaid vacation hours, sick leave, and holidays) in all counted employment positions at the Restaurant divided by average annual hours (2080 hours) worked in a full-time job.

(s) **“Further Encumber” or “Further Encumbrances”** shall have the meaning ascribed to the term in Section 3.6.

(t) **“Governmental Agency”** means and refers to any and all courts, boards, agencies, commissions, offices, or authorities of any nature whatsoever for any governmental unit (federal, state, county, district, municipal, city or otherwise) whether now or later in existence with jurisdiction over the Property or the Project.

(u) **“Grant”** shall mean that certain conditional grant by City of the Grant Amount to Restaurant Operator for the benefit of Restaurant Owner in accordance with the terms and conditions of this Agreement.

(v) **“Grant Amount”** means Three Million One Hundred Thousand Dollars (\$3,100,000) that shall be paid by City to Restaurant Operator, for use by Restaurant Owner, pursuant to the terms and conditions of this Agreement.

(w) **“Indemnified Party”** shall have the meaning ascribed to the term in Section 5.6(a).

(x) **“Mortgaged Property”** shall have the meaning ascribed to the term in Section 3.6.

(y) **“New Jobs”** means an aggregate number of not less than forty (40) new Full-Time Equivalent Employment Positions at the Restaurant created within the time periods set forth in Section 3.2 and thereafter maintained through the tenth (10th) anniversary of the Completion Date. Executive level positions, including, without limitation, Directors, Shareholders, Chief Executive Officer, Chief Financial Officer, President, Vice-President, Treasurer, and Corporate Secretary of Restaurant Owner or the like shall not be counted as New Jobs; except that job titles such as “Catering Director” or “Event Director” which are newly created at the Property shall be counted as New Jobs where these positions are not held by corporate shareholders.

(z) **“Notice of Agreement and Declaration of Covenants”** means and refers to the Notice of Agreement and Declaration of Covenants attached to this Agreement as Exhibit “C” to be recorded against the Property to provide constructive notice of the existence and application of this Agreement and the covenants of Restaurant Owner regarding the Property. Full execution by the

Parties and recordation of the Notice of Agreement and Declaration of Covenants shall be a condition to the effectiveness of this Agreement.

- (aa) **“Opening of Escrow”** shall have the meaning ascribed in Section 3.5(a).
- (bb) **“Operating Period”** is comprised of ten (10) Compliance Years.
- (cc) **“Party”** means and refers, individually, to any of City or Restaurant Owner, as applicable.
- (dd) **“Parties”** means and refers to City and Restaurant Owner.
- (ee) **“Permitted Closures”** shall have the meaning ascribed to that term in Section 4.1.
- (ff) **“Permitted Operations”** shall mean and refers to operations which may be caused to be conducted by Restaurant Owner on the Property and which the City consents to permit to occur on the Property.
- (gg) **“Pre-Operational Business Establishment Payment”** means the portion of the Grant in the amount of Seven Hundred Seventy Thousand Dollars (\$770,000) provided to Restaurant Operator to offset costs associated with business planning, job recruitment, and other start-up expenses incurred prior to commencement of Restaurant Operations, which amount is not subject to repayment except as expressly provided in this Agreement.
- (hh) **“Pro-Rated Reduced Repayment Amount”** shall have the meaning ascribed in Section 5.3(a)(ii).
- (ii) **“Project”** means the operation of the Restaurant on the Property.
- (jj) **“Property”** means and refers to that real property specifically described in Exhibit “A” to this Agreement and commonly known as 11900 Telegraph Road in Santa Fe Springs, California with APNs 800-026-012 and 8009-026-018.
- (kk) **“Record”, “recorded”, “recording” or “recordation”** each mean and refer to recordation of the referenced document in the official records of the Recorder of the County of Los Angeles, California.
- (ll) **“Records”** shall have the meaning ascribed to that term in Section 3.7.
- (mm) **“Repayable Grant Amount”** shall have the meaning ascribed in Section 3.4(a).
- (nn) **“Required Operations”** means and refers to operations conducted or caused to be conducted by Restaurant Owner on the Property for the operation thereon of the Restaurant, which shall include without limitation the operation of The Olive RestoBar restaurant for lunch and dinner service and the availability of the banquet hall as rentable event.
- (oo) **“Restaurant”** shall have the meaning ascribed to that term in Recital B.

(pp) **“Restaurant Operator”** means and refers to The Olive Banquet SS, LLC, a California limited liability company.

(qq) **“Restaurant Owner”** means and refers collectively to Banquet Operator and Restaurant Operator.

(rr) **“Restaurant Owner Operating Covenant”** shall mean the covenants of Restaurant Owner set forth in this Agreement, including but not limited to the covenants set forth in Articles 3 and 4 herein.

(ss) **“Transfer”** means and refers to any total or partial sale, assignment, conveyance, hypothecation, trust, power, or transfer in any other mode or form, in all or any portion of this Agreement, the Property, ownership or control of Restaurant Owner, or the Restaurant Owner Operating Covenant. Any and all Transfers shall comply with the terms and conditions in Section 6.3 of this Agreement.

(tt) **“Unavoidable Delay”** or **“Force Majeure”** means and refers to any delay or prevention or stoppage that is beyond the reasonable control of any Party including as an exhaustive list delays caused by strikes, fire or casualty, acts of God, acts of terrorism, inclement weather, inability to obtain labor or materials, labor disputes, utility or communication facility failure, inability to obtain permits or approvals from any Governmental Agency or governmental restrictions (excepting therefrom any reasonable time attributable to obtaining governmental permits or approvals from the City, or restrictions required of Restaurant Owner by City, that would generally apply to any individual or entity in the same or similar business as such Party for the Required Operations or otherwise for the use of the Property), civil disobedience or uprising, earthquakes, war, or fire or other casualty; but excluding (i) financial circumstances, including but not limited to Restaurant Owner's inability to obtain any necessary financing or funding for the operation of the Property for the Required Operations, and (ii) events that may be resolved by the payment of money.

## ARTICLE 2

### TERM/COMPLETION DATE/COMPLIANCE WITH LAWS

**2.1 Term.** This Agreement shall commence as of the Effective Date. If the Completion Date occurs on or before the third anniversary of the Effective Date, this Agreement shall expire upon the expiration of the Operating Period. Notwithstanding the foregoing, City acting by and through its City Manager may extend the date for up to two (2) additional sixty (60) calendar day periods, not to exceed one hundred twenty (120) days in the aggregate by which the Completion Date must occur, in the City Manager's sole and absolute discretion.

(a) Notwithstanding the foregoing, Restaurant Owner has the right to the earlier termination of this Agreement by re-payment of the Pro-Rated Reduced Repayment Amount with concurrent written notice to the City after the Completion Date.

**2.2 Receipt of Approvals from Governmental Agencies and Commencement of Operations.** Restaurant Owner shall diligently and in good faith work, at its sole cost (and at no cost or expense to City), to timely accomplish the Completion Date, including but not limited to diligently proceeding to apply for and receive all necessary approvals, authorizations, permits, and other permissions from Governmental Agencies to lawfully operate the Restaurant on the Property, commence operations, and hire personnel to satisfy the obligations under Articles 3 and 4.

**2.3 City Right to Inspect.** Designated Officers, employees, agents and representatives of City identified herein shall have the right of reasonable access to the Property with 24 hours' prior notice to Restaurant Owner, without the payment of charges or fees, during normal business hours, during the period following the Effective Date prior to the Completion Date, to verify Restaurant Owner's diligent pursuit of the Completion Date. Restaurant Owner shall make a representative available to accompany City representatives onto the Property upon reasonable advance notice from City (24 hours shall be reasonable). Restaurant Owner understands and agrees that any such City inspections are for the sole purpose of protecting City's rights under this Agreement and not in its regulatory capacity, are made solely for City's benefit, that City's inspections may be superficial and general in nature, and are for the purposes of informing City of the progress towards the Completion Date in accordance with the terms and conditions of this Agreement, and that Restaurant Owner shall not be entitled to rely on any such inspection(s) as constituting necessary approvals, authorizations, permits, and other permissions from Governmental Agencies to lawfully commence operations of the Restaurant on the Property or inspections associated therewith. Restaurant Owner also agrees to immediately notify City in writing of any matters that will prevent the timely occurrence of the Completion Date as set forth in Sections 2.1 and 2.2. The City designates the following departments who shall have reasonable access to the Property pursuant to this section 2.3: City Manager's Office, Community Development Department, and their designee(s). Restaurant Owner shall provide a written status report to City Community Development Department, Attn: Director of Community Development, regarding progress towards the Completion Date every six (6) months from the Effective Date until the occurrence of the Completion Date. The written status report shall describe the actions taken to pursue the Completion Date, pending actions and anticipated time of completion, and shall note any extraordinary events that may have delayed progress.

**2.4 Compliance with Applicable Law.** Restaurant Owner shall ensure the Restaurant operates in conformity with all applicable federal, state, and local laws and regulations, including, without limitation, all applicable labor and employment laws, procurement of required permits and approvals, all obligations with regard to the payment of prevailing wages (if otherwise required by law), sale and consumption of alcoholic beverages, environmental protection, tax, and hazardous materials. If Restaurant Owner's failure to comply with applicable laws, ordinances, codes, or regulations results in a claim for damage or liability to City, Restaurant Owner shall be responsible for defending, indemnifying, and holding the City harmless as provided in this Agreement.

### ARTICLE 3

#### CITY GRANT FOR JOB CREATION AND ESCROW INSTRUCTIONS

**3.1 Conditional Grant.** By and subject to the terms of this Agreement, the City agrees to make a conditional grant to Restaurant Operator for the benefit of Restaurant Owner, and Restaurant Owner agrees subject to the terms and conditions set forth in this Agreement, to accept the Grant Amount (the "Grant"). The Grant shall be secured, in part, by the Deed of Trust attached in substantial form hereto as Exhibit "D", encumbering the Property and certain improvements thereon as legally defined therein. The Grant shall be conditional upon Restaurant Owner's compliance with the obligations under this Agreement. In the event of the default of Restaurant Owner of their obligations hereunder, the City reserves the right to subject Restaurant Owner to the remedies set forth in Article 5 of this Agreement, including but not limited to foreclosure upon the Property under the Deed of Trust.

**3.2 New Jobs.** Subject to the terms of this Agreement and in consideration of the payment of the Grant Amount as provided in this Agreement, Restaurant Owner hereby covenants and agrees to exercise commercially reasonable good faith efforts to create and, thereafter, maintain or cause to be created and thereafter maintained, forty (40) New Jobs at the Restaurant for a ten (10) year period commencing on the Completion Date and terminating on the tenth (10<sup>th</sup>) anniversary of the Completion Date (such period, the “**Operating Period**”).

**3.3 Certification.** Within forty-five (45) days following the anniversary of the Completion Date and each anniversary thereafter until the tenth (10<sup>th</sup>) anniversary of the Completion Date or until the re-payable grant amount has been re-paid by Restaurant Owner, Restaurant Owner shall file or cause to be filed a written certification (“**Certification**”), signed by Restaurant Operator’s chief financial officer and/or Banquet Operator’s Manager, for the respective Certifications of Restaurant Operator and Banquet Operator, with the City Manager, certifying the compliance of Restaurant Owner with the New Jobs creation and all the covenants set forth in Article 4, below. The certifications shall include without limitation:

(a) a suitably detailed written report relating to the employees of Restaurant Owner who are claimed by Restaurant Owner as holding New Jobs, including payroll accounting information which shall include the total number of hours worked by such persons, the total number of persons who were recruited, hired or released from employment for a New Job the prior year, the total number of other employees of Restaurant Owner employed at the Restaurant, and the gross payroll amount for all employees of the Restaurant for the prior year. Each such annual certification need not identify any employee by name, by specific job description nor by new hire date, and the payroll accounting information may aggregate the hours worked by all persons claimed by Restaurant Owner to hold New Jobs at the Restaurant;

(b) documentation of Restaurant’s current local and State authorizations for the sale and on-premises consumption of alcoholic beverages, which may include documentation that such authorizations were duly maintained during the preceding twelve (12) month period, and documentation of compliance with conditions of local or state alcohol licensure including but not limited to the On-Sale General Eating Place license issued by the State Department of Alcoholic Beverage Control and Conditional Use Permit issued by the City (in its regulatory capacity), as applicable.

**3.4 Grant Payment.** In consideration of the creation of New Jobs and the covenants set forth in Article 4, below, and subject to Restaurant Owner’s continued compliance under this Agreement, City agrees to pay Restaurant Operator the Grant Amount of Three Million One Hundred Thousand Dollars (\$3,100,000) for the benefit of Restaurant Owner. No later than three (3) business days before the Closing Date, the City shall deposit into Escrow the sum of Three Million One Hundred Thousand Dollars (\$3,100,000) in immediately available funds.

(a) **Pre-Operational Business Establishment Payment.** To assist the Restaurant Owner in the planning and business establishment phase a Pre-Operation Business Establishment Payment in the amount of Seven Hundred Seventy Thousand Dollars (\$770,000), which is encompassed as a portion of the Grant Payment set forth in Section 3.4, above, shall not be subject to the Restaurant Owner Operating Covenant set forth in Articles 3 and 4 of this Agreement, except that the Pre-Operation Business Establishment Payment shall be subject to the restrictions of Section 3.9. The total amount subject to the terms of the Restaurant Owner Operating Covenant shall be Two Million Three-Hundred Thirty Thousand Dollars (\$2,330,000) (“**Repayable Grant Amount**”).

**3.5 Escrow Instructions.** This Section 3.5 shall constitute the joint escrow instructions of City and Restaurant Owner to Escrow Holder for the conduct of the Escrow to complete the payment of the Grant Amount to Restaurant Operator as set forth in Section 3.4 hereto. City and Restaurant Owner shall execute such further escrow instructions, consistent with the provisions of this Agreement, as may be reasonably requested by Escrow Holder. In the event of any conflict between the provisions of this Agreement and any other escrow instructions requested by the Escrow Holder, the provisions of this Agreement shall control.

**(a) Opening of Escrow.** No later than two (2) business days after the execution of this Agreement by City and Restaurant Owner, City and Restaurant Operator shall open an escrow (the “Escrow”) with [ESCROW COMPANY] (the “Escrow Holder”) and shall deliver a fully executed copy of this Agreement to Escrow Holder. The deposit of (i) a fully executed copy of this Agreement with Escrow Holder, and (ii) any fees or charges required by Escrow Holder shall constitute the opening of Escrow (“Opening of Escrow”) and authorization to Escrow Holder to act in accordance with the terms of this Agreement. Escrow Holder shall promptly confirm in writing to each of the Parties the date of the Opening of Escrow.

**(b) Close of Escrow.** The Escrow shall close (the “Close of Escrow”) on [DATE] or another date mutually approved in writing by City and Restaurant Owner, which shall be no later than the date in which escrow is intended to close for the sale of the Property to Restaurant Operator (the “Closing Date”). Notwithstanding the foregoing, the Close of Escrow shall not occur unless the conditions to the Close of Escrow set forth in this Section 3.5(b) have been satisfied, unless mutually waived in writing by both Parties. Absent a written waiver by both Parties, the conditions to the Close of Escrow are as follows:

**(i)** All conditions to the Close of Escrow on the Property have been satisfied and Restaurant Operator and the owner of the Property are diligently proceeding to the Close of Escrow on the Property.

**(ii)** The Property is not subject to or encumbered in any manner except as set forth in Sections 3.6(a)-(c), and, if required by Sections 3.6(a)-(c), any lender, creditor, or lienholder with an interest in the Property have each duly executed and deposited into Escrow for recordation at the Close of Escrow a subordination agreement in a form satisfactory to the City subordinating such interests to the City’s Deed of Trust.

**(iii)** The Parties have completed all material obligations required by this Agreement to be completed prior to the Close of Escrow, and are otherwise not in material default of this Agreement.

**(iv)** Restaurant Owner has deposited the following documents and funds into Escrow:

**(1)** A fully executed agreement for Restaurant Owner’s purchase of the Property and any necessary documentation to demonstrate the satisfaction of all conditions to the Close of Escrow thereunder;

**(2)** Restaurant Owner’s Closing Statement, signed by Restaurant Owner;

(3) An executed Notice of Agreement and Declaration of Covenants attached hereto in substantial form as Exhibit “C”;

(4) An executed Deed of Trust, attached hereto in substantial form as Exhibit “D”.

(v) City has deposited the following documents and funds into Escrow:

(1) The Grant Amount, plus any additional funds required to be deposited into Escrow by City under the terms of this Agreement to close the Escrow, all in immediately available funds;

(2) An executed Notice of Agreement and Declaration of Covenants attached hereto in substantial form as Exhibit “C”;

(3) An executed Deed of Trust, attached hereto in substantial form as Exhibit “D”;

(4) The City’s Closing Statement, signed by City;

(5) Any additional document(s) as may reasonably be required by this Agreement or Escrow Holder.

(c) **Closing Procedure.** Upon Escrow Holder’s receipt of such written confirmation from both City and Restaurant Owner that their respective conditions to the Close of Escrow are either satisfied or waived, Escrow Holder shall give written notice thereof to both Parties and shall close the Escrow by doing all of the following:

(i) **Recordation of Documents.** File with the Office of the Recorder of the County (i) the Notice of Agreement and Declaration of Covenants; (ii) the executed Deed of Trust; (iii) if applicable, any subordination agreement(s) as set forth in Section 3.5(b)(ii); and (iv) any other documents to be recorded through Escrow upon the joint instructions of the Parties. All recorded documents shall provide that they are to be returned to Escrow Holder after recordation.

(ii) **Distribution of Recorded Documents.** Distribute each recorded document to the Party or person designated for such distribution in the joint escrow instructions of the Parties.

(iii) **Grant Amount.** Deliver the Grant Amount to Restaurant Operator, less Restaurant Owner’s share of Escrow closing costs and any other charges to the account of Restaurant Owner.

(d) **Escrow and Recording Costs.** City and Restaurant Owner shall each pay one-half (1/2) of the Escrow fees, recording costs, and such other costs as Escrow Holder may charge for the conduct of the Escrow. Escrow Holder shall notify City and Restaurant Owner of the costs to be borne by each of them at the Close of Escrow by delivering the Escrow Holder’s estimated closing/settlement statement to both City and Restaurant Owner at least four (4) business days prior to the Closing Date. If the Escrow fails to close due to Restaurant Owner’s material default under this Agreement and the Escrow is cancelled and this Agreement is terminated, Restaurant Owner shall pay all ordinary and reasonable Escrow and title order cancellation charges, in addition to any applicable penalties under this agreement. If the Escrow fails to close due to City’s material default under this

Agreement and the Escrow is cancelled and this Agreement is terminated, City shall pay all ordinary and reasonable Escrow and title order cancellation charges, in addition to any applicable penalties under this agreement. If the Escrow fails to close for any reason other than the material default of either City or Restaurant Owner and the Escrow is cancelled and the Agreement is terminated, Restaurant Owner and City shall equally pay all ordinary and reasonable Escrow and title order cancellation charges.

**3.6 Security.** Restaurant Owner's obligation to comply with this Agreement, including but not limited to the obligations set forth in Articles 3 and 4, shall be secured by the deed of trust (as amended, modified, supplemented, and replaced from time to time, collectively, the "Deed of Trust"), in the form of Exhibit "D," attached hereto, recorded against Restaurant Operator's fee interest in the Property and improvements thereon and creating a security interest therein and such other rights as are described therein (collectively, referred to therein as the "Mortgaged Property"). Except as set forth in Sections 3.6(a)-(c), the security interest in the Mortgaged Property granted to the City pursuant to the Deed of Trust shall be subordinate only to such exceptions to title shown in the title report for the Mortgaged Property which are approved in writing by the City. As a material term of this Agreement, prior to or concurrent with Restaurant Owner's execution of this Agreement, Restaurant Operator shall execute and deliver to Escrow the Deed of Trust. Upon expiration of the Operating Period or if the Restaurant Owner exercises an earlier termination after achievement of the Completion Date pursuant to Section 2.1(a), the City shall release its Deed of Trust on the Property. Upon expiration of the Operating Period, or Restaurant Owner's voluntary re-payment of the Repayable Grant Amount remaining after credits for any Earned Forgiveness Amount prior to the expiration of the Operating Period, this Agreement shall terminate and be of no further force and effect, except for those obligations under this Agreement which expressly survive the expiration or earlier termination of this Agreement.

(a) **Permission to Further Encumber Property.** Notwithstanding the restrictions on Further Encumbrances contained in this Agreement and the Deed of Trust, City (i) acknowledges those exceptions to title shown in the title report for the Mortgaged Property which are approved in writing by the City; and (ii) acknowledges and agrees that Restaurant Operator may Further Encumber the Property in compliance with the requirements of Section 3.6(b), so long as the security interest in the Mortgaged Property granted to the City pursuant to the Deed of Trust shall at all times remain senior to any such Further Encumbrances except as set forth in Section 3.6(c).

(b) **Restrictions on Further Encumbrances.** Restaurant Owner shall not further encumber, pledge, mortgage, hypothecate, place any lien, charge, or claim upon, or otherwise give as security the Mortgaged Property or any interest therein ("Further Encumber" or "Further Encumbrances"), except as set forth in Section 3.6(c): (i) unless such Further Encumbrances are subordinated to the security interest in the Mortgaged Property granted to the City pursuant to the Deed of Trust and all advances heretofore made or which hereafter be made pursuant to the Deed of Trust (including but not limited to all sums advanced for the purpose of protecting or further securing the lien of the Deed of Trust, curing defaults by Restaurant Owner under this Agreement, the Deed of Trust, or for any other purpose expressly permitted thereunder), which shall at all times remain prior to and superior to, and shall not be subordinated to, any such Further Encumbrances; and (ii) absent the prior execution and delivery of one or more subordination agreements, in form and substance satisfactory to the City, in favor of the City, to expressly subordinate the Further Encumbrances and the indebtedness evidenced by such Further Encumbrances to the security interest in the Mortgaged Property granted to the City pursuant to the Deed of Trust and all terms, covenants, conditions thereof, including but not limited to the prior payment in full of the indebtedness evidenced thereby.

**(c) Permission for Senior Further Encumbrances During Construction.**

Notwithstanding the foregoing, if Restaurant Operator obtains construction lending prior to achieving the Completion Date in pursuit of the Completion Date, City agrees to subordinate its security interest in the Mortgaged Property granted to the City pursuant to the Deed of Trust in accordance with the provisions of this Section 3.6(c): (i) such subordination shall be only for the duration of the construction, which shall in no circumstance be later than the achievement of the Completion Date as set forth in Section 2.1 of this Agreement; (ii) the security interest in the Mortgaged Property granted to the City pursuant to the Deed of Trust shall remain in second lien and security interest status; (iii) the applicable construction lender, City, and Restaurant Operator enter into a subordination agreement, in form and substance satisfactory to the City, reflecting the provisions of this Section 3.6(c).

**3.7 Records Inspection.** Restaurant Owner shall keep and maintain all records as may reasonably be required by City to enable City to evaluate compliance by Restaurant Owner with the terms of this Agreement, and to substantiate any Certification of New Jobs provided to City, which records shall include the payroll records of Restaurant Owner which shall be prepared by a third party payroll company with verification of payments made pursuant to the payroll records. (“Records”). City shall not, however, be entitled to receive employee personnel records pertaining to employee discipline, worker’s compensation claims, employee medical or mental health records, or any records pertaining to litigation or settlements with employees. Restaurant Owner shall allow City, its agents, and representatives, upon prior notice, at reasonable times, to inspect any such Records. Restaurant Owner acknowledges and agrees that City must have access to Restaurant Owner’s Records to verify that Restaurant Owner has employed a certain number of employees in connection with the use of the Grant Amount. The City’s access to review said employee payroll and personnel records is limited only for the purposes of reviewing the Certification of New Jobs provided to the City. The Records required to be maintained under this Agreement shall be retained for a period of five (5) years, provided, however, in the event any litigation, audit, negotiation, or other action involving the Records is commenced prior to the expiration of the five (5) year retention period, Restaurant Owner shall retain such Records until final resolution of judicial proceedings and passage of any applicable appeal periods. All of Restaurant Owner’s obligations under this Section 3.7 shall survive the expiration or termination of this Agreement.

(a) The City agrees that Records shall be treated with strict confidentiality. In the event that City is in possession of such Records, City agrees that such Records shall not be distributed or shared with any third parties or any person or entity not authorized by Restaurant Owner without a valid court order or compliance with legal privacy laws in accordance with the requirements of this Section 3.7. In the event that any third party attempts to compel the disclosure of Records through a subpoena or other legal process, including but not limited to a request pursuant to the California Public Records Act (Government Code Section 7920.000 *et seq.*), upon becoming aware of such effort, the City shall give written notice of such attempt to Restaurant Owner to allow for Restaurant Owner to file for a protective order or otherwise seek judicial intervention to maintain confidentiality.

**3.8 Monitoring.** Restaurant Owner shall reasonably cooperate with City and its representatives, and shall reasonably make available to City payroll and employee verification records reasonably requested by City for the purpose of assuring compliance with this Agreement.

City agrees that this Agreement does not create any partnership or business venture between Restaurant Owner and the City. City agrees that it will not unnecessarily request or demand access to the financial records of Restaurant Owner except the payroll records required as set forth in paragraph 3.7.

**3.9 Use of Grant Amount.** Restaurant Owner shall not use the Grant Amount, inclusive of the Pre-Operational Business Establishment Payment, for costs of developing the Project, which includes all costs for construction, alteration, demolition, installation, and repair work, and all costs for pre-development and pre-construction associated therewith, including inspection and land surveying work of the commercial improvements, landscaping, parking, and other related appurtenances to be constructed on, under, about or around the Property for the uses authorized by this Agreement, if any.

## ARTICLE 4

### COVENANTS

**4.1 Continuous Operations During Operating Period.** Restaurant Owner shall continuously operate the Restaurant other than for closures which are necessitated (a) due to damage caused to the Restaurant by a casualty or a condemnation, (b) by events of Force Majeure, and/or (c) due to remodeling of the Restaurant; but in the case of (c) the Restaurant may be closed/non-operative for no more than ninety (90) days without the City's prior written approval, which shall be granted in the City's sole and absolute discretion (collectively, "**Permitted Closures**"). For the purposes of this Section 4.1, "continuously operate" shall mean that, throughout the entirety of the Operating Period: (i) the restaurant portion of the Restaurant shall continuously be open for lunch and dinner service, during hours customary for a restaurant offering lunch and dinner service in Southern California throughout the entirety of the Operating Period which shall at minimum be comparable to the hours of The Olive RestoBar's current location(s) in the City of Downey as of the date of execution of this Agreement; (ii) the banquet hall shall continuously be available for event rental.

**4.2 Alcohol Beverage Authorization.** During the entire Operating Period, Restaurant Owner shall obtain and maintain in good standing for respective Required Operations of Restaurant, inclusive of restaurant and banquet hall, all necessary local and State authorizations for the lawful sale and onsite consumption of alcoholic beverages, inclusive of beer, wine, and distilled spirits, on the Property, including but not limited to the On-Sale General Eating Place license issued by the State Department of Alcoholic Beverage Control and Conditional Use Permit issued by the City (in its regulatory capacity).

**4.3 Use Restriction.** During the entire Operating Period, the Property shall not be put to any use other than the conduct of Required Operations and any permitted uses ancillary thereto. Notwithstanding the foregoing, City and Restaurant Owner acknowledge and agree this Agreement is not the grant of a land use or zoning approval and that Restaurant Owner shall comply with the City's zoning requirements and obtain all necessary Government Agency approvals to cause the Completion Date and carry out the Required Operations during the Term of this Agreement.

**4.4 Events.** The Restaurant shall host a minimum of ten (10) events each year during the Operating Period.

**4.5 Third Party Lawsuits.** Restaurant Owner acknowledges that City is a "public entity" and/or a "public agency" as defined under applicable California law. Therefore, City must satisfy the requirements of certain California statutes relating to the actions of public entities, including, without limitation, the California Environmental Quality Act ("CEQA") (Pub. Res. Code § 21000, *et seq.*); the California Public Records Act ("CPRA") (Gov. Code § 7920.000, *et seq.*). Also, as a public entity, the City's action in approving this Agreement may be subject to proceedings to invalidate this Agreement or mandamus. Restaurant Owner (i) assumes the risk of and (ii) waives and releases any Claims, whether known or unknown, suspected or unsuspected, for delays and damages that may result to

Restaurant Owner from any third-party legal actions related to City's approval of this Agreement or the pursuit of the activities contemplated by this Agreement, even in the event that an error, omission or abuse of discretion by City is determined to have occurred.

**4.6 Future Uses, Zoning Approvals.** Restaurant Owner has expressed a desire to potentially expand future operations on the Property to include the following or otherwise seek zoning approvals, entitlements, permits and/or variances for the following operations or other business ventures at the Property:

- a) Live music indoors and outdoors between the hours of 7:00 am and 2:00 am.
- b) Business Hours for service to the public or for private events permissible from 7:00 am to 2:00 am for a period of 20 years from the date of Completion.
- c) Cigar Lounge

Notwithstanding the foregoing, the Parties acknowledge and agree that this Agreement does not: (1) amend the City's General Plan; (2) grant height, intensity, waive or otherwise provide relief from those standards otherwise established in Title XV (Land Usage), Chapter 155 (Zoning) of the Santa Fe Springs Municipal Code ("Zoning Code") including without limitation, parking requirements; (3) eliminate future Discretionary Actions to commence the Required Operations required under this Agreement; (4) amend the City's Zoning Code; or otherwise waive the need to comply with environmental review pursuant to CEQA. Notwithstanding the foregoing, the Parties further acknowledge and agree the City shall work with Restaurant Owner diligently and in good faith to process any applications or other requirements of the requisite permitting and entitlement processes for Discretionary Approvals that may be required in connection with the Required Operations or expanded operations as described in this Section 4.6. The City's obligation to work diligently and in good faith shall not be construed to require the City to approve any application, permit, entitlement, or Discretionary Approval, to exercise its discretion in any particular manner, or to take any action inconsistent with applicable law, including without limitation the City's General Plan, the Santa Fe Springs Municipal Code (including the Zoning Code), or CEQA. Restaurant Owner agrees to timely submit complete applications and to diligently provide all plans, technical studies, reports, supporting documentation, and other information reasonably required by the City to process any such Discretionary Approvals. Restaurant Owner shall be responsible for all costs associated with the preparation, submittal, and processing of such applications, including but not limited to application fees, consultant costs, and the preparation of any environmental documentation required under CEQA.

## ARTICLE 5

### DEFAULTS, REMEDIES AND TERMINATION

#### 5.1 Defaults - General.

(a) Subject to any extensions of time provided for in this Agreement or as otherwise provided in Section 5.3, below, failure or delay by any Party to perform any term or provision of this Agreement shall constitute an Event of Default under this Agreement; provided, however, that if a Party otherwise in default commences to cure, correct or remedy such default within thirty (30) calendar days after receipt of written notice from the non-defaulting Party specifying such default, and diligently and continuously prosecutes such cure, correction or remedy to completion, such Party shall not be deemed to be in default under this Agreement.

(b) The non-defaulting Party shall give written notice of default to the Party in default, specifying the default complained of by the non-defaulting Party.

(c) Any failure or delay by any Party in asserting any of their rights and/or remedies as to any default shall not operate as a waiver of any default or of any rights or remedies of such Party nor shall it change the time of default. Delays by any Party in asserting any of their rights and/or remedies shall not deprive such Party of its right to institute and maintain any actions or proceedings that it may deem necessary to project, assert or enforce any such rights or remedies.

(d) Notwithstanding the foregoing, this Agreement shall automatically terminate if the Completion Date has not occurred by the third anniversary following the Effective Date.

**5.2 Events of Default.** In addition to other acts or omissions that may legally or equitably constitute a default or breach of this Agreement, the occurrence of any of the following specific events shall constitute an “**Event of Default**” under this Agreement that is subject to the provisions of this Article 5:

(a) Any default by Restaurant Owner of any of the covenants, terms or conditions of this Agreement that is not cured to City’s reasonable satisfaction in accordance with the provision in Section 5.1(a), above.

(b) Restaurant Owner ceases conduct of the Required Operations during the Operating Period other than for Permitted Closures as set forth in Section 4.1 or due to Force Majeure or casualty.

(c) Restaurant Owner fails to timely accomplish the Completion Date in accordance with the schedule set forth in Sections 2.1 and 2.2, except that there is no default if the failure is due to Force Majeure or casualty.

(d) Restaurant Owner fails to pay or cause to be paid any sum of money becoming due to City pursuant to this Agreement and such failure is not cured within ten (10) business days after written notice.

(e) Except with the prior written consent of City as set forth in Section 3.6 or as set forth in Section 6.3, Restaurant Owner Transfers all or any portion of its interest in this Agreement or the Property, whether voluntarily, involuntarily or by operation of law, in violation of the terms and conditions of this Agreement.

(f) Any default by Restaurant Owner of any of the covenants, terms or conditions of the Restaurant Owner Operating Covenant that is not cured to the non-defaulting party’s reasonable satisfaction within thirty (30) calendar days following written notice of the default to the defaulting party by the non-defaulting party or the expiration of an applicable shorter cure period as set forth in the Restaurant Owner Operating Covenant.

(g) Restaurant Owner becomes insolvent or a receiver is appointed to conduct the affairs of Restaurant Owner (as applicable) under state or federal law.

### **5.3 Remedies.**

(a) **City Remedies.** The occurrence of any Event of Default hereunder following the expiration of all applicable notice and cure periods will, either at the option of the City or

automatically where specified, relieve the City of the obligation to pay the Grant Amount if not yet paid, and shall give the City the right to proceed with any and all remedies set forth in this Agreement and the Deed of Trust, including but not limited to:

(i) **Foreclosure.** The City shall have the right to foreclose upon the Property pursuant to the Deed of Trust, or otherwise realize upon any liens or security interests securing Restaurant Owner's performance hereunder.

(ii) **Repayment of Grant Amount.** In an Event of Default by Restaurant Owner, City shall have the right to repayment of the Grant Amount as set forth in this Section 5.3(a)(ii), together with any funds expended pursuant to Section 5.3(a)(iv), which, upon notice to Restaurant Owner thereof, shall become immediately due and payable in full without presentment, demand, protest, or other notice of any kind, all of which are hereby waived by Restaurant Owner. In any Event of Default by Restaurant Owner, the City shall have the right to repayment of a portion of the Repayable Grant Amount calculated as follows: the Repayable Grant Amount less the Earned Forgiveness Amount ("Pro-Rated Reduced Repayment Amount"). By way of example, if Restaurant Owner defaults under this Agreement during the seventy-third (73rd) Compliance Month, Restaurant Owner shall be determined to have completed seventy-two (72) Compliance Months: The Earned Forgiveness Amount shall equal One Million Three Hundred Ninety Seven Thousand Nine Hundred and Ninety-Nine and 52/100 Dollars (\$1,397,999.52) ( $72 \times 19,416.66$ ), and the Pro-Rated Reduced Payment Amount due to the City shall equal Nine Hundred Thirty-Two Thousand 48/100 Dollars (\$932,000.48) ( $\$2,330,000$  [Repayable Grant Amount] -  $\$1,397,999.52$  [ $72 \times$  Compliance Months  $\times$   $19,416.66$ ] =  $\$932,000.484$  [Pro-Rated Reduced Payment Amount]). Repayment of the Repayable Grant Amount shall be paid to the City within thirty (30) days of the City's written demand in the event of default.

(iii) **Specific Performance.** The City shall have the right to suit, action or other proceeding at law or in equity to require Restaurant Owner to perform its obligations and covenants under this Agreement and the Deed of Trust, or to enjoin acts or things which may be unlawful or in violation of the provisions of this Agreement and the Deed of Trust.

(iv) **Right to Cure at Restaurant Owner's Expense.** The City shall have the right (but not the obligation) to cure any monetary default by Restaurant Owner of its obligations under this Agreement after providing Restaurant Owner 30 days' written notice and a reasonable opportunity to cure said default pursuant to Section 5.1. Restaurant Owner agrees to reimburse the City for any funds advanced by the City to cure a monetary default by Restaurant Owner upon demand therefor, together with interest thereon at a rate of the lesser of ten percent (10%), compounded annually, or the highest rate permitted by law, from the date of expenditure to the date of reimbursement.

(v) **Termination of Agreement.** The City shall have the right to terminate the Agreement, effective upon the date that the City issues written notice to Restaurant Owner.

(b) Following City's exercise of the remedies in Section 5.3(a)(i), (ii), and/or (iv) above, this Agreement shall terminate, except for provisions that expressly survive termination, and shall be of no further force and effect. In no event shall the Restaurant Owner be responsible for the repayment to City or any other party of any or all of the Grant upon Termination of the Agreement or otherwise, except as expressly provided in this Section.

(c) **Restaurant Owner Remedies; No Right to Consequential Damages.** Upon fault or failure of the City to meet any of its obligations under this Agreement without curing such failure within thirty (30) days after receipt of written notice of such failure from Restaurant Owner specifying the nature of the event of deficiency giving rise to the default, Restaurant Owner may, as its sole and exclusive remedy, bring an action in equitable relief seeking the specific performance by the City of the terms and conditions of this Agreement or seeking to enjoin any act by the City which is prohibited hereunder. Restaurant Owner shall in no event be entitled to, and hereby waives, any right to seek indirect or consequential damages of any kind or nature from City and its members, directors, agents, officers, representatives and employees arising out of or in connection with this Agreement, and in connection with such waiver, and only with respect to right to seek indirect or consequential damages of any kind or nature from City and its members, directors, agents, officers, representatives and employees arising out of or in connection with this Agreement (except to those rights reserved elsewhere in this Agreement), Restaurant Owner is familiar with and hereby waives the provisions of Section 1542 of the California Civil Code which provides as follows: “A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.”

Restaurant Owner Initials: \_\_\_\_\_

#### **5.4 Legal Actions.**

(a) Except as set forth in Section 5.3, any Party hereto may institute legal action to cure, correct or remedy any default, to recover damages regarding any default, or to obtain any other remedy available to that Party under this Agreement, at law or in equity. Such legal actions must be instituted in the Superior Court of the State of California in and for the County of Los Angeles, California, in any other appropriate court within the County of Los Angeles, California, or in the United States District Court for the Central District of California.

(b) The laws of the State of California shall govern the interpretation and enforcement of this Agreement, without regard to conflicts of laws principles. The Parties acknowledge and agree that this Agreement is entered into, is to be fully performed in and relates to real property located in, the City of Santa Fe Springs, County of Los Angeles, California.

**5.5 Rights and Remedies are Cumulative.** Except as otherwise expressly stated in this Agreement, the rights and remedies of the Parties set forth in this Article 5 are cumulative and the exercise by either Party of one or more of such rights or remedies shall not preclude the exercise by the same Party, at the same or different times, of any other rights or remedies for the same default or any other default by the other Party.

#### **5.6 Indemnification and Defense of City and Owner.**

(a) Indemnity. In addition to any other specific indemnification of defense obligations of Restaurant Owner set forth in this Agreement or any other agreement between the Parties and to the fullest extent permitted by law, Restaurant Owner agrees to hold harmless, indemnify, and defend (upon written request by the Indemnified Party and with counsel reasonably acceptable to such Indemnified Party) and hold harmless each and all of the City Parties (each an “**Indemnified Party**”)

from and against all Claims, as defined in subsection (b), below, that are in any manner directly or indirectly caused, occasioned or contributed to in whole or in part by:

(1) Any act, omission, fault or negligence, of Restaurant Owner, or its respective agents, employees, independent contractors or subcontractors, relating in any manner to this Agreement, any work to be performed by any such person related to this Agreement; or

(2) Any authority or obligation exercised or undertaken by Restaurant Owner under this Agreement; or

(3) Any breach or default in performance of any obligation of Restaurant Owner under this Agreement.

(b) Definition of “Claims.” For purposes of this Agreement, “Claims” means any and all claims, losses, costs, damages, expenses, liabilities, liens, actions, causes of action (whether in tort or contract, at law or in equity, or otherwise), charges, awards, assessments, fines, and penalties of any kind (including consultant and expert expenses, court costs, and reasonable attorneys’ fees of counsel retained by the Indemnified Parties, expert fees, costs of staff time, and investigation costs, of whatever kind or nature), and judgments, including, but not limited to, Claims for: (1) injury to any person (including death at any time resulting from that injury) which occur or arise on the Property; (2) loss or injury or damage to, or destruction of property (including all loss of use resulting from that loss, injury, damage, or destruction) which occur or arise on the Property; (3) any workers’ compensation claims arising or occurring on the Property pertaining to work performed for or on behalf of Restaurant Owner (excluding claims by employees or agents of the City); (4) goods or services provided to Restaurant Owner or the Property; and (5) all economic losses and consequential or resulting damage of any kind arising from or related to the acts or omissions of Restaurant Owner or its employees. Notwithstanding any other provision in this Agreement, Restaurant Owner shall not have any duty to indemnify or defend any Indemnified Party against claims that the Indemnified Party entered into this Agreement or took action related to this Agreement in violation of the law or without legal authority.

(c) Strict Liability. Except to the extent that this clause conflicts with another provision of this Agreement, the indemnification obligation of Restaurant Owner shall apply regardless of whether liability without fault or strict liability is imposed or sought to be imposed on one or more of the Indemnified Parties. Notwithstanding anything to the contrary herein, the indemnification obligations of Restaurant Owner shall not apply to the extent that a final judgment of a court of competent jurisdiction establishes that a Claim against an Indemnified Party was proximately caused by the negligence or willful misconduct of that Indemnified Party.

(d) Independence of Obligations. The indemnification obligations pursuant to this Section 5.6 shall not be construed or interpreted as in any way restricting, limiting, or modifying the other obligations under this Agreement and is independent of the other obligations under this Agreement. Compliance with obligations under this Agreement shall not in any way restrict, limit, or modify Restaurant Owner’s indemnification obligations under this Agreement.

(e) Attorney Fees. The Indemnified Parties shall be entitled to recover their reasonable attorney fees and actual costs incurred in enforcing Restaurant Owner’s indemnification obligations set forth in this Agreement.

(f) Survival of Indemnification and Defense Obligations. Restaurant Owner’s

indemnification and defense obligations under this Agreement shall survive the expiration or earlier termination of this Agreement, until all applicable challenge periods have passed and Claims against any of the Indemnified Parties involving any of the indemnified matters are fully, finally, and absolutely and completely barred by the applicable statutes of limitation and any applicable appeals period(s).

(g) Independent Duty to Defend. Restaurant Owner's duty to defend the Indemnified Parties (with counsel reasonably acceptable to the Indemnified Parties as set forth in Section 5.6(a)) is separate and independent of Restaurant Owner's duty to indemnify the Indemnified Parties. The duty to defend includes Claims for which the Indemnified Parties may be liable without fault or strictly liable. The duty to defend applies regardless of whether the issues of negligence, liability, fault, default, or other obligation on the part of the Parties have been determined. The duty to defend applies immediately, regardless of whether the Indemnified Parties have paid any sums or incurred any detriment arising out of or relating (directly or indirectly) to any Claims. It is the express intention of Restaurant Owner that the Indemnified Parties be entitled to obtain summary adjudication or summary judgment regarding Restaurant Owner's duty to defend the Indemnified Parties at any stage of any Claim or suit within the scope of this Section 5.6.

**5.7 Duty of City to Defendant and Indemnify.** The City shall indemnify, defend, and hold harmless Restaurant Owner and its principals, agents, employees, attorneys, insurers, successors and assigns ("Restaurant Indemnitees"), from any and all claims by any person, entity, or agency, alleging that this Agreement was (a) entered into in violation of the law(s) (b), that the City did not have authority to enter into this Agreement or issue the Grant, or (c) that the City or the City's employees, agents, consultants, or contractors engaged in intentional or malicious acts which caused injury or damage so long as the City's employee, agent, consultant or contractor's acts arise from their scope of employment or work for the City. This duty to indemnify, defend and hold harmless Restaurant Indemnitees shall survive the termination of this Agreement until the applicable statute of limitations period for the claims and appeals have expired. Restaurant Indemnitees are entitled to recover their reasonable attorney fees and actual costs incurred in enforcing City's indemnification and defense obligations set forth in this Agreement. Restaurant Indemnitees shall have the right to counsel of their own choosing with regards to the City's duty to indemnify and defend.

## ARTICLE 6

### GENERAL PROVISIONS

**6.1 Incorporation of Recitals.** The Recitals of fact set forth at the beginning of this Agreement are true and correct and are incorporated into this Agreement in their entirety by this reference.

**6.2 Parties to the Agreement.** The Parties to this Agreement are City, Banquet Operator, and Restaurant Operator.

**6.3 Restrictions on Change in Management or Control of Restaurant Owner and Transfers.**

(a) Restaurant Owner acknowledges that The Olive RestoBar brand including qualifications and identity of Restaurant Owner are of particular importance to City and that a Transfer of any of Restaurant Owner's interest in this Agreement or the Property, changes in the Restaurant to be operated on the Property, and changes in ownership and control of Restaurant Owner are only

allowed during the Operating Period pursuant to the terms and conditions of this Section 6.3 and with the prior written consent of City, which, except as set forth in Section 6.3(b), shall be in the form of approval by the City Council, and which consent may be withheld, conditioned or delayed in City's reasonable discretion. No voluntary or involuntary successor in interest of Restaurant Owner shall acquire any right or interest in this Agreement without the prior written consent of City pursuant to this Section 6.3. Any Transfer made in contravention of this Section 6.3 shall be voidable at the election of City and, if voided, shall be deemed to be an Event of Default by Restaurant Owner, whether or not Restaurant Owner knew of or participated in such Transfer. When reviewing and deciding upon any proposed Transfer of this Agreement or the Property, City shall consider the financial capacity of the proposed transferee or assignee to perform the terms and conditions in this Agreement, and Restaurant Owner shall deliver or cause to be delivered to City any documentary evidence concerning the proposed transferee's or assignee's financial capacity that City may request or need to review in City's reasonable discretion to evaluate the proposed Transfer. In the event that City approves a Transfer pursuant to this Section 6.3, no such Transfer shall be effective unless and until Restaurant Owner and a City-approved transferee or assignee execute and deliver to City at least thirty (30) days prior to such Transfer, an assignment and assumption agreement, in recordable form and acknowledged for recording, in a form and with content reasonably acceptable to City and the City Attorney, pursuant to which the transferee or assignee assumes, for City's benefit, all of Restaurant Owner's obligations hereunder.

(b) Notwithstanding the general prohibition of Transfers in Section 6.3(a), above, after the Effective Date, transfers or assignments to any entity which controls, is controlled by or is under common control with Restaurant Owner, as evidenced by written documentation provided to City prior to the transfer or assignment, are permitted without the prior written approval by City, provided that Restaurant Owner delivers to City written notice of the proposed Transfer no less than thirty (30) days prior to the anticipated date of the Transfer along with the proposed assignment and assumption agreement for review and approval by City and the City Attorney.

(c) Notwithstanding any other provision in this Agreement to the contrary, and provided that no Event of Default then exists, City approval of a Transfer shall not be required in connection with any of the following:

(i) the granting of temporary easements or permits to facilitate the development of the Property as the Restaurant or to otherwise facilitate improvements necessary for the Required Operations;

(ii) except as set forth in Section 3.6(a)-(c), assignments creating security interests for the purpose of financing, the acquisition, construction or permanent financing of the Property or Project thereon, unless expressly subordinate to the security interest in the Mortgaged Property granted to City pursuant to the Deed of Trust, as set forth in Section 3.6. Notwithstanding the foregoing, Restaurant Owner shall give at least thirty (30) days' prior notice of the proposed assignment and execute and enter into a subordination agreement in a form satisfactory to the City expressly subordinating such Further Encumbrance to the security interest in the Mortgaged Property granted to the City pursuant to the Deed of Trust, as set forth in Section 3.6;

(iii) Transfers directly resulting from the foreclosure of, or granting of a deed in lieu of foreclosure of, such a security interest, subject to the provisions of Section 3.6.

**6.4 Covenants Run With The Land.** During the Operating Period and prior to the expiration or earlier termination of this Agreement, the covenants, conditions, restrictions,

reservations, equitable servitudes, liens and charges set forth in this Agreement shall run with the Property and shall be binding upon Restaurant Owner and all persons having any right, title or interest in the Property, or any part thereof, their heirs, and successive owners and assigns, shall inure to the benefit of City and its successors and assigns, and may be enforced by City and its successors and assigns. The covenants established in this Agreement shall, without regard to technical classification and designation, be binding for the benefit and in favor of City and its successors and assigns during the Operation Period and until the expiration or earlier termination of this Agreement only, and the Parties hereto expressly agree that this Agreement and the covenants herein shall run in favor of City. Furthermore, all of the covenants, conditions, and restrictions contained herein shall constitute easements in gross running in favor of City. City is deemed the beneficiary of the terms and provisions of this Agreement and of the covenants running with the land, for and in its own right and for the purposes of protecting the interests of the community and other parties, public or private, in whose favor and for whose benefit this Agreement and the covenants running with the land have been provided. Restaurant Owner hereby declares its understanding and intent that the burden of the covenants set forth herein touch and concern the land and that Restaurant Operator's interest in the Property may be rendered less valuable thereby. Restaurant Owner hereby further declares its understanding and intent that the benefit of such covenants touch and concern the land by enhancing and increasing the enjoyment and use of the Property by the citizens of City and by furthering the health, safety, and welfare of the residents of City. Notwithstanding anything to the contrary herein, in the event this Agreement is terminated prior to the end of its term, (a) the Restaurant Owner Operating Covenant shall be deemed to have expired and be of no further effect except for any indemnity and defense obligations (if and to the extent applicable, which expressly survive the termination of this Agreement), and (b) the Parties shall cooperate to extinguish the Notice of Agreement from the public record.

**6.5 Notices, Demands and Communications Between the Parties.**

(a) All notices under this Agreement shall be effective upon personal delivery, upon delivery by reputable overnight courier service that provides a receipt with the date and time of delivery, via facsimile so long as the sender receives confirmation of successful transmission from the sending machine, or three (3) business days after deposit in the United States mail, postage fully prepaid and addressed to the respective Parties as set forth below or as to such other address as the Parties may from time to time designate in writing:

To Restaurant Operator:

The Olive Banquet SS, LLC  
9288 Lubec Street,  
Downey, CA 90240  
Attn: Sam Sarofeem  
Phone: 562-505-3755

With a copy to:

Law Office of Anahita Hasheminejad PLC  
2152 Dupont Drive Suite 280  
Irvine, CA 92612  
Attn: Anahita Hasheminejad, Esq.  
Phone: 949-260-8420  
Email: [Anahita@MyCALawyer.com](mailto:Anahita@MyCALawyer.com)

To Banquet Operator:

The Olive Banquet Inc.  
9288 Lubec Street,  
Downey, CA 90240  
Attn: Sam Sarofeem  
Phone: 562-505-3755

With a copy to:

Law Office of Anahita Hasheminejad PLC  
2152 Dupont Drive Suite 280  
Irvine, CA 92612  
Attn: Anahita Hasheminejad, Esq.  
Phone: 949-+60-8420  
Email: [Anahita@MyCALawyer.com](mailto:Anahita@MyCALawyer.com)

To City:

City of Santa Fe Springs  
11710 Telegraph Road  
Santa Fe Springs, CA 90670  
Attention: City Manager  
Telephone: (562) 868-0511

Courtesy Copy:

Olivarez Madruga Law Organization, LLP  
500 S. Grand Ave., Floor 12  
Los Angeles, CA 90071  
Attention: Paloma McEvoy  
Telephone (213) 744-0099

**6.6 Governing Law and Venue.** This Agreement shall be interpreted and governed according to the laws of the State of California. In the event of litigation between the Parties, venue, without exception, will be in the Los Angeles County Superior Court of the State of California. If, and only if, applicable law requires that all or part of any such litigation be tried exclusively in federal court, venue, without exception, will be in the Central District of California located in the City of Los Angeles, California.

**6.7 Conflict of Interest.** No member, official or employee of City having any economic interest, direct or indirect, related to this Agreement shall participate in any decision relating to this Agreement. The Parties represent and warrant that they do not have knowledge of the existence of any such conflict of interest.

**6.8 Warranty Against Payment of Consideration for Agreement.** Restaurant Owner warrants that it has not paid or given, and will not pay or give, any third party any money or other consideration for obtaining this Agreement. Third parties, for the purposes of this Section 6.8 shall not include persons to whom fees are paid for professional services, if rendered by attorneys, financial consultants, accountants, engineers, architects and the like when such fees are considered necessary by Restaurant Owner.

**6.9 Non-liability of City Officials and Employees.** No member, official or employee of City shall be personally liable to Restaurant Owner, or any successor in interest, in the event of any default or breach by City under this Agreement or for any amount that may become due to Restaurant Owner or to its successors, or on any obligations under the terms of this Agreement. This provision does not however absolve or act as a waiver of Restaurant Owner's rights to pursue claims for

intentional torts or fraudulent conduct by said members, officials, or employees of City acting in their official capacity.

**6.10 Relationship of the Parties.** It is understood and agreed by the Parties that the contractual relationship created between the Parties hereunder is that Restaurant Owner is an independent contractor and not an agent of the City. Further, the City and Restaurant Owner hereby renounce the existence of any form of agency, joint venture, or partnership between them and agree that nothing herein or in any document executed in connection herewith shall be construed as making the City and Developer agents of one another or as joint venturers or partners.

**6.11 Unavoidable Delay; Extension of Time of Performance.**

(a) Performance by any Party under this Agreement shall not be deemed to be in default, or considered to be a default, where any delay or default is due to an Unavoidable Delay (Force Majeure). In the event that an Unavoidable Delay occurs, and a Party is unable to timely perform any obligation under this Agreement, an extension of time for any Unavoidable Delay shall be granted for the period of time that the Unavoidable Delay exists and shall commence to run from the date of occurrence of the Unavoidable Delay, but only if the Party asserting the existence of the Unavoidable Delay provides the other Party with written notice of the occurrence of the Unavoidable Delay, within ten (10) calendar days of the commencement of the asserted Unavoidable Delay. If the Party asserting the existence of the Unavoidable Delay fails to provide the other Party with timely written notice, then extension of time for such Unavoidable Delay shall commence to run from the date of written notice of such Unavoidable Delay. In the event that an Unavoidable Delay disrupts Required Operations for ninety (90) days or more, Restaurant Owner shall deliver to City written notice of an action plan that Restaurant Owner will implement so that the Property may resume operations for the Required Operations within an additional ninety (90) days of delivery of said notice; In the event that the Property is not used for the Required Operations within three hundred sixty five (365) days from the commencement of a particular cause of an Unavoidable Delay, City shall have the right to declare that Restaurant Owner has committed an Event of Default and may pursue any rights or remedies against Restaurant Owner pursuant to Article 5, above, however, if the Unavoidable Delay disrupts Required Operations due to damage or destruction of the Mortgaged Property, and the failure to resume the Required Operations after an Unavoidable Delay is the direct or indirect result of acts or omission of the City or State which prevents repairs, rehabilitation, or reconstruction of the damaged or destroyed improvement necessary to resume Required Operations (i.e., failure to make necessary repairs to road and infrastructure in a timely fashion after an earthquake or other Force Majeure event) which are out of the control of Restaurant Owner and not the responsibility of the Restaurant Owner, then the failure to resume Required Operations shall not constitute an Event of Default, and, so long as Restaurant Operator has maintained all insurance for the Property as required under the Deed of Trust (such insurance requirements under the Deed of Trust are hereby incorporated by reference as if set forth herein), the Parties may mutually agree to terminate this Agreement and shall share equally in the proceeds of insurance (with the exception that the City's portion of insurance proceeds shall not exceed any amount owed to City by Restaurant Owner under the terms of this Agreement), this Agreement shall be terminated, with no further obligations hereunder except for those obligations under this Agreement which expressly survive the expiration or earlier termination of this Agreement.

(b) The Parties expressly acknowledge and agree that changes in either general economic conditions or changes in the economic assumptions of either of them that may have provided a basis for entering into this Agreement and that occur at any time after the execution of this Agreement, do not constitute an Unavoidable Delay and do not provide any Party with grounds for asserting the existence of an Unavoidable Delay in the performance of any covenant or undertaking

arising under this Agreement. Each Party expressly assumes the risk that changes in general economic conditions or changes in such economic assumptions relating to the terms and covenants of this Agreement could impose an inconvenience or hardship on the continued performance of such Party under this Agreement.

**6.12 Tolling.** The Parties agree that all applicable statutes of limitation, time-based defenses, as well as all time periods in which a Party must exercise rights or perform obligation hereunder, will be tolled for the pendency of litigation challenging the validity of this Agreement or the City's authority to enter into this Agreement or perform City's obligations hereunder, commencing on the date on which the applicable complaint is filed until the date of any final, non-appealable judgment, settlement, or other resolution of such judicial proceeding or legal action, claim or controversy.

**6.13 Binding on Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns, which have been approved as successors or assigns pursuant to the terms and conditions of this Agreement.

**6.14 Waiver, Amendments, and Modifications.** A waiver of a provision in this Agreement, or amendment or modification of any provision herein contained, shall be effective only if said waiver, amendment, or modification is in writing and signed by all Parties. No waiver of any breach or default by any Party hereto shall be considered to be a waiver of any breach or default unless expressly provided herein or in the waiver.

**6.15 Amendments by City.** Notwithstanding the authority granted in Section 2.1 of this Agreement, the City Manager is authorized on behalf of City to approve and execute minor amendments to this Agreement, including, but not limited to, the granting of extensions of time to Restaurant Owner that do not exceed ninety (90) calendar days in the aggregate.

**6.16 Counterpart Originals; Integration.** This Agreement may be executed in counterparts, originals, each of which is deemed to be an original, but when taken together shall constitute but one and the same instrument. This Agreement and its exhibits represent the entire understanding of the Parties regarding the Restaurant Owner Operating Covenant, and supersedes all prior negotiations, letters of intent, memoranda of understanding or agreements between the Parties with respect to all or any part of the subject matter of this Agreement.

**6.17 Survival or Indemnity and Other Obligation.** All general and specific indemnity and defense obligations of the Parties set forth in this Agreement and all reimbursement and other obligations that may be expressly provided herein shall survive the expiration of the Operating Period or termination of this Agreement unless an expiration period is otherwise set forth in this Agreement.

**6.18 Interpretation.** The Parties acknowledge that this Agreement is the product of mutual arms-length negotiation and drafting and that each Party has been represented by legal counsel in the negotiation and drafting of this Agreement. Accordingly, any rule of construction providing that ambiguities in a document shall be construed against the drafter of that document shall have no application to the interpretation or enforcement of this Agreement.

**6.19 Entire Agreement.** This Agreement, including all attached exhibits, constitutes the entire, complete, final, and exclusive expression of the Parties with respect to the matters addressed herein and supersedes all other agreements or understandings, whether oral or written, which may have

been entered into between the Parties prior to the execution of this Agreement. Any statements, representations, or other agreements, whether oral or written, made by either Party that is not embodied herein will not be valid or binding on the Parties. No amendment, modification or supplement to this Agreement will be valid and binding unless in writing and duly executed by the Parties pursuant to Section 6.14, above.

**6.20 Severability.** If any term, covenant, condition or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions hereof shall remain in full force and shall not be affected, impaired or invalidated thereby.

**6.21 No Third-Party Beneficiaries.** The performance of each Party's respective obligations under this Agreement are not intended to benefit any Party other than the Parties, except as expressly provided otherwise herein. No person or entity not a signatory to this Agreement shall have any rights or causes of action against any Party to this Agreement as a result of that Party's performance or non-performance under this Agreement, except as expressly provided otherwise herein.

**6.22 City Manager Implementation.** City shall implement this Agreement through its City Manager. The City Manager is hereby authorized by City to issue approvals, interpretations or waivers and enter into certain amendments to this Agreement on behalf of City, to the extent that any such action(s) does/do not materially or substantially increase the monetary obligations of City by more than Fifty Thousand Dollars (\$50,000) in the aggregate. All other actions shall require the consideration and approval of the City Council, unless expressly provided otherwise by action of the City Council. Nothing in this Section 6.22 shall restrict the submission to the City Council of any matter within the City Manager's authority under this Section 6.22, in the City Manager's sole and absolute discretion, to obtain the City Council's express and specific authorization on such matter. The specific intent of this Section 6.22 is to authorize certain actions on behalf of City by the City Manager, but not to require that such actions be taken by the City Manager, without consideration by the City Council.

**6.23 Authority to Execute.** The persons executing this Agreement on behalf of the Parties warrant and represent that they have the authority to execute this Agreement on behalf of said Parties and have the authority to bind the Parties to the provisions of this Agreement.

**6.24 Electronic Signatures.** The Parties acknowledge and agree that execution of the Agreement by electronic signature or electronic transmittal of signatures shall have the same effect as handwritten signatures for the purposes of validity, enforceability, and admissibility.

**[SIGNATURES ON FOLLOWING PAGES]**

**SIGNATURE PAGE  
TO  
OPERATING COVENANT AGREEMENT**

IN WITNESS WHEREOF, City and Restaurant Owner have executed this Operating Covenant Agreement by and through the signatures set forth below.

**CITY:**

**BANQUET OPERATOR:**

**CITY OF SANTA FE SPRINGS**

**THE OLIVE BANQUET INC.**

By: \_\_\_\_\_  
René Bobadilla, City Manager

By: \_\_\_\_\_  
Sam Sarofeem, Chief Executive Officer

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

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

By: \_\_\_\_\_  
Maribel Garcia, City Clerk

**RESTAURANT OPERATOR:  
THE OLIVE BANQUET SS, LLC.**

By: \_\_\_\_\_  
Sam Sarofeem, Manager

**APPROVED AS TO FORM:**

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

By: \_\_\_\_\_  
Rick Olivarez, City Attorney

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

**EXHIBIT "A"**

**LEGAL DESCRIPTION OF PROPERTY**

All that certain property located in the City of Santa Fe Springs, County of Los Angeles, State of California, described as follows:

**LEGAL DESCRIPTION**

Real property in the City of Santa Fe Springs, County of Los Angeles, State of California, described as follows:

Parcel 1:

Parcel 1 of PARCEL MAP NO. 17237, in the City of Santa Fe Springs, County of Los Angeles, State of California as per map recorded in Book 185 Pages 21 and 22 of Parcel Maps in the Office of the County Recorder of said County.

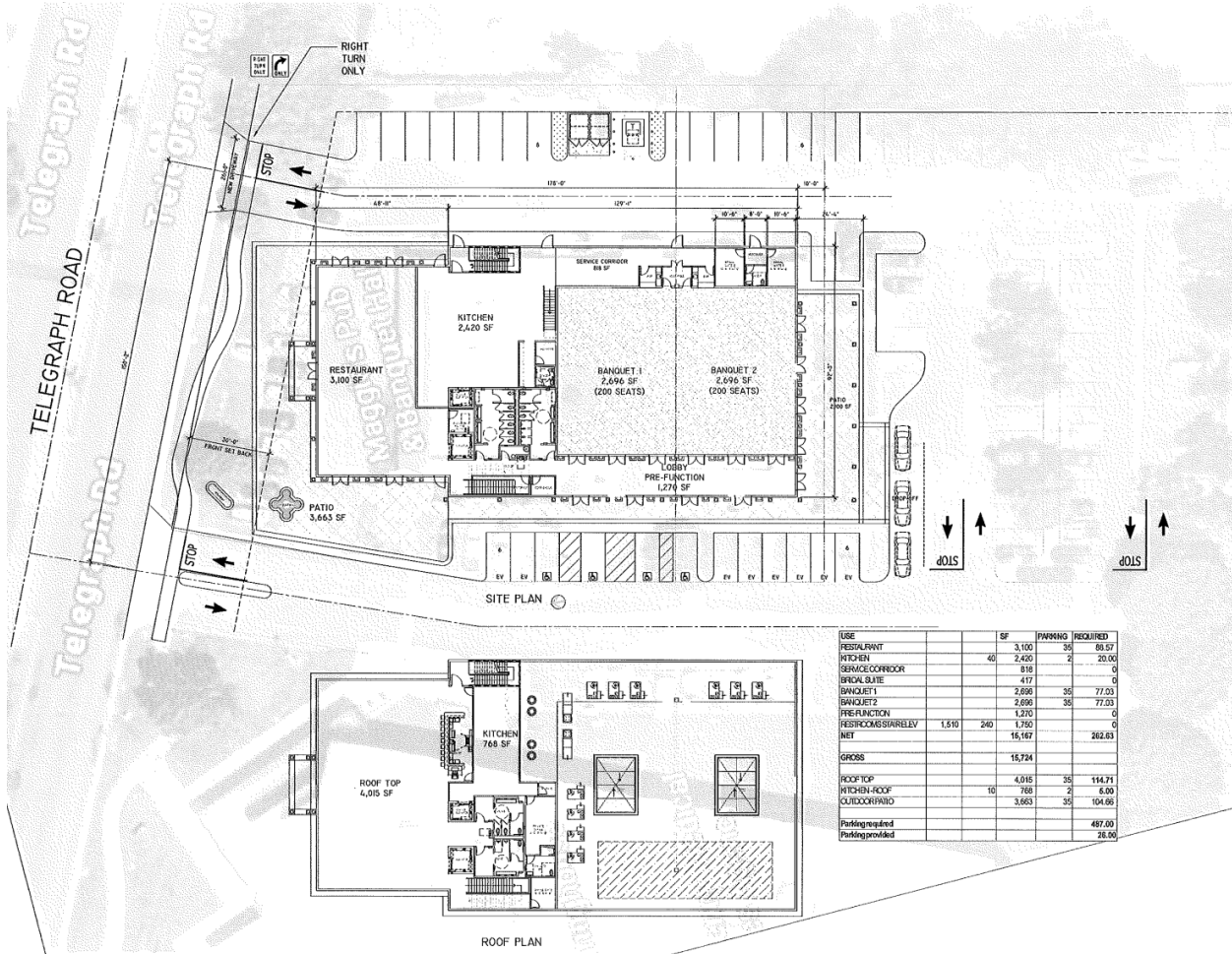
Parcel 2:

That portion of Parcel 2 of PARCEL MAP NO. 17237, in the City of Santa Fe Springs, County of Los Angeles, State of California, as per map recorded in Book 185 Pages 21 and 22 of Parcel Maps in the Office of the County Recorder of said County, described as follows: Beginning at the Southeasterly corner of Parcel 1 of said Parcel Map; thence along the Southwesterly line of said Parcel 1 North 74°54'15" West 182.70 feet to the Southwesterly corner thereof; thence South 15°05'4" West 55.00 feet; thence South 74°54'15" East 182.70 feet to the Easterly line of said Parcel 2; thence along said Easterly line, North 15°05'45" East 55.00 feet to the Point of Beginning.

APN: 8009-026-012 (Affects Parcel 1)

APN: 8009-026-018 (Affects Parcel 2)

**EXHIBIT "B"**  
**SITE PLAN**



**EXHIBIT “C”**

**NOTICE OF AGREEMENT AND DECLARATION OF COVENANTS**

RECORDING REQUESTED BY AND  
WHEN RECORDED RETURN TO:

Olivarez Madruga Law Organization, LLP  
500 S. Grand Ave., Floor 12  
Los Angeles, CA 90071  
Attention: Paloma McEvoy  
Telephone 213-744-0099

[This space for Recorder’s Use]

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**NOTICE OF AGREEMENT AND DECLARATION OF COVENANTS**

THIS NOTICE OF AGREEMENT AND DECLARATION OF COVENANTS (“**Memorandum**”) is made as of [date] among **CITY OF SANTA FE SPRINGS**, a California municipal corporation (“**City**”) and **THE OLIVE BANQUET INC**, a California corporation and **THE OLIVE BANQUET SS, LLC**, a California Limited Liability Company (**collectively**, “**Restaurant Owners**”).

1. Agreement. City and Restaurant Owners have entered into that certain unrecorded Operating Covenant Agreement (“**Agreement**”) dated as of \_\_\_\_\_, 2026 establishing certain commitments and requirements regarding certain real property located in Los Angeles, California, described on Exhibit “A” attached hereto (the “**Property**”).

2. Covenants of Restaurant Owners. The parties have executed and recorded this instrument for the purpose of imparting notice of the existence and application of the Agreement and the covenants of Restaurant Owners regarding the use of the Property for a restaurant and banquet hall purpose for a ten (10) year operating period. The terms are as set forth in the unrecorded Agreement all of which are incorporated herein by reference as though set forth fully herein. In the event of an inconsistency between this Memorandum and the Agreement, the Agreement shall control. This Memorandum and the Agreement shall bind and inure to the benefit of the parties hereto, and their respective heirs, successors and assigns.

3. Termination. This Memorandum shall terminate and be of no further force or effect in the event the termination or expiration of the Agreement.

**[Signatures on following page.]**

IN WITNESS WHEREOF, Restaurant Owners and City have executed this Memorandum on the dates set forth below.

“City”

CITY OF SANTA FE SPRINGS,

\_\_\_\_\_  
René Bobadilla, City Manager

ATTEST:

\_\_\_\_\_  
Maribel Garcia, City Clerk

“Restaurant Owners”  
THE OLIVE BANQUET INC.

APPROVED AS TO FORM:

\_\_\_\_\_  
Sam Sarofeem, Chief Executive Officer

By:\_\_\_\_\_  
Rick Olivarez, City Attorney

THE OLIVE BANQUET SS, LLC

\_\_\_\_\_  
Sam Sarofeem, Manager

**ACKNOWLEDGMENT**

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

State of California  
County of \_\_\_\_\_)

On \_\_\_\_\_ before me, \_\_\_\_\_  
(insert name and title of the officer)

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” TO NOTICE OF AGREEMENT AND DECLARATION OF  
COVENANTS  
LEGAL DESCRIPTION OF PROPERTY**

[TO BE ATTACHED]



**EXHIBIT “D”**  
**DEED OF TRUST**  
**[TO BE ATTACHED]**

**Recording requested by and when recorded mail to:**

City of Santa Fe Springs  
11710 Telegraph Road  
Santa Fe Springs, CA 90670  
Attn: City Manager

EXEMPT FROM RECORDING FEES PER  
GOVERNMENT CODE §§27383, 27388.1

(Space Above This Line For Recorder's Use Only)

## **PERFORMANCE DEED OF TRUST (Operating Covenant Agreement)**

This PERFORMANCE DEED OF TRUST ("Deed of Trust") is made as of \_\_\_\_ of March, 2026 ("Effective Date"), by and between **THE OLIVE BANQUET SS, LLC**, a California Limited Liability Company ("Trustor"), whose address is **9288 Lubec Street, Downey, CA 90240**; **[Title Company or other Trustee]**, a **[state] [entity type]**, as trustee ("Trustee"); and the **CITY OF SANTA FE SPRINGS**, a public body, corporate and politic, as beneficiary (including its agents, successors and assigns, "**Beneficiary**" or "**City**"), to secure certain obligations of Trustor and The Olive Banquet Inc. ("Banquet Operator" and collectively with Trustor, "Restaurant Owner").

### **RECITALS**

A. Trustor is the owner of the real property located at **11900 Telegraph Road, Santa Fe Springs, CA 90670**, and more particularly described in the attached Exhibit "A", which is incorporated herein by reference (the "Property").

B. Trustor intends to use the Property as (i) The Olive RestoBar restaurant to be operated by Trustor, and (ii) a separate banquet hall to be operated by Banquet Operator as a rentable event space (together, the "Restaurant").

C. Beneficiary, Trustor, and The Olive Banquet Inc. entered into an Operating Covenant Agreement dated as of \_\_\_\_\_, 2026, and a Notice of Agreement and Declaration of Covenants to provide constructive notice of the existence and application thereof, recorded in the Official Records of Los Angeles County substantially concurrently herewith (collectively, the "Operating Covenant Agreement") (capitalized terms used without definition herein have the meaning ascribed to such terms in the Operating Covenant Agreement).

D. Pursuant to the Operating Covenant Agreement, Beneficiary shall make a grant of funds to Trustor to assist Restaurant Owner with the costs of continuously operating and staffing the Restaurant, and maintaining job opportunities (the "Grant"), which shall be conditional upon Restaurant Owner's compliance with the obligations under the Operating Covenant Agreement. Provided Restaurant Owner complies with the obligations thereunder,

Restaurant Owner shall be subject to no obligation to repay the Grant. Restaurant Owner has certain rights to voluntary repayment of the Pro-Rated Reduced Repayment Amount and early termination of the Operating Covenant Agreement, as set forth in greater particularity therein.

E. Pursuant to the Operating Covenant Agreement, Restaurant Owner is obligated, among other requirements, to adhere to those certain Restaurant Owner Operating Covenants, and is prohibited from using the Grant funds for the costs of developing the project.

F. The Operating Covenant Agreement also sets forth (among other provisions): (i) certain restrictions on Restaurant Owner's Transfer of its interest in the Operating Covenant Agreement or the Property without the prior written consent of the City; and (ii) certain restrictions on Restaurant Owner's ability to encumber the Property without City's prior written consent.

## **AGREEMENT**

**NOW, THEREFORE**, to secure the full and timely performance by Restaurant Owner of the Secured Obligation, it is agreed as follows:

1. Recitals; Operating Covenant Agreement. The Recitals above are true and correct and incorporated, in full, herein. All terms and conditions of the Operating Covenant Agreement are incorporated by reference in this Deed of Trust with the same force and effect as though fully set forth herein.

2. Grant in Trust. Trustor, in consideration of the promises herein recited and the trust herein created, hereby irrevocably and unconditionally grants, transfers, conveys and assigns to Trustee, in trust for the benefit of Beneficiary, with power of sale, all estate, right title and interest which Trustor now has or may later acquire in and to the Property together with all of the following:

(i) all improvements now or hereafter located or constructed on the Property and all replacements and additions thereto ("Improvements");

(ii) all easements, rights of way, appurtenances and other rights used in connection with the Property or as a means of access thereto ("Appurtenances");

(iii) all fixtures now or hereafter attached to or used in and about the Property or the improvements located thereon or hereafter located or constructed on the Property, and all renewals or replacements thereof or articles in substitution therefor, whether or not the same are, or shall be attached to the improvements in any manner ("Fixtures and Equipment"); and

(iv) all leases, subleases, licenses and other agreements relating to use or occupancy of the Property ("Leases") and all rents or other payments which may now or hereafter accrue or otherwise become payable to or for the benefit of Trustor ("Rents") (whether or not such Leases and Rents are permitted by the Operating Covenant Agreement).

All of the above-referenced Property, Improvements, Appurtenance, Fixtures and Equipment, Leases and Rents are herein referred to collectively as the "Security".

3. Obligations Secured. This Deed of Trust is given by Trustor for the purpose of securing payment and/or performance by Restaurant Owner of the following (the "Secured Obligations"): (i) all present and future obligations of Trustor set forth in this Deed of Trust and of Restaurant Owner set forth in the Operating Covenant Agreement (including without limitation, Restaurant Owner's obligation to adhere to the Restaurant Owner Operating Covenants for the duration of the Operating Period or until the earlier voluntary repayment of the Pro-Rated Reduced Repayment Amount by Restaurant Owner); (ii) all additional present and future obligations of Restaurant Owner, to Beneficiary under any other agreement or instrument acknowledged by Trustor (whether existing now or in the future) which states that it is or such obligations are, secured by this Deed of Trust; (iii) all modifications, supplements, amendments, renewals, and extensions of any of the foregoing, whether evidenced by new or additional documents; and (iv) reimbursement of all amounts advanced by or on behalf of Beneficiary to protect Beneficiary's interests under this Deed of Trust.

4. Assignment of Rents, Issues, and Profits. Trustor hereby irrevocably, absolutely, presently and unconditionally assigns to Beneficiary the rents, royalties, issues, profits, revenue, income and proceeds of the Property. This is an absolute assignment and not an assignment for security only. Beneficiary hereby confers upon Trustor a license to collect and retain such rents, royalties, issues, profits, revenue, income and proceeds as they become due and payable prior to any Event of Default hereunder. Upon the occurrence of any such Event of Default, Beneficiary may terminate such license without notice to or demand except as required under the Operating Covenant Agreement upon Trustor and without regard to the adequacy of any security for the indebtedness hereby secured, and may either in person, by agent, or by a receiver to be appointed by a court, enter upon and take possession of the Property or any part thereof, and sue for or otherwise collect such rents, issues, and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorneys' fees, to any indebtedness secured hereby, and in such order as Beneficiary may determine. Beneficiary's right to the rents, royalties, issues, profits, revenue, income and proceeds of the Property does not depend upon whether or not Beneficiary takes possession of the Property. The entering upon and taking possession of the Property, the collection of such rents, issues, and profits, and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice. If an Event of Default occurs while Beneficiary is in possession of all or part of the Property and/or is collecting and applying Rents as permitted under this Deed of Trust, Beneficiary, Trustee and any receiver shall nevertheless be entitled to exercise and invoke every right and remedy afforded any of them under this Deed of Trust and at law or in equity, including the right to exercise the power of sale granted hereunder. Regardless of whether or not Beneficiary, in person or by agent, takes actual possession of the Property and Improvements, Beneficiary shall not be deemed to be a "mortgagee in possession," shall not be responsible for performing any obligation of the lessor under any lease, shall not be liable in any manner for the Property, or the use, occupancy, enjoyment or operation of any part of it, and unless due solely to the willful misconduct or gross negligence of Beneficiary, shall not be responsible for any dangerous or defective condition of the Property or any negligence in the management, repair or control of the Property.

5. Fixture Filing. This Deed of Trust is intended to be and constitutes a fixture filing pursuant to the provisions of the UCC with respect to all of the Property constituting fixtures, is being recorded as a fixture financing statement and filing under the UCC, and covers property, goods and equipment which are or are to become fixtures related to the Property and the Improvements. Trustor covenants and agrees that this Deed of Trust is to be filed in the real estate records of Los Angeles County and shall also operate from the date of such filing as a fixture filing in accordance with Section 9502 and other applicable provisions of the UCC. This Deed of Trust shall also be effective as a financing statement covering minerals or the like (including oil and gas) and accounts subject to the UCC, as amended. Trustor shall be deemed to be the “debtor” and Beneficiary shall be deemed to be the “secured party” for all purposes under the UCC. The full name of Trustor and the mailing address of Trustor are set forth in the introductory paragraph of this Deed of Trust.

6. Trustor’s Representations, Warranties and Covenants.

6.1 Trustor’s Estate. Trustor represents and warrants that Trustor is lawfully seized of the estate hereby conveyed and has the right to grant and convey the Security, that other than this Deed of Trust, the Security is encumbered only by: (a) the Operating Covenant Agreement, (b) those exceptions to title shown in the title report for the Property which are approved in writing by the City, and (c) any Further Encumbrances in accordance with the restrictions of Sections 3.6 of the Operating Covenant Agreement for which the applicable lender, creditor, or lienholder with an interest in the Security has duly executed and deposited into Escrow for recordation at the Close of Escrow a subordination agreement in a form satisfactory to the Beneficiary subordinating such interest to this Deed of Trust. Trustor agrees to warrant and defend generally the title to the Security against all claims and demands, subject to any declarations, easements or restrictions, whether listed in a schedule of exceptions to coverage in any title insurance policy insuring the City’s interest in the Security or Further Encumbrances.

6.2 Repayment of Sums Owed under Operating Covenant Agreement. Trustor will promptly pay to the City all sums due under the Operating Covenant Agreement, pursuant to the terms contained therein.

6.3 Operating Covenant Agreement. Trustor will observe and perform all of the covenants and agreements of the Operating Covenant Agreement.

6.4 Charges; Liens. Trustor will pay, prior to delinquency, all taxes, assessments and other charges, fines and impositions affecting the Security directly to the payee thereof. Upon request by the City, Trustor will promptly furnish to the City all notices of such amounts due. Without limiting the restrictions on Further Encumbrances set forth under Section 3.6 of the Operating Covenant Agreement and obligation thereunder to enter into subordination agreements in a form satisfactory to City to ensure the seniority of its security interest under this Deed of Trust except as set forth in Section 3.6(c) of the Operating Covenant, Trustor shall pay when due each obligation secured by or reducible to a lien, charge or encumbrance which now does or later may encumber or appear to encumber all or part of the Property or any interest in it, whether or not such lien, charge or encumbrance is or would be senior or subordinate to this Deed of Trust. Trustor shall not be required to pay any tax, levy, charge or assessment so long as its validity is being actively contested in good faith and by

appropriate actions and/or proceedings which will operate to prevent the enforcement of the lien or forfeiture of the Security or any part thereof.

#### 6.5 Insurance.

(a) Trustor will keep the Security insured on a all risk (special form) basis with a property insurance policy equal to the replacement value of the Security (adjusted every five (5) years by appraisal, if requested by the City), naming the City as lender/mortgagee by a standard mortgagee or loss payable clause to protect the City's secured interest in the event of damage or loss. If the Security is located in a flood plain, Trustor shall also obtain flood insurance. In no event shall the amount of insurance be less than the amount necessary to prevent Trustor from becoming a co-insurer under the terms of the policy.

The insurance carrier providing this insurance shall be licensed to do business in the State of California and be chosen by Trustor subject to approval by the City.

All insurance policies and renewals thereof will be in a form acceptable to the City. The City shall have the right to hold, or cause its designated agent to hold, the policies and renewals thereof, and Trustor shall promptly furnish to the City, or its designated agent, the original insurance policies or certificates of insurance, all renewal notices and all receipts of paid premiums. In the event of loss, Trustor will give prompt notice to the insurance carrier and the City or its designated agent. The City, or its designated agent, may make proof of loss if not made promptly by Trustor. The City shall receive thirty (30) days advance notice of cancellation of any insurance policies required under this section.

Unless otherwise permitted by the City in writing, insurance proceeds will be applied to restoration or repair of the Security damaged. If permitted by City the insurance proceeds shall be used to repay any amounts due under the Operating Covenant Agreement, if applicable, with the excess, if any, paid to Trustor. If the Security is abandoned by Trustor, or if Trustor fails to respond to the City, or its designated agent, within thirty (30) days from the date notice is mailed by either of them to Trustor that the insurance carrier offers to settle a claim for insurance benefits, the City, or its designated agent, is authorized to collect and apply the insurance proceeds at the City's option either to restoration or repair of the Security or to pay amounts due under the Operating Covenant Agreement.

If the Security is acquired by the City, all right, title and interest of Trustor in and to any insurance policy and in and to the proceeds thereof resulting from damage to the Security prior to the sale or acquisition will pass to the City to the extent of the sums secured by this Deed of Trust immediately prior to such sale or acquisition.

The City reserves the right to require increased limits or additional coverage if the Property is improved with new structures, the value of improvements materially increases, or the use of the property changes in a way that elevates risk.

(b) During the course of any construction or rehabilitation of the improvements located on the Property, Trustor shall maintain builder's risk insurance for the full completed value of the project, and shall hire only licensed contractors who maintain the following forms of insurance:

(i) Commercial General Liability Insurance. Commercial general liability insurance with limits of at least One Million Dollars (\$1,000,000.00) per occurrence and Two Million Dollars (\$2,000,000.00) in aggregate, with City named as an additional insured on a primary and non-contributory basis.

(ii) Worker's Compensation Insurance. Worker's compensation insurance with levels consistent with applicable law, covering all persons employed in connection with any work on the Property, with City named as an additional insured on a primary and non-contributory basis.

(iii) Automobile Liability Insurance. Automobile liability insurance with limits of at least One Million Dollars (\$1,000,000.00) per occurrence and Two Million Dollars (\$2,000,000.00) in aggregate, with City named as an additional insured on a primary and non-contributory basis.

(c) Once Restaurant Operations commence, Trustor shall be required to maintain the following forms of insurance:

(i) Commercial General Liability Insurance. Commercial general liability insurance with limits of at least Two Million Dollars (\$2,000,000.00) per occurrence and Four Million Dollars (\$4,000,000.00) in aggregate, with City named as an additional insured on a primary and non-contributory basis, a waiver of subrogation, and either (i) liquor liability coverage or (ii) confirmation that liquor liability is not excluded from the commercial general liability coverage. The City reserves rights to require increased limits if operating hours expand, alcohol service intensifies, or the use shifts towards a bar, events, or other entertainment-focused activities.

6.6 Preservation and Maintenance of Security. Trustor will keep the Security in good repair and in a neat, clean, and orderly condition and will not commit waste or permit impairment or deterioration of the Security. If there arises a condition in contravention of this Section, and if the Trustor has not cured such condition within thirty (30) days after receiving a City notice of such a condition, then in addition to any other rights available to the City, the City shall have the right (but not the obligation) to perform all acts necessary to cure such condition, and to establish or enforce a lien or other encumbrance against the Security to recover its cost of curing.

6.7 Protection of the City's Security. If Trustor or Restaurant Owner, as applicable, fails to perform the covenants and agreements contained in this Deed of Trust or Operating Covenant Agreement, or if any action or proceeding is commenced which materially affects the City's interest in the Security, including, but not limited to, eminent domain, insolvency, code enforcement, or arrangements or proceedings involving a bankrupt or decedent, then the City, at the City's option, without releasing Trustor from any obligation hereunder or Restaurant Owner from any obligation under the Operating Covenant Agreement, may make such appearances, disburse such sums and take such action as it determines necessary to protect the City's interest, including but not limited to, disbursement of reasonable attorneys' fees and entry upon the Security to make repairs. Any amounts disbursed by the City pursuant to this paragraph, with interest thereon, will become an indebtedness of Trustor secured by this Deed of Trust. Unless Trustor and City agree to other terms of payment, such amount

will be payable upon notice from the City to Trustor requesting payment thereof, and will bear interest from the date of disbursement at the lesser of (i) ten percent (10%); or (ii) the highest rate permissible under applicable law. Nothing contained in this paragraph will require the City to incur any expense or take any action hereunder.

6.8 Inspection. The City may make or cause to be made reasonable entries upon and inspections of the Security; provided that the City will give Trustor reasonable notice of inspection. Trustor understands and agrees that any such City inspections are for the sole purpose of protecting City's rights under this Deed of Trust and the Operating Covenant Agreement and not in its regulatory capacity, are made solely for City's benefit, that City's inspections may be superficial and general in nature, and are for the purposes of informing City of the progress towards the Completion Date in accordance with the terms and conditions of the Operating Covenant Agreement, and that Restaurant Owner shall not be entitled to rely on any such inspection(s) as constituting necessary approvals, authorizations, permits, and other permissions from Governmental Agencies to lawfully commence operations of the Restaurant on the Property or inspections associated therewith.

6.9 Hazardous Substances. Trustor shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances in, on, under, about, or from the Property. Trustor shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal commercial/restaurant uses and to maintenance of the Property when used and disposed of in accordance with Environmental Law.

"Hazardous Substances" means, without implied limitation, substances defined as "hazardous substances," "hazardous material," "toxic substance," "solid waste," or "pollutant or contaminate" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. § 9601, et seq.); the Toxic Substances Control Act ("TSCA") (15 U.S.C. § 2601, et seq.); the Hazardous Materials Transportation Act (49 U.S.C. § 1801, et seq.); the Resource Conservation and Recovery Act (42 U.S.C. § 6901, et seq.); those substances listed in the United States Department of Transportation ("DOT") Table (49 CFR 172.101) or by the EPA, or any successor authority, as hazardous substances (40 CFR Part 302); and those substances defined as "hazardous waste" in Section 25117 of the California Health and Safety Code or, as "hazardous substances" in Section 25316 of the California Health and Safety Code; other substances, materials, and wastes that are, or become, regulated or classified as hazardous or toxic under federal, state, or local laws or regulations and in the regulations adopted pursuant to said laws, and shall also include manure, asbestos, polychlorinated biphenyl, flammable explosives, radioactive material, petroleum products, and substances designated as a hazardous substance pursuant to 33 USC Section 1321 or listed pursuant to 33 USC Section 1317.

"Environmental Law" shall mean any federal laws governing the environment as in effect on the Effective Date together with their implementing regulations and guidelines as of the Effective Date, and all state, regional, county, municipal and other local laws, regulations and ordinances including without limitation laws, rules, orders, regulations, statutes, ordinances, codes, decrees, or requirements of any government authority regulating, relating to, or imposing liability of standards of conduct concerning any hazardous substance (as later

defined), or pertaining to occupational health or industrial hygiene (and only to the extent that the occupational health or industrial hygiene laws, ordinances, or regulations relate to Hazardous Substances on, under, or about the Property), occupational or environmental conditions on, under, or about the Property, as now or may at any later time be in effect, including without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA") [42 USC Section 9601 et seq.]; the Resource Conservation and Recovery Act of 1976 ("RCRA") [42 USC Section 6901 et seq.]; the Clean Water Act, also known as the Federal Water Pollution Control Act ("FWPCA") [33 USC Section 1251 et seq.]; the Toxic Substances Control Act ("TSCA") [15 USC Section 2601 et seq.]; the Hazardous Materials Transportation Act ("HMTA") [49 USC Section 1801 et seq.]; the Insecticide, Fungicide, Rodenticide Act [7 USC Section 6901 et seq.] the Clean Air Act [42 USC Section 7401 et seq.]; the Safe Drinking Water Act [42 USC Section 300f et seq.]; the Solid Waste Disposal Act [42 USC Section 6901 et seq.]; the Surface Mining Control and Reclamation Act [30 USC Section 101 et seq.] the Emergency Planning and Community Right to Know Act [42 USC Section 11001 et seq.]; the Occupational Safety and Health Act [29 USC Section 655 and 657]; the California Underground Storage of Hazardous Substances Act [California Health & Safety Code Section 25288 et seq.]; the California Hazardous Substances Account Act [California Health & Safety Code Section 25300 et seq.]; the California Safe Drinking Water and Toxic Enforcement Act [California Health & Safety Code Section 24249.5 et seq.] the Porter-Cologne Water Quality Act [California Water Code Section 13000 et seq.] together with any amendments of or regulations promulgated under the statutes cited above and any other federal, state, or local law, statute, ordinance, or regulation now in effect or later enacted that pertains to occupational health or industrial hygiene, and only to the extent the occupational health or industrial hygiene laws, ordinances, or regulations relate to Hazardous Substances on, under, or about the Property, or the regulation or protection of the environment, including ambient air, soil, soil vapor, groundwater, surface water, or land use.

Trustor shall promptly give City written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Trustor has actual knowledge. If Trustor learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Trustor shall promptly take all necessary remedial actions in accordance with Environmental Law.

7. Nonliability for Negligence, Loss, or Damage; No Joint Venture. Trustor acknowledges, understands and agrees that the relationship between Restaurant Owner and the City is solely that of a grantor and grantee, and that the City does not undertake or assume any responsibility for or duty to Trustor under this Deed of Trust, or Restaurant Owner under the Operating Covenant Agreement, to select, review, inspect, supervise, pass judgment on, or inform Trustor, or Restaurant Owner, as applicable of the quality, adequacy or suitability of the Security or any other matter. The City owes no duty of care to protect Trustor under this Deed of Trust, or Restaurant Owner under the Operating Covenant Agreement, against negligent, faulty, inadequate or defective building or construction or any condition of the Security and Trustor agrees that neither Trustor, or Trustor's heirs, successors or assigns shall ever claim, have or assert any right or action against the City for any loss, damage or other matter arising out of or resulting from any condition of the Security and will hold City harmless from any liability, loss or damage for these things. Nothing contained herein or in

the Operating Covenant Agreement shall be deemed to create or construed to create a partnership, joint venture or any relationship other than that of a grantor and grantee.

8. Indemnity. Without limitation of and in addition to the indemnification obligations of Restaurant Owner under the Operating Covenant Agreement which are incorporated by reference with the same force and effect as though fully set forth herein, Trustor agrees to defend, indemnify, and hold the City and its elected and appointed officials, officers, employees, and agents (“Indemnitees”) harmless from and against all losses, damages, liabilities, claims, actions, judgments, costs, and reasonable attorney’s fees that the Indemnitees may incur as a direct or indirect consequence of:

(i) Restaurant Owner’s failure to perform any obligations as and when required by the Operating Covenant Agreement and this Deed of Trust; or

(ii) the failure at any time of any of Trustor’s representations or warranties to be true and correct.

9. Acceleration; Remedies. Upon Trustor’s or Restaurant Owner ‘s, as applicable, breach of any covenant, term, or agreement of Restaurant Owner in the Operating Covenant Agreement or this Deed of Trust, including, but not limited to, performance of the Restaurant Owner Operating Covenants and the covenants to pay, when due, any sums secured by this Deed of Trust, the City, prior to acceleration, will mail by express delivery with delivery receipt, notice to Trustor specifying; (1) the breach; (2) the action required to cure such breach; (3) a date, not less than thirty (30) days from the date the notice is received by Trustor as shown on the return receipt, by which such breach is to be cured; and (4) if the breach is curable, that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Deed of Trust and sale of the Security. The notice will also inform Trustor of Trustor’s right to reinstate after acceleration and the right to bring a court action to assert the nonexistence of default or any other defense of Trustor to acceleration and sale. If the breach is not cured on or before the date specified in the notice, the City, at the City’s option, may:

(a) declare all of the sums secured by this Deed of Trust to be immediately due and payable without further demand and may invoke the power of sale and any other remedies permitted by California law;

(b) either in person or by agent, with or without bringing any action or proceeding, or by a receiver appointed by a court, and without regard to the adequacy of its security, enter upon the Security and take possession thereof (or any part thereof) and of any of the Security, in its own name or in the name of Trustee, and do any acts which it deems necessary or desirable to preserve the value or marketability of the Property, or part thereof or interest therein, increase the income therefrom or protect the security thereof. The entering upon and taking possession of the Security shall not cure or waive any breach hereunder or invalidate any act done in response to such breach and, notwithstanding the continuance in possession of the Security, the City shall be entitled to exercise every right provided for in this Deed of Trust, or by law upon occurrence of any uncured breach, including the right to exercise the power of sale;

(c) commence an action to foreclose this Deed of Trust as a mortgage, appoint a

receiver, or specifically enforce any of the covenants hereof, without joinder of Banquet Operator or any other person as parties to any such action;

(d) deliver to Trustee a written declaration of default and demand for sale, pursuant to the provisions for notice of sale found at California Civil Code Sections 2924 et seq., as amended from time to time; or

(e) exercise all other rights and remedies provided herein, in the instruments by which the Trustor acquires title to any Security, or in any other document or agreement now or hereafter evidencing, creating or securing all or any portion of the obligations secured hereby, or provided by law.

The City shall be entitled to collect all reasonable costs and expenses incurred in pursuing the remedies provided in this paragraph, including, but not limited to, reasonable attorneys' fees.

10. Trustor's Right to Reinstate. Notwithstanding the City's acceleration of the sums secured by this Deed of Trust, Trustor will have the right to have any proceedings begun by the City to enforce this Deed of Trust discontinued at any time prior to five (5) days before sale of the Security pursuant to the power of sale contained in this Deed of Trust or at any time prior to entry of a judgment enforcing this Deed of Trust if: (a) Trustor pays City all sums which would be then due under this Deed of Trust if there were no acceleration under this Deed of Trust or the Operating Covenant Agreement; (b) Trustor cures all breaches of any other covenants or agreements of Trustor contained in the Operating Covenant Agreement or this Deed of Trust; (c) Trustor pays all reasonable expenses incurred by City and Trustee in enforcing the covenants and agreements of Restaurant Owner contained in the Operating Covenant Agreement or of Trustor contained in this Deed of Trust, and in enforcing the City's and Trustee's remedies, including, but not limited to, reasonable attorney's fees, including but not limited to any funds expended pursuant to Section 5.3(a)(iv) of the Operating Covenant Agreement; and (d) Trustor takes such action as City may reasonably require to assure that the lien of this Deed of Trust, City's interest in the Security and Trustor's obligation to pay the sums secured by this Deed of Trust shall continue unimpaired. Upon such payment and cure by Trustor, this Deed of Trust and the obligations secured hereby will remain in full force and effect as if no acceleration had occurred.

11. Reconveyance. Upon the expiration of the term of the Operating Covenant Agreement, or Termination of the Operating Covenant Agreement pursuant to the terms of that Agreement, if the Trustor owns the Property and is not in violation of any provisions of this Deed of Trust or in an active Event of Default under the Operating Covenant Agreement, the City will request Trustee to reconvey the Security and will surrender this Deed of Trust and the Operating Covenant Agreement to Trustee. Trustee will reconvey the Security without warranty and without charge to the person or persons legally entitled thereto. Such person or persons will pay all costs of recordation, if any.

12. Substitute Trustee. The City, at the City's option, may from time to time remove Trustee and appoint a successor trustee to any Trustee appointed hereunder. The successor trustee will succeed to all the title, power and duties conferred upon the Trustee herein and by applicable law.

13. Request for Notice. City requests that copies of the notice of default and notice of sale be sent to City at the address set forth in Section 14.5.

14. Miscellaneous.

14.1 Forbearance by the City Not a Waiver. Any forbearance by the City in exercising any right or remedy will not be a waiver of the exercise of any such right or remedy. The procurement of insurance or the payment of taxes or other liens or charges by the City will not be a waiver of the City's right to require satisfaction of any obligations secured by this Deed of Trust. Trustor's obligations under this Deed of Trust shall be primary, absolute, continuing, and unconditional, irrespective of and unacted by way of any release of, extension of time for payment or performance by, or any other indulgence granted to Restaurant Owner with respect to the Secured Obligations by operation of law or otherwise.

14.2 Remedies Cumulative. All remedies provided in this Deed of Trust are distinct and cumulative to any other right or remedy under this Deed of Trust or any other document, or afforded by law or equity, and may be exercised concurrently, independently or successively.

14.3 Successors and Assigns Bound. The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of the City and Trustor subject to the provisions of this Deed of Trust.

14.4 Joint and Several Liability. If this Deed of Trust is executed by more than one person as Trustor, the obligations of each shall be joint and several.

14.5 Notices. Except for any notice required under applicable law to be given in another manner, (a) any notice to Trustor provided for in this Deed of Trust will be given by certified mail, return receipt requested, express delivery with delivery receipt or personal delivery with delivery receipt, addressed to Trustor at the address shown in the first paragraph of this Deed of Trust or such other address as Trustor may designate by notice to the City as provided herein, and (b) any notice to the City will be given by certified mail, return receipt requested, express delivery with delivery receipt or personal delivery with delivery receipt, to the City of Santa Fe Springs, 11710 Telegraph Road, Santa Fe Springs, CA 90670, Attn: City Manager, or to such other address as the City may designate by notice to Trustor as provided above. Notice shall be effective as of the date received by City as shown on the return receipt.

14.6 Governing Law and Venue. This Deed of Trust shall be governed by the laws of the State of California, with venue in Los Angeles County.

14.7 Severability. In the event that any provision or clause of this Deed of Trust or the Operating Covenant Agreement conflicts with applicable law, such conflict will not affect other provisions of this Deed of Trust or the Operating Covenant Agreement which can be given effect without the conflicting provision, and to this end the provisions of the Deed of Trust and the Operating Covenant Agreement are declared to be severable.

14.8 Captions. The captions and headings in this Deed of Trust are for convenience only and are not to be used to interpret or define the provisions hereof. The captions are not a part of this Deed of Trust, in no way bind, limit, or describe the scope or intent of any

provision, and shall have no effect upon the construction or interpretation of any provision herein

14.9 Nondiscrimination. Trustor covenants by and for itself and its successors and assigns that there shall be no discrimination against or segregation of a person or of a group of persons on account of race, color, religion, creed, age, disability, sex, sexual orientation, marital status, ancestry or national origin in the sale, transfer, use, occupancy, tenure or enjoyment of the Property, nor shall Trustor or any person claiming under or through Trustor establish or permit any such practice or practices of discrimination or segregation with reference to the use, occupancy, or transfer of the Property. The foregoing covenant shall run with the land.

14.10 Authority. The individuals executing this Agreement and the instruments referenced herein on behalf of the Parties each represent and warrant that they have the legal power, right and actual authority to bind the Parties to the terms and conditions hereof and thereof.

***[SIGNATURES ON FOLLOWING PAGES]***

IN WITNESS WHEREOF, Trustor has executed this Deed of Trust as of the date first written above.

**CITY:**

**CITY OF SANTA FE SPRINGS**

**RESTAURANT OWNER:**

**THE OLIVE BANQUET SS, LLC**

By: \_\_\_\_\_  
René Bobadilla, City Manager

By: \_\_\_\_\_  
Sam Sarofeem, Manager

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

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

By: \_\_\_\_\_  
Maribel Garcia, City Clerk

**APPROVED AS TO FORM:**

By: \_\_\_\_\_  
Rick Olivarez, City Attorney

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

**SIGNATURES MUST BE NOTARIZED**

**EXHIBIT A**

LEGAL DESCRIPTION

[TO BE ATTACHED]



## THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS NOTICE OF PUBLIC HEARING

**NOTICE IS HEREBY GIVEN**, pursuant to California Government Code Section 53083 (AB 562), that the City Council of the City of Santa Fe Springs will hold a public hearing on Tuesday, March 17, 2026 at 6:00 p.m., or as soon thereafter as the matter can be heard, in the City Council Chambers located at 11710 E. Telegraph Road, Santa Fe Springs, California 90670 to consider an Economic Development Subsidy to be provided under an Operating Covenant Agreement between the City of Santa Fe Springs, The Olive Banquet Inc., and The Olive Banquet SS LLC.

The City of Santa Fe Springs ("City") desires to assist in the economic development of the City's future downtown by bringing an Olive RestoBar and banquet hall (together, the "Restaurant") operated by The Olive Banquet Inc. and The Olive Banquet SS LLC. The development and operation of the Restaurant is expected to generate significant economic benefits to the City, including but not limited to, the creation and retention of permanent local jobs, increased sales tax revenues, increased property tax revenues, economic activity benefiting nearby businesses, and increased community amenities. The City has the ability to implement the provisions of AB 562, a statewide economic development passed by Governor Brown in late 2013 for the purpose of allowing local jurisdictions to induce economic development. The City, The Olive Banquet Inc., and The Olive Banquet SS LLC are proposing to enter into an agreement to allocate General Funds to provide financial assistance in the form of an economic development subsidy to The Olive Banquet Inc. and The Olive Banquet SS LLC as described in the Operating Covenant Agreement. Pursuant to Section 53083 of the California Government Code the following information will be posted on the City's website.

1. The name and address of all corporations, or any other business entities, except for sole proprietorships, that are the beneficiary of the economic development subsidy, if applicable.

The beneficiary is The Olive Banquet Inc., a California corporation, located at 9288 Lubec Street, Downey, CA 90240 and The Olive Banquet SS LLC, a California limited liability company, located at 9288 Lubec Street, Downey, CA 90240 (collectively, "Restaurant Owner").

2. The start and end dates and schedule, if applicable, for the economic development subsidy.

The economic development subsidy will start when the Operative Covenant Agreement is approved by the City Council, the City receives three (3) originals of the Operative Covenant Agreement, one (1) original of the Notice of Agreement and Declaration of Covenants recorded against the property located at 11900 Telegraph Road in Santa Fe Springs (the "Property"), The Olive Banquet SS LLC enters into an agreement to purchase the Property, and all conditions to the close of escrow on the Property are satisfied. The subsidy will end ten (10) years after Restaurant Owner receives all required governmental permissions and commences Restaurant operations on the Property, and is conditioned on Restaurant Owner's assurance that the Restaurant will remain in business pursuant to the terms and conditions set forth in the Operating Covenant Agreement.



3. A description of the economic development subsidy, including the estimated total amount of the expenditure of public funds, or of revenue lost to, the local agency, as a result of the economic development subsidy.

The City would provide Restaurant Owner with assistance in consideration of certain covenants and restrictions detailed in the Operating Covenant Agreement. The subsidy will be in the form of a conditional grant of funds to The Olive Banquet SS LLC in the amount of Three Million One Hundred Thousand Dollars (\$3,100,000.00) to assist Restaurant Owner for a period of ten (10) years in the creation and maintenance of forty (40) full-time equivalent jobs and a minimum investment by Restaurant Owner of Six Million Dollars (\$6,000,000.00) into the City.

4. A statement of the public purposes for the economic development subsidy.

To facilitate the economic development of the City's future downtown by providing strategic incentives that will lead to permanent local jobs, increased sales tax revenues, increased property tax revenues and assessed valuation resulting from investment in and activation of the Property, economic activity benefitting nearby businesses, and enhancement of community amenities that support local quality of life and business attraction through the provision of dining and nightlife options for local residents.

5. Projected tax revenue to the local agency as a result of the economic development subsidy.

During the life of the Operating Covenant Agreement, the City is projected to receive approximately One Million Three Hundred Twenty-Seven Thousand Five Hundred Dollars (\$1,327,500) in sales tax revenue.

6. Estimated number of jobs created by the economic development subsidy, broken down by full-time, part-time, and temporary positions.

The City and Restaurant Owner have estimated that the Operating Covenant Agreement will create forty (40) full-time jobs in the City.

All interested persons are invited to attend this hearing and express opinions on the matter above. If this matter is subsequently challenged in court, the challenge may be limited to only those issues raised at the public hearing described in this Notice or in written correspondence delivered to the Office of the City Clerk at, or prior to, the public hearing. For additional information, please contact the Community Development Department at (562) 868-0511 ext. 7550 or [CommunityDevelopment@SantaFeSprings.gov](mailto:CommunityDevelopment@SantaFeSprings.gov).

Posted on City website: March 11, 2026

Maribel Garcia, City Clerk



## CITY COUNCIL AGENDA STAFF REPORT

**TO:** Honorable Mayor and City Council Members  
**FROM:** René Bobadilla, P.E., City Manager  
**BY:** Julio Morales, Director of Finance & Administrative Services  
**SUBJECT:** **FISCAL YEAR 2025-26 MID-YEAR BUDGET ADJUSTMENTS**  
**DATE:** March 17, 2026

### **RECOMMENDATION:**

It is recommended that the City Council:

1. Approve staff recommendation of an additional appropriation of \$440,000 to the FY 2025-26 General Fund Budget for Public Works emergency repairs and Parks & Recreation one-time costs and special event costs;
2. Approve staff recommendation for personnel adjustments of \$77,087 to promote Economic Development, expand Public Safety, and other service enhancements.
3. Approve and adopt the revised salary schedule in Attachment B.

### **FISCAL IMPACT**

The proposed personnel adjustments in the Police and Community Services Department will be offset by position vacancies, reclassifications of existing positions, and reallocation of unused part-time salaries. The net financial impact is \$0, additional details are further outlined herein.

The proposed adjustment includes one new position (Economic Development Manager). The focus of this position will be to manage new economic development opportunities and retention of existing businesses. The cost of this position over the final two and a half months of the current fiscal year is \$51,453. The projected full-time cost for this position is expected to total \$205,813; it is anticipated that a significant portion of this position's cost will be offset by increased corresponding revenues.

The proposed reclassification of six Firefighters to Firefighter/Paramedic is in support of the City's expanded Emergency Medical Services (EMS) transport program. The cost of this reclassification for the remainder of the fiscal year is \$25,634.

The proposed appropriation for Public Works unanticipated emergency repairs (\$225,000) and Parks & Recreation one-time costs and special event costs (\$215,000) will increase General Fund expenditures by \$440,000. A line item for emergency repairs is expected to be incorporated in next fiscal year's budget.

**BACKGROUND**

**Personnel Adjustments:**

The proposed adjustments include new positions and reclassifications of existing positions:

New Positions (full-time)

1. Four Public Safety Officer I positions to support Police and Community Services
2. One Code Enforcement Inspector position to support Code Enforcement Services
3. One Management Analyst position to support Police and Community Services
4. One Economic Development Manager position to support Economic Development

Reclassifications (full-time)

1. Reclassify six Firefighters to Firefighter/Paramedic
2. Reclassify Director of Community Services to Deputy Director of Police and Community Services
3. Reclassify Community Services Manager to Media & Communications Manager

New Positions (part-time)

1. Six Public Safety Aides
2. One Code Enforcement Inspector
3. Two Social Media Aides

**Maintenance & Operation Adjustments:**

Public Works incurred emergency repair expenses of \$225,000 for the NTMA building.

Parks & Recreation one-time costs and special event costs include:

Clarke Estate, Heritage Park strategic planning	\$31,000
Activity Center bleacher repair	\$7,000
Movies in the Park screen rental	\$5,000
Ballfield maintenance unanticipated costs	\$11,000
Additional special event supply costs	\$10,000
Staff uniforms with new City branding	\$15,000
Strategic consultation for enhanced events	\$30,000
Increased costs for Tree Lighting event	\$5,000
80s Party	\$66,000
5K Increased Participation	\$15,000
June Summer Concerts	\$15,000
World Cup viewing	\$5,000
<b>Total</b>	<b>\$215,000</b>

## **ANALYSIS**

The proposed personnel adjustments will provide for added staff support as follows:

### **New Positions (full-time)**

**Public Safety Officer I:** The full-time Public Safety Officers will assist with the recruitment and retention of Public Safety Officers. These positions will replace four part-time PSO positions.

**Code Enforcement Inspector:** The additional Code Enforcement Inspector will support the Code Enforcement Division efforts to provide additional enforcement in the business, commercial and industrial areas. This position will be assigned to proactively ensure business license compliance and address related concerns, assist with waste hauler audit/compliance inspections, implement a citywide property maintenance canvassing program and business engagement programs and services.

**Management Analyst:** The Management Analyst will play a critical role in assisting with Code Enforcement and Public Safety on nuisance abatement, cost recovery programs, and working closely with our City Prosecutors office on case filings and legal/civil proceedings. Position duties will include but are not limited to graffiti abatement/parental responsibility/cost recovery, Notice to Appear and Administrative Citation processing/case filings, and Citywide restitution for damages to City property.

**Economic Development Manager:** This position will be critical in driving local economic growth and enhancing the City's sales tax base by attracting new businesses and retaining and expanding existing businesses. The Economic Development Manager will serve as the primary contact and liaison between the City and private businesses, proactively facilitating business growth and development.

### **Reclassifications (full-time)**

**Firefighter/Paramedic:** These positions will support the City's expanded, in-house Emergency Medical Services (EMS) transport program.

**Media & Communications Manager:** This position will lead, develop, direct, coordinate, and administer the City's Creative Media & Communications program, a comprehensive, proactive, and strategic public information and engagement function for the city, including communications, advertising, marketing, public affairs, crisis communication, and public relations. This position will serve as the City's senior communications strategist and advisor, responsible for developing and implementing a Citywide communications strategy aligned with the City Council's priorities and organizational goals, overseeing internal and external communications, managing brand identity, supervising professional staff, and preparing, administering, and overseeing the program budget.

**Deputy Director of Police and Community Services:** This position will oversee the Division of Community Services including transit, Gus Velasco Neighborhood Center, library, media and

communications, and volunteer services. This position is distinguished from a manager for additional responsibilities of facilities, transit fleet maintenance, citywide communications, responsible for three City committees, and brand ambassadorship including Rose Parade Float coordination.

New Positions (part-time)

**Public Safety Aides:** Public Safety Aides will provide support to field patrol operations by providing proactive patrols and security of City parks and facilities. The Aide will patrol on foot and in vehicles to help ensure parks, facilities and community spaces remain safe and welcoming, supporting a positive experience for residents and visitors. This position focuses on visibility, customer service, code of conduct/rule enforcement, and collaboration with City Departments to enhance quality of life for residents and visitors. These positions will replace five part-time park ranger positions.

**Code Enforcement Inspector:** The part-time Code Enforcement Inspector will provide weekend and evening support to the Code Enforcement Division. The part-time Inspector will work alongside full-time Inspectors and focus on Citywide enforcement of common code enforcement concerns that arise on weekends and evenings such as illegal vending, unpermitted special events, and follow up on complaints received requiring weekend observation/follow-up.

**Social Media Aides:** New part-time staff to provide live social media coverage, monitor and post responses to social media inquiries, and assist with managing social media outlets.

**ENVIRONMENTAL**

N/A

**SUMMARY/NEXT STEPS**

The proposed FY 2025-26 Mid-Year Budget Adjustment is presented to the City Council for further input and direction. Staff will incorporate any direction and input provided by the City Council.

**ATTACHMENT(S):**

- A. FY 2025-26 Mid-Year Adjustments
- B. Revised Salary Schedule

**ITEM STATUS:**

- APPROVED:
- DENIED:
- TABLED:
- DIRECTION GIVEN:

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City Clerk, Maribel Garcia

## FY 2025-26 Mid-Year Adjustments

Police and Community Services Budget Adjustment	FY 25-26 (2.5 months)	FY 26-27 (projected)
<b>Public Safety Officers</b>		
4 Full-Time PSO I	\$ 104,350	\$ 417,398
5 Part-Time PSO	62,500	250,000
FY25-26 Part-Time PSO Budget Reduction	(134,250)	(537,000)
<b>Net Increase PSOs</b>	<b>\$ 32,600</b>	<b>\$ 130,398</b>
<b>New Positions (Full-Time):</b>		
Code Enforcement Inspector	\$ 32,223	\$ 128,892
Management Analyst	31,525	126,099
<b>New Positions (full-time)</b>	<b>\$ 63,748</b>	<b>\$ 254,991</b>
<b>Part-Time Positions</b>		
5 Rangers Reclassified to 6 Public Safety Aides	\$ 22,805	\$ 91,218
Code Enforcement Inspector	13,820	55,282
2 Social Media Aides	25,295	101,181
<b>New Positions (part-time)</b>	<b>\$ 61,920</b>	<b>\$ 247,681</b>
<b>Vacancies (Remove from Budget):</b>		
Media & Communications Specialist I	\$ (27,552)	\$ (110,209)
Media & Communications Specialist I	(27,552)	(110,209)
<b>Vacancies (remove from budget):</b>	<b>\$ (55,105)</b>	<b>\$ (220,418)</b>
<b>Reclassifications (Full-Time):</b>		
Reclassify Director of Community Services to Deputy Director	\$ (19,289)	\$ (77,154)
Reclassify Community Services Manager to Media & Communications Manager	(2,692)	(10,768)
<b>Reclassifications</b>	<b>\$ (21,981)</b>	<b>\$ (87,922)</b>
<b>Part-Time Salary Savings</b>		
Reduction in PT Community Services Budget to \$1.1 million	\$ (81,183)	\$ (324,730)
<b>Net Total - Police and Community Services</b>	<b>\$ (0)</b>	<b>\$ (0)</b>
<b>New Position</b>		
Economic Development Manager	\$ 51,453	\$ 205,813
<b>Subtotal</b>	<b>\$ 51,453</b>	<b>\$ 205,813</b>
<b>Reclassifications</b>		
Reclassify Firefighter (6) to Firefighter/Paramedic (6)	25,634	102,537
<b>Subtotal</b>	<b>\$ 25,634</b>	<b>\$ 102,537</b>
<b>One-Time Cost Adjustments</b>		
Public Works - Emergency Repairs	\$ 225,000	\$ 250,000
Parks & Recreation - 1-Time and Special Event Costs	215,000	-
<b>One-Time Adjustments</b>	<b>\$ 440,000</b>	<b>\$ 250,000</b>
<b>Total - Other Adjustments</b>	<b>\$ 517,087</b>	<b>\$ 558,350</b>
<b>Grand Total - Adjustments</b>	<b>\$ 517,087</b>	<b>\$ 558,349</b>

**City of Santa Fe Springs  
Fiscal Year 2025-2026 Salary Schedule Effective March 3, 2026**

JOB TITLE	GROUP B/U	RANGE	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	STEP 8	STEP 9	STEP 10
Account Clerk	SFSEA	10	4,659.8100	4,799.6100	4,943.6000	5,091.9100	5,244.6600	5,402.0000	5,564.0600	5,730.9800	5,902.9100	6,080.0000
Account Clerk Supervisor	SFSMCA	19	6,078.8200	6,261.1900	6,449.0200	6,642.4900	6,841.7700	7,047.0200	7,258.4300	7,476.1800	7,700.4700	7,931.4800
Accountant	SFSMCA	22	6,642.4900	6,841.7700	7,047.0200	7,258.4300	7,476.1800	7,700.4700	7,931.4800	8,169.4300	8,414.5100	8,666.9500
Administrative Assistant	SFSEA	9	4,524.0900	4,659.8100	4,799.6100	4,943.6000	5,091.9100	5,244.6600	5,402.0000	5,564.0600	5,730.9800	5,902.9100
Administrative Services Officer	SFSMCA	40	11,308.4000	11,647.6500	11,997.0800	12,356.9900	12,727.7000	13,109.5300	13,502.8200	13,907.9000	14,325.1400	14,754.8900
Aquatic Maintenance Worker	SFSEA	10	4,659.8100	4,799.6100	4,943.6000	5,091.9100	5,244.6600	5,402.0000	5,564.0600	5,730.9800	5,902.9100	6,080.0000
Assistant City Manager	SFSEMA	60	20,424.2242	21,036.9508	21,668.0592	22,318.1008	22,987.6442	23,677.2733	24,387.5917	25,119.2192	25,872.7958	26,648.9800
Assistant Civil Engineer	SFSEA	20	6,262.4000	6,450.2700	6,643.7800	6,843.1000	7,048.3900	7,259.8400	7,477.6300	7,701.9600	7,933.0200	8,171.0100
Assistant Director of Community Development	SFSMCA	39	10,979.0300	11,308.4000	11,647.6500	11,997.0800	12,356.9900	12,727.7000	13,109.5300	13,502.8200	13,907.9000	14,325.1400
Assistant Director of Finance	SFSMCA	39	10,979.0300	11,308.4000	11,647.6500	11,997.0800	12,356.9900	12,727.7000	13,109.5300	13,502.8200	13,907.9000	14,325.1400
Assistant Director of Police Services	SFSMCA	34	9,470.6000	9,754.7200	10,047.3600	10,348.7900	10,659.2500	10,979.0300	11,308.4000	11,647.6500	11,997.0800	12,356.9900
Assistant Director of Public Works/ City Engineer	SFSMCA	45	13,109.5320	13,502.8180	13,907.9030	14,325.1400	14,754.8940	15,197.5410	15,653.4670	16,123.0710	16,606.7630	17,104.9660
Assistant Director of Public Works	SFSMCA	40	11,308.4000	11,647.6500	11,997.0800	12,356.9900	12,727.7000	13,109.5300	13,502.8200	13,907.9000	14,325.1400	14,754.8900
Assistant Fire Chief	SFSFFA	46	13,502.8200	13,907.9000	14,325.1400	14,754.8900	15,197.5400	15,653.4700	16,123.0700	16,606.7600	17,104.9700	17,618.1100
Assistant Planner	SFSEA	22	6,643.7800	6,843.1000	7,048.3900	7,259.8400	7,477.6300	7,701.9600	7,933.0200	8,171.0100	8,416.1400	8,668.6300
Assistant Superintendent	SFSEA	33	9,196.5500	9,472.4400	9,756.6200	10,049.3200	10,350.8000	10,661.3200	10,981.1600	11,310.5900	11,649.9100	11,999.4100
Associate Civil Engineer	SFSEA	29	8,171.0100	8,416.1400	8,668.6300	8,928.6900	9,196.5500	9,472.4400	9,756.6200	10,049.3200	10,350.8000	10,661.3200
Associate Planner	SFSEA	25	7,259.8400	7,477.6300	7,701.9600	7,933.0200	8,171.0100	8,416.1400	8,668.6300	8,928.6900	9,196.5500	9,472.4400
Battalion Chief	SFSFFA	42	11,997.0800	12,356.9900	12,727.7000	13,109.5300	13,502.8200	13,907.9000	14,325.1400	14,754.8900	15,197.5400	15,653.4700
Building Permit Technician	SFSEA	7	4,264.3900	4,392.3200	4,524.0900	4,659.8100	4,799.6100	4,943.6000	5,091.9100	5,244.6600	5,402.0000	5,564.0600
Building Services Manager	SFSMCA	31	8,666.9500	8,926.9500	9,194.7600	9,470.6000	9,754.7200	10,047.3600	10,348.7900	10,659.2500	10,979.0300	11,308.4000
Business Liaison	SFSMCA	37	10,348.7900	10,659.2500	10,979.0300	11,308.4000	11,647.6500	11,997.0800	12,356.9900	12,727.7000	13,109.5300	13,502.8200
Capital Improvements Manager	SFSMCA	36	10,047.3600	10,348.7900	10,659.2500	10,979.0300	11,308.4000	11,647.6500	11,997.0800	12,356.9900	12,727.7000	13,109.5300
City Clerk	SFSMCA	44	12,727.7017	13,109.5317	13,502.8183	13,907.9025	14,325.1392	14,754.8942	15,197.5408	15,653.4667	16,123.0717	16,606.7633
Civil Engineering Assistant	SFSEA	23	6,843.1000	7,048.3900	7,259.8400	7,477.6300	7,701.9600	7,933.0200	8,171.0100	8,416.1400	8,668.6300	8,928.6900
Civil Engineering Technician	SFSEA	22	6,643.7800	6,843.1000	7,048.3900	7,259.8400	7,477.6300	7,701.9600	7,933.0200	8,171.0100	8,416.1400	8,668.6300
Code Enforcement Inspector	SFSEA	21	6,450.2700	6,643.7800	6,843.1000	7,048.3900	7,259.8400	7,477.6300	7,701.9600	7,933.0200	8,171.0100	8,416.1400

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JOB TITLE	GROUP B/U	RANGE	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	STEP 8	STEP 9	STEP 10
Code Enforcement Manager	SFSMCA	31	8,666.9500	8,926.9500	9,194.7600	9,470.6000	9,754.7200	10,047.3600	10,348.7900	10,659.2500	10,979.0300	11,308.4000
Code Enforcement Supervisor	SFSEA	24	7,048.3900	7,259.8400	7,477.6300	7,701.9600	7,933.0200	8,171.0100	8,416.1400	8,668.6300	8,928.6900	9,196.5500
Community Services Manager	SFSMCA	34	9,470.6000	9,754.7200	10,047.3600	10,348.7900	10,659.2500	10,979.0300	11,308.4000	11,647.6500	11,997.0800	12,356.9900
Community Services Supervisor	SFSEA	24	7,048.3900	7,259.8400	7,477.6300	7,701.9600	7,933.0200	8,171.0100	8,416.1400	8,668.6300	8,928.6900	9,196.5500
Deputy Director of Community Services	SFSMCA	39	10,979.0300	11,308.4000	11,647.6500	11,997.0800	12,356.9900	12,727.7000	13,109.5300	13,502.8200	13,907.9000	14,325.1400
Deputy City Clerk	SFSMCA	21	6,449.0200	6,642.4900	6,841.7700	7,047.0200	7,258.4300	7,476.1800	7,700.4700	7,931.4800	8,169.4300	8,414.5100
Deputy Fire Marshal	SFSFFA	33	9,194.7600	9,470.6000	9,754.7200	10,047.3600	10,348.7900	10,659.2500	10,979.0300	11,308.4000	11,647.6500	11,997.0800
Director of Community Development	SFSEMA	47	13,907.9000	14,325.1400	14,754.8900	15,197.5400	15,653.4700	16,123.0700	16,606.7600	17,104.9700	17,618.1100	18,146.6600
Director of Community Services	SFSEMA	46	13,502.8200	13,907.9000	14,325.1400	14,754.8900	15,197.5400	15,653.4700	16,123.0700	16,606.7600	17,104.9700	17,618.1100
Director of Economic Development	SFSEMA	47	13,907.9000	14,325.1400	14,754.8900	15,197.5400	15,653.4700	16,123.0700	16,606.7600	17,104.9700	17,618.1100	18,146.6600
Director of Finance	SFSEMA	50	15,197.5400	15,653.4700	16,123.0700	16,606.7600	17,104.9700	17,618.1100	18,146.6600	18,691.0600	19,251.7900	19,829.3400
Director of Parks and Recreation	SFSEMA	46	13,502.8200	13,907.9000	14,325.1400	14,754.8900	15,197.5400	15,653.4700	16,123.0700	16,606.7600	17,104.9700	17,618.1100
Director of Police & Community Services	SFSEMA	46	13,502.8200	13,907.9000	14,325.1400	14,754.8900	15,197.5400	15,653.4700	16,123.0700	16,606.7600	17,104.9700	17,618.1100
Director of Public Works/City Engineer	SFSEMA	50	15,197.5400	15,653.4700	16,123.0700	16,606.7600	17,104.9700	17,618.1100	18,146.6600	18,691.0600	19,251.7900	19,829.3400
Economic Development Specialist	SFSMCA	26	7,476.1800	7,700.4700	7,931.4800	8,169.4300	8,414.5100	8,666.9500	8,926.9500	9,194.7600	9,470.6100	9,754.7200
Economic Development Manager	SFSMCA	39	10,979.0300	11,308.4000	11,647.6500	11,997.0800	12,356.9900	12,727.7000	13,109.5300	13,502.8200	13,907.9000	14,325.1400
Electrician	SFSEA	17	5,730.9800	5,902.9100	6,080.0000	6,262.4000	6,450.2700	6,643.7800	6,843.1000	7,048.3900	7,259.8400	7,477.6300
Electrician Assistant	SFSEA	12	4,943.6000	5,091.9100	5,244.6600	5,402.0000	5,564.0600	5,730.9800	5,902.9100	6,080.0000	6,262.4000	6,450.2700
Environmental Program Manager	SFSFFA	36	10,047.3600	10,348.7900	10,659.2500	10,979.0300	11,308.4000	11,647.6500	11,997.0800	12,356.9900	12,727.7000	13,109.5300
Executive Assistant	SFSEA	15	5,402.0000	5,564.0600	5,730.9800	5,902.9100	6,080.0000	6,262.4000	6,450.2700	6,643.7800	6,843.1000	7,048.3900
Facilities Maintenance Specialist	SFSEA	13	5,091.9100	5,244.6600	5,402.0000	5,564.0600	5,730.9800	5,902.9100	6,080.0000	6,262.4000	6,450.2700	6,643.7800
Facilities Maintenance Supervisor	SFSEA	26	7,477.6300	7,701.9600	7,933.0200	8,171.0100	8,416.1400	8,668.6300	8,928.6900	9,196.5500	9,472.4400	9,756.6200
Finance Analyst	SFSMCA	21	6,449.0200	6,642.4900	6,841.7700	7,047.0200	7,258.4300	7,476.1800	7,700.4700	7,931.4800	8,169.4300	8,414.5100
Finance Manager	SFSMCA	37	10,348.7900	10,659.2500	10,979.0300	11,308.4000	11,647.6500	11,997.0800	12,356.9900	12,727.7000	13,109.5300	13,502.8200
Finance Technician	SFSMCA	16	5,562.9800	5,729.8700	5,901.7700	6,078.8200	6,261.1900	6,449.0200	6,642.4900	6,841.7700	7,047.0200	7,258.4300
Fire Captain	SFSFFA	35	9,754.7200	10,047.3600	10,348.7900	10,659.2500	10,979.0300	11,308.4000	11,647.6500	11,997.0800	12,356.9900	12,727.7000
Fire Chief	SFSEMA	52	16,123.0700	16,606.7600	17,104.9700	17,618.1100	18,146.6600	18,691.0600	19,251.7900	19,829.3400	20,424.2200	21,036.9500

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JOB TITLE	GROUP B/U	RANGE	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	STEP 8	STEP 9	STEP 10
Fire Engineer	SFSFFA	31	8,666.9500	8,926.9500	9,194.7600	9,470.6000	9,754.7200	10,047.3600	10,348.7900	10,659.2500	10,979.0300	11,308.4000
Fire Equipment Mechanic	SFSEA	22	6,643.7800	6,843.1000	7,048.3900	7,259.8400	7,477.6300	7,701.9600	7,933.0200	8,171.0100	8,416.1400	8,668.6300
Fire Marshal	SFSFFA	36	10,047.3600	10,348.7900	10,659.2500	10,979.0300	11,308.4000	11,647.6500	11,997.0800	12,356.9900	12,727.7000	13,109.5300
Fire/Environmental Safety Inspector	SFSFFA	24	7,047.0200	7,258.4300	7,476.1800	7,700.4700	7,931.4800	8,169.4300	8,414.5100	8,666.9500	8,926.9500	9,194.7600
Fire/Environmental Safety Specialist	SFSFFA	33	9,194.7600	9,470.6000	9,754.7200	10,047.3600	10,348.7900	10,659.2500	10,979.0300	11,308.4000	11,647.6500	11,997.0800
Firefighter	SFSFFA	25	7,258.4300	7,476.1800	7,700.4700	7,931.4800	8,169.4300	8,414.5100	8,666.9500	8,926.9500	9,194.7600	9,470.6000
Firefighter Paramedic	SFSFFA	29	8,169.4300	8,414.5100	8,666.9500	8,926.9500	9,194.7600	9,470.6000	9,754.7200	10,047.3600	10,348.7900	10,659.2500
Firefighter Paramedic Trainee	SFSFFA	27	7,700.4700	7,931.4800	8,169.4300	8,414.5100	8,666.9500	8,926.9500	9,194.7600	9,470.6000	9,754.7200	10,047.3600
Fleet Maintenance Supervisor	SFSEA	24	7,048.3900	7,259.8400	7,477.6300	7,701.9600	7,933.0200	8,171.0100	8,416.1400	8,668.6300	8,928.6900	9,196.5500
Grants Analyst	SFSEA	25	7,259.8400	7,477.6300	7,701.9600	7,933.0200	8,171.0100	8,416.1400	8,668.6300	8,928.6900	9,196.5500	9,472.4400
Grounds Maintenance Supervisor	SFSEA	24	7,048.3900	7,259.8400	7,477.6300	7,701.9600	7,933.0200	8,171.0100	8,416.1400	8,668.6300	8,928.6900	9,196.5500
Homelessness Services Supervisor	SFSEA	24	7,048.3900	7,259.8400	7,477.6300	7,701.9600	7,933.0200	8,171.0100	8,416.1400	8,668.6300	8,928.6900	9,196.5500
Housing Compliance Inspector	SFSFFA	17	5,729.8700	5,901.7700	6,078.8200	6,261.1900	6,449.0200	6,642.4900	6,841.7700	7,047.0200	7,258.4300	7,476.1800
Housing Navigator	SFSEA	14	5,244.6600	5,402.0000	5,564.0600	5,730.9800	5,902.9100	6,080.0000	6,262.4000	6,450.2700	6,643.7800	6,843.1000
Human Resource Manager	SFSMCA	39	10,979.0300	11,308.4000	11,647.6500	11,997.0800	12,356.9900	12,727.7000	13,109.5300	13,502.8200	13,907.9000	14,325.1400
Human Resources Analyst	SFSMCA	27	7,700.4700	7,931.4800	8,169.4300	8,414.5100	8,666.9500	8,926.9500	9,194.7600	9,470.6000	9,754.7200	10,047.3600
Human Resources Specialist	SFSMCA	16	5,562.9800	5,729.8700	5,901.7700	6,078.8200	6,261.1900	6,449.0200	6,642.4900	6,841.7700	7,047.0200	7,258.4300
Human Resources Technician	SFSMCA	14	5,243.6400	5,400.9500	5,562.9800	5,729.8700	5,901.7700	6,078.8200	6,261.1900	6,449.0200	6,642.4900	6,841.7700
Information Technology Specialist	SFSEA	21	6,450.2700	6,643.7800	6,843.1000	7,048.3900	7,259.8400	7,477.6300	7,701.9600	7,933.0200	8,171.0100	8,416.1400
Lead Account Clerk	SFSEA	14	5,244.6600	5,402.0000	5,564.0600	5,730.9800	5,902.9100	6,080.0000	6,262.4000	6,450.2700	6,643.7800	6,843.1000
Lead Bus Driver	SFSEA	14	5,244.6600	5,402.0000	5,564.0600	5,730.9800	5,902.9100	6,080.0000	6,262.4000	6,450.2700	6,643.7800	6,843.1000
Lead Facilities Maintenance Specialist	SFSEA	17	5,730.9800	5,902.9100	6,080.0000	6,262.4000	6,450.2700	6,643.7800	6,843.1000	7,048.3900	7,259.8400	7,477.6300
Lead Public Safety Officer	SFSEA	21	6,450.2700	6,643.7800	6,843.1000	7,048.3900	7,259.8400	7,477.6300	7,701.9600	7,933.0200	8,171.0100	8,416.1400
Lead Water Utility Worker	SFSEA	19	6,080.0000	6,262.4000	6,450.2700	6,643.7800	6,843.1000	7,048.3900	7,259.8400	7,477.6300	7,701.9600	7,933.0200
Librarian I	SFSEA	19	6,080.0000	6,262.4000	6,450.2700	6,643.7800	6,843.1000	7,048.3900	7,259.8400	7,477.6300	7,701.9600	7,933.0200
Librarian II	SFSEA	21	6,450.2700	6,643.7800	6,843.1000	7,048.3900	7,259.8400	7,477.6300	7,701.9600	7,933.0200	8,171.0100	8,416.1400
Librarian II Technical Services	SFSEA	21	6,450.2700	6,643.7800	6,843.1000	7,048.3900	7,259.8400	7,477.6300	7,701.9600	7,933.0200	8,171.0100	8,416.1400

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JOB TITLE	GROUP B/U	RANGE	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	STEP 8	STEP 9	STEP 10
Librarian III	SFSEA	24	7,048.3900	7,259.8400	7,477.6300	7,701.9600	7,933.0200	8,171.0100	8,416.1400	8,668.6300	8,928.6900	9,196.5500
Library Services Manager	SFSMCA	31	8,666.9500	8,926.9500	9,194.7600	9,470.6000	9,754.7200	10,047.3600	10,348.7900	10,659.2500	10,979.0300	11,308.4000
Management Analyst	SFSEA	20	6,262.4000	6,450.2700	6,643.7800	6,843.1000	7,048.3900	7,259.8400	7,477.6300	7,701.9600	7,933.0200	8,171.0100
Mechanic Assistant	SFSEA	10	4,659.8100	4,799.6100	4,943.6000	5,091.9100	5,244.6600	5,402.0000	5,564.0600	5,730.9800	5,902.9100	6,080.0000
Mechanic I	SFSEA	13	5,091.9100	5,244.6600	5,402.0000	5,564.0600	5,730.9800	5,902.9100	6,080.0000	6,262.4000	6,450.2700	6,643.7800
Mechanic II	SFSEA	20	6,262.4000	6,450.2700	6,643.7800	6,843.1000	7,048.3900	7,259.8400	7,477.6300	7,701.9600	7,933.0200	8,171.0100
Media and Communication Manager	SFSMCA	34	9,470.6000	9,754.7200	10,047.3600	10,348.7900	10,659.2500	10,979.0300	11,308.4000	11,647.6500	11,997.0800	12,356.9900
Media and Communication Specialist I	SFSEA	14	5,244.6600	5,402.0000	5,564.0600	5,730.9800	5,902.9100	6,080.0000	6,262.4000	6,450.2700	6,643.7800	6,843.1000
Media and Communication Specialist II	SFSEA	17	5,730.9800	5,902.9100	6,080.0000	6,262.4000	6,450.2700	6,643.7800	6,843.1000	7,048.3900	7,259.8400	7,477.6300
Parks & Recreation Maintenance Worker	SFSEA	10	4,659.8100	4,799.6100	4,943.6000	5,091.9100	5,244.6600	5,402.0000	5,564.0600	5,730.9800	5,902.9100	6,080.0000
Parks and Recreation Services Manager	SFSMCA	32	8,926.9500	9,194.7600	9,470.6000	9,754.7200	10,047.3600	10,348.7900	10,659.2500	10,979.0300	11,308.4000	11,647.6500
Parks and Recreation Supervisor	SFSEA	24	7,048.3900	7,259.8400	7,477.6300	7,701.9600	7,933.0200	8,171.0100	8,416.1400	8,668.6300	8,928.6900	9,196.5500
Payroll Specialist	SFSMCA	15	5,400.9500	5,562.9800	5,729.8700	5,901.7700	6,078.8200	6,261.1900	6,449.0200	6,642.4900	6,841.7700	7,047.0200
Principal Accountant	SFSMCA	31	8,666.9500	8,926.9500	9,194.7600	9,470.6000	9,754.7200	10,047.3600	10,348.7900	10,659.2500	10,979.0300	11,308.4000
Principal Civil Engineer	SFSMCA	37	10,348.7900	10,659.2500	10,979.0300	11,308.4000	11,647.6500	11,997.0800	12,356.9900	12,727.7000	13,109.5300	13,502.8200
Principal Planner	SFSMCA	32	8,926.9500	9,194.7600	9,470.6000	9,754.7200	10,047.3600	10,348.7900	10,659.2500	10,979.0300	11,308.4000	11,647.6500
Procurement Manager	SFSMCA	37	10,348.7900	10,659.2500	10,979.0300	11,308.4000	11,647.6500	11,997.0800	12,356.9900	12,727.7000	13,109.5300	13,502.8200
Procurement Specialist	SFSEA	10	4,659.8100	4,799.6100	4,943.6000	5,091.9100	5,244.6600	5,402.0000	5,564.0600	5,730.9800	5,902.9100	6,080.0000
Program Coordinator I	SFSEA	12	4,943.6000	5,091.9100	5,244.6600	5,402.0000	5,564.0600	5,730.9800	5,902.9100	6,080.0000	6,262.4000	6,450.2700
Program Coordinator II	SFSEA	21	6,450.2700	6,643.7800	6,843.1000	7,048.3900	7,259.8400	7,477.6300	7,701.9600	7,933.0200	8,171.0100	8,416.1400
Public Information Officer	SFSMCA	23	6,841.7700	7,047.0200	7,258.4300	7,476.1800	7,700.4700	7,931.4800	8,169.4300	8,414.5100	8,666.9500	8,926.9500
Public Safety Manager	SFSMCA	31	8,666.9500	8,926.9500	9,194.7600	9,470.6000	9,754.7200	10,047.3600	10,348.7900	10,659.2500	10,979.0300	11,308.4000
Public Safety Officer I	SFSEA	13	5,091.9100	5,244.6600	5,402.0000	5,564.0600	5,730.9800	5,902.9100	6,080.0000	6,262.4000	6,450.2700	6,643.7800
Public Safety Officer II	SFSEA	15	5,402.0000	5,564.0600	5,730.9800	5,902.9100	6,080.0000	6,262.4000	6,450.2700	6,643.7800	6,843.1000	7,048.3900
Public Safety Officer Supervisor	SFSEA	26	7,477.6300	7,701.9600	7,933.0200	8,171.0100	8,416.1400	8,668.6300	8,928.6900	9,196.5500	9,472.4400	9,756.6200
Public Safety Program Coordinator	SFSEA	13	5,091.9100	5,244.6600	5,402.0000	5,564.0600	5,730.9800	5,902.9100	6,080.0000	6,262.4000	6,450.2700	6,643.7800
Public Works Inspector	SFSEA	22	6,643.7800	6,843.1000	7,048.3900	7,259.8400	7,477.6300	7,701.9600	7,933.0200	8,171.0100	8,416.1400	8,668.6300

**City of Santa Fe Springs  
Fiscal Year 2025-2026 Salary Schedule Effective March 3, 2026**

JOB TITLE	GROUP B/U	RANGE	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	STEP 8	STEP 9	STEP 10
Public Works Maintenance Worker	SFSEA	10	4,659.8100	4,799.6100	4,943.6000	5,091.9100	5,244.6600	5,402.0000	5,564.0600	5,730.9800	5,902.9100	6,080.0000
Public Works Manager	SFSMCA	37	10,348.7900	10,659.2500	10,979.0300	11,308.4000	11,647.6500	11,997.0800	12,356.9900	12,727.7000	13,109.5300	13,502.8200
Public Works Superintendent	SFSMCA	39	10,979.0300	11,308.4000	11,647.6500	11,997.0800	12,356.9900	12,727.7000	13,109.5300	13,502.8200	13,907.9000	14,325.1400
Revenue & Budget Manager	SFSMCA	37	10,348.7900	10,659.2500	10,979.0300	11,308.4000	11,647.6500	11,997.0800	12,356.9900	12,727.7000	13,109.5300	13,502.8200
Risk Analyst	SFSMCA	27	7,700.4700	7,931.4800	8,169.4300	8,414.5100	8,666.9500	8,926.9500	9,194.7600	9,470.6000	9,754.7200	10,047.3600
Senior Account Clerk	SFSEA	13	5,091.9100	5,244.6600	5,402.0000	5,564.0600	5,730.9800	5,902.9100	6,080.0000	6,262.4000	6,450.2700	6,643.7800
Senior Accountant	SFSMCA	27	7,700.4700	7,931.4800	8,169.4300	8,414.5100	8,666.9500	8,926.9500	9,194.7600	9,470.6000	9,754.7200	10,047.3600
Senior Administrative Analyst (PW)	SFSEA	28	7,933.0200	8,171.0100	8,416.1400	8,668.6300	8,928.6900	9,196.5500	9,472.4400	9,756.6200	10,049.3200	10,350.8000
Senior Building Permit Technician	SFSEA	13	5,091.9100	5,244.6600	5,402.0000	5,564.0600	5,730.9800	5,902.9100	6,080.0000	6,262.4000	6,450.2700	6,643.7800
Senior Bus Driver	SFSEA	10	4,659.8100	4,799.6100	4,943.6000	5,091.9100	5,244.6600	5,402.0000	5,564.0600	5,730.9800	5,902.9100	6,080.0000
Senior Executive Assistant	SFSMCA	21	6,449.0200	6,642.4900	6,841.7700	7,047.0200	7,258.4300	7,476.1800	7,700.4700	7,931.4800	8,169.4300	8,414.5100
Senior Facilities Maintenance Specialist	SFSEA	15	5,402.0000	5,564.0600	5,730.9800	5,902.9100	6,080.0000	6,262.4000	6,450.2700	6,643.7800	6,843.1000	7,048.3900
Senior Fire/Environmental Safety Inspector	SFSFFA	29	8,169.4300	8,414.5100	8,666.9500	8,926.9500	9,194.7600	9,470.6000	9,754.7200	10,047.3600	10,348.7900	10,659.2500
Senior Finance Analyst	SFSMCA	25	7,259.8400	7,477.6300	7,701.9600	7,933.0200	8,171.0100	8,416.1400	8,668.6300	8,928.6900	9,196.5500	9,472.4400
Senior Human Resources Analyst	SFSMCA	31	8,666.9500	8,926.9500	9,194.7600	9,470.6000	9,754.7200	10,047.3600	10,348.7900	10,659.2500	10,979.0300	11,308.4000
Senior Management Analyst	SFSEA	25	7,259.8400	7,477.6300	7,701.9600	7,933.0200	8,171.0100	8,416.1400	8,668.6300	8,928.6900	9,196.5500	9,472.4400
Senior Planner	SFSEA	29	8,171.0100	8,416.1400	8,668.6300	8,928.6900	9,196.5500	9,472.4400	9,756.6200	10,049.3200	10,350.8000	10,661.3200
Senior Public Works Maintenance Worker	SFSEA	13	5,091.9100	5,244.6600	5,402.0000	5,564.0600	5,730.9800	5,902.9100	6,080.0000	6,262.4000	6,450.2700	6,643.7800
Senior Social Services Case Manager	SFSEA	16	5,564.0600	5,730.9800	5,902.9100	6,080.0000	6,262.4000	6,450.2700	6,643.7800	6,843.1000	7,048.3900	7,259.8400
Senior Water Utility Worker	SFSEA	15	5,402.0000	5,564.0600	5,730.9800	5,902.9100	6,080.0000	6,262.4000	6,450.2700	6,643.7800	6,843.1000	7,048.3900
Social Services Case Manager	SFSEA	14	5,244.6600	5,402.0000	5,564.0600	5,730.9800	5,902.9100	6,080.0000	6,262.4000	6,450.2700	6,643.7800	6,843.1000
Streets Maintenance Supervisor	SFSEA	24	7,048.3900	7,259.8400	7,477.6300	7,701.9600	7,933.0200	8,171.0100	8,416.1400	8,668.6300	8,928.6900	9,196.5500
Systems Analyst	SFSEA	26	7,477.6300	7,701.9600	7,933.0200	8,171.0100	8,416.1400	8,668.6300	8,928.6900	9,196.5500	9,472.4400	9,756.6200
Technology Services Manager	SFSMCA	39	10,979.0300	11,308.4000	11,647.6500	11,997.0800	12,356.9900	12,727.7000	13,109.5300	13,502.8200	13,907.9000	14,325.1400
Traffic Engineer	SFSEA	31	8,668.6300	8,928.6900	9,196.5500	9,472.4400	9,756.6200	10,049.3200	10,350.8000	10,661.3200	10,981.1600	11,310.5900
Traffic Signal and Lighting Assistant	SFSEA	10	4,659.8100	4,799.6100	4,943.6000	5,091.9100	5,244.6600	5,402.0000	5,564.0600	5,730.9800	5,902.9100	6,080.0000
Traffic Signal and Lighting Supervisor	SFSEA	24	7,048.3900	7,259.8400	7,477.6300	7,701.9600	7,933.0200	8,171.0100	8,416.1400	8,668.6300	8,928.6900	9,196.5500

**City of Santa Fe Springs  
Fiscal Year 2025-2026 Salary Schedule Effective March 3, 2026**

JOB TITLE	GROUP B/U	RANGE	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	STEP 8	STEP 9	STEP 10
Traffic Signal and Lighting Technician I	SFSEA	13	5,091.9100	5,244.6600	5,402.0000	5,564.0600	5,730.9800	5,902.9100	6,080.0000	6,262.4000	6,450.2700	6,643.7800
Traffic Signal and Lighting Technician II	SFSEA	18	5,902.9100	6,080.0000	6,262.4000	6,450.2700	6,643.7800	6,843.1000	7,048.3900	7,259.8400	7,477.6300	7,701.9600
Transportation Supervisor	SFSEA	24	7,048.3900	7,259.8400	7,477.6300	7,701.9600	7,933.0200	8,171.0100	8,416.1400	8,668.6300	8,928.6900	9,196.5500
Volunteer Coordinator	SFSEA	17	5,730.9800	5,902.9100	6,080.0000	6,262.4000	6,450.2700	6,643.7800	6,843.1000	7,048.3900	7,259.8400	7,477.6300
Water Meter Reader	SFSEA	10	4,659.8100	4,799.6100	4,943.6000	5,091.9100	5,244.6600	5,402.0000	5,564.0600	5,730.9800	5,902.9100	6,080.0000
Water Quality & Backflow Cross Connection Specialist	SFSEA	22	6,643.7800	6,843.1000	7,048.3900	7,259.8400	7,477.6300	7,701.9600	7,933.0200	8,171.0100	8,416.1400	8,668.6300
Water Systems Operator	SFSEA	22	6,643.7800	6,843.1000	7,048.3900	7,259.8400	7,477.6300	7,701.9600	7,933.0200	8,171.0100	8,416.1400	8,668.6300
Water Utility Manager	SFSMCA	37	10,348.7900	10,659.2500	10,979.0300	11,308.4000	11,647.6500	11,997.0800	12,356.9900	12,727.7000	13,109.5300	13,502.8200
Water Utility Supervisor	SFSEA	26	7,477.6300	7,701.9600	7,933.0200	8,171.0100	8,416.1400	8,668.6300	8,928.6900	9,196.5500	9,472.4400	9,756.6200
Water Utility Worker	SFSEA	13	5,091.9100	5,244.6600	5,402.0000	5,564.0600	5,730.9800	5,902.9100	6,080.0000	6,262.4000	6,450.2700	6,643.7800
Water Customer Services Supervisor	SFSEA	26	7,477.6300	7,701.9600	7,933.0200	8,171.0100	8,416.1400	8,668.6300	8,928.6900	9,196.5500	9,472.4400	9,756.6200

**City of Santa Fe Springs  
Fiscal Year 2025-2026 Salary Schedule Effective March 3, 2026**

JOB TITLE	UNIT	RANGE	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	STEP 8	STEP 9	STEP 10
Administrative Clerk I	Hourly/Part-Time	9	20.27	20.88	21.50	22.15	22.81	23.50	24.20	24.93	25.68	26.45
Administrative Intern	Hourly/Part-Time	1	*	*	16.97	17.48	18.01	18.55	19.11	19.68	20.27	20.88
Aquatics Aide	Hourly/Part-Time	1	*	*	16.97	17.48	18.01	18.55	19.11	19.68	20.27	20.88
Bus Driver	Hourly/Part-Time	8	19.6800	20.2700	20.8800	21.5000	22.1500	22.8100	23.5000	24.2000	24.9300	25.6800
Code Enforcement Inspector	Hourly/Part-Time	15	24.2000	24.9300	25.6800	26.4500	27.2400	28.0600	28.9000	29.7700	30.6600	31.5800
Community Resources Aide	Hourly/Part-Time	1	*	*	16.9700	17.4800	18.0100	18.5500	19.1100	19.6800	20.2700	20.8800
Community Services Program Leader I	Hourly/Part-Time	3	16.9700	17.4800	18.0100	18.5500	19.1100	19.6800	20.2700	20.8800	21.5000	22.1500
Community Services Program Leader II	Hourly/Part-Time	5	18.0100	18.5500	19.1100	19.6800	20.2700	20.8800	21.5000	22.1500	22.8100	23.5000
Community Services Program Leader II (PTB)	Hourly/Part-Time	5	18.0100	18.5500	19.1100	19.6800	20.2700	20.8800	21.5000	22.1500	22.8100	23.5000
Community Services Program Leader III	Hourly/Part-Time	10	20.8800	21.5000	22.1500	22.8100	23.5000	24.2000	24.9300	25.6800	26.4500	27.2400
Computer Technician	Hourly/Part-Time	9	20.2700	20.8800	21.5000	22.1500	22.8100	23.5000	24.2000	24.9300	25.6800	26.4500
Environmental Intern	Hourly/Part-Time	3	16.9700	17.4800	18.0100	18.5500	19.1100	19.6800	20.2700	20.8800	21.5000	22.1500
Fire Department Aide	Hourly/Part-Time	2	*	16.9700	17.4800	18.0100	18.5500	19.1100	19.6800	20.2700	20.8800	21.5000
Instructor Lifeguard I	Hourly/Part-Time	4	17.4800	18.0100	18.5500	19.1100	19.6800	20.2700	20.8800	21.5000	22.1500	22.8100
Instructor Lifeguard II	Hourly/Part-Time	7	19.1100	19.6800	20.2700	20.8800	21.5000	22.1500	22.8100	23.5000	24.2000	24.9300
Instructor Lifeguard III	Hourly/Part-Time	12	22.1500	22.8100	23.5000	24.2000	24.9300	25.6800	26.4500	27.2400	28.0600	28.9000
Lead Recreation Instructor	Hourly/Part-Time	16	24.9300	25.6800	26.4500	27.2400	28.0600	28.9000	29.7700	30.6600	31.5800	32.5300
Library Information Desk Assistant	Hourly/Part-Time	10	20.8800	21.5000	22.1500	22.8100	23.5000	24.2000	24.9300	25.6800	26.4500	27.2400
Library Services Aide	Hourly/Part-Time	1	*	*	16.9700	17.4800	18.0100	18.5500	19.1100	19.6800	20.2700	20.8800
Office Aide	Hourly/Part-Time	1	*	*	16.9700	17.4800	18.0100	18.5500	19.1100	19.6800	20.2700	20.8800
Public Safety Aide	Hourly/Part-Time	12	22.1500	22.8100	23.5000	24.2000	24.9300	25.6800	26.4500	27.2400	28.0600	28.9000
Public Safety Officer	Hourly/Part-Time	16	24.9300	25.6800	26.4500	27.2400	28.0600	28.9000	29.7700	30.6600	31.5800	32.5300
Public Works Maintenance Worker	Hourly/Part-Time	18.1	26.8835	27.6901	28.5208	29.3764	30.2577	31.1654	32.1003	33.0633	34.0553	35.0769
Recreation Instructor	Hourly/Part-Time	6	18.5500	19.1100	19.6800	20.2700	20.8800	21.5000	22.1500	22.8100	23.5000	24.2000

Social Media Aide	Hourly/Part-Time	12	22.1500	22.8100	23.5000	24.2000	24.9300	25.6800	26.4500	27.2400	28.0600	28.9000
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\*Effective 1/1/2026 Minimum Wage Increase Salary Adjustment



## CITY COUNCIL AGENDA STAFF REPORT

**TO:** Honorable Mayor and City Council Members  
**FROM:** René Bobadilla, P.E., City Manager  
**BY:** Maribel Garcia, City Clerk  
**SUBJECT:** **APPOINTMENT OF AN ALTERNATE TO THE SOUTHEAST WATER COALITION**  
**DATE:** March 17, 2026

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### **RECOMMENDATION:**

It is recommended that the City Council:

1. Appoint an alternate to the Southeast Water Coalition; and
2. Take such additional, related action that may be desirable.

### **FISCAL IMPACT**

N/A

### **BACKGROUND**

At its January 27, 2026 council meeting, the City Council made appointments to external organizations. While a delegate was chosen to serve on the Southeast Water Coalition ("SEWC") Board of Directors, an alternate was not appointed. Staff is recommending that an appointment be made to fill that vacancy.

The SEWC Board of Directors consists of one representative (normally a Councilmember) from each member city. The Administrative Entity acts as a steering committee consisting of one Public Works type staff member from each member city plus three non-voting (advisory) members from the Central Basin Watermaster, Golden State Water Company, and California Water Service (two private utilities serving several member cities).

The alternate would only need to attend the meetings in the event the delegate was unable to attend. The SEWC meets on the first Thursday of even numbered months at 7:00 p.m. at the Norwalk Arts & Sports Complex.

**ANALYSIS**

N/A

**ENVIRONMENTAL**

N/A

**DISCUSSION**

N/A

**SUMMARY/NEXT STEPS**

A notification will be sent to the SEWC informing them of the alternate appointment.

**ATTACHMENT(S):**

None

**ITEM STATUS:**

APPROVED:

DENIED:

TABLED:

DIRECTION GIVEN:

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City Clerk, Maribel Garcia

**FOR ITEM NO. 5, PLEASE SEE ITEM NO. 12**



## PUBLIC FINANCING AUTHORITY AGENDA STAFF REPORT

**TO:** Honorable Chair and Board Members  
**FROM:** René Bobadilla, P.E., Executive Director  
**BY:** Julio Morales, Director of Finance  
**SUBJECT:** **MONTHLY REPORT ON THE STATUS OF DEBT INSTRUMENTS ISSUED THROUGH THE CITY OF SANTA FE SPRINGS PUBLIC FINANCING AUTHORITY (PFA)**  
**DATE:** March 17, 2026

### **RECOMMENDATION:**

It is recommended that the Public Financing Authority:

1. Receive and file the report.

### **FISCAL IMPACT**

N/A

### **BACKGROUND**

The Santa Fe Springs Public Financing Authority (PFA) is a City entity that has periodically issued debt for the benefit of the Santa Fe Springs community. The following is a brief status report on the debt instruments currently outstanding that were issued through the PFA.

#### Consolidated Redevelopment Project 2006-A Tax Allocation Bonds

Financing proceeds available for appropriation at 02/28/26	None
Outstanding principal at 02/28/26	\$7,750,000

#### Bond Repayment

The former Community Development Commission (CDC) issued a number of tax allocation bonds before it was dissolved by State law effective February 1, 2012 which are administered by the City acting as Successor Agency under the oversight of the appointed Oversight Board. The Successor Agency no longer receives tax increment.

Instead, distributions from the Redevelopment Property Tax Trust Fund (RPTTF) are received based on approved obligations. It is anticipated that sufficient allocations from the RPTTF will continue to be made to the Successor Agency to meet ongoing debt service obligations.

Unspent Bond Proceeds

Under an approved Bond Expenditure Agreement, unspent bond proceeds of the former CDC in the amount of approximately \$19 million were transferred to the City in July 2014. The funds are to be spent in accordance with the original bond documents. The unspent proceeds continue to be a source of funding within the City’s capital improvement program (CIP).

2016 Bond Refunding

In July 2016, the Successor Agency issued its 2016 Tax Allocation Refunding Bonds, which paid off several bond issuances of the former CDC. The bonds were originally issued through the Public Financing Authority and included the 2001 Series A, 2002 Series A, 2003 Series A, the current interest portion of the 2006 Series A, and 2006 Series B bond issuances.

2017 Bond Refunding

In December 2017, the Successor Agency issued its 2017 Tax Allocation Refunding Bonds, which paid off the 2007 Tax Allocation Bonds of the former CDC. The 2007 Bonds were originally issued through the Public Financing Authority.

**ANALYSIS**

The report is presented for informational purposes only.

**ENVIRONMENTAL**

N/A

**SUMMARY/NEXT STEPS**

The Successor Agency will continue to request sufficient distributions from the RPTTF to make required bond payments through maturity on September 1, 2028.

**ATTACHMENT(S):**

None

**ITEM STATUS:**

APPROVED:

DENIED:

TABLED:

DIRECTION GIVEN:

\_\_\_\_\_  
City Clerk, Maribel Garcia

**FOR ITEM NO. 7, PLEASE SEE ITEM NO. 12**



## WATER UTILITY AUTHORITY AGENDA STAFF REPORT

**TO:** Honorable Chair and Board Members

**FROM:** René Bobadilla, P.E., Executive Director

**BY:** Julio Morales, Director of Finance

**SUBJECT:** **MONTHLY REPORT ON THE STATUS OF DEBT INSTRUMENTS ISSUED THROUGH THE CITY OF SANTA FE SPRINGS WATER UTILITY AUTHORITY (WUA)**

**DATE:** March 17, 2026

### **RECOMMENDATION:**

It is recommended that the Water Utility Authority:

1. Receive and file the report.

### **FISCAL IMPACT**

N/A

### **BACKGROUND**

The Santa Fe Springs Public Financing Authority (WUA) is a city entity that has issued debt for the benefit of the Santa Fe Springs community. The following is a brief status report on the debt instruments currently outstanding that were issued through the WUA.

#### Water Revenue Bonds 2013

Financing proceeds available for appropriation at 02/28/2026	None
Outstanding principal on 02/28/2026	\$6,890,000

#### Water Revenue Bonds 2018

Financing proceeds available for appropriation at 02/28/2026	None
Outstanding principal on 02/28/2026	\$175,000

In May 2013 the Water Utility Authority issued the 2013 Water Revenue Bonds in the amount of \$6,890,000. The bonds refunded the existing 2003 Water Revenue Bonds (issued through the Public Financing Authority) and provided additional funds for water improvement projects in the amount of \$2,134,339. The funds were restricted for use on water system improvements. In August 2013, the Water Utility Authority Board appropriated the proceeds for the Equipping Water Well No. 12 Project and all proceeds were since used on this project.

In January 2018, the Water Utility Authority issued the 2018 Water Revenue Bonds in the amount of \$1,800,000. The bonds refunded the existing 2005 Water Revenue Bonds (issued through the Public Financing Authority). No additional funds were raised through the issuance of the 2018 Water Revenue Bonds.

The WUA was formed in June of 2009. Water revenue bonds issued prior to this date were issued through the City of Santa Fe Springs Public Financing Authority.

**ANALYSIS**

The report is presented for informational purposes only.

**ENVIRONMENTAL**

N/A

**SUMMARY/NEXT STEPS**

The WUA budget includes sufficient appropriations, and adequate revenues are expected to be collected to meet the debt service obligations associated with the 2013 and 2018 Water Revenue Bonds.

**ATTACHMENT(S):**

None

**ITEM STATUS:**

APPROVED:

DENIED:

TABLED:

DIRECTION GIVEN:

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City Clerk, Maribel Garcia

**FOR ITEM NO. 9, PLEASE SEE ITEM NO. 12**

**FOR ITEM NO. 10, PLEASE SEE ITEM NO. 12**



## SUCCESSOR AGENCY AGENDA STAFF REPORT

**TO:** Honorable Mayor and City Council Members

**FROM:** René Bobadilla, P.E., City Manager

**BY:** Cuong Nguyen, Director of Community Development

**SUBJECT:** **APPROVAL OF NON-EXCLUSIVE LICENSE AGREEMENT WITH VEHICLE PARKING UNLIMITED, LLC FOR USE OF MC&C IV FOR COMMERCIAL VEHICLE PARKING AND STORAGE.**

**DATE:** March 17, 2026

### RECOMMENDATION:

It is recommended that the Successor Agency:

1. Determine that the proposed non-exclusive license agreement with Vehicle Parking Unlimited, LLC (VPU) is exempt from the California Environmental Quality Act (CEQA) (Pub. Res. Code § 21000 *et seq.*) pursuant to CEQA Guidelines Section 15301 (Minor Alterations to Land); and
2. Adopt Resolution No.10003, approving a month-to-month license agreement between the Successor Agency to the Community Development Commission/Redevelopment Agency of the City of Santa Fe Springs (Successor Agency) and VPU for the use of MC&C IV site located at 12381 Romandel Avenue; and
3. Take such additional, related action that may be desirable.

### FISCAL IMPACT

Under the terms of the license, VPU will pay monthly rent equal to 25% of its gross receipts from subleasing parking and storage space. The license includes a minimum sublease rate of \$250–\$350 per vehicle per month and requires a \$25,000 security deposit. VPU is also responsible for all associated taxes, utilities, and site maintenance costs.

### BACKGROUND

The property, known as MC&C Site IV (Block 8), is owned by the Successor Agency and is located at 12381 Romandel Avenue (APNs: 8011-002-901, 8011-002-902, 8011-002-903, 8011-003-955, 8011-003-956, 8011-003-957, 8011-003-958, 8011-003-959, 8011-003-960, 8011-003-961, 8011-003-962, 8011-003-963, 8011-003-964, 8011-003-965, 8011-003-966, 8011-003-967, 8011-003-968, 8011-003-969, 8011-003-970, 8011-003-971, 8011-003-972, 8011-003-973, 8011-003-974, 8011-003-975, 8011-003-976, 8011-003-977, 8011-003-978, and 8011-003-979). It comprises approximately 8.4 acres, partially encumbered by oil wells that would need to be abandoned prior to redevelopment.

To activate interim use and generate revenue, the Successor Agency negotiated a non-exclusive license with VPU to allow temporary parking and storage of large commercial vehicles and wheeled equipment.

## **ANALYSIS**

The proposed non-exclusive license offers a practical and financially beneficial use of a transitional redevelopment site. The interim operation by VPU meets several city and agency goals:

- **Revenue Generation**: The non-exclusive license establishes a revenue stream during a period when the site would otherwise remain underutilized.
- **Cost-Sharing**: All infrastructure upgrades, maintenance, and operational expenses are borne by the tenant, reducing public sector costs.
- **Site Activation**: The secured, screened, and monitored commercial vehicle storage use enhances property control and deters vandalism or illegal dumping.
- **Redevelopment Flexibility**: The non-exclusive license's month-to-month structure with a maximum term until April 30, 2027, ensures that the property can be reclaimed as needed for redevelopment.

This agreement reflects a proactive asset management approach while oil well abandonment continues, facilitating future investment readiness.

## **ENVIRONMENTAL**

The lease agreement qualifies as a Class 4 (Minor Alterations to Land) categorical exemption under the California Environmental Quality Act (CEQA), as the proposed use does not require significant grading or new construction, and involves negligible alterations to the condition of the land on the site. Therefore, no further action is required pursuant to CEQA.

## **DISCUSSION**

The non-exclusive license is structured as a periodic month-to-month tenancy with a maximum term until April 30, 2027. Key terms of the lease include:

- **Permitted Use**: Temporary commercial vehicle and equipment parking and storage.
- **Monthly Rent**: 25% of gross receipts from subleases.
- **Minimum Sublease Rates**: \$250/month for a 20–25 ft stall; \$350/month for a 35–40 ft stall.
- **Security Deposit**: \$25,000 due at lease commencement.
- **Tenant Responsibilities**: Site security, fencing, improvements (e.g., surface prep, video monitoring), ongoing maintenance, and utilities.

The lease allows the Successor Agency to commence oil well abandonment operations on site and reserves rights for inspection and access. VPU will make necessary improvements to secure and prepare the site, all at its own expense. VPU will also be required to submit financial and operations reports, undergo annual audits, and obtain required insurance.

**SUMMARY/NEXT STEPS**

The non-exclusive license provides interim use for an underutilized site while maintaining the Successor Agency’s long-term redevelopment goals. Upon Successor Agency approval, the non-exclusive license agreement will be executed, and VPU will begin site improvements and operations per the lease terms.

**ATTACHMENT(S):**

- A. Resolution No. 10003
  - a. Non-Exclusive License Agreement between Successor Agency and Vehicle Parking Unlimited, LLC (MC&C IV)
    - i. Exhibit A – Legal Description
    - ii. Exhibit B – Prohibited Access Area
    - iii. Exhibit C – Sublicensee Application/Agreement

**ITEM STATUS:**

- APPROVED:
- DENIED:
- TABLED:
- DIRECTION GIVEN:

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City Clerk, Maribel Garcia

## RESOLUTION NO. 10003

### **A RESOLUTION OF THE SUCCESSOR AGENCY OF THE COMMUNITY DEVELOPMENT COMMISSION/REDEVELOPMENT AGENCY OF THE CITY OF SANTA FE SPRINGS APPROVING A NON-EXCLUSIVE LICENSE AGREEMENT WITH VEHICLE PARKING UNLIMITED, LLC FOR THE TEMPORARY USE OF THE PROPERTY AT 12381 ROMANDEL AVENUE (MC&C IV) FOR COMMERCIAL VEHICLE PARKING AND STORAGE**

**WHEREAS**, the Successor Agency to the Community Development Commission/Redevelopment Agency of the City of Santa Fe Springs ("Successor Agency") is the owner of that certain real property located at 12381 Romandel Avenue, Santa Fe Springs, California, commonly known as MC&C Site IV (Block 8), and identified by Assessor Parcel Numbers 8011-002-901, 8011-002-902, 8011-002-903, 8011-003-955, 8011-003-956, 8011-003-957, 8011-003-958, 8011-003-959, 8011-003-960, 8011-003-961, 8011-003-962, 8011-003-963, 8011-003-964, 8011-003-965, 8011-003-966, 8011-003-967, 8011-003-968, 8011-003-969, 8011-003-970, 8011-003-971, 8011-003-972, 8011-003-973, 8011-003-974, 8011-003-975, 8011-003-976, 8011-003-977, 8011-003-978, and 8011-003-979 ("Property"); and

**WHEREAS**, Vehicle Parking Unlimited, LLC ("Licensee") desires to lease the usable portions of the Property for the temporary parking and storage of commercial vehicles and wheeled equipment ("Non-Exclusive License Agreement"), herein attached as **Exhibit "A"**; and

**WHEREAS**, the Successor Agency and Tenant have negotiated the terms of the Non-Exclusive License Agreement that includes a month-to-month tenancy not to exceed April 30, 2027, and requires the Tenant to pay monthly rent equal to 25% of gross receipts, post a \$25,000 security deposit, and bear all costs related to improvements, maintenance, insurance, and operations; and

**WHEREAS**, the Non-Exclusive Agreement is not subject to the requirements of the California Surplus Lands Act (Government Code § 54221(d)(2)(A)-(B)) as it is for a term of less than fifteen (15) years, and no development or demolition will occur on the Property; and

**WHEREAS**, the proposed Non-Exclusive License Agreement is categorically exempt from the California Environmental Quality Act ("CEQA") (Pub. Res. Code § 21000 *et seq.*) pursuant to CEQA Guidelines (Cal. Code Regs., tit. 14, § 15000 *et seq.*) Section 15304 (Class 4 – Minor Alterations to Land), therefore, no further action is required pursuant to CEQA; and

**WHEREAS**, the Successor Agency finds that the Non-Exclusive License Agreement serves the public interest by generating interim revenue, providing active use and security for the site, and preserving long-term redevelopment flexibility.

**NOW, THEREFORE, THE SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION/REDEVELOPMENT AGENCY OF THE CITY OF**

**SANTA FE SPRINGS HEREBY FINDS, DETERMINES, AND RESOLVES AS FOLLOWS:**

**SECTION 1.** The above recitals are true and correct and are incorporated in full, herein.

**SECTION 2.** The Successor Agency hereby approves the Non-Exclusive License Agreement by and between the Successor Agency and Vehicle Parking Unlimited, LLC for the temporary use of the Property located at 12381 Romandel Avenue, Santa Fe Springs, California.

**SECTION 3.** The Executive Director is hereby authorized and directed to execute the Non-Exclusive License Agreement, in substantially the form presented, and to take any and all actions necessary to carry out the purposes of this Resolution.

**SECTION 4.** The Successor Agency hereby determines that the approval of the Non-Exclusive License Agreement is exempt from the requirements of CEQA under CEQA Guidelines Section 15304, therefore no further action is required pursuant to CEQA.

**SECTION 5.** If any section, subsection, phrase, or clause of this Resolution is for any reason found to be invalid, such section, subsection, phrase, or clause shall be severed from, and shall not affect the validity of, all remaining portions of this Resolution that can be given effect without the severed portion.

**SECTION 6.** This Resolution shall become effective immediately upon its adoption.

**SECTION 7.** The City Manager, or designee, is hereby authorized and directed to take all actions necessary or advisable to give effect to the transactions contemplated by this Resolution.

**SECTION 8.** The City Clerk of the City of Santa Fe Springs shall certify as to the adoption of this Resolution.

ADOPTED and APPROVED this 17<sup>th</sup> day of March 2026 by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

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Chair, Successor Agency to the  
Community Development Commission of  
the City of Santa Fe Springs

ATTEST:

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Secretary

Attachments:

- a. Non-Exclusive License Agreement between Successor Agency and Vehicle Parking Unlimited, LLC (MC&C IV)
  - i. Exhibit A – Legal Description
  - ii. Exhibit B – Prohibited Access Area
  - iii. Exhibit C – Sublicensee Application/Agreement



2026  
NON-EXCLUSIVE LICENSE AGREEMENT  
(MC&C Site IV)

THIS NON-EXCLUSIVE LICENSE AGREEMENT (hereinafter, "Agreement") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_ 2026 (hereinafter, the "Effective Date"), by and between the SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION/REDEVELOPMENT AGENCY OF THE CITY OF SANTA FE SPRINGS, a California municipal corporation (hereinafter, "SUCCESSOR AGENCY") and VEHICLE PARKING UNLIMITED, LLC, a California limited liability company (hereinafter, "LICENSEE"). For the purposes of this Agreement, SUCCESSOR AGENCY and LICENSEE may be referred to collectively by the capitalized term "Parties." The capitalized term "Party" may refer to SUCCESSOR AGENCY or LICENSEE interchangeably, as appropriate.

RECITALS

WHEREAS, SUCCESSOR AGENCY is the owner of real property commonly identified as "Block 8" located at 12381 Romandel Avenue, Santa Fe Springs, California 90670 (APNs: 8011-002-901, 8011-002-902, 8011-002-903, 8011-003-955, 8011-003-956, 8011-003-957, 8011-003-958, 8011-003-959, 8011-003-960, 8011-003-961, 8011-003-962, 8011-003-963, 8011-003-964, 8011-003-965, 8011-003-966, 8011-003-967, 8011-003-968, 8011-003-969, 8011-003-970, 8011-003-971, 8011-003-972, 8011-003-973, 8011-003-974, 8011-003-975, 8011-003-976, 8011-003-977, 8011-003-978, and 8011-003-979) ("MC&C IV"), as more particularly described in the Legal Description attached to this Agreement as **Exhibit "A"** (hereinafter, the "Property"); and

WHEREAS, the Property consists of approximately 8.4 acres of land partially occupied by oil wells operated by Bridgeland Resources, LLC ("BRIDGELAND"); and

WHEREAS, BRIDGELAND operates the wells in accordance with several agreements, including the Unit Agreement dated April 1, 1969 ("Unit Agreement") and various oil and gas leases, or through the ownership of the mineral rights of the Property, in which BRIDGELAND is the "Unit Operator", lessee, or mineral owner; and

WHEREAS, through such oil and gas lease or mineral ownership, and as "Unit Operator" under the Unit Agreement, BRIDGELAND has certain surface access and subsurface mineral rights over the Property to operate the wells therein; and

WHEREAS, BRIDGELAND and SUCCESSOR AGENCY are in the process of negotiating the plugging and abandonment of the oil and gas wells and the rights

associated with the Unit Agreement to prepare the Property for disposition; and

WHEREAS, LICENSEE desires to utilize certain portions of the Property to operate its business providing temporary parking and storage of commercial vehicles and wheeled equipment to sublicensees for daily, weekly, and monthly fees, subject to the terms and conditions set forth in this Agreement (the "Permitted Use"); and

WHEREAS, the Parties acknowledge that LICENSEE will be strictly prohibited from entering and otherwise utilizing the portion of the Property depicted in the figure attached hereto as **Exhibit "B"** (the "Prohibited Access Area") during the Term (as defined hereinafter) of this Agreement; and

WHEREAS, California's Surplus Lands Act (Gov. Code § 54221 *et seq.*) ("Surplus Lands Act") provides under Government Code Section 54221(d)(2)(A), that the entering of a lease for a term of fifteen (15) years or less, inclusive of any extension or renewal options, is not considered a disposition for purposes of the Surplus Lands Act and is therefore not subject to its requirements; and

WHEREAS, this Agreement grants LICENSEE a non-exclusive license to use the Property for the Permitted Use, subject to the terms and conditions set forth herein, and therefore is not a disposition of land by sale or lease subject to the requirements of the Surplus Lands Act; and

WHEREAS, on a separate and independent basis, in the event this Agreement is determined to be the equivalent of a lease under the Surplus Lands Act, the Agreement is not subject to the requirements of the Surplus Lands Act pursuant to Government Code Section 54221(d)(2)(A) because the Parties agree the term of this Agreement will not exceed one (1) year from the Effective Date; and

WHEREAS, at its Regular Meeting of \_\_\_\_\_, 2026, the SUCCESSOR AGENCY adopted Resolution No. \_\_\_\_\_ approving the execution of this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, SUCCESSOR AGENCY and LICENSEE agree as follows:

I.  
INCORPORATION OF RECITALS

1.1. Recitals. The Recitals above, and the terms defined therein, are true and correct and incorporated into the body of this Agreement by this reference.

II.  
DEFINITIONS

2.1. Defined Terms. As used herein, the following terms and phrases shall have the meanings indicated:

(a) "BRIDGELAND" means Bridgeland Resources, LLC.

- (b) “Complaining Party” has the meaning set forth in Section 13.1 of this Agreement.
- (c) “Defaulting Party” has the meaning set forth in Section 13.1 of this Agreement.
- (d) “Effective Date” has the meaning set forth in the Preamble, above.
- (e) “Licensed Premises” has the meaning set forth in Section 3.1 of this Agreement.
- (f) “LICENSEE” means Vehicle Parking Unlimited, LLC.
- (g) “Monthly Gross Receipts Report” has the meaning set forth in Section 5.2 of this Agreement.
- (h) “Monthly License Fee” has the meaning set forth in Section 5.1 of this Agreement.
- (i) “Notice of Default” has the meaning set forth in Section 13.1 of this Agreement.
- (j) “Permitted Use” has the meaning set forth in the Recitals, above.
- (k) “Prohibited Access Area” has the meaning set forth in the Recitals, above.
- (l) “Prohibited Materials” has the meaning set forth in Section 6.3(c) of this Agreement.
- (m) “Property” has the meaning set forth in the Recitals, above.
- (n) “Security Deposit” has the meaning set forth in Section 5.3 of this Agreement.
- (o) “Sublicensee” has the meaning set forth in Section 12.1 of this Agreement.
- (p) “SUCCESSOR AGENCY” means the Successor Agency To The Community Development Commission/Redevelopment Agency of The City of Santa Fe Springs.
- (q) “Term” has the meaning set forth in Section 4.1 of this Agreement.
- (r) “Term Expiration Date” has the meaning set forth in Section 4.2 of this Agreement.

III.  
GRANT OF LICENSE

3.1. Grant of License to Use Property. SUCCESSOR AGENCY, in consideration of the Monthly License Fees to be paid and the covenants and agreements to be performed and observed by LICENSEE under this Agreement, does hereby grant to LICENSEE a non-exclusive license to use the Property, excluding the Prohibited Access Area, for the Permitted Use (the "Licensed Premises").

IV.  
TERM

4.1. Agreement Term. The Agreement shall have a periodic tenancy commencing as of the Effective Date and continue on a month-to-month basis until SUCCESSOR AGENCY or LICENSEE terminates the Agreement by providing the other Party and BRIDGELAND with a written 30-day notice of termination (the "Term"). BRIDGELAND, as an express third-party beneficiary under this Agreement, is hereby granted the right to terminate this Agreement with the prior written consent of SUCCESSOR AGENCY, which shall not be unreasonably withheld, upon providing a written 60-day notice of its request for termination to SUCCESSOR AGENCY and LICENSEE, and including in such request evidence that LICENSEE's use of the Property pursuant to the terms and conditions of this Agreement unreasonably interferes with BRIDGELAND's oil and gas operations on the Property.

4.2. Expiration of Agreement Term. In no event shall the Term of this Agreement extend beyond April 30, 2027 (the "Term Expiration Date").

V.  
MONTHLY LICENSE FEE

5.1. Payment of Monthly License Fee. On or before the fifth (5th) calendar day of each month during the Term of this Agreement, LICENSEE shall pay a Monthly License Fee to SUCCESSOR AGENCY in the amount of twenty-five percent (25%) of the gross receipts LICENSEE received the previous month from the Permitted Use (hereinafter, the "Monthly License Fee"). In no event shall LICENSEE sublicense any portion of the Licensed Premises pursuant to Article XII of this Agreement for an amount equivalent to less than Two-Hundred and Fifty Dollars (\$250.00) per month, per vehicle for a twenty to twenty-five foot (20'-25') parking stall, or Three-Hundred and Fifty Dollars (\$350.00) per month, per vehicle for a thirty-five to forty foot (35'-40') parking stall.

5.2. Monthly Gross Receipts Report. In addition to payment of Monthly License Fees, on or before the fifth (5th) calendar day of each month during the Term of this Agreement, LICENSEE shall submit to the SUCCESSOR AGENCY a report detailing LICENSEE's gross receipts from the previous month (the "Monthly Gross Receipts Report"), including all payments LICENSEE received per parking stall, such that SUCCESSOR AGENCY may confirm the accuracy of Monthly License Fees received from LICENSEE for each month of the Term.

5.3. Security Deposit. On or before the Effective Date of this Agreement,

LICENSEE shall deposit with the SUCCESSOR AGENCY the sum of Twenty-Five Thousand Dollars (\$25,000) as security for LICENSEE's full and faithful performance of all terms of this Agreement (the "Security Deposit"). Upon any breach of LICENSEE's obligations under this Agreement, SUCCESSOR AGENCY may apply all or part of the Security Deposit as compensation for such breach, including but not limited to reimbursement for the cost of any repairs SUCCESSOR AGENCY makes on LICENSEE's behalf pursuant to the terms of this Agreement. SUCCESSOR AGENCY shall return any unapplied balance of the Security Deposit to LICENSEE on or before thirty (30) days after the termination or expiration of this Agreement, provided that LICENSEE is not in default of this Agreement and has otherwise fully and faithfully carried out all terms of this Agreement.

5.4. Payment of Taxes and Fees. In addition to payment of Monthly License Fees and the Security Deposit to SUCCESSOR AGENCY, LICENSEE will be responsible to pay all taxes and fees arising out of the Permitted Use of the Property.

5.5. Waiver. SUCCESSOR AGENCY's acceptance of Monthly License Fees from LICENSEE in an amount less than the full amount owed pursuant to a true and correct Monthly Gross Receipts Report, shall not be deemed a waiver by SUCCESSOR AGENCY for the full amount or in any way defeat or affect the rights and remedies of SUCCESSOR AGENCY to pursue the full amount under this Agreement.

## VI. AUTHORIZED USE

6.1. Uses. The Licensed Premises shall be non-exclusively used and occupied by LICENSEE for the Permitted Use during the term of the Agreement, subject to LICENSEE obtaining all entitlements, permits, and other approvals required for the Permitted Use contemplated under this Agreement. Notwithstanding the above, LICENSEE acknowledges and agrees that it shall be strictly prohibited from entering, using, or occupying the Prohibited Access Area for any purpose whatsoever, and that LICENSEE's access to the Licensed Premises may be impeded in the event that SUCCESSOR AGENCY, BRIDGELAND, or its employees, contractors, or agents need to access the Licensed Premises to conduct investigations or other activities to prepare the Property for disposition. SUCCESSOR AGENCY or BRIDGELAND, as the case may be, shall provide LICENSEE with 72 hours' written notice of the commencement of any activities that will require LICENSEE to cease its utilization and access to the Licensed Premises. Upon receipt of such notice, LICENSEE shall provide notice to any of its sublicensees to vacate the Licensed Premises until such activities have ceased. Upon the conclusion of such activities, SUCCESSOR AGENCY or BRIDGELAND shall provide all other Parties with written notice indicating the date that LICENSEE may resume its utilization of the Licensed Premises for the Permitted Use and/or the date that LICENSEE's access to the Licensed Premises will no longer be impeded. Notices provided in accordance with this Section 6.1 shall be provided pursuant to Section 14.19 of this Agreement.

6.2. Suitability. LICENSEE acknowledges that neither SUCCESSOR AGENCY nor any agent of SUCCESSOR AGENCY has made any representation or warranty with respect to the Licensed Premises concerning its suitability for the conduct of LICENSEE's

contemplated activities or operations, nor has SUCCESSOR AGENCY agreed to undertake any modification, alteration or improvement to the Licensed Premises except as SUCCESSOR AGENCY in its sole discretion may wish to undertake prior to granting LICENSEE possession of the Licensed Premises. There is a history of oil and gas operations on the Property, and the Property currently contains 16 oil and gas wells, consisting of four previously plugged and abandoned wells and 12 active or idle wells. A Phase I Environmental Site Assessment ("Phase I") for the Property identified recognized environmental conditions ("RECs"), including, without limitation, the impacts of the historical oil field activities on the Property, particularly historical evidence of open-pit sumps in which crude oil was stored, and impacts to soil, soil vapor, and groundwater resulting from activities on neighboring properties. A Phase II Environmental Site Assessment (Phase II) for the Property found elevated concentrations of benzene present in soil and soil vapor at the southern and eastern portion of the Property. The Phase I and Phase II assessments did not define the extent of the benzene impacts or other contamination on the Property. Additional investigations and other activities will be conducted on the Property during the Term of this Agreement to determine the extent of contamination on the Property, define the scope of the work needed to remediate the environmental conditions on the Property, and prepare the Property for future disposition. The taking of non-exclusive possession of the Licensed Premises by LICENSEE shall conclusively establish that the Licensed Premises and the Property were both at such time in satisfactory condition. LICENSEE acknowledges and agrees that it shall take non-exclusive possession of the Licensed Premises "as is" and subject to exclusion of use of the Prohibited Access Area and impeded access to the Licensed Premises during activities described in Section 6.1 of this Agreement, above. LICENSEE further acknowledges and agrees that hazardous materials, including but not limited to pollutants, wastes, radioactive materials, and toxic substances, may exist on the Licensed Premises upon LICENSEE's taking of non-exclusive possession of the Licensed Premises, and LICENSEE shall waive all claims for injury or losses arising out of the existence of hazardous materials on the Licensed Premises against SUCCESSOR AGENCY and/or BRIDGELAND pursuant to Article 9 of this Agreement.

### 6.3. Uses Prohibited.

- (a) LICENSEE shall not do or permit anything to be done in or about the Licensed Premises nor bring or keep anything therein which will increase or otherwise affect the rate of any insurance required under this Agreement, upon the Licensed Premises, or upon any of its contents (unless LICENSEE shall pay any such increased premium as a result of such use or acts), or cause a cancellation of any insurance policy covering said Licensed Premises or any part thereof or any of its contents, nor shall LICENSEE sell or permit to be kept, used or sold in or about said Licensed Premises any articles which may be prohibited by a standard form policy of fire insurance.
- (b) LICENSEE's use of the Licensed Premises is non-exclusive and LICENSEE shall not do or permit anything to be done in or about the Licensed Premises which will in any way obstruct or interfere with the rights of other licensees, tenants, or occupants of the Licensed Premises, including but not limited to BRIDGELAND and/or third-parties occupying or using the Licensed Premises for the purposes of performing investigations

or other activities, or injure or annoy them or use or allow the Licensed Premises to be used for any unlawful purpose, any purpose which unduly interferes with the use and enjoyment of the Property by other licensees, tenants, or occupants, or any purpose which exceeds the scope of use set forth in Section 6.1. LICENSEE shall not enter, use or occupy the Prohibited Access Area for any reason whatsoever. LICENSEE acknowledges and agrees that ingress and egress to the Licensed Premises from Telegraph Road is prohibited by LICENSEE, and any Sublicensees, during the Term of this Agreement and shall use Romandel Avenue to access the Property and Licensed Premises.

- (c) LICENSEE shall not commit or suffer to be committed any waste in or upon the Licensed Premises. LICENSEE, and any Sublicenses, shall be prohibited from storing, depositing, and/or disposing of tires, oil, gasoline, diesel fuel, antifreeze, hazardous substances, petroleum products, automotive or industrial fluids, empty fluid containers, paint, solvents, vehicle parts, mattresses, home remodeling or construction debris, refuse, garbage, or any other waste or trash of any kind (collectively, "Prohibited Materials") in or upon the Property and/or Licensed Premises. LICENSEE shall immediately remove, at LICENSEE's sole cost and expense, any such items brought onto or deposited upon the Licensed Premises by LICENSEE or LICENSEE's agents, employees, contractors, invitees, or any other person acting under or through LICENSEE. "Immediately" for purposes of this Section shall mean within twenty-four (24) hours of placement or, if earlier, upon written or verbal notice from CITY. LICENSEE shall be responsible for compliance with all applicable federal, state, and local laws regarding the handling, storage, transportation, and disposal of waste and hazardous materials and shall indemnify, defend, and hold harmless CITY from and against any claims, damages, penalties, or liabilities arising out of LICENSEE'S failure to comply with this provision.
- (d) LICENSEE shall not use the Licensed Premises or permit anything to be done in or about the Licensed Premises which will in any way conflict with any law, statute, ordinance or governmental rule or regulation or requirement of any duly constituted public authorities now in force or which may thereafter be enacted or promulgated. LICENSEE shall at its sole cost and expense promptly comply with all laws, statutes, ordinances and governmental rules, regulations or requirements now in force or which may hereafter be in force and with the requirements of any board of fire underwriters or other similar body now or hereafter constituted relating to or affecting the condition, use or occupancy of the Licensed Premises, excluding structural changes not relating to or affecting the condition, use or occupancy of the Licensed Premises, or not related or afforded by LICENSEE's improvements or acts. The judgment of any court of competent jurisdiction or the admission of LICENSEE in any action against LICENSEE, whether SUCCESSOR AGENCY be a party thereto or not, that LICENSEE has violated any law, statute, ordinance or governmental rule, regulation or requirement, shall be conclusive of the fact as between SUCCESSOR AGENCY and LICENSEE.

- (e) Notwithstanding Section 6.4(a) of this Agreement, below, SUCCESSOR AGENCY reserves the right to approve or deny in its sole and absolute discretion the installation of any and all trade fixtures upon the Licensed Premises by or on behalf of LICENSEE, including but not limited to trade fixtures which may necessitate the alteration or modification of the Licensed Premises or which may cause damage to the Licensed Premises upon installation or upon removal.

6.4. Improvements.

- (a) Permitted LICENSEE Improvements. LICENSEE has completed, or is in the process of completing, the following permitted improvements to the Licensed Premises. LICENSEE shall complete all the following improvements before commencing use of the Licensed Premises for the Permitted Use, at the sole cost and expense of LICENSEE:
- i. Secure the perimeter of the Licensed Premises with new or repaired eight foot (8') fencing, including fencing along Telegraph Road and Romandel Avenue that is ninety-five percent (95%) obscured to screen trucks and equipment from public view;
  - ii. Install eight by thirty-foot (8' x 30') access-controlled security gates with twenty-four (24) hour video monitoring;
  - iii. Install and maintain wireless internet services for remote access to security cameras and access control systems;
  - iv. Remove all vegetation overgrowth within the yard areas and on the street frontages with continued maintenance during the term of this Agreement;
  - v. Prepare all yard surfaces as required for the driving, parking, and storage of commercial trucks and other wheeled equipment;
  - vi. Install protection bollards and/or railings around existing oil field equipment and infrastructure as necessary;
  - vii. Construct parking stall markings and signage as needed; and
  - viii. Install solar power and storage systems to power operations.
- (b) Additional LICENSEE Improvements. Notwithstanding the improvements expressly permitted in the foregoing Section 6.4(a), LICENSEE shall not and may not undertake any improvements to the Licensed Premises without the express written consent of SUCCESSOR AGENCY which consent may be granted, denied or conditionally granted in SUCCESSOR AGENCY's sole and absolute discretion. All persons or entities making improvements to the Licensed Premises on LICENSEE's behalf must first be approved by

SUCCESSOR AGENCY in its sole and absolute discretion and must provide SUCCESSOR AGENCY with such documentation as SUCCESSOR AGENCY, in its sole and absolute discretion, may request, establishing that the person or entity is duly licensed and qualified to perform such improvements.

## VII.

### MAINTENANCE AND REPAIRS; ALTERATIONS AND ADDITIONS

#### 7.1. Maintenance and Repairs.

##### (a) SUCCESSOR AGENCY Obligations.

- i. SUCCESSOR AGENCY shall be under no obligation to undertake such repairs or construct such improvements to the Licensed Premises as SUCCESSOR AGENCY deems unreasonable, unnecessary, or economically infeasible in SUCCESSOR AGENCY's sole and absolute discretion.

##### (b) LICENSEE Obligations.

- i. LICENSEE, at LICENSEE's sole cost and expense, shall maintain the Licensed Premises and any and all trade fixtures utilized by LICENSEE in a clean, operable, and good condition and repair, including but not limited to vegetation control and trash removal. LICENSEE expressly waives the benefits of any statute now or hereafter in effect which would otherwise afford LICENSEE the right to make repairs at SUCCESSOR AGENCY's expense.
- ii. Notwithstanding any other provisions of this Agreement to the contrary, LICENSEE shall obtain prior written approval from SUCCESSOR AGENCY for all LICENSEE improvements including but not limited to painting, installation of flooring, ceilings, partition walls, doors including hardware, and installation or replacement of plumbing, mechanical, or electrical fixtures. SUCCESSOR AGENCY may approve said items in its sole and absolute discretion. Such written approval shall be issued by the Executive Director or his designee.
- iii. LICENSEE agrees to repair, at its own expense, any damage to the Licensed Premises caused by or in connection with the removal of any articles of personal property, business or trade fixtures, machinery, equipment, cabinetwork, furniture, moveable partitions or permanent improvements or additions to SUCCESSOR AGENCY's reasonable satisfaction, all at LICENSEE's sole cost and expense. LICENSEE shall indemnify the SUCCESSOR AGENCY against any loss or liability resulting from delay by LICENSEE in so surrendering the Licensed Premises, including without limitation any claims made by any succeeding LICENSEE founded on such delay.

- iv. LICENSEE shall be solely and exclusively responsible for the payment of all electrical, water, gas, telephone, internet and cable television services and any other utilities provided to the Licensed Premises.
- v. LICENSEE shall contract with third parties for security, sanitation, and trash collection services, at LICENSEE's sole cost and expense.
- vi. LICENSEE shall comply with standards of health, sanitation, fire, housing and safety as required by law.

## VIII.

### ENTRY UPON LICENSED PREMISES BY SUCCESSOR AGENCY AND BRIDGELAND

8.1. Oil and Gas Well Abandonment; Investigations and Other Activities to Prepare the Property for Disposition. LICENSEE acknowledges that its use of the entirety of the Licensed Premises may be limited by BRIDGELAND's and SUCCESSOR AGENCY's ongoing site investigations and other activities to prepare the Property for disposition, which may include, without limitation, the abandonment and plugging of oil and gas wells and remediation of environmental conditions at the Property, inclusive of the Licensed Premises and the Prohibited Access Area. BRIDGELAND, SUCCESSOR AGENCY, and their duly authorized officers, agents, employees, consultants, and contractors reserve the right to enter and occupy portions of the Licensed Premises at any time during the Term as necessary to complete such activities to prepare the Property for disposition. In the event BRIDGELAND or SUCCESSOR AGENCY's activities will impede LICENSEE's access to or use of the Licensed Premises, inclusive of ingress and egress to the Property and Licensed Premises, BRIDGELAND, SUCCESSOR AGENCY, or both shall give LICENSEE at least 72 hours' notice of its intent to enter and occupy portions of the Licensed Premises. Such notice shall indicate the occupied portions of the Licensed Premises, restricted areas of access (including any buffer zones), and contemplated period of restricted access. LICENSEE expressly acknowledges and hereby waives any claim to exclusive use or quiet enjoyment of the Licensed Premises or Monthly License Fee abatement for activities carried out for these purposes.

8.2. Inspection, Improvements, and Repairs. SUCCESSOR AGENCY and its duly authorized officers, agents, employees, consultants and contractors reserve the right to enter the Licensed Premises during the Term to inspect the same or to alter, improve, or repair the Licensed Premises. To the extent possible, SUCCESSOR AGENCY shall give LICENSEE reasonable notice of its intent to enter the Licensed Premises, and the purpose for such intended visit.

8.3. Access to Licensed Premises. For each of the aforesaid purposes, BRIDGELAND, SUCCESSOR AGENCY, or both shall at all times have and retain the ability to unlock all security gates or doors in, upon, and about the Licensed Premises, and SUCCESSOR AGENCY, BRIDGELAND, or both shall have the right to use any and all means which SUCCESSOR AGENCY, BRIDGELAND, or both may deem proper to open said security gates or doors in an emergency, in order to obtain entry to the Licensed

Premises, and any entry to the Licensed Premises obtained by SUCCESSOR AGENCY, BRIDGELAND, or both by any of said means, or otherwise, shall not under any circumstances be construed or deemed to be a forcible or unlawful entry into, or a detainer of, the Licensed Premises, or an eviction of LICENSEE from the Licensed Premises or any portion thereof.

## IX. INDEMNIFICATION

9.1. Indemnity. LICENSEE shall indemnify, defend, and hold harmless SUCCESSOR AGENCY and BRIDGELAND and its respective directors, officers, officials, employees, consultants, and agents from and against any and all claims arising from LICENSEE's use of the Licensed Premises or the conduct of its business or from any activity, work, or thing done, permitted or suffered by LICENSEE in or about the Licensed Premises and shall further indemnify, defend and hold SUCCESSOR AGENCY and BRIDGELAND harmless from and against any and all claims arising from any breach or default in the performance of any obligation on LICENSEE's part to be performed under the terms of this Agreement, or arising from any act or negligence of LICENSEE, or any of its agents, contractors or employees, and from and against any and all costs, attorneys' fees, expenses and liabilities incurred in connection with such claim or any action or proceeding brought thereon; and in case any action or proceeding be brought against SUCCESSOR AGENCY, BRIDGELAND, or both by reason of any such claim. LICENSEE upon notice from SUCCESSOR AGENCY, BRIDGELAND, or both shall defend the same at LICENSEE's expense by counsel reasonably satisfactory to SUCCESSOR AGENCY and/or BRIDGELAND; provided, however, that LICENSEE shall not be liable for damage or injury occasioned by the sole negligence or intentional acts of SUCCESSOR AGENCY or BRIDGELAND and their designated agents or employees unless covered by insurance LICENSEE is required to provide.

9.2. SUCCESSOR AGENCY and BRIDGELAND Limitation of Liability. SUCCESSOR AGENCY and BRIDGELAND shall not be liable for injury or damage which may be sustained by the person, goods, wares, merchandise, or property of LICENSEE, its employees, invitees, sublicensees, customers, or any other person in or about the Licensed Premises, arising out of or in any way connected with LICENSEE's non-exclusive license to use the Licensed Premises, or any conditions arising upon the Licensed Premises or upon other portions of the Property, including the Prohibited Access Area, or from other sources, including, but not limited to, BRIDGELAND's and SUCCESSOR AGENCY's ongoing site investigations or other activities to prepare the Property for disposition, or hazardous materials or conditions existing on or about the Property or upon neighboring properties adjacent to the Property. SUCCESSOR AGENCY and BRIDGELAND shall not be liable for any damages arising from any act or neglect of any other tenant, licensee, or occupant of the Licensed Premises.

9.3. Release of SUCCESSOR AGENCY and BRIDGELAND by LICENSEE. LICENSEE hereby waives, releases, and discharges forever SUCCESSOR AGENCY and BRIDGELAND, and their officers, officials, directors, agents, consultants, and employees, from all present and future claims, demands, suits, legal and administrative proceedings and from all liability for damages, losses, costs, fees, and expenses, present and future, arising out of or in any way connected with LICENSEE's non-exclusive license

to use the Licensed Premises for the Permitted Use granted by this Agreement; any conditions arising upon the Licensed Premises or upon other portions of the Property of which the Licensed Premises is a part, including the Prohibited Access Area, or from other sources, including, but not limited to, BRIDGELAND's and SUCCESSOR AGENCY's ongoing site investigations or other activities to prepare the Property for disposition, or hazardous materials or conditions existing on or about the Property or upon neighboring properties adjacent to the Property; or any default or breach by SUCCESSOR AGENCY under Article 13 of this Agreement.

LICENSEE ACKNOWLEDGES AND IS AWARE OF THE PROTECTIONS OF CIVIL CODE SECTION 1542 RELATIVE TO THE WAIVERS AND RELEASES CONTAINED IN THIS ARTICLE IX, WHICH READS AS FOLLOWS:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

BY INITIALING BELOW, THE LICENSEE KNOWINGLY AND VOLUNTARILY WAIVES THE PROVISIONS OF SECTION 1542 IN CONNECTION WITH THE WAIVERS AND RELEASES OF THIS ARTICLE 9.

LICENSEE'S INITIALS \_\_\_\_\_

## X. INSURANCE

10.1. LICENSEE Commercial General Liability Insurance. LICENSEE shall at LICENSEE's sole cost and expense, but for the mutual benefit of SUCCESSOR AGENCY, BRIDGELAND, and LICENSEE, maintain throughout the Term of this Agreement commercial general liability insurance against claims for personal injury, death or property damage occurring in, or about the Licensed Premises and in, on, or about the sidewalks directly adjacent to the Licensed Premises and such other areas as LICENSEE, its officers, agents, employees, contractors, licensees and/or invitees shall have the right to use pursuant to this Agreement. Such general liability insurance maintained by LICENSEE shall have a combined single limit of not less than Two Million Dollars (\$2,000,000.00) per occurrence with an annual aggregate of not less than Four Million Dollars (\$4,000,000.00) and shall list SUCCESSOR AGENCY and BRIDGELAND as additional insureds.

10.2. Sublicensee Commercial Liability Insurance. LICENSEE shall require any Sublicensee of the Licensed Premises, pursuant to Article XII of this Agreement below, to maintain throughout the duration of its sublicense, commercial general liability insurance against claims for personal injury, death or property damage occurring in, or about the Licensed Premises and in, on, or about the sidewalks directly adjacent to the Licensed Premises and such other areas as LICENSEE and any Sublicensee, and their respective officers, agents, employees, contractors, licensees and/or invitees, shall have

the right to use pursuant to this Agreement and any sublicense. Such general liability insurance maintained by any Sublicensee shall have a combined single limit of not less than One Million Dollars (\$1,000,000.00) per occurrence with an annual aggregate of not less than Two Million Dollars (\$2,000,000.00) and shall list SUCCESSOR AGENCY, BRIDGELAND, and LICENSEE as additional insureds.

10.3. Form of the Policies. The policies required by SUCCESSOR AGENCY shall be in a form reasonably satisfactory to SUCCESSOR AGENCY and shall include actual endorsements (CG 20 10 and CG 20 37 or equivalent) listing the SUCCESSOR AGENCY and BRIDGELAND as additional insureds.

10.4. Waiver of Subrogation. SUCCESSOR AGENCY and LICENSEE each hereby waive any and all rights of recovery against the other or against the officers, employees, agents and representatives of the other, on account of loss or damage occasioned to such waiving Party or its property or the property of others under its control to the extent that such loss or damage is insured against any fire and extended coverage insurance policy which either may have in force at the time of such loss or damage.

10.5. Fire Insurance. LICENSEE shall procure and maintain a policy of insurance for damage and/or destruction to fixtures, equipment and other personal property which it places, stores or otherwise maintains in or on the Licensed Premises where such damage and/or destruction is caused by fire.

## XI.

### DAMAGE TO LICENSED PREMISES

11.1. Partial Damage – Insurance Available. In the event of damage causing a partial destruction of the Licensed Premises during the term of this Agreement and in the event there is made available to SUCCESSOR AGENCY and BRIDGELAND pursuant to Article X of this Agreement above, LICENSEE's insurance proceeds for such damage paying eighty percent (80%) or more of the estimated cost of repairing such damage, SUCCESSOR AGENCY, BRIDGELAND, and LICENSEE shall utilize all such insurance proceeds to pay any additional cost and cause the Licensed Premises to be repaired promptly to a condition existing immediately prior to such damage, with this Agreement to continue in full force and effect.

11.2. Partial Damage – Insurance Not Available. In the event of damage causing a partial destruction of the Licensed Premises during the term of this Agreement and in the event there are no insurance proceeds available, or LICENSEE's available insurance proceeds are less than eighty percent (80%) or more of the estimated cost of repairing such damage, then SUCCESSOR AGENCY shall have the option (a) to elect to immediately terminate this Agreement upon advance written notice and retain all available insurance proceeds; or (b) to repair the damage at SUCCESSOR AGENCY's expense. The failure of SUCCESSOR AGENCY to take any action pursuant to this Section 11.2 within a thirty (30) day period after the unavailability or amount of insurance proceeds is determined shall be deemed to be an election to terminate the Agreement and retain all insurance proceeds. In the event SUCCESSOR AGENCY elects to repair such damage, such work shall be completed promptly to restore the Licensed Premises to the condition existing immediately prior to such damage and this Agreement shall continue in full force

and effect. In the event SUCCESSOR AGENCY elects to terminate the Agreement, LICENSEE shall have thirty (30) days thereafter to elect to pay for the cost of such repairs to the extent insurance proceeds are not available. In the event LICENSEE elects to do so, coincidentally therewith LICENSEE shall deposit with SUCCESSOR AGENCY or make available to SUCCESSOR AGENCY on terms acceptable to SUCCESSOR AGENCY, the amount required in addition to any available insurance proceeds to complete the repairs. SUCCESSOR AGENCY shall cause such repair work to be completed promptly thereafter restoring the Licensed Premises to the condition existing immediately prior to such damage, and this Agreement shall continue in full force and effect.

11.3. Destruction. In the event the Licensed Premises are totally destroyed, or the Licensed Premises cannot be repaired as required herein under applicable laws and regulations, notwithstanding, the availability of insurance proceeds or contributions from LICENSEE, this Agreement shall be terminated effective from the date of the damage.

## XII. ASSIGNMENT AND SUBLICENSES

12.1. Permitted Sublicenses. SUCCESSOR AGENCY acknowledges and agrees that in accordance with LICENSEE's Permitted Use of the Licensed Premises, LICENSEE shall be permitted to sublicense portions on the Licensed Premises to its customers ("Sublicensees") for the temporary parking and storage of Sublicensees' commercial vehicles and wheeled equipment. LICENSEE shall require all Sublicensees of the Licensed Premises to execute and adhere to the Sublicensee Application and Agreement attached to the Agreement as **Exhibit "C."** The failure of a Sublicensee to adhere to the requirements of the Sublicensee Application shall constitute LICENSEE's default under this Agreement.

12.2. Additional Assignment and Sublicensing. With the exception of the permitted Sublicensees described in Section 12.1 above, LICENSEE shall not assign, sublet, transfer, mortgage, pledge, hypothecate or encumber all or any portion of the Licensed Premises, or this Agreement, without the prior written consent of SUCCESSOR AGENCY and any attempt to do so without such consent being first obtained shall be wholly void and shall constitute a breach of this Agreement.

12.3. No Release of LICENSEE. No consent by SUCCESSOR AGENCY to any assignment or sublicensing by LICENSEE shall relieve LICENSEE of any obligation to be performed by LICENSEE under this Agreement whether occurring before or after such consent, assignment or sublicensing. Notwithstanding Section 12.1 above, the consent by SUCCESSOR AGENCY to any assignment or sublicensing for the Permitted Use shall not relieve LICENSEE from the obligation to obtain SUCCESSOR AGENCY's express written consent to any other assignment or sublicensing. The acceptance of Monthly License Fee payments by SUCCESSOR AGENCY from any other person other than LICENSEE shall not be deemed to be a waiver by SUCCESSOR AGENCY of any provision of this Agreement or to be a consent to any assignment, sublicensing, or other transfer. Consent to one assignment, sublicensing or other transfer shall not be deemed to constitute consent to any subsequent assignment, sublicensing or other transfer.

XIII.  
DEFAULT, REMEDIES AND TERMINATION

13.1. Notice of Default and Opportunity to Cure. The failure of either Party to perform any obligation or duty under this Agreement within the time required by this Agreement shall constitute a default. The Party not in default (“Complaining Party”) shall provide written notice to the Party in default (“Defaulting Party”), specifying the nature of the default and the manner in which the default may be cured (“Notice of Default”). The Defaulting Party shall have twenty (20) days from its receipt of a Notice of Default to cure such default. If the default cannot reasonably be cured within said twenty (20) day period, the Defaulting Party must provide written notice to the Complaining Party of its inability to cure the default within such time no later than ten (10) days after its receipt of the Notice of Default and diligently prosecute the cure to completion at the earliest practical date, but in no event later than thirty (30) days after receipt of the first Notice of Default.

13.2. Default by LICENSEE. The following is a non-exhaustive list of occurrences which shall constitute a default on the part of LICENSEE:

- (a) The failure to timely pay the Monthly Licensee Fee due to SUCCESSOR AGENCY, as described in Section 5.1 of this Agreement, above;
- (b) The installation of signs or other items on or about the Licensed Premises without the prior written consent of SUCCESSOR AGENCY in violation of Section 14.17(a) of this Agreement, below;
- (c) The abandonment or vacation of the Licensed Premises by LICENSEE prior to the expiration of the Term;
- (d) The making by LICENSEE of any general assignment or general arrangement for the benefit of creditors; the filing by or against LICENSEE of a petition to have LICENSEE adjudged a bankrupt or the filing of a petition for reorganization or arrangement under any law relating to bankruptcy; the appointment of a trustee or receiver to take possession of substantially all of LICENSEE’s assets located at the Licensed Premises or of LICENSEE’s interest in this Agreement, where possession is not restored to LICENSEE within thirty (30) days or the attachment, execution or other judicial seizure of substantially all of LICENSEE’s assets located at the Licensed Premises or of LICENSEE’s interest in this Agreement where such seizure is not discharged within thirty (30) days;
- (e) LICENSEE makes a material misrepresentation in the performance of this Agreement or in the conduct of any audit of LICENSEE authorized under this Agreement.

13.3. SUCCESSOR AGENCY Remedies. In the event of any default or breach by LICENSEE that is not cured within the time limits specified in Section 13.1 above, SUCCESSOR AGENCY may undertake any of the following courses of action at any time thereafter and without limiting its right to exercise any other right or remedy at law or in equity:

- (a) Maintain this Agreement in full force and effect and recover the Monthly License Fees and other monetary charges and payments as they become due, without terminating LICENSEE's rights to possession irrespective of whether LICENSEE has abandoned the Licensed Premises. In the event SUCCESSOR AGENCY elects not to terminate the Agreement, SUCCESSOR AGENCY shall have the right to attempt to re-license the Licensed Premises at such Monthly License Fee and upon such conditions and for such a term and to do all acts necessary to maintain or preserve the Licensed Premises as SUCCESSOR AGENCY deems reasonable and necessary without being deemed to have elected to terminate the Agreement, including removal of all persons and property from the Licensed Premises, such property may be removed and stored in a public warehouse or elsewhere at the cost of and for the account of LICENSEE. In the event any such re-licensing occurs this Agreement shall terminate automatically upon the new LICENSEE taking possession of the Licensed Premises. Notwithstanding that SUCCESSOR AGENCY fails to elect to terminate the Agreement initially, SUCCESSOR AGENCY at any time during the term of this Agreement may elect to terminate this Agreement by virtue of such previous default of LICENSEE.
- (b) Immediately terminate LICENSEE's right to non-exclusive possession by any lawful means, in which case this Agreement shall terminate, and LICENSEE shall immediately surrender possession of the Licensed Premises to SUCCESSOR AGENCY. In such event SUCCESSOR AGENCY shall be entitled to recover from LICENSEE all damages incurred by SUCCESSOR AGENCY by reason of LICENSEE's default, including without limitation thereto the following: (i) the worth at the time of award of any unpaid Monthly License Fees which had been earned at the time of such termination, plus (ii) the worth at the time of award of the amount by which the unpaid Monthly License Fees which would have been earned after termination until the time of award exceeds the amount of such Monthly License Fee loss that is proved could have been reasonably avoided; plus (iii) the worth at the time of award of the amount by which the unpaid Monthly License Fee for the balance of the term after the time of award exceeds the amount of such Monthly License Fee loss that is proved could be reasonably avoided; plus (iv) any other amount necessary to compensate SUCCESSOR AGENCY for all the detriment proximately caused by LICENSEE's failure to perform its obligations under this Agreement or which in the ordinary course of events would be likely to result therefrom, plus (v) at SUCCESSOR AGENCY's election such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by applicable State law. Upon any such re-entry SUCCESSOR AGENCY shall have the right to make any reasonable repairs, alterations or modifications to the Licensed Premises, which SUCCESSOR AGENCY in its sole discretion deems reasonable and necessary. As used in (i) above, the "worth at the time of award" is computed by allowing interest at the rate of ten percent (10%) per annum from the date of default. As used in (ii) and (iii) the "worth at the time of award" is computed by discounting

such amount at the discount date of the U.S. Federal Reserve Bank at the time of award plus one percent (1%).

13.4. Default by SUCCESSOR AGENCY and LICENSEE Remedies. In the event of any default or breach by SUCCESSOR AGENCY that is not cured within the time limits specified in Section 13.1 above, LICENSEE may immediately terminate this Agreement in its sole and absolute discretion by delivering written notice of termination to SUCCESSOR AGENCY. SUCCESSOR AGENCY and LICENSEE each acknowledge and agree that SUCCESSOR AGENCY would not have entered into this Agreement, if it were to be liable to the LICENSEE for any additional monetary damages, monetary recovery, or any remedy other than immediate termination of this Agreement. Accordingly, SUCCESSOR AGENCY and LICENSEE agree that LICENSEE's sole and exclusive rights and remedies upon the breach of this Agreement by SUCCESSOR AGENCY is immediate termination of this Agreement.

#### XIV. MISCELLANEOUS

14.1. Entire Agreement. This instrument along with any exhibits and attachments hereto constitutes the entire agreement between SUCCESSOR AGENCY and LICENSEE relative to the Licensed Premises and this Agreement and the exhibits and attachments may be altered, amended or revoked only by an instrument in writing signed by both SUCCESSOR AGENCY and LICENSEE. SUCCESSOR AGENCY and LICENSEE agree hereby that all prior or contemporaneous oral agreement between or among themselves and their agents or representatives relative to the leasing of the Licensed Premises are merged in or revoked by this Agreement.

14.2. Amendments. Any amendment to this Agreement shall be in writing and executed by authorized representatives of both Parties.

14.3. Severability. If any term or provision of this Agreement shall, to any extent, be determined by a court of competent jurisdiction to be invalid or unenforceable the remainder of this Agreement shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforceable to the fullest extent permitted by law.

14.4. Costs of Suit.

- (a) If any Party brings any action for any relief against the other, declaratory or otherwise, arising out of this Agreement including any suit by SUCCESSOR AGENCY or BRIDGELAND for the recovery of Monthly License Fees or possession of the Licensed Premises, then the prevailing Party shall be entitled to recover as an element of its costs of suit, and not as damages, its reasonable attorneys' fees as fixed by the court, in such action or proceeding or in a separate action or proceeding brought to recover such attorneys' fees. For the purposes hereof the words "reasonable attorneys' fees" mean and include, in the case of either Party, expenses incurred by lawyers working for or employed by such Party (allocated on an hourly basis, calculated in one-tenth of an hour increments) to the extent they provide legal services to such Party in connection with the representation

of that Party in any such matter.

- (b) Should SUCCESSOR AGENCY without fault on SUCCESSOR AGENCY's part, be made a party to any litigation instituted by LICENSEE or by any third party against LICENSEE or by or against any person holding under or using the Licensed Premises by licensee of LICENSEE, or for the foreclosure of any lien for labor or material furnished to or for LICENSEE or any such other person or otherwise arising out of or resulting from any act or transaction of LICENSEE or of any such person. LICENSEE covenants to defend, indemnify, and hold the SUCCESSOR AGENCY harmless from any judgment rendered against SUCCESSOR AGENCY or the Licensed Premises or any part thereof and all costs and expenses, including reasonable attorneys' fees incurred by SUCCESSOR AGENCY in or in connection with such litigation.

14.5. Time. Time is of the essence of this Agreement and each and every provision hereof.

14.6. Binding Effect. The Parties hereto agree that all provisions hereof are to be construed as both covenants and conditions as though the words importing such covenants and conditions were used in each separate paragraph hereof. Subject to any provisions hereof restricting assignment, sublicensing, or subletting by LICENSEE, all of the provisions hereof shall bind and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns.

14.7. Governing Law and Venue. SUCCESSOR AGENCY and LICENSEE agree that this Agreement shall be governed by, interpreted under, and construed and enforced in accordance with the laws of the State of California, with venue in the County of Los Angeles, California.

14.8. Waiver. No covenant, term or condition or the breach thereof shall be deemed waived, except by written consent of the Party against whom the waiver is claimed, and any waiver or the breach of any covenant, term or condition shall not be deemed a waiver of any preceding or succeeding breach of the same or any other covenant, term or condition. Acceptance by SUCCESSOR AGENCY of any performance by LICENSEE after the time the same shall have become due shall not constitute a waiver by SUCCESSOR AGENCY of the breach or default of any covenant, term or condition unless otherwise expressly agreed to by SUCCESSOR AGENCY in writing.

14.9. Non-Liability of SUCCESSOR AGENCY Officials. No member, official, officer, employee, agent, representative, volunteer, consultant, or contractor of SUCCESSOR AGENCY shall be personally liable to LICENSEE or BRIDGELAND, or any successor in interest of LICENSEE or BRIDGELAND, in the event of any default or breach by SUCCESSOR AGENCY or for any amount which may become due to LICENSEE, BRIDGELAND or to their respective successor(s), or on any obligations under the terms of this Agreement.

14.10. Relationship of the Parties. Nothing contained in this Agreement shall be deemed or construed to create a partnership, joint venture, or any other similar

relationship between the Parties hereto or cause the SUCCESSOR AGENCY to be responsible in any way for the debts or obligations of LICENSEE or any other third-party.

14.11. Survival of Indemnity Obligations. All general and specific indemnity and defense obligation of the Parties set forth in this Agreement shall survive the expiration or termination of this Agreement.

14.12. Counterpart Originals. This Agreement may be executed by SUCCESSOR AGENCY and LICENSEE in multiple counterpart originals, all of which together shall constitute a single agreement

14.13. Third-Party Beneficiaries. Nothing in this Agreement shall be deemed to confer any rights upon, nor obligate either of the Parties to this Agreement to any person or entity that is not a party to this Agreement, and the Parties explicitly disclaim any intent to create a third-party beneficiary relationship with any person or entity as a result of this Agreement. Notwithstanding the foregoing, the Parties agree that BRIDGELAND is an express third-party beneficiary to the Agreement.

14.14. Further Assurances. The Parties agree to reasonably consider such additional actions or the execution of such other documents as may be reasonably necessary or convenient to the financing, development, and performance under this Agreement, although nothing in this Section 14.14 shall be deemed a representation, guaranty or commitment by any Party to take any action or execute any document.

14.15. Authority. The individuals executing this Agreement and the instruments referenced herein on behalf of SUCCESSOR AGENCY and LICENSEE each represent and warrant that they have the legal power, right and actual authority to bind SUCCESSOR AGENCY and LICENSEE to the terms and conditions hereof and thereof.

14.16. Surrender of Licensed Premises. At the written request of CITY, upon the termination of this Agreement, and in no event later than the Term Expiration Date, LICENSEE will remove all improvements and trade fixtures installed by LICENSEE on the Licensed Premises. LICENSEE shall otherwise surrender the Licensed Premises in as good a state and condition as it was at the commencement of this Agreement, reasonable use and wear damages excepted. If LICENSEE fails to surrender the Licensed Premises as provided under this paragraph, SUCCESSOR AGENCY may cause any such removal and repair on LICENSEE's behalf at LICENSEE's expense. SUCCESSOR AGENCY may deduct the cost of such removal and repair on LICENSEE's behalf from the Security Deposit collected by SUCCESSOR AGENCY pursuant to Section 5.3 of this Agreement.

14.17. Signs.

- (a) LICENSEE shall not inscribe, paint, affix, place or permit to be placed any projecting sign, awning, advertisement, sign, notice or placard on the Licensed Premises or upon or about the entrance doors, windows, sidewalks or areas adjacent to the Licensed Premises without SUCCESSOR AGENCY's prior written consent. SUCCESSOR AGENCY reserves the right in SUCCESSOR AGENCY's sole discretion to place on

the Licensed Premises any notices, signs, marquees and advertisements as SUCCESSOR AGENCY may deem appropriate in the operation of SUCCESSOR AGENCY's affairs.

- (b) Any such signs or other items described above installed by LICENSEE with SUCCESSOR AGENCY's consent shall be removed by the expiration or earlier termination of the Agreement at LICENSEE's expense and LICENSEE shall repair any damage caused to the Licensed Premises resulting from such removal. If LICENSEE fails to do so SUCCESSOR AGENCY may cause such removal and repair on LICENSEE's behalf at LICENSEE's expense. If LICENSEE installs such signs or other items described above without SUCCESSOR AGENCY's prior written consent, such installation shall constitute a default by LICENSEE under this Agreement, and LICENSEE shall remove the same upon receipt of a request by SUCCESSOR AGENCY to do so and shall repair the Licensed Premises accordingly within the cure period set forth in Section 13.1, above. Failure to remove unauthorized signs or other items described above within such cure period shall constitute a breach of this Agreement by LICENSEE. If LICENSEE fails to do so, SUCCESSOR AGENCY may cause such removal and repair to be performed on LICENSEE's behalf at LICENSEE's expense. LICENSEE shall not use the SUCCESSOR AGENCY or City of Santa Fe Springs name in connection with any business carried on in said Licensed Premises without the prior written consent of SUCCESSOR AGENCY.

14.18. Notices. All notices or demands of any kind required or desired to be given by SUCCESSOR AGENCY or LICENSEE hereunder shall be in writing and shall be deemed delivered forty-eight (48) hours after depositing the notice or demand in the United States mail, certified or registered, postage prepaid addressed to the SUCCESSOR AGENCY or LICENSEE respectively at the addresses set forth below:

[REMAINDER OF THIS PAGE INTENTIONALLY BLANK]

SUCCESSOR AGENCY:

Successor Agency to the Community  
Development Commission of the City of  
Santa Fe Springs  
11710 Telegraph Road  
Santa Fe Springs, CA 90670  
Attn: René Bobadilla, Executive Director  
Phone: (562) 868-0511

LICENSEE:

Vehicle Parking Unlimited, LLC  
1100 E 3rd Street, Unit 102  
Long Beach, CA 90802  
Attn: Mark Loxsom, Owner  
Phone: (949) 705-7540)

BRIDGELAND (*as required pursuant to  
Section 4.1*):

Bridgeland Resources, LLC  
One Riverway, Suite 1025  
Houston, TX 77056  
Attn: Scott Wood  
Phone (281) 841-2808

With Courtesy Copies to:

Olivarez Madruga Law Organization,  
LLP  
500 S. Grand Ave., Floor 12  
Los Angeles, CA 90071  
Attn: Paloma McEvoy, Successor  
Agency Counsel  
Phone: (213) 744-0099

14.19. Maintenance and Inspection of Records.

- (a) Records. LICENSEE shall use an accounting system approved by SUCCESSOR AGENCY and shall prepare and maintain all records as may be required by SUCCESSOR AGENCY. LICENSEE shall provide to SUCCESSOR AGENCY, within twenty (20) calendar days after the end of each calendar year quarter, quarterly reports of accounts in accordance with general accepted accounting principles and certified by LICENSEE and true and correct, and all records required to be kept by LICENSEE shall be made available to SUCCESSOR AGENCY upon request.
- (b) Audit. LICENSEE shall submit all required financial records and be subject to an annual audit by a certified public accountant. All records shall be made available to the SUCCESSOR AGENCY no later than 60 days after the end of the fiscal year. The annual audit shall be conducted at LICENSEE's expense. LICENSEE shall, however, be responsible for and shall pay for any additional audit, accounting or legal costs incurred by either party due

to additional investigation warranted because of fraud, theft or gross negligence on the part of the LICENSEE. If any audit required hereunder discloses any material misrepresentation by LICENSEE, its staff or agents in its reports, requests or negotiations with SUCCESSOR AGENCY, then SUCCESSOR AGENCY may terminate this Agreement as provided under Article XIII, above.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed on the day and year first appearing above.

**SUCCESSOR AGENCY:**

**LICENSEE:**

**SUCCESSOR AGENCY TO THE  
COMMUNITY DEVELOPMENT  
COMMISSION/REDEVELOPMENT  
AGENCY OF SANTA FE SPRINGS**

**VEHICLE PARKING UNLIMITED, LLC**

By: \_\_\_\_\_  
René Bobadilla, Executive Director

By: \_\_\_\_\_  
Mark D. Loxsom, Owner

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

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

**APPROVED AS TO FORM:**

By: \_\_\_\_\_  
Paloma McEvoy  
Successor Agency Counsel

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

**Exhibit "A"**  
[Legal Description]

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

(APNS 8011-003-955 THROUGH 979, 8011-002-901 THROUGH 903)

PARCEL 1:

LOTS 1, 2, 3, 4, 5, 6, 29 AND 30 IN BLOCK 46 OF SANTA FE SPRINGS, IN THE CITY OF SANTA FE SPRINGS, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN [BOOK 26 PAGES 37](#) TO 40 INCLUSIVE OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH THAT PORTION OF THE EAST HALF OF VACATED ALLEY ADJOINING SAID LOTS 1, 2, 3, 4, 5 AND 6 ON THE WEST AND THAT PORTION OF THE WEST HALF OF THE VACATED ALLEY ADJOINING SAID LOTS 29 AND 30 ON THE EAST, TOGETHER WITH THAT PORTION OF THE SOUTH HALF OF FIRST STREET ADJOINING SAID LOTS 1 AND 30 ON THE NORTH.

EXCEPT FROM SAID LOTS 1, 5 AND 6, ALL OIL, GAS, MINERAL AND OTHER HYDROCARBON SUBSTANCES IN, ON AND UNDER SAID LAND AS SET OUT IN THAT CERTAIN GRANT DEED, RECORDED MARCH 4, 1980 AS [INSTRUMENT NO. 80-216991, OF OFFICIAL RECORDS](#) OF LOS ANGELES COUNTY.

ALSO EXCEPT FROM SAID LOT 29, ALL CRUDE OIL, PETROLEUM, GAS, BREA, ASPHALTUM AND ALL KINDRED SUBSTANCES AND OTHER MINERALS UNDER AND IN SAID LAND, LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE THEREOF, IN FAVOR OF LEON BEAUMON, BY DEED RECORDED FEBRUARY 9, 1981 AS [INSTRUMENT NO. 81-144399, OF OFFICIAL RECORDS](#).

ALSO EXCEPTING AND RESERVING UNTO SANTA FE ENERGY COMPANY, ITS SUCCESSORS OR ASSIGNS, ALL MINERALS WHATSOEVER, PETROLEUM, OIL, ASPHALTUM, GAS AND/OR HYDROCARBON SUBSTANCES, INCLUDING, BUT NOT LIMITED TO, HELIUM AND CARBON DIOXIDE, WITHIN OR UNDERLYING THE HERETOFORE DESCRIBED REAL PROPERTY, AT A DEPTH OF MORE THAN 500 FEET BELOW THE SURFACE, TOGETHER WITH THE RIGHT OF PROSPECTING, DRILLING, REDRILLING, MINING, PRODUCING AND/OR REMOVING THE SAME THEREFROM AND THEREUNDER; PROVIDED THAT EXCEPT AS SET FORTH IN THAT CERTAIN MINERAL RESERVATION AGREEMENT DATED DECEMBER 27, 1989, AND RECORDED DECEMBER 28, 1989 AS [INSTRUMENT NO. 89-2087140, OFFICIAL RECORDS](#), IN THE LOS ANGELES COUNTY RECORDER'S OFFICE, SANTA FE ENERGY COMPANY, ITS SUCCESSORS OR ASSIGNS, SHALL HAVE NO-RIGHT OF SURFACE ENTRY NOR RIGHT TO DISTURB THE SURFACE OF SAID REAL PROPERTY NOR OTHER RIGHT TO ENTER AT ANY POINT ON SAID REAL PROPERTY WITHIN 500 FEET BELOW THE SURFACE THEREOF FOR ANY PURPOSE, WHETHER TO EXPLORE, TO EXTRACT AND/OR REMOVE SAID OIL, GAS AND/OR HYDROCARBON OR MINERAL SUBSTANCES OR OTHERWISE.

PARCEL 2:

LOTS 18, 19, 20, 21, 22, 23, 24 AND 25 OF TRACT NO. 17977, IN THE CITY OF SANTA FE SPRINGS, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN [BOOK 549 PAGES 21, 22 AND 23](#) OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH THE NORTH HALF OF FIRST STREET, ADJOINING SAID LOTS 22, 24 AND 25 ON THE SOUTH; TOGETHER WITH THE SOUTH HALF OF FIRST STREET, ADJOINING SAID LOT 20 ON THE NORTH; TOGETHER WITH THE 20.00 FOOT ALLEY, ADJOINING SAID LOT 22 ON THE EAST; TOGETHER WITH THE 20.00 FOOT ALLEY, ADJOINING SAID LOT 25 ON THE WEST; TOGETHER WITH THE 20.00 FOOT ALLEY, ADJOINING SAID LOT 23 ON THE SOUTH; TOGETHER WITH THE 20.00 FOOT ALLEY, ADJOINING SAID LOT 19 ON THE NORTH; TOGETHER WITH THE EAST HALF OF THE 20.00 FOOT ALLEY, ADJOINING SAID LOTS 19 AND 20 ON THE WEST; TOGETHER WITH THE WEST HALF OF THE 20.00 FOOT ALLEY, ADJOINING SAID LOT 21 ON THE EAST; TOGETHER WITH THE WEST HALF OF THE 20.00 FOOT ALLEY, ADJOINING SAID

**Exhibit "A"**  
[Legal Description - Continued]

LOTS 19 AND 20 ON THE EAST AND THE EAST HALF OF A 20.00 FOOT ALLEY, ADJOINING SAID LOT 18 ON THE WEST.

ALSO EXCEPTING AND RESERVING UNTO SANTA FE ENERGY COMPANY, ITS SUCCESSORS OR ASSIGNS, ALL MINERAL WHATSOEVER, PETROLEUM, OIL, ASPHALTUM, GAS AND/OR HYDROCARBON SUBSTANCES, INCLUDING, BUT NOT LIMITED TO, HELIUM AND CARBON DIOXIDE, WITHIN OR UNDERLYING THE HERETOFORE DESCRIBED REAL PROPERTY, AT A DEPTH OF MORE THAN 500 FEET BELOW THE SURFACE, TOGETHER WITH THE RIGHT OF PROSPECTING, DRILLING, REDRILLING, MINING, PRODUCING AND/OR REMOVING THE SAME THEREFROM AND THEREUNDER; PROVIDED THAT EXCEPT AS SET FORTH IN THAT CERTAIN MINERAL RESERVATION AGREEMENT DATED DECEMBER 27, 1989, AND RECORDED DECEMBER 28, 1989 AS [INSTRUMENT NO. 89-2087140, OFFICIAL RECORDS](#), IN THE LOS ANGELES COUNTY RECORDER'S OFFICE, SANTA FE ENERGY COMPANY, ITS SUCCESSORS OR ASSIGNS, SHALL HAVE NO RIGHT OF SURFACE ENTRY NOR RIGHT TO DISTURB THE SURFACE OF SAID REAL PROPERTY NOR OTHER RIGHT TO ENTER AT ANY POINT ON SAID REAL PROPERTY WITHIN 500 FEET BELOW THE SURFACE THEREOF FOR ANY PURPOSE, WHETHER TO EXPLORE, TO EXTRACT AND/OR REMOVE SAID OIL, GAS AND/OR HYDROCARBON OR MINERAL SUBSTANCES OR OTHERWISE.

PARCEL 3:

LOTS 7, 8, 9, 10 AND 11 OF TRACT NO. 5326, IN THE CITY OF SANTA FE SPRINGS, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN [BOOK 58 PAGES 56](#) AND 57 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT FROM SAID LOTS 8 AND 11, ALL OIL, GAS, MINERAL AND OTHER HYDROCARBON SUBSTANCES IN, ON AND UNDER SAID LAND, AS SET OUT IN THAT CERTAIN GRANT DEED, RECORDED MARCH 4, 1980 AS [INSTRUMENT NO. 80-216991, OF OFFICIAL RECORDS](#).

ALSO EXCEPTING AND RESERVING UNTO SANTA FE ENERGY COMPANY, ITS SUCCESSORS OR ASSIGNS, ALL MINERALS WHATSOEVER, PETROLEUM, OIL, ASPHALTUM, GAS AN/OR HYDROCARBON SUBSTANCES, INCLUDING, BUT NOT LIMITED TO, HELIUM AND CARBON DIOXIDE, WITHIN OR UNDERLYING THE HERETOFORE DESCRIBED REAL PROPERTY, AT A DEPTH OF MORE THAN 500 FEET BELOW THE SURFACE, TOGETHER WITH THE RIGHT OF PROSPECTING, DRILLING, REDRILLING, MINING, PRODUCING AND/OR REMOVING THE SAME THEREFROM AND THEREUNDER; PROVIDED THAT EXCEPT AS SET FORTH IN THAT CERTAIN MINERAL RESERVATION AGREEMENT DATED DECEMBER 27, 1989, AND RECORDED DECEMBER 28, 1989 AS [INSTRUMENT NO. 89-2087140, OFFICIAL RECORDS](#), IN THE LOS ANGELES COUNTY RECORDER'S OFFICE, SANTA FE ENERGY COMPANY, ITS SUCCESSORS OR ASSIGNS, SHALL HAVE NO RIGHT OF SURFACE ENTRY NOR RIGHT TO DISTURB THE SURFACE OF SAID REAL PROPERTY NOR OTHER RIGHT TO ENTER AT ANY POINT ON SAID REAL PROPERTY WITHIN 500 FEET BELOW THE SURFACE THEREOF FOR ANY PURPOSE, WHETHER TO EXPLORE, TO EXTRACT AND/OR REMOVE SAID OIL, GAS AND/OR HYDROCARBON OR MINERAL SUBSTANCES OR OTHERWISE.

PARCEL 4:

THAT PORTION OF ROMANDEL AVENUE, 60 FEET WIDE, IN THE CITY OF SANTA FE SPRINGS, COUNTY OF LOS ANGELES; STATE OF CALIFORNIA, AS SHOWN ON MAP OF TRACT NO. 17977, AS PER MAP RECORDED IN [BOOK 549 PAGES 21](#) TO 23 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING BETWEEN THE SOUTHERLY BOUNDARY LINE. OF THE LINE OF THE LAND DESCRIBED AS PARCEL XIII IN EXHIBIT "A" OF THAT CERTAIN RESOLUTION NO. 4243, RECORDED JULY 18, 1979 AS [INSTRUMENT NO. 79-788602, OF OFFICIAL RECORDS](#) OF SAID COUNTY, AND THE WESTERLY PROLONGATION OF A LINE PARALLEL WITH AND DISTANT NORTHERLY 30 FEET, MEASURED AT RIGHT ANGLES FROM THE NORTHERLY LINE OF LOT 22 OF SAID TRACT NO. 17977.

**Exhibit "A"**

[Legal Description - Continued]

EXCEPT FROM A PORTION OF SAID LAND, ALL CRUDE OIL, PETROLEUM, GAS, BREA, ASPHALTUM AND ALL KINDRED SUBSTANCES AND OTHER MINERALS UNDER AND IN SAID. LAND, LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE THEREOF, IN FAVOR OF LEON BEAUMON, BY DEED RECORDED MARCH 17, 1980 AS [INSTRUMENT NO. 80-265102, OF OFFICIAL RECORDS.](#)

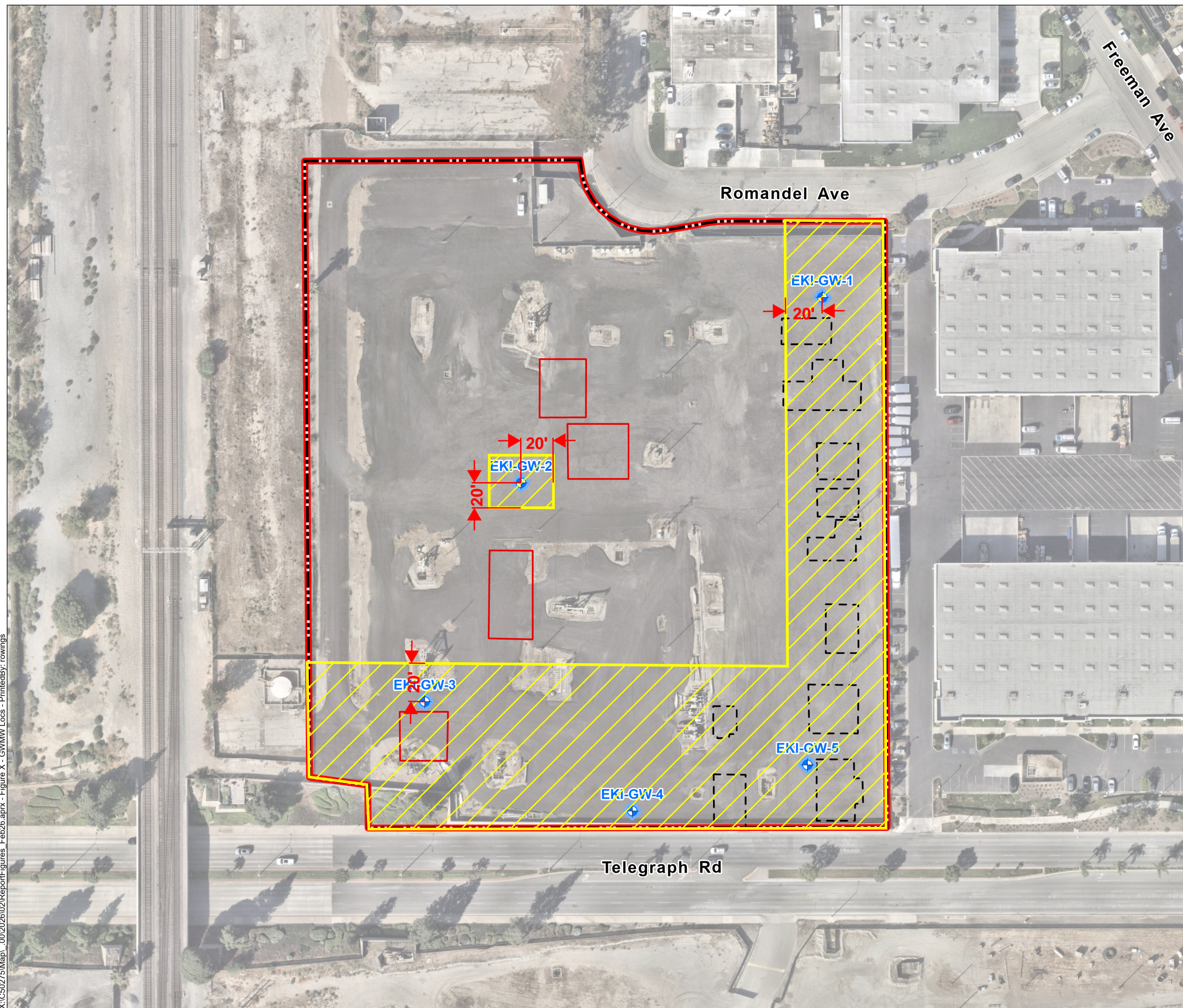
ALSO EXCEPTING AND RESERVING UNTO SANTA FE ENERGY COMPANY, ITS SUCCESSORS OR ASSIGNS, ALL MINERALS WHATSOEVER, PETROLEUM, OIL, ASPHALTUM, GAS AND/OR HYDROCARBON SUBSTANCES, INCLUDING, BUT NOT LIMITED TO, HELIUM AND CARBON DIOXIDE, WITHIN OR UNDERLYING THE HERETOFORE DESCRIBED REAL PROPERTY, AT A DEPTH OF MORE THAN 500 FEET BELOW THE SURFACE TOGETHER WITH THE RIGHT OF PROSPECTING, DRILLING, REDRILLING, MINING, PRODUCING AND/OR REMOVING THE SAME THEREFROM AND THEREUNDER; PROVIDED THAT EXCEPT AS SET FORTH IN THAT CERTAIN MINERAL RESERVATION AGREEMENT DATED DECEMBER 27, 1989, AND RECORDED DECEMBER 28, 1989 AS [INSTRUMENT NO. 89-2087140, OFFICIAL RECORDS.](#) IN THE LOS ANGELES COUNTY RECORDER'S OFFICE, SANTA FE ENERGY COMPANY, ITS SUCCESSORS OR ASSIGNS, SHALL HAVE NO RIGHT OF SURFACE ENTRY NOR RIGHT TO DISTURB THE SURFACE OF SAID REAL PROPERTY NOR OTHER RIGHT TO ENTER AT ANY POINT ON SAID REAL PROPERTY WITHIN 500 FEET BELOW THE SURFACE THEREOF FOR ANY PURPOSE, WHETHER TO EXPLORE, TO EXTRACT AND/OR REMOVE SAID OIL, GAS AND/OR HYDROCARBON OR MINERAL SUBSTANCES OR OTHERWISE.

**Exhibit “B”**  
[Prohibited Access Area]






**Exhibit “C”**

[Sublicensee Application and Agreement on Following Pages]

X:\C50275\Map\_00\2026\02\Report\Figures\_Feb26.aprx - Figure X - GMMW Locs - PrintedBy: rowings



**Legend**

-  Site Boundary
-  Former Building (circa 1928 - 1989)
-  Historical Oilfield Features Resembling Sumps (circa 1928 - 1979)
-  Groundwater Monitoring Well Location (EKI, January 2026)
-  Prohibited Access Area

**Abbreviations**

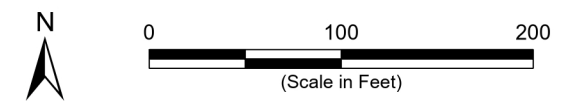
EKI = EKI Environment & Water, Inc.  
 GW = groundwater

**Notes**

1. Except for the surveyed EKI groundwater monitoring well locations, all other locations are approximate.
2. EKI groundwater monitoring well locations were surveyed by KDM Meridian on 12 January 2026.

**Source**

1. Basemap source: Nearmap Imagery, October 2025.



**Groundwater Monitoring Well Locations**



MC&C IV  
 Santa Fe Springs, CA  
 February 2026  
 C50364.00

Vehicle Parking Unlimited, LLC  
Mark Loxsom – Owner  
949-705-7540  
[mdloxsom@gmail.com](mailto:mdloxsom@gmail.com)

**SUBLICENSEE APPLICATION/AGREEMENT**  
**Truck Yard – 12381 Romandel Ave., Santa Fe Springs (MC&C IV)**

1. Sublicensee

First Name \_\_\_\_\_ Middle Initial \_\_\_\_\_ Last Name \_\_\_\_\_

Company Name \_\_\_\_\_

Street Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Cell Phone \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ E-Mail Address \_\_\_\_\_

2. Sublicensee Information:

Vehicle Length \_\_\_\_\_ Year \_\_\_\_\_ License Plate \_\_\_\_\_ VIN# \_\_\_\_\_

Vehicle Type/Make/Model: \_\_\_\_\_

Sublicense Fee/Month: \_\_\_\_\_ Sublicense Execution Date: \_\_\_\_\_

3. Term: The term of this sublicense shall be month-to-month and shall automatically renew, unless either party provides to the other party 30 days' notice, in writing, of its intent to terminate the lease. In no event shall the term of this sublicense extend beyond April 30, 2027.

4. Liability Insurance: The Sublicensee must maintain Commercial General Liability that protects Vehicle Parking Unlimited, LLC, 1100 E 3<sup>RD</sup> St, #102, Long Beach, CA; the Successor Agency To The Community Development Commission/Redevelopment Agency of The City of Santa Fe Springs, 11710 Telegraph Road, Santa Fe Springs, CA 90760 ("Successor Agency") and Bridgeland Resources, LLC/BR SFS, LLC, 12720 Telegraph Road, Santa Fe Springs, CA 90670 ("Bridgeland") as additionally insured by an endorsement against claims for bodily injury, personal injury and property damage based upon or arising out of the ownership, use, occupancy or maintenance of the premises and all areas appurtenant thereto. Such insurance shall be on an occurrence basis providing single limit coverage in an amount not less than \$2,000,000 per occurrence with an annual aggregate of not less than \$4,000,000.

5. Workers Compensation Insurance: Sublicensee will procure and maintain a policy of workers' compensation insurance in such amount as will fully comply with the laws of the State of California and which will indemnify, insure and provide legal defense for both Successor Agency and Bridgeland against any loss, claim or damage arising from any injuries or occupational diseases occurring to any worker employed by or any persons retained by Sublicensee.

6. Release of Successor Agency and Bridgeland: Sublicensee waives and releases Successor Agency and Bridgeland, and their officers, officials, directors, agents, consultants, and employees, from all claims and from all liability for damages, losses, costs, liabilities, fees, and expenses, present and future, arising out of or in any way connected with this sublicense, and Bridgeland oil and gas operations, Successor Agency investigations or work to prepare the property for disposition, and/or environmentally hazardous materials or other conditions existing on or about the property, or upon neighboring properties adjacent or in near proximity to the property.

**SUBLICENSEE ACKNOWLEDGES AND IS AWARE OF THE PROTECTIONS OF CIVIL CODE SECTION 1542 RELATIVE TO THE WAIVERS AND RELEASES CONTAINED IN THIS SECTION 6, WHICH READS AS FOLLOWS:**

**A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.**

**BY INITIALING BELOW, THE SUBLICENSEE KNOWINGLY AND VOLUNTARILY WAIVES THE PROVISIONS OF SECTION 1542 IN CONNECTION WITH THE WAIVERS AND RELEASES OF THIS SECTION 6.**

**SUBLICENSEE'S INITIALS: \_\_\_\_\_**

**7. Sublicense Fee Payments:**

**\_\_\_\_\_ Automatic Credit Card Charging (Please complete Credit Card Authorization Form) Credit Cards Accepted: American Express, Discover, MasterCard and Visa. Due to increases to what credit card companies and third-party processors charge merchants to process credit card charges, there will be a 5% processing fee additional to the parking Fee.**

**\_\_\_\_\_ Zelle payments can be made to 949-705-7540 no later than the 1<sup>st</sup> of each month with a 15% late penalty if not received by the 5<sup>th</sup> of the month. Note that Zelle has the option to setup recurring monthly payments, which is helpful.**

**\_\_\_\_\_ Check, due no later than the 1<sup>st</sup> of each month with a 15% late penalty if not received by the 5<sup>th</sup> of the month. Sent to the following mailing address: Vehicle Parking Unlimited, LLC, C/O Mark Loxsom, 1100 E 3<sup>RD</sup> St., #102, Long Beach, CA 90802.**

**Sublicensee Signature: \_\_\_\_\_ Date: \_\_\_\_\_**

**Vehicle Parking Unlimited, LLC**  
**Mark Loxsom – Owner**  
**949-705-7540**  
[mdloxsom@gmail.com](mailto:mdloxsom@gmail.com)

**AGREEMENT TERMS/YARD RULES – 12381 Romandel Ave.**

1. All sublicenses are month to month and can be ended or modified with 30-day notice by either party in writing by mail, email, or text. There is also no security deposit.
2. This sublicense is between the Sublicensee listed on this application and Vehicle Parking Unlimited, LLC (“VPU”) for a specifically assigned parking stall(s) and cannot be sublicensed to any other entity.
3. This sublicense grants you access to the property and as a sublicensee you are allowed on the property for the purpose of parking your vehicle, if you provide access to an employee or anyone else, you are responsible for any and all liability caused by that person or entity and your liability insurance must cover them.
4. Sublicensee’s access to and use of the property shall be limited to specified areas indicated in Attachment “1”, enclosed with and incorporated into this Agreement.
5. Sublicensee understands and acknowledges that the property contains active and abandoned oil and gas wells and that environmentally hazardous conditions may be present on and around the property. Sublicensee further understands and acknowledges that it may be necessary for representatives from Successor Agency To The Community Development Commission/Redevelopment Agency of The City of Santa Fe Springs (“Successor Agency”) or Bridgeland Resources, LLC/BR SFS, LLC (“Bridgeland”) to conduct investigations or work on the property to prepare the property for disposition, including maintenance and well abandonment activities, including rig work, and that such investigations or work conducted on and around the property may impede Sublicensee’s access to and use of the property during such activities.
6. VPU will provide Sublicensee with 48 hours’ advance notice if Bridgeland and/or Successor Agency investigations or work to prepare the property for disposition will impede Sublicensee’s ability to access to the property and/or restrict Sublicensee’s use of a space to park its vehicle.
7. Sublicensee understands and acknowledges that ingress and egress to and from the property shall be limited to the access point on Romandel Avenue. Ingress and egress to and from the property from Telegraph Road is strictly prohibited.
8. The purpose of the security gate is to secure the property, you will be provided with an access code to enter and exit the property, please keep this code safe. If for any reason you feel the code has been compromised, contact us to delete the code and assign a new one.
9. Every sublicensee gets one gate access code that is tracked for both entering and exiting for security. If the sublicensee has multiple drivers and would like separate tracking codes for each driver, please make a request and they will be provided.
10. This yard is for parking only, there will be no storage of materials, personal property, or vehicles, and nothing can be set on the ground. All other activities on the property are strictly prohibited.

Vehicle Parking Unlimited, LLC  
Mark Loxsom – Owner  
949-705-7540  
[mdloxsom@gmail.com](mailto:mdloxsom@gmail.com)

**AGREEMENT TERMS/YARD RULES – 12381 Romandel Ave.**

11. All vehicles must have current registration tags and in good repair. Any leaked fluids must be contained, cleaned up and removed from the yard immediately.
12. Trash containers have been provided on site, they are to be used for general trash only. The following list of items (however, not limited to) are prohibited to be stored, deposited, or disposed of on the property: tires, oil, gasoline, diesel fuel, antifreeze, hazardous substances, petroleum products, automotive or industrial fluids, empty fluid containers (take them home and recycle), paint, solvents, vehicle parts, mattresses, or any trash brought in from outside the yard, such as home remodeling or construction debris.
13. Portable restrooms are provided in the yard, leave them as clean as you find them.
14. If you see anything that does not seem right, say something by calling or texting **949-705-7540** at any time. Including pictures with text helps to resolve the problem.
15. All sublicensees must keep current the required Liability Insurance policy and have the insurance provider email to [mdloxsom@gmail.com](mailto:mdloxsom@gmail.com) prior to parking a vehicle on the property. Certificates of Insurance (COI) including the following as additionally insured: Vehicle Parking Unlimited, LLC, the Successor Agency To The Community Development Commission/Redevelopment Agency of The City of Santa Fe Springs and Bridgeland Resources, LLC/BR SFS, LLC.
16. Personal vehicles can be parked in the Sublicensee's assigned stall when Sublicensee's rig is out. Personal vehicles are not allowed to be parked in any other locations.
17. Park in your assigned stall only and the parked vehicle(s) must be within the limits of the assigned stall.
18. Do not leave vehicles unattended outside of your assigned parking stall.
19. Do not block drive aisles.
20. Overnight sleeping in vehicles is strictly prohibited. If a sublicensee is determined to be sleeping on the property, any right to enter onto or park a vehicle on the property shall be immediately terminated.
21. Any increases to monthly rent will be E-mailed and/or texted to the sublicensee no later than fifteen (15) days before a new rate will be in effect.
22. The sublicensee must notify Vehicle Parking Unlimited LLC in writing (Email or Text) thirty (30) days in advance of your intent to terminate your sublicense and to pay any sublicense fee amounts that may become due thereof.

**Sublicensee Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_



## CITY COUNCIL AGENDA STAFF REPORT

**TO:** Honorable Mayor and City Council Members  
**FROM:** René Bobadilla, P.E., City Manager  
**BY:** Maribel Garcia, City Clerk  
**SUBJECT:** **MINUTES OF THE FEBRUARY 17, 2026 CITY COUNCIL MEETINGS**  
**DATE:** March 17, 2026

---

### **RECOMMENDATION:**

It is recommended that the City Council:

1. Approve the minutes as submitted.

### **FISCAL IMPACT**

N/A

### **BACKGROUND**

Staff have prepared minutes for the following meeting:

- Council Meeting of February 17, 2026

### **ANALYSIS**

N/A

### **ENVIRONMENTAL**

N/A

### **DISCUSSION**

N/A

### **SUMMARY/NEXT STEPS**

N/A

### **ATTACHMENT(S):**

- A. February 17, 2026 Meeting Minutes



## MINUTES OF THE MEETINGS OF THE CITY COUNCIL

### **CALL TO ORDER**

Mayor Zamora called the meeting to order at 6:01 p.m.

### **ROLL CALL**

**Members present:** Councilmembers/Directors: Rounds, Mora, Martin, Mayor Pro Tem/Vice Chair Rodriguez, and Mayor/Chair Zamora

**Members absent:** None

### **INVOCATION**

Santa Fe High School Cross Country Coach Eric Mallory led the invocation.

### **PLEDGE OF ALLEGIANCE**

Mr. and Mrs. Aguirre and Mr. and Mrs. Nakamura led the pledge of Allegiance.

### **PRESENTATION**

1. Santa Fe High School Cross Country Team

**CHANGES TO AGENDA** – None

### **PUBLIC COMMENTS ON NON-AGENDA ITEMS**

The following people spoke during public comments: Isabel Cervantes and Janie Aguirre

**STAFF COMMUNICATIONS ON ITEMS OF INTEREST** - None

### **PUBLIC HEARING**

2. **ANNUAL WEED ABATEMENT PROGRAM (CITY CLERK)**

**RECOMMENDATION:** It is recommended that the City Council:

1. Open the Public Hearing; and
2. Receive any comments from the public wishing to speak on this matter and thereafter close the Public Hearing; and
3. Direct the Los Angeles County Agricultural Commissioner/Weights & Measures to abate the nuisance by having weeds, rubbish, and refuse removed.

Public Hearing opened at 6:28 p.m.

No. of Speakers: None

Public Hearing closed at 6:29 p.m.

It was moved by Councilmember Martin and seconded by Mayor Pro Tem Rodriguez, to direct the Los Angeles County Agricultural Commissioner/Weights & Measures to abate the nuisance by having weeds, rubbish, and refuse removed, by the following vote:

**Ayes:** Rounds, Mora, Martin, Rodriguez, Zamora

**Noes:** None

**Absent:** None

**Recuse:** None

### **OLD BUSINESS – NONE**

### **REGULAR BUSINESS**

#### **3. FISCAL YEAR 2025-2026 MID-YEAR BUDGET REVIEW (FINANCE)**

1. Receive and file the report.

Director of Finance, Julio Morales gave a brief presentation on item No. 3. A detailed report will be provided at a future meeting.

### **CONSENT CALENDAR**

All matters listed under the Consent Calendar are considered to be routine. Any items a Councilmember wishes to discuss should be designated at this time. All other items may be approved in a single motion. Such approval will also waive the reading of any Ordinance.

#### **PUBLIC FINANCING AUTHORITY**

#### **4. MINUTES OF THE JANUARY 27, 2026 PUBLIC FINANCING AUTHORITY MEETINGS (CITY CLERK)**

**RECOMMENDATION: It is recommended that the Housing Successor:**

1. Approve the minutes as submitted.

#### **5. MONTHLY REPORT ON THE STATUS OF DEBT INSTRUMENTS ISSUED THROUGH THE CITY OF SANTA FE SPRINGS PUBLIC FINANCING AUTHORITY (PFA) (FINANCE)**

1. Receive and file the report.

#### **WATER UTILITY AUTHORITY**

#### **6. MINUTES OF THE JANUARY 27, 2026 WATER UTILITY AUTHORITY MEETINGS (CITY CLERK)**

**RECOMMENDATION: It is recommended that the Water Utility Authority:**

1. Approve the minutes as submitted.

#### **7. MONTHLY REPORT ON THE STATUS OF DEBT INSTRUMENTS ISSUED THROUGH THE CITY OF SANTA FE SPRINGS WATER UTILITY AUTHORITY (WUA) (FINANCE)**

1. Receive and file the report.

#### **HOUSING SUCCESSOR**

**8. MINUTES OF THE JANUARY 27, 2026 HOUSING SUCCESSOR MEETINGS (CITY CLERK)  
RECOMMENDATION: It is recommended that the Housing Successor:**

1. Approve the minutes as submitted.

SUCCESSOR AGENCY

**9. MINUTES OF THE JANUARY 27, 2026 SUCCESSOR AGENCY MEETINGS (CITY CLERK)  
RECOMMENDATION: It is recommended that the Successor Agency:**

2. Approve the minutes as submitted.

CITY COUNCIL

**10. MINUTES OF THE JANUARY 27, 2026 CITY COUNCIL MEETINGS (CITY CLERK)  
RECOMMENDATION: It is recommended that the City Council:**

1. Approve the minutes as submitted.

**11. SECOND READING OF ORDINANCE NO. 1166 AMENDING SECTIONS 155.175.2 (USES) AND 155.637 (MINI-WAREHOUSES) WITHIN TITLE 15 (LAND USE), CHAPTER 155 (ZONING), OF THE SANTA FE SPRINGS MUNICIPAL CODE AND DETERMINING THAT THE PROJECT IS EXEMPT FROM CEQA( COMMUNITY DEVELOPMENT)**

**RECOMMENDATION: It is recommended that the City Council:**

1. Adopt Ordinance No. 1166: An Ordinance of the City of Santa Fe Springs Municipal Code relating to mini-warehouses in the Mixed-Use Transit-Oriented Development (MU-TOD) Zone; and
2. Take such additional, related action that may be desirable.

**12. (PULLED) COUNCIL CHAMBER AUDIO, VISUAL AND AGENDALINK SOFTWARE TECHNOLOGY UPGRADE – AWARD OF CONTRACT (PUBLIC WORKS)**

**RECOMMENDATION: It is recommended that the City Council:**

1. In accordance with Santa Fe Springs Municipal Code Section 34.18, find and determine by a 4/5 vote of the City Council that bidding is impractical, not in the best interest of the city and will not likely result in the lowest price; and
2. Award a sole-sourced contract to Western Audio Visual and Security (WAVSS) for upgrade of the Council Chamber audio, visual and Agendalink Agenda Management Software technology in the amount of \$119,489; and
3. Authorize the City Manager to execute the contract with Western Audio Visual and Security; and
4. Appropriate \$120,000 from the Capital Improvement Program Reserve Fund for the project; and
5. Take such additional, related action that may be desirable.

**13. RESOLUTION NO. 9996 – IMPLEMENTING ALL-WAY STOP CONTROL AT THE INTERSECTION OF ORR & DAY AND FLOSSMOOR ROAD (PUBLIC WORKS)****RECOMMENDATION: It is recommended that the City Council:**

1. Approve the installation of stop signs with flashing LEDs and advance flashing yellow beacons on Orr & Day Road on its approaches to the intersection with Flossmoor Road; and
2. Adopt Resolution No. 9996 to establish an all-way stop control at the intersection of Orr & Day Road and Flossmoor Road; and
3. Authorize the City Manager to execute the contract with Western Audio Visual and Security; and
4. Appropriate \$120,000 from the Capital Improvement Program Reserve Fund for the project; and
5. Take such additional, related, action that may be desirable

**14. STATE OF HOMELAND SECURITY PROGRAM FUNDS-AWARD OF PURCHASE OF MOTOROLA PORTABLE RADIOS AND ACCESSORIES (FIRE)****RECOMMENDATION: It is recommended that the City Council:**

1. Award the purchase to Motorola Solutions, in the amount of \$180,018.98 for Portable Radios and related accessories; and
2. Take such additional, related action that may be desirable.

**15. TREASURER'S REPORT OF INVESTMENTS FOR THE QUARTER ENDED DECEMBER 30, 2025 (FINANCE)****RECOMMENDATION: It is recommended that the City Council:**

1. Receive and file the report.

**16. AMENDMENT NO. 1 TO THE EXTENSION OF THE USE AGREEMENT WITH METROPOLITAN LITTLE LEAGUE (PARKS AND RECREATION)**

1. Approve Amendment No. 1 to the extension of the use agreement with Metropolitan Little League; and
2. Take such additional, related action that may be desirable.

**17. AMENDMENT NO. 1 TO THE EXTENSION OF THE USE AGREEMENT WITH NORWALK SANTA FE SPRINGS SAINTS YOUTH FOOTBALL AND CHEER (PARKS AND RECREATION)**

1. Approve Amendment No. 1 to the extension of the use agreement with Norwalk Santa Fe Springs Saints Youth Football and Cheer
2. Take such additional, related action that may be desirable.

It was moved by Councilmember Rounds, seconded by Councilmember Mora, to approve the consent calendar, excluding item no. 12. Item No. 12 was pulled from the agenda and continued to the City Council meeting of March 3, 2026. by the following vote:

**Ayes:** Rounds, Mora, Martin, Rodriguez, Zamora  
**Noes:** None  
**Absent:** None

**Recuse:** None

**APPOINTMENTS TO BOARDS, COMMITTEES, AND COMMISSIONS - None**

**COUNCIL COMMENTS/AB1234 COUNCIL CONFERENCE REPORTING**

Councilmember Rounds thanked staff for everything they do.

Councilmember Mora commented on the great Penny Carnival event and reported attending the AJUA event.

Councilmember Martin thanked staff for the Penny Carnival, acknowledged Congresswoman Linda Sanchez for the monetary contribution, and reported attending the AJUA event.

Mayor Pro Tem Rodriguez wished the Mayor a Happy Birthday, acknowledged Library staff for the 1<sup>st</sup> Friday event, and the Penny Carnival.

Mayor Zamora reported that he was unable to attend the Silver Shield event as he attended the NALEO dinner. He also shared that he received an award from the Little Lake School District. He further acknowledged the contribution from Congresswoman Linda Sanchez.

**ADJOURNMENT**

Mayor Zamora adjourned the meeting in memory of Elise Esparza at 6:50 p.m.



## CITY COUNCIL AGENDA STAFF REPORT

**TO:** Honorable Mayor and City Council Members  
**FROM:** René Bobadilla, P.E., City Manager  
**BY:** Arlene Salazar, Director of Police and Community Services  
**SUBJECT:** **APPROVE PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF SANTA FE SPRINGS AND UNIVERSAL WASTE SYSTEMS, INC., TO PROVIDE ILLEGAL DUMPING CLEAN UP AND DISPOSAL SERVICES**  
**DATE:** March 17, 2026

### **RECOMMENDATION:**

It is recommended that the City Council:

1. Authorize the City Manager to enter into a Professional Services Agreement with Universal Waste System, Inc. in final form that is acceptable to the City Attorney to provide removal and disposal services of illegally dumped items throughout the City; and
2. Approve an agreement not-to-exceed \$300,000 for expenditures related to services provided by the hauler; and
3. Take such additional, related, action that may be desirable.

### **FISCAL IMPACT**

All work performed under the agreement are to be billed by hourly rate and cost-recovery of actual disposal expenses per ton. The total financial impact of the Professional Services Agreement will be determined by work assigned to the hauler by the City. The agreement shall not exceed \$300,000 over a 3-year term.

### **BACKGROUND**

The City of Santa Fe Springs strives to maintain a desirable community. The city remains dedicated to improving the quality of life for residents, businesses and visitors of Santa Fe Springs by addressing concerns including reducing blight, addressing health and safety issues, and illegal dumping in a timely manner. The Department has worked to identify hot spots for illegal dumping, deter illegal dumping activity and remove items as quickly as possible through a variety of means including:

- Installation of new signage and illegal dumping cameras in hot spot areas.
- Posting cleanup/removal notices and reporting illegal dumping through the GO SFS application.

- Collaborating with Public Works to assist with cleanup and disposal of illegally dumped items.
- Conducting regular cleanups through the assistance of the Homeless Engagement Team and providing proactive patrols in hot spot areas.
- Coordinating with Caltrans, Union Pacific Railroad, Burlington Northern Santa Fe Railroad and private property owners to conduct cleanups.
- Coordinating with the California Conservation Corps to utilize volunteers for community cleanups and beautification projects throughout the City.
- Coordinating with our City Prosecutor to explore and implement more aggressive enforcement tools, maximize fines, discuss prosecution remedies to hold individuals accountable and recover costs for illegal dumping acts.

Since 2025, staff have noticed an increase in illegally dumped trash and bulky items such as mattresses, old furniture, appliances, construction material etc., throughout the City and continue to report issues to the appropriate agencies and ownership including railroad, Caltrans, private property and often City property. However, due to staffing challenges, and agency and staff priorities, the turnaround time for removal of these items may be delayed and in certain circumstances may pose a health and safety hazard, attract more dumping or items are collected by the unhoused and end up in homeless encampments.

### **ANALYSIS**

To tackle this issue without increasing burden on City Public Works staff and draining resources from other essential public services, staff is recommending the approval of a Professional Services Agreement with Universal Waste Systems, Inc. (UWS) for the removal and disposal of illegally dumped items and trash.

Currently, Police and Community Services coordinates with UWS to provide a weekly list of illegal dumping hot spots identified by Department staff. UWS follows up on the hot spot locations to remove and dispose of the dumped items. The proposed agreement will allow UWS to continue to perform this service and invoice the City based on UWS staff hours and the amount of tons collected/disposed of weekly.

Key provisions of the proposed agreement include the following:

1. Term
  - a. The agreement will be effective March 18, 2026, for a period of three (3) years.
  - b. The term may be extended for two (2) Two-year periods at the option of the City.
2. Termination
  - a. The City may terminate the agreement at any time.

3. Rate

- a. Services will be billed at a rate of \$225.00 per hour for services including one collection vehicle, one driver, and one supervisor.
- b. Disposal costs are currently \$96.00 per ton.
- c. UWS proposes an annual CPI increase and disposal increase based on the increase in gate rate (tipping fee) and Universal Resource Recovery in Santa Fe Springs.

4. Scope of Services

- a. UWS will provide weekly illegal dumping collection based on a list provided by Police Services, provide before and after photos, and tonnage collected.

**ENVIRONMENTAL**

N/A

**DISCUSSION**

The agreement will improve the City’s ability to protect public health and safety, reduce blighted conditions and maintain a desirable and thriving community without placing additional burden on City staff. In conjunction with the new residential services offered by UWS, education and enforcement efforts by City staff, volunteers and continuing the bulky item pickup services, we can reduce community blight and maintain a safe community for all.

**SUMMARY/NEXT STEPS**

Approve Professional Services Agreement between the City of Santa Fe Springs and Universal Waste Systems, Inc. to provide removal and disposal services of illegally dumped items. Approve an agreement not-to-exceed \$300,000 for expenditures related to services provided by UWS over the 3-year term. Upon City Council approval, a budget transfer of \$50,000 from the general fund to Code Enforcement-Contractual Services 10102235-542050 will be required to ensure funds are available for related expenditures during FY 25/26. Additional funds to cover subsequent years will be requested through the fiscal year budget process.

**ATTACHMENT(S):**

- A. Professional Services Agreement- Illegal Dumping Clean Up and Disposal Services

<b><u>ITEM STATUS:</u></b>	
APPROVED:	<input type="checkbox"/>
DENIED:	<input type="checkbox"/>
TABLED:	<input type="checkbox"/>
DIRECTION GIVEN:	<input type="checkbox"/>
_____	
City Clerk, Maribel Garcia	

2026  
PROFESSIONAL SERVICES AGREEMENT  
(Engagement: Illegal Dumping Clean Up and Disposal Services)  
(Parties: Universal Waste Systems, Inc. and City of Santa Fe Springs)

THIS PROFESSIONAL SERVICES AGREEMENT (hereinafter, "Agreement") is made and entered into this 17<sup>th</sup> day of March 2026 (hereinafter, the "Effective Date") by and between the CITY OF SANTA FE SPRINGS, a municipal corporation (hereinafter, "CITY") and Universal Waste Systems, Inc. (hereinafter, "CONSULTANT"). For the purposes of this Agreement, CITY and CONSULTANT may be referred to collectively by the capitalized term "Parties." The capitalized term "Party" may refer to CITY or CONSULTANT interchangeably, as appropriate.

RECITALS

WHEREAS, CITY requires the removal and disposal services of illegally dumped items identified throughout the City; and

WHEREAS, CITY staff has determined that CONSULTANT possesses the experience, skills and training necessary to competently provide such services to CITY; and

WHEREAS, on November 15, 2025, Consultant presented City with the "**Proposal**" (hereinafter, the "CONSULTANT PROPOSAL") which is attached hereto as **Exhibit "A"**.

WHEREAS, the execution of this Agreement was approved by the Santa Fe Springs City Council at its Regular Meeting of March 17, 2026, under Agenda Item No. \_\_\_\_\_.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, CITY and CONSULTANT agree as follows:

I.  
ENGAGEMENT TERMS

1.1 **TERM:** This Agreement shall have a term of three (3) years (hereinafter, the "Term"), commencing from the Effective Date. Nothing in this Section shall operate to prohibit or otherwise restrict the CITY's ability to terminate this Agreement at any time for convenience or for cause as provided under Article V (Termination), below. The CITY, at its discretion, may extend the Term for (2) one-year periods, provided that CITY provides CONSULTANT with written notice of CITY's intent to exercise CITY's option to extend the term of the Agreement no less than thirty (30) days prior to the expiration of the Term or any prior extension term. In the event CITY exercises its option to extend this Agreement, all terms, conditions, and provisions of this Agreement shall remain in effect and govern the duties, responsibilities, and liabilities of the parties hereto.

1.2 SCOPE OF SERVICES:

A.

Subject to the terms and conditions of this Agreement, CONSULTANT agrees to provide the services and tasks described in that certain proposal of CONSULTANT entitled "Proposal to Provide Illegal Dumping Clean up" dated November 15, 2025, which is attached and incorporated hereto as **Exhibit "A"**. CONSULTANT further agrees to furnish to CITY all labor, materials, tools, supplies, equipment, services, tasks, and incidental and customary work necessary to competently perform and timely complete the services and tasks set forth in the Proposal. For the purposes of this Agreement the aforementioned services and tasks set forth in the Proposal shall hereinafter be referred to generally by the capitalized term "Services.

1.3 PROSECUTION OF SERVICES:

A. CONSULTANT shall perform the Services contemplated under this Agreement on a continuous, scheduled, and an as need basis. Nothing in this Agreement shall be construed to grant CONSULTANT the exclusive right to perform any of the types of services or tasks contemplated under this Agreement nor shall anything in this Agreement be construed to entitle CONSULTANT to the receipt of any sums under this Agreement, except to the extent CITY requests the performance of any Services in the manner described below and such Services is in fact performed and completed by CONSULTANT and accepted by CITY. CITY requests for the performance of specific services or tasks contemplated under this Agreement shall be made in the form of a written work order(s) issued by the City Representative (each such written request hereinafter referred to as a "Work Order"). Each Work Order shall include the following information:

1. A description of the items to be removed from the locations identified by City Representatives.
2. The location of where the particular services or tasks are to be performed, if applicable.
3. Any other information CITY deems necessary and relevant to the requested services or tasks; and

B. CONSULTANT shall not perform any of the Services contemplated under this Agreement without a written Work Order request from the City Representative, containing the information set forth in Section 1.3(A), above.

C. CONSULTANT shall perform all assigned Services continuously and with due diligence so as to complete all assigned Services. CONSULTANT shall cooperate with CITY and in no manner interfere with the work of CITY, its employees or other consultants, contractors, or agents.

- D. CONSULTANT shall not claim or be entitled to receive any compensation or damage because of the failure of CONSULTANT, or its subconsultants, to have related services or tasks completed in a timely manner.
  - E. CONSULTANT shall at all times enforce strict discipline and good order among CONSULTANT's employees; and
  - F. CONSULTANT, at its sole expense, shall pay all sales, consumer, use or other similar taxes required by law.
  - G. CONSULTANT shall provide the City with a weekly after-action report that includes removal date, location, removal status, and before and after pictures of items and locations where items were collected.
  - H. The CITY shall provide no less than fifteen (15) days of notice when requesting to increase weekly collection frequency.
- 1.4 COMPENSATION: CONSULTANT shall perform the Services in accordance with the compensation rate set forth in the "Proposal" which is attached and incorporated as **Exhibit "A"**. The foregoing notwithstanding, CONSULTANT's total compensation for the performance of all Services contemplated under this Agreement, may not exceed the aggregate sum of **THREE HUNDRED THOUSAND DOLLARS AND NO CENTS (\$300,000.00)** (hereinafter, the "Not-to-Exceed Sum") during the Term of this Agreement, unless such added expenditure is first approved by the City Council, as required by the City's municipal code. [NOTE: Not-to-Exceed Sum maybe defined as Annual, Fiscal Year or Aggregate, depending on the Term(s) involved.] In the event CONSULTANT's charges are projected to exceed the Aggregate Not-to-Exceed Sum prior to the expiration of this Agreement, CITY may suspend CONSULTANT's performance pending CITY approval of any anticipated expenditures in excess of the Aggregate Not-to-Exceed Sum or any other CITY approved amendment to the compensation terms of this Agreement.
- 1.5 PAYMENT OF COMPENSATION: Following the conclusion of each calendar month, CONSULTANT will submit to CITY an itemized invoice indicating the services performed and tasks completed during the recently concluded calendar month, including services and tasks performed and any reimbursable out-of-pocket expenses incurred. If the amount of CONSULTANT's monthly compensation is a function of hours worked by CONSULTANT's personnel, the invoice should indicate the number of hours worked in the recently concluded calendar month, the person(s) responsible for performing the Services, the rate of compensation at which such services and tasks were performed, the subtotal for each task and service performed and a grand total for all services performed. Within thirty (30) calendar days of receipt of each invoice, CITY will notify CONSULTANT in writing of any disputed amounts included in the invoice. Within forty-five (45) calendar days of receipt of each invoice, CITY will pay all undisputed amounts included on the invoice. CITY will not withhold applicable taxes or other authorized deductions from payments made to CONSULTANT.

- 1.6 ACCOUNTING RECORDS: CONSULTANT will maintain complete and accurate records with respect to all matters covered under this Agreement for a period of three (3) years after the expiration or termination of this Agreement. CITY will have the right to access and examine such records, without charge, during normal business hours. CITY will further have the right to audit such records, to make transcripts therefrom and to inspect all program data, documents, proceedings, and activities.
- 1.7 ABANDONMENT BY CONSULTANT: In the event CONSULTANT ceases to perform the Services agreed to under this Agreement or otherwise abandons the undertaking contemplated herein prior to the expiration of this Agreement or prior to completion of any or all tasks set forth in the Proposal, CONSULTANT will deliver to CITY immediately and without delay, all materials, records, and other work product prepared or obtained by CONSULTANT in the performance of this Agreement. Furthermore, CONSULTANT will only be compensated for the reasonable value of the Services performed up to the time of cessation or abandonment, less a deduction for any damages, costs, or additional expenses which CITY may incur as a result of CONSULTANT's cessation or abandonment.

## II.

### PERFORMANCE OF AGREEMENT

- 2.1 CITY'S REPRESENTATIVE: The CITY hereby designates Arlene Salazar, Director of Police and Community Services (hereinafter, the "City Representative") to act as its representative for the performance of this Agreement. The City Representative or the City Representative's designee will act on behalf of the CITY for all purposes under this Agreement. CONSULTANT will not accept directions or orders from any person other than the City Representative or the City Representative's designee.
- 2.2 CONSULTANT REPRESENTATIVE: CONSULTANT hereby designates Matt Blackburn to act as its representative for the performance of this Agreement (hereinafter, "Consultant Representative"). Consultant Representative will have full authority to represent and act on behalf of the CONSULTANT for all purposes under this Agreement. Consultant Representative or the Consultant Representative's designee will supervise and direct the performance of the Services, using his/her best skill and attention, and will be responsible for all means, methods, techniques, sequences, and procedures and for the satisfactory coordination of all Services under this Agreement. Notice to the Consultant Representative will constitute notice to CONSULTANT.
- 2.3 COORDINATION OF SERVICE; CONFORMANCE WITH REQUIREMENTS: CONSULTANT agrees to work closely with CITY staff in the performance of the Services and this Agreement and will be available to CITY staff and the CITY Representative at all reasonable times. All work prepared by CONSULTANT will be subject to inspection and approval by City Representative or his or her designees.
- 2.4 STANDARD OF CARE; PERFORMANCE OF EMPLOYEES: CONSULTANT

represents, acknowledges, and agrees to the following:

- A. CONSULTANT will perform all Services skillfully, consistent with and adhering to its professional standard of care, that is, the degree of care and skill ordinarily exercised by members of the same profession currently practicing at the same time and in the same or similar locality.
- B. CONSULTANT shall at all times employ such force, plant, materials, and tools as will be sufficient in the opinion of the CITY to perform the Services within the time limits established, and as provided herein. It is understood and agreed that said tools, equipment, apparatus, facilities, labor, and material shall be furnished and said Services performed and completed as required by the Agreement, and subject to the approval of the CITY's authorized representative.
- C. CONSULTANT will perform all Services in a manner reasonably satisfactory to the CITY.
- D. CONSULTANT will comply with all applicable federal, state, and local laws and regulations, including the conflict-of-interest provisions of Government Code §1090 and the Political Reform Act (Government Code §§81000 *et seq.*). CONSULTANT shall be liable for all violations of such laws and regulations in connection with CONSULTANT's performance of the Services. If CONSULTANT performs any work knowing it to be contrary to such laws, rules and regulations, CONSULTANT shall be solely responsible for all costs arising therefrom.
- E. CONSULTANT understands the nature and scope of the Services to be performed under this Agreement as well as any and all schedules of performance.
- F. All of CONSULTANT's employees and agents possess sufficient skill, knowledge, training, and experience to perform those services and tasks assigned to them by CONSULTANT; and
- G. All of CONSULTANT's employees and agents (including, but not limited to, subcontractors and subconsultants) possess all licenses, permits, certificates, qualifications, and approvals of whatever nature that are legally required to perform the tasks and services contemplated under this Agreement and all such licenses, permits, certificates, qualifications, and approvals will be maintained throughout the term of this Agreement and made available to CITY for copying and inspection.

The Parties acknowledge and agree that CONSULTANT will perform, at CONSULTANT's own cost and expense and without any reimbursement from CITY, any services necessary to correct any errors or omissions caused by CONSULTANT's failure to comply with the standard of care set forth under this Section or by any like failure on the part of CONSULTANT's employees, agents, contractors, subcontractors and subconsultants. Such effort by CONSULTANT to

correct any errors or omissions will be commenced immediately upon their discovery by either Party and, notwithstanding Section 5.2(B), will be completed within seven (7) calendars days from the date of discovery or such other extended period of time authorized by the City Representative in writing and in her sole and absolute discretion. The Parties acknowledge and agree that CITY's acceptance of any work performed by CONSULTANT or on CONSULTANT's behalf will not constitute a release of any deficiency or delay in performance. The Parties further acknowledge, understand, and agree that CITY has relied upon the foregoing representations of CONSULTANT, including but not limited to the representation that CONSULTANT possesses the skills, training, knowledge, and experience necessary to perform the Services under the standard of care as articulated under section 2.4(A).

- 2.5 ASSIGNMENT: The skills, training, knowledge, and experience of CONSULTANT are material to CITY's willingness to enter into this Agreement. Accordingly, CITY has an interest in the qualifications and capabilities of the person(s) who will perform the services and tasks to be undertaken by CONSULTANT or on behalf of CONSULTANT in the performance of this Agreement. In recognition of this interest, CONSULTANT agrees that it will not assign or transfer, either directly or indirectly or by operation of law, this Agreement, or the performance of any of CONSULTANT's duties or obligations under this Agreement, without the prior written consent of the CITY. In the absence of CITY's prior written consent, any attempted assignment or transfer will be ineffective, null and void and will constitute a material breach of this Agreement.
- 2.6 SUBSTITUTION OF KEY PERSONNEL: CONSULTANT has represented to CITY that certain key personnel will perform and coordinate the Services under this Agreement. Should one or more of such personnel become unavailable, CONSULTANT may substitute other personnel of at least equal competence upon written approval of CITY. In the event that CITY and CONSULTANT cannot agree as to the substitution of key personnel, CITY shall be entitled to terminate this Agreement for cause. As discussed below, any personnel who fail or refuse to perform the Services in a manner acceptable to the CITY, or who are determined by the CITY to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project or a threat to the safety of persons or property, shall be promptly removed from the Project by the CONSULTANT at the request of the CITY.
- 2.7 CONTROL AND PAYMENT OF SUBORDINATES; INDEPENDENT CONTRACTOR: The Services will be performed by CONSULTANT or under CONSULTANT's strict supervision. CONSULTANT will determine the means, methods, and details of performing the Services subject to the requirements of this Agreement. CITY retains CONSULTANT on an independent contractor basis and not as an employee. CONSULTANT reserves the right to perform similar or different services for other principals during the term of this Agreement, provided such work does not unduly interfere with CONSULTANT's competent and timely performance of the Services contemplated under this Agreement and provided the performance of such services does not result in the unauthorized disclosure of CITY's confidential or proprietary information. Any additional personnel

performing the Services under this Agreement on behalf of CONSULTANT are not employees of CITY and will at all times be under CONSULTANT's exclusive direction and control. CONSULTANT will pay all wages, salaries and other amounts due to such personnel and will assume responsibility for all benefits, payroll taxes, Social Security and Medicare payments and the like. CONSULTANT will be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: Social Security taxes, income tax withholding, unemployment insurance, disability insurance, workers' compensation insurance and the like. Notwithstanding any other CITY, state, or federal policy, rule, regulation, law, or ordinance to the contrary, CONSULTANT and any of its employees, agents, and subcontractors performing the Services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by CITY, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of CITY and entitlement to any contribution to be paid by CITY for employer contributions and/or employee contributions for PERS benefits.

- 2.8 REMOVAL OF EMPLOYEES OR AGENTS: If any of CONSULTANT's officers, employees, agents, contractors, subcontractors or subconsultants is determined by the City Representative to be uncooperative, incompetent, a threat to the adequate or timely performance of the tasks assigned to CONSULTANT, a threat to persons or property, or if any of CONSULTANT's officers, employees, agents, contractors, subcontractors or subconsultants fail or refuse to perform the Services in a manner acceptable to the CITY, such officer, employee, agent, contractor, subcontractor or subconsultant will be promptly removed by CONSULTANT and will not be reassigned to perform any of the Services.
- 2.9 COMPLIANCE WITH LAWS: CONSULTANT will keep itself informed of and in compliance with all applicable federal, state, or local laws to the extent such laws control or otherwise govern the performance of the Services. CONSULTANT's compliance with applicable laws will include, without limitation, compliance with all applicable Cal/OSHA requirements.
- 2.10 NON-DISCRIMINATION: CONSULTANT represents that it is an equal opportunity employer, and it shall not discriminate against any subconsultant, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex, or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, or termination.
- 2.11 INDEPENDENT CONTRACTOR STATUS: The Parties acknowledge, understand, and agree that CONSULTANT and all persons retained or employed by CONSULTANT are, and will at all times remain, wholly independent contractors and are not officials, officers, employees, departments, or subdivisions of CITY. CONSULTANT will be solely responsible for the negligent acts and/or omissions of its employees, agents, contractors, subcontractors and subconsultants. CONSULTANT and all persons retained or employed by CONSULTANT will have no authority, express or implied, to bind CITY in any manner, nor to incur any

obligation, debt, or liability of any kind on behalf of, or against, CITY, whether by contract or otherwise, unless such authority is expressly conferred to CONSULTANT under this Agreement or is otherwise expressly conferred by CITY in writing.

2.12 Reserved.

III.  
INSURANCE

3.1 DUTY TO PROCURE AND MAINTAIN INSURANCE: Before performing any Services contemplated under this Agreement, CONSULTANT will procure and maintain policies of insurance that meet the requirements and specifications set forth under this Article. CONSULTANT will procure and maintain the following insurance coverage, at its own expense:

- A. Commercial General Liability Insurance: CONSULTANT will procure and maintain Commercial General Liability Insurance (“CGL Coverage”) as broad as Insurance Services Office Commercial General Liability coverage (occurrence Form CG 0001). Such CGL Coverage will have minimum limits of no less than Two Million Dollars (\$2,000,000.00) per occurrence and Four Million Dollars (\$4,000,000.00) in the general aggregate for bodily injury, personal injury, property damage, operations, products and completed operations, and contractual liability.
- B. Automobile Liability Insurance: For any owned, non-owned, or hired vehicles used in connection with the performance of this Agreement, CONSULTANT will procure and maintain Automobile Liability Insurance as broad as Insurance Services Office Form Number CA 0001 covering Automobile Liability, Code 1 (any auto). Such Automobile Liability Insurance will have minimum limits of no less than Five Million Dollars (\$5,000,000.00) per accident for bodily injury and property damage.
- C. Workers’ Compensation Insurance/ Employer’s Liability Insurance: A policy of workers’ compensation insurance in such amount as will fully comply with the laws of the State of California and which will indemnify, insure and provide legal defense for both CONSULTANT and CITY against any loss, claim or damage arising from any injuries or occupational diseases occurring to any worker employed by or any persons retained by CONSULTANT in the course of carrying out the Services contemplated in this Agreement, but in no event shall CONSULTANT carry coverage will less than One Million Dollars (\$1,000,000).
- D. Errors & Omissions Insurance: For the full term of this Agreement and for a period of three (3) years thereafter, CONSULTANT will procure and maintain Errors and Omissions Liability Insurance appropriate to CONSULTANT’s profession. Such coverage will have minimum limits of no less than Two Million Dollars (\$2,000,000.00) per claim.

- 3.2 ADDITIONAL INSURED REQUIREMENTS: The CGL Coverage and the Automobile Liability Insurance will contain an endorsement naming the CITY and CITY's elected and appointed officials, officers, employees, agents, and volunteers as additional insureds.
- 3.3 REQUIRED CARRIER RATING: All varieties of insurance required under this Agreement will be procured from insurers admitted in the State of California and authorized to issue policies directly to California insureds. Except as otherwise provided elsewhere under this Article, all required insurance will be procured from insurers who, according to the latest edition of the Best's Insurance Guide, have an A.M. Best's rating of no less than A:VII. CITY may also accept policies procured by insurance carriers with a Standard & Poor's rating of no less than BBB according to the latest published edition the Standard & Poor's rating guide. As to Workers' Compensation Insurance/ Employer's Liability Insurance, the CITY Representative is authorized to authorize lower ratings than those set forth in this Section.
- 3.4 PRIMACY OF CONSULTANT'S INSURANCE: All policies of insurance provided by CONSULTANT will be primary to any coverage available to CITY or CITY's elected or appointed officials, officers, employees, agents, or volunteers. Any insurance or self-insurance maintained by CITY or CITY's elected or appointed officials, officers, employees, agents, or volunteers will be in excess of CONSULTANT's insurance and will not contribute with it.
- 3.5 WAIVER OF SUBROGATION: All insurance coverage provided pursuant to this Agreement will not prohibit CONSULTANT or CONSULTANT's officers, employees, agents, subcontractors or subconsultants from waiving the right of subrogation prior to a loss. CONSULTANT hereby waives all rights of subrogation against CITY, its officials, officers, employees, agents, and volunteers.
- 3.6 VERIFICATION OF COVERAGE: CONSULTANT acknowledges, understands, and agrees, that CITY's ability to verify the procurement and maintenance of the insurance required under this Article is a material consideration of this Agreement. Accordingly, CONSULTANT warrants, represents, and agrees that it will furnish CITY with certificates of insurance and endorsements evidencing the coverage required under this Article on ACORD-25 or forms satisfactory to CITY in its sole and absolute discretion. **The certificates of insurance and endorsements for each insurance policy will be signed by a person authorized by that insurer to bind coverage on its behalf and will be on forms provided by the CITY if requested.** Before performing any Services, CONSULTANT shall provide CITY with all certificates of insurance and endorsements referenced herein. Upon CITY's written request, CONSULTANT will also provide CITY with copies of all required insurance policies and endorsements.
- 3.7 FAILURE TO MAINTAIN COVERAGE: In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced immediately so as to avoid a lapse in the required

coverage, CITY has the right but not the duty to obtain the insurance it deems necessary, and any premium paid by CITY will be promptly reimbursed by CONTRACTOR or CITY will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, CITY may cancel this Agreement effective upon notice.

- 3.8 SPECIAL RISKS OR CIRCUMSTANCES: City reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances. Any amendment to the insurance requirements of this Article shall be memorialized and approved in the form of a written amendment to this Agreement, signed by the Parties. The requirement for written amendments, modifications or supplements cannot be waived, and any attempted waiver will be void or invalid.

#### IV. INDEMNIFICATION

- 4.1 CITY's elected and appointed officials, officers, employees, agents, and volunteers (hereinafter, the "City Indemnitees") should, to the fullest extent permitted by law, be protected from any and all loss, injury, damage, claim, lawsuit, cost, expense, attorneys' fees, litigation costs, or any other cost arising out of or in any way related to the performance of this Agreement. Accordingly, the provisions of this indemnity provision are intended by the Parties to be interpreted and construed to provide the City Indemnitees with the fullest protection possible under the law. CONSULTANT acknowledges that CITY would not enter into this Agreement in the absence of CONSULTANT's commitment to indemnify, defend and protect CITY as set forth herein Notwithstanding the foregoing, to the extent CONSULTANT's services are subject to Civil Code Section 2782.8, the above indemnity shall be limited, to the extent required by Civil Code Section 2782.8, to Claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the CONSULTANT. CONSULTANT's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the CITY, its officials, officers, employees, agents, or volunteers.
- 4.2 To the fullest extent permitted by law, CONSULTANT shall indemnify, hold harmless and defend the CITY Indemnitees from and against all liability, loss, damage, expense, cost (including without limitation reasonable attorneys' fees, expert fees and all other costs, and fees of litigation) of every nature arising out of or in connection with CONSULTANT's performance of work hereunder or its failure to comply with any of its obligations contained in this Agreement, except such loss or damage which is caused by the sole negligence or willful misconduct of the CITY or any person affiliated therewith.
- 4.3 CITY shall have the right to offset against the amount of any compensation due to CONSULTANT under this Agreement, any amount due to CITY from CONSULTANT as a result of CONSULTANT's failure to either pay CITY promptly for any costs associated with CONSULTANT's obligations to indemnify the CITY Indemnitees under this Article or related to CONSULTANT's failure to either (i) pay taxes on amounts received pursuant to this Agreement or (ii) comply with

applicable workers' compensation laws.

- 4.4 The obligations of CONSULTANT under this Article will not be limited by the provisions of any workers' compensation act or similar act. CONSULTANT expressly waives its statutory immunity under such statutes or laws as to CITY and CITY's elected and appointed officials, officers, employees, agents, and volunteers.
- 4.5 CONSULTANT agrees to obtain executed indemnity agreements with provisions identical to those set forth herein this Article from each and every subcontractor or any other person or entity involved by, for, with or on behalf of CONSULTANT in the performance of this Agreement. In the event CONSULTANT fails to obtain such indemnity obligations from others as required herein, CONSULTANT agrees to be fully responsible and indemnify, hold harmless and defend CITY and CITY's elected and appointed officials, officers, employees, agents, and volunteers from and against any and all claims and losses, costs or expenses for any damage due to death or injury to any person and injury to any property resulting from any alleged intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of CONSULTANT's subcontractors or any other person or entity involved by, for, with or on behalf of CONSULTANT in the performance of this Agreement. Such costs and expenses shall include reasonable attorneys' fees incurred by counsel of CITY's choice.
- 4.6 CITY does not and shall not waive any rights that it may possess against CONSULTANT because of the acceptance by CITY, or the deposit with CITY, of any insurance policy or certificate required pursuant to this Agreement. This hold harmless and indemnification provision shall apply regardless of whether or not any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost, or expense.
- 4.7 This Article and all provisions contained herein (including but not limited to the duty to indemnify, defend, and hold free and harmless) shall survive the termination or normal expiration of this Agreement and is in addition to any other rights or remedies which the CITY may have at law or in equity.

## TERMINATION

- 5.1 TERMINATION BY THE CITY: CITY may immediately terminate this Agreement at any time for convenience and without cause by giving prior written notice of CITY's intent to terminate this Agreement which notice shall specify the effective date of such termination. Upon such termination for convenience, CONSULTANT will be compensated only for those services and tasks which have been performed by CONSULTANT up to the effective date of the termination. CONSULTANT may not terminate this Agreement except for cause as provided under Section 5.2, below. If this Agreement is terminated as provided herein, CITY may require CONSULTANT to provide all finished or unfinished Documents and Data, as defined in section 6.1 below, and other information of any kind prepared by CONSULTANT in connection with the performance of the Services.

CONSULTANT will be required to provide such Documents and Data within fifteen (15) calendar days of CITY's written request. No actual or asserted breach of this Agreement on the part of CITY pursuant to Section 5.2, below, will operate to prohibit or otherwise restrict CITY's ability to terminate this Agreement for convenience as provided under this Section.

5.2 EVENTS OF DEFAULT; BREACH OF AGREEMENT:

- A. In the event either Party fails to perform any duty, obligation, service, or task set forth under this Agreement (or fails to timely perform or properly perform any such duty, obligation, service, or task set forth under this Agreement), an event of default (hereinafter, "Event of Default") will occur. For all Events of Default, the Party alleging an Event of Default will give written notice to the defaulting Party (hereinafter referred to as a "Default Notice") which will specify: (i) the nature of the Event of Default; (ii) the action required to cure the Event of Default; (iii) a date by which the Event of Default will be cured, which will not be less than the applicable cure period set forth under Sections 5.2B and 5.2C below or if a cure is not reasonably possible within the applicable cure period, to begin such cure and diligently prosecute such cure to completion. The Event of Default will constitute a breach of this Agreement if the defaulting Party fails to cure the Event of Default within the applicable cure period or any extended cure period allowed under this Agreement.
- B. CONSULTANT will cure the following Events of Defaults within the following time periods:
- i. Within ten (10) business days of CITY's issuance of a Default Notice for any failure of CONSULTANT to timely provide CITY or CITY's employees or agents with any information and/or written reports, documentation, or work product which CONSULTANT is obligated to provide to CITY or CITY's employees or agents under this Agreement. Prior to the expiration of the 10-day cure period, CONSULTANT may submit a written request for additional time to cure the Event of Default upon a showing that CONSULTANT has commenced efforts to cure the Event of Default and that the Event of Default cannot be reasonably cured within the 10-day cure period. The foregoing notwithstanding, CITY will be under no obligation to grant additional time for the cure of an Event of Default under this Section 5.2B.i. that exceeds seven (7) calendar days from the end of the initial 10-day cure period; or
  - ii. Within fourteen (14) calendar days of CITY's issuance of a Default Notice for any other Event of Default under this Agreement. Prior to the expiration of the 14-day cure period, CONSULTANT may submit a written request for additional time to cure the Event of Default upon a showing that CONSULTANT has commenced efforts to cure the Event of Default and that the Event of Default cannot be reasonably cured within the 14-day cure period. The foregoing notwithstanding, CITY will be under no obligation to grant additional time for the cure of an Event

of Default under this Section 5.2B.ii that exceeds thirty (30) calendar days from the end of the initial 14-day cure period.

In addition to any other failure on the part of CONSULTANT to perform any duty, obligation, service or task set forth under this Agreement (or the failure to timely perform or properly perform any such duty, obligation, service or task), an Event of Default on the part of CONSULTANT will include, but will not be limited to the following: (i) CONSULTANT's refusal or failure to perform any of the services or tasks called for under the Scope of Services; (ii) CONSULTANT's failure to fulfill or perform its obligations under this Agreement within the specified time or if no time is specified, within a reasonable time; (iii) CONSULTANT's and/or its employees' disregard or violation of any federal, state, local law, rule, procedure or regulation; (iv) the initiation of proceedings under any bankruptcy, insolvency, receivership, reorganization, or similar legislation as relates to CONSULTANT, whether voluntary or involuntary; and/or (v) CITY's discovery that a statement representation or warranty by CONSULTANT relating to this Agreement is false, misleading or erroneous in any material respect.

- C. CITY will cure any Event of Default asserted by CONSULTANT within forty-five (45) calendar days of CONSULTANT's issuance of a Default Notice unless the Event of Default cannot reasonably be cured within the 45-day cure period. Prior to the expiration of the 45-day cure period, CITY may submit a written request for additional time to cure the Event of Default upon a showing that CITY has commenced its efforts to cure the Event of Default and that the Event of Default cannot be reasonably cured within the 45-day cure period. The foregoing notwithstanding, an Event of Default dealing with CITY's failure to timely pay any undisputed sums to CONSULTANT as provided under Section 1.5, above, will be cured by CITY within five (5) calendar days from the date of CONSULTANT's Default Notice to CITY.
- D. CITY, in its sole and absolute discretion, may also immediately suspend CONSULTANT's performance under this Agreement pending CONSULTANT's cure of any Event of Default by giving CONSULTANT written notice of CITY's intent to suspend CONSULTANT's performance (hereinafter, a "Suspension Notice"). CITY may issue the Suspension Notice at any time upon the occurrence of an Event of Default. Upon such suspension, CONSULTANT will be compensated only for those services and tasks which have been rendered by CONSULTANT to the reasonable satisfaction of CITY up to the effective date of the suspension. No actual or asserted breach of this Agreement on the part of CITY will operate to prohibit or otherwise restrict CITY's ability to suspend this Agreement as provided herein.
- E. No waiver of any Event of Default or breach under this Agreement will constitute a waiver of any other or subsequent Event of Default or breach. No waiver, benefit, privilege, or service voluntarily given or performed by a Party will give the other Party any contractual rights by custom, estoppel, or otherwise.

- F. The duties and obligations imposed under this Agreement and the rights and remedies available hereunder will be in addition to and not a limitation of any duties, obligations, rights, and remedies otherwise imposed or available by law. In addition to any other remedies available to CITY at law or under this Agreement in the event of any breach of this Agreement, CITY, in its sole and absolute discretion, may also pursue any one or more of the following remedies:
- i. Upon written notice to CONSULTANT, the CITY may immediately terminate this Agreement in whole or in part.
  - ii. Upon written notice to CONSULTANT, the CITY may extend the time of performance.
  - iii. The CITY may proceed by appropriate court action to enforce the terms of the Agreement to recover damages for CONSULTANT's breach of the Agreement or to terminate the Agreement; or
  - iv. The CITY may exercise any other available and lawful right or remedy.

CONSULTANT will be liable for all legal fees plus other costs and expenses that CITY incurs upon a breach of this Agreement or in the CITY's exercise of its remedies under this Agreement.

- G. In the event CITY is in breach of this Agreement, CONSULTANT's sole remedy will be the suspension or termination of this Agreement and/or the recovery of any unpaid sums lawfully owed to CONSULTANT under this Agreement for completed services and tasks.

- 5.3 SCOPE OF WAIVER: No waiver of any default or breach under this Agreement will constitute a waiver of any other default or breach, whether of the same or other covenant, warranty, agreement, term, condition, duty, or requirement contained in this Agreement. No waiver, benefit, privilege, or service voluntarily given or performed by a Party will give the other Party any contractual rights by custom, estoppel, or otherwise.
- 5.4 SURVIVING ARTICLES, SECTIONS AND PROVISIONS: The termination of this Agreement pursuant to any provision of this Article or by normal expiration of its term or any extension thereto will not operate to terminate any Article, Section or provision contained herein which provides that it will survive the termination or normal expiration of this Agreement.

## VI. MISCELLANEOUS PROVISIONS

- 6.1 DOCUMENTS & DATA; LICENSING OF INTELLECTUAL PROPERTY: All Documents and Data will be and remain the property of CITY without restriction or limitation upon their use or dissemination by CITY. For purposes of this

Agreement, the term "Documents and Data" means and includes all reports, analyses, correspondence, plans, designs, notes, summaries, strategies, charts, schedules, spreadsheets, calculations, lists, data compilations, documents or other materials developed and/or assembled by or on behalf of CONSULTANT in the performance of this Agreement and fixed in any tangible medium of expression, including but not limited to Documents and Data stored digitally, magnetically and/or electronically. This Agreement creates, at no cost to CITY, a perpetual license for CITY to copy, use, reuse, disseminate and/or retain any and all copyrights, designs, and other intellectual property embodied in all Documents and Data. CONSULTANT will require all subcontractors and subconsultants working on behalf of CONSULTANT in the performance of this Agreement to agree in writing that CITY will be granted the same right to copy, use, reuse, disseminate and retain Documents and Data prepared or assembled by any subcontractor or subconsultant as applies to Documents and Data prepared by CONSULTANT in the performance of this Agreement.

- 6.2 CONFIDENTIALITY: All data, documents, discussion, or other information developed or received by CONSULTANT or provided for performance of this Agreement are deemed confidential and will not be disclosed by CONSULTANT without prior written consent by CITY. CITY will grant such consent of disclosure as legally required. Upon request, all CITY data will be returned to CITY upon the termination or expiration of this Agreement. CONSULTANT will not use CITY's name or insignia, photographs, or any publicity pertaining to the Services in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of CITY.
- 6.3 FALSE CLAIMS ACT: CONSULTANT warrants and represents that neither CONSULTANT nor any person who is an officer of, in a managing position with, or has an ownership interest in CONSULTANT has been determined by a court or tribunal of competent jurisdiction to have violated the False Claims Act, 31 U.S.C., §§3801 *et seq.* and the California False Claims Act, Government Code §§12650 *et seq.*
- 6.4 NOTICES: All notices, bills invoices, reports permitted or required under this Agreement will be given to the respective Parties at the following addresses, or at such other address as the respective Parties may provide in writing for this purpose:

**CONSULTANT:**  
Universal Waste Systems, Inc.  
9016 Norwalk Boulevard  
Santa Fe Springs, CA 90670  
Attn: Matt Blackburn  
Phone: (909) 859-5731

**CITY:**  
City of Santa Fe Springs  
11710 E Telegraph Road  
Attn: Arlene Salazar, Director of Police  
and Community Services  
Phone: (562) 409-1850

Such notices will be deemed effective when personally delivered or successfully transmitted by facsimile as evidenced by a fax confirmation slip or when mailed, forty-eight (48) hours after deposit with the United States Postal Service, first class postage prepaid and addressed to the Party at its applicable address.

- 6.5 COOPERATION; FURTHER ACTS: The Parties will fully cooperate with one another and will take any additional acts or sign any additional documents as are reasonably necessary, appropriate, or convenient to achieve the purposes of this Agreement.
- 6.6 SUBCONTRACTING: CONSULTANT will not subcontract any of the Services contemplated under this Agreement, except as expressly stated herein, without the prior written approval of CITY. Subcontracts (including without limitation subcontracts with subconsultants), if any, will contain a provision making them subject to all provisions stipulated in this Agreement, including provisions relating to insurance requirements and indemnification.
- 6.7 CITY'S RIGHT TO EMPLOY OTHER CONSULTANTS: CITY reserves the right to employ other independent contractors in connection with the various projects worked upon by CONSULTANT.
- 6.8 CONFLICTS OF INTEREST:
- A. CONSULTANT warrants, represents, and maintains that it has not employed nor retained any company or person, other than a *bona fide* employee working solely for CONSULTANT, to solicit or secure this Agreement. Further, CONSULTANT warrants and represents that it has not paid, nor has it agreed to pay, any company or person, other than a *bona fide* employee working solely for CONSULTANT, any fee, commission, percentage, brokerage fee, gift, or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, CITY will have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer, or employee of CITY, during the term of his or her service with CITY, will have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.
  - B. CONSULTANT may serve other clients, but none whose activities within the corporate limits of CITY or whose business, regardless of location, would place CONSULTANT in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code §81000 *et seq.*
  - C. CONSULTANT shall not employ any official or employee of the CITY during the Term of this Agreement or any extension term. No officer or employee of CITY shall have any financial interest in this Agreement that would violate Government Code §§1090 *et seq.* CONSULTANT warrants and represents that no owner, principal, partner, officer, or employee of CONSULTANT is or has been an official, officer, employee, agent, or appointee of the CITY within the twelve-month period of time immediately preceding the Effective Date. If an

owner, principal, partner, officer, employee, agent, or appointee of CONSULTANT was an official, officer, employee, agent, or appointee of the CITY within the twelve-month period immediately preceding the Effective Date, CONSULTANT warrants that any such individuals did not participate in any manner in the forming of this Agreement. CONTRACTOR understands that, if this Agreement is made in violation of Government Code §1090 *et seq.*, the entire Agreement is void and CONSULTANT will not be entitled to any compensation for services performed pursuant to this Agreement, including reimbursement of expenses, and CONSULTANT will be required to reimburse the CITY for any sums paid to CONSULTANT. CONSULTANT understands that, in addition to the foregoing, it may be subject to criminal prosecution for a violation of Government Code §1090.

- 6.9 TIME IS OF THE ESSENCE: Time is of the essence for each and every provision of this Agreement.
- 6.10 GOVERNING LAW AND VENUE: This Agreement shall be interpreted and governed according to the laws of the State of California. In the event of litigation between the Parties, venue, without exception, will be in the Los Angeles County Superior Court of the State of California. If, and only if, applicable law requires that all or part of any such litigation be tried exclusively in federal court, venue, without exception, will be in the Central District of California located in the City of Los Angeles, California.
- 6.11 ATTORNEYS' FEES: If either Party commences an action against the other Party, legal, administrative, or otherwise, arising out of or in connection with this Agreement, the prevailing Party in such litigation will be entitled to have and recover from the losing Party reasonable attorneys' fees and all other costs of such action.
- 6.12 SUCCESSORS AND ASSIGNS: This Agreement will be binding on the successors and assigns of the Parties.
- 6.13 NO THIRD-PARTY BENEFIT: There are no intended third-party beneficiaries of any right or obligation assumed by the Parties. All rights and benefits under this Agreement inure exclusively to the Parties.
- 6.14 CONSTRUCTION OF AGREEMENT: This Agreement will not be construed in favor of, or against, either Party but will be construed as if the Parties prepared this Agreement together through a process of negotiation and with the advice of their respective attorneys.
- 6.15 SEVERABILITY: If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions will continue in full force and effect.
- 6.16 AMENDMENT; MODIFICATION: No amendment, modification or supplement of this Agreement will be valid or binding unless executed in writing and signed by both Parties, subject to CITY approval. The requirement for written amendments,

modifications or supplements cannot be waived, and any attempted waiver will be void and invalid.

- 6.17 CAPTIONS: The captions of the various articles, sections and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.
- 6.18 INCONSISTENCIES OR CONFLICTS: In the event of any conflict or inconsistency between the provisions of this Agreement and any of the exhibits attached hereto, the provisions of this Agreement will control.
- 6.19 ENTIRE AGREEMENT: This Agreement, including all attached exhibits, constitutes the entire, complete, final, and exclusive expression of the Parties with respect to the matters addressed herein and supersedes all other agreements or understandings, whether oral or written, which may have been entered into between CITY and CONSULTANT prior to the execution of this Agreement. Any statements, representations, or other agreements, whether oral or written, made by either Party that is not embodied herein will not be valid or binding on the Parties. No amendment, modification or supplement to this Agreement will be valid and binding unless in writing and duly executed by the Parties pursuant to Section 6.16, above.
- 6.20 FORCE MAJEURE: The completion deadline for any Services assigned to CONSULTANT may be extended in the event of any delays due to unforeseeable causes beyond the control of CONSULTANT and without the fault or negligence of CONSULTANT, including but not limited to severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the CITY. CONSULTANT shall within three (3) calendar days of the commencement of such delay notify the City Representative in writing of the causes of the delay. The CITY Representative shall ascertain the facts and the extent of delay and extend the time for performing the services for the period of the enforced delay when and if in the judgment of the CITY Representative such delay is justified. The City Representative's determination shall be final and conclusive upon the parties to this Agreement. In no event shall CONSULTANT be entitled to recover damages against the CITY for any delay in the performance of this Agreement, however caused, CONSULTANT's sole remedy being extension of the Agreement pursuant to this Section.
- 6.21 COUNTERPARTS: This Agreement will be executed in three (3) original counterparts each of which will be of equal force and effect. No handwritten or typewritten amendment, modification, or supplement to any one counterpart will be valid or binding unless made to all three counterparts in conformity with Section 6.16, above. One fully executed original counterpart will be delivered to CONSULTANT and the remaining two original counterparts will be retained by CITY.

**(SIGNATURES ON NEXT PAGE)**

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed the day and year first appearing in this Agreement, above.

**CITY OF SANTA FE SPRINGS:**

**Universal Waste Systems, Inc.**

By: \_\_\_\_\_  
René Bobadilla, City Manager

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

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

Name     Matt Blackburn    

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

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

**APPROVED AS TO FORM:**

By: \_\_\_\_\_  
Rick Olivarez, City Attorney,

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

**EXHIBIT A**

Proposal to Provide Illegal Dumping Clean Up



LARGE ENOUGH TO SERVE, SMALL ENOUGH TO CARE

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Arlene Salazar  
Director of Police Services  
1157 Telegraph Rd.  
Santa Fe Springs, CA 90670

11/15/2025

**Proposal to Provide Illegal Dumping Clean Up**

Ms. Salazar,

Thank you for the opportunity to provide this proposal. We have been providing service for several weeks now in Santa Fe Springs, and we are providing the proposal below for a more permanent program.

UWS proposes to continue providing weekly illegal dumping collection based on a list provided by police services. UWS will use one collection vehicle, one driver, one supervisor, provide pictures for proof of service before and after, and tonnage collected. The rate for this service is \$225.00 per hour port to port from our South Gate collection facility.

Disposal costs are currently \$96.00 per ton.

Additional services, for any houseless encampment, will be an additional \$1,000.00 per collection event. The additional cost will allow for additional management, safety suites, safety gear, and will account for additional time on site for processing material on site to ensure hazardous waste is not included.

Alternative proposal for daily sweeps with no lists provided by police services, UWS would route the city and break up the area into five separate sections that would be monitored and swept by day. We would also identify with the help of police services any hot spot areas for more frequent collection. This service would be billed at the same rate of \$225.00 per hour.

UWS will not collect hazardous waste, human waste, or large amounts of construction waste. This will have to be reviewed and set up for special handling.

If large amounts of recyclables or green waste are discovered UWS will use best option to increase diversion.

UWS proposes an annual CPI increase and disposal increase based on the increase in gate rate and Universal Resource Recovery in Santa Fe Springs.

We believe either option will be appropriate for the city based on our several weeks of experience. We are open to discussing either option in more detail. We believe with the new residential services, and the new bulky item program should help to curb some of the illegal dumping currently happening. We will work with the city to educate and train employees on our new bulky item program.



LARGE ENOUGH TO SERVE, SMALL ENOUGH TO CARE



## CITY COUNCIL AGENDA STAFF REPORT

**TO:** Honorable Mayor and City Council Members  
**FROM:** René Bobadilla, P.E., City Manager  
**BY:** Cuong Nguyen, Director of Community Development  
**SUBJECT:** **2025 HOUSING ELEMENT ANNUAL PROGRESS REPORT**  
**DATE:** March 17, 2026

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### **RECOMMENDATION:**

It is recommended that the City Council:

1. Find that the preparation, review, and submission of the 2025 Housing Element Annual Progress Report is not subject to the California Environmental Quality Act (CEQA), as the actions are not a project as defined by Section 15378(b)(2) of the Public Resources Code; and
2. Receive and file the 2025 Housing Element Annual Progress Report; and
3. Authorize staff to submit the 2025 Housing Element Annual Progress Report to the California Department of Housing and Community Development (HCD) and to the Governor's Office of Planning and Research (OPR), and
4. Take such additional, related, action that may be desirable.

### **FISCAL IMPACT**

N/A

### **BACKGROUND**

Government Code Section 65400 requires each city to provide an Annual Progress Report (APR) on the status of implementing the Housing Element of its General Plan. The APR must be submitted to the California Department of Housing and Community Development (HCD) and the Governor's Office of Planning and Research (OPR). The report assists HCD with tracking the City's progress toward meeting its Regional Housing Needs Allocation (RHNA). It also provides OPR with information to assist with identifying statewide trends in land use decision making and how local planning activities relate to statewide planning goals and policies. APRs may also identify needed modifications and improvements to General Plan guidelines.

The Southern California Association of Governments (SCAG) prepared the Regional Housing Needs Allocation for each jurisdiction within the SCAG region. SCAG, through the RHNA process, assigned Santa Fe Springs a share of the region's new housing units needs for the 2021 - 2029 planning period (6<sup>th</sup> Cycle) totaling 952 new dwelling units further broken down by income category.

On February 8, 2022, the City Council adopted the Santa Fe Springs 2040 General Plan, including the 2021-2029 Housing Element and Implementation Plan. The 2025 Housing Element Annual Progress Report (Attachment A) reflects the status of the City's implementation measures completed between January 1, 2025, and December 31, 2025, and does not reflect changes or updates that may have occurred since.

### **ANALYSIS**

N/A

### **ENVIRONMENTAL**

The Housing Element Annual Progress Report is not subject to CEQA, as the actions are not a project as defined in Section 15378(b)(2) of the Public Resources Code.

### **DISCUSSION**

HCD provided mandatory forms (Excel spreadsheets) and definitions for the Housing Element APR. The completed forms are included as Attachment A of the staff report and will be submitted to HCD and OPR in electronic format.

The Housing Element APR requires the City to report all complete housing applications submitted in 2025 (Table A) and all building permits approved and finalized for housing projects in 2025 (Table A2) and the affordability level for each unit. Table A2 is the largest worksheet in the APR and includes 61 columns of information related to residential units that have been entitled, issued building permits, or completed construction. New for the 2025 APR, the City is now required to report on acutely low-income units, extremely low-income units, and historic sites in Tables A and A2. In summary, Table A2 indicates that the City entitled 22 housing units, issued building permits for 17 housing units, and issued certificates of occupancy for 130 housing units. All building permits issued were for accessory dwelling unit (ADU) projects. The housing units that were issued certificates of occupancy include 12 ADUs, a portion of the Melia Homes project, and the Richman Group project.

The permits approved and reported in Table A2 are automatically populated in Table B. Table B includes the number of units for which permits were issued to demonstrate progress in meeting the City's RHNA goal. Housing production toward the 6th Cycle RHNA allocation is best summarized by Table B, which is excerpted below.

Table B Summary: Regional Housing Needs Allocation Progress								
Permitted Units Issued by Affordability								
Income Level	RHNA	2021	2022	2023	2024	2025	Total to Date	Remaining RHNA
Acutely Low						-	-	-
Extremely Low		-	1	23	2	-	26	-
Very Low	253	-	-	66	4	3	99	154
Low	159	1	4	30	6	4	46	113
Moderate	152	-	8	7	-	4	21	131
Above Moderate	388	-	-	58	5	6	69	319
<b>Total RHNA</b>	<b>952</b>							
<b>Total Units Produced</b>		<b>1</b>	<b>13</b>	<b>184</b>	<b>17</b>	<b>17</b>	<b>235</b>	<b>717</b>

Table D of the Housing Element APR provides an update on the status and/or progress of each of the City’s 23 programs that implement the Housing Element during the reporting period. Table G lists locally owned sites in the Housing Element Sites Inventory that have been sold or leased or otherwise disposed of. Table H lists the two City-owned surplus sites that are included in the housing sites inventory. The Local Early Action Planning (LEAP) reporting table provides an update on the status of the City’s LEAP-funded projects. All LEAP tasks were completed in 2024, culminating with HCD certification of the 2021-2029 Housing Element on October 28, 2024.

The Housing Element APR also includes blank tables requiring information that is not applicable to the City of Santa Fe Springs or has not been collected for the 2025 reporting period. Tables C (sites identified or rezoned to accommodate shortfall housing need and no net-loss law), E (commercial development bonus approved), F (units rehabilitated, preserved or acquired for alternative adequate sites), F2 (above moderate income units converted to moderate income), J (student housing development) and L (historical resources) have, therefore, been left blank.

**SUMMARY/NEXT STEPS**

Following City Council review, staff will submit the 2025 Housing Element Annual Progress Report to the California Department of Housing and Community Development (HCD) and to the Governor's Office of Planning and Research (OPR), as required by State law.

**ATTACHMENT(S):**

- A. 2025 Housing Element Annual Progress Report

<b><u>ITEM STATUS:</u></b>	
APPROVED:	<input type="checkbox"/>
DENIED:	<input type="checkbox"/>
TABLED:	<input type="checkbox"/>
DIRECTION GIVEN:	<input type="checkbox"/>
_____	
City Clerk, Maribel Garcia	

**Please Start Here**

General Information	
Jurisdiction Name	Santa Fe Springs
Reporting Calendar Year	2025
Contact Information	
First Name	Laurel
Last Name	Reimer
Title	Planning Consultant
Email	communitydevelopment@santafesprings.gov
Phone	5628680511
Mailing Address	
Street Address	11710 Telegraph Road
City	Santa Fe Springs
Zipcode	90670

**Optional:** Click here to import last year's data. This is best used when the workbook is new and empty. You will be prompted to pick an old workbook to import from. Project and program data will be copied exactly how it was entered in last year's form and must be updated. If a project is no longer has any reportable activity, you may delete the project by selecting a cell in the row and typing ctrl + d.

[Click here to download APR Instructions](#)

Click here to add rows to a table. If you add too many rows, you may select a cell in the row you wish to remove and type ctrl + d.

v\_02\_19\_26

Building Permits Issued by Affordability Summary		
Income Level		Current Year
Acutely Low	Deed Restricted	0
	Non-Deed Restricted	0
Extremely Low	Deed Restricted	0
	Non-Deed Restricted	0
Very Low	Deed Restricted	0
	Non-Deed Restricted	3
Low	Deed Restricted	0
	Non-Deed Restricted	4
Moderate	Deed Restricted	0
	Non-Deed Restricted	4
Above Moderate		6
<b>Total Units</b>		<b>17</b>

Units by Structure Type	Entitled	Permitted	Completed
Single-family Attached	0	0	16
Single-family Detached	0	0	0
2 to 4 units per structure	3	2	1
5+ units per structure	0	0	102
Accessory Dwelling Unit	19	15	11
Mobile/Manufactured Home	0	0	0
<b>Total</b>	<b>22</b>	<b>17</b>	<b>130</b>

Jurisdiction	SANTA FE Springs	
Reporting Year	2025	(Jan. 1 - Dec. 31)
Planning Period	6th Cycle	10/15/2021 - 10/15/2025

**ANNUAL ELEMENT PROGRESS REPORT**  
**Housing Element Implementation**

Note: "-" indicates an optional field  
Cells in grey contain auto-calculation formulas

**Table A**  
**Housing Development Applications Submitted**

Project Identifier				Unit Types		Date Application Submitted	Proposed Units - Affordability by Household Incomes										Total Approved Units by Project	Total Disapproved Units by Project	Streamlining	Historic Sites	Density Bonus Law Applications		Application Status	Project Type	Notes				
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23							
Prior APN*	Current APN	Street Address	Project Name*	Local Jurisdiction Tracking ID	Unit Category (SFA,SFD,2 to 4,5+ ADU,MH)	Tenure R=Renter O=Owner	Date Application Submitted (see instructions)	Acutely Low-Income Deed Restricted	Acutely Low-Income Non Deed Restricted	Extremely Low-Income Deed Restricted	Extremely Low-Income Non Deed Restricted	Very Low-Income Deed Restricted	Very Low-Income Non Deed Restricted	Low-Income Deed Restricted	Low-Income Non Deed Restricted	Moderate-Income Deed Restricted	Moderate-Income Non Deed Restricted	Above Moderate-Income	Total PROPOSED Units by Project	Total APPROVED Units by project	Total DISAPPROVE D Units by Project	Please select state streamlining provision/s the application was submitted pursuant to.	Is this project located on a site with an associated historical designation as outlined in Government Code Section 65400(a)(2)(N) and reported on Table L7?	Did the housing development application seek incentives or concessions pursuant to Government Code section 65915?	Were incentives or concessions requested pursuant to Government Code section 65915 approved?	Please indicate the status of the application.	Is the project considered a ministerial project or discretionary project?	Notes*	
Summary Row: Start Data Entry Below							0	0	0	0	0	9	0	8	0	1	4	22	22	0									
	8017-016-011	11211 Ringwood		SB 9-01-2025	2 to 4	R	12/9/2025												1	1		SB 9 (2021) - Duplex in SF Zone	No	No	No	Approved	Ministerial		
	8007-026-018	10778 Longworth Ave		SB 9-02-2025 and ADU 14-2025	2 to 4	R	12/10/2025												1	1		SB 9 (2021) - Duplex in SF Zone	No	No	No	Approved	Ministerial		
	8017-016-010	11203 Ringwood Ave		ADU 03-2025	ADU	O	3/17/2025												1	1		NONE	No	No	No	Approved	Ministerial		
	8017-010-011	11509 Ringwood Ave		ADU 03-2025	ADU	O	5/8/2025												1	1		NONE	No	No	No	Approved	Ministerial		
	8017-006-010	10520 Garin Ave		ADU 04-2025	ADU	O	3/12/2025												1	1		NONE	No	No	No	Approved	Ministerial		
	8006-016-010	9791 Houston Ave		ADU 05-2025	ADU	O	6/17/2025												1	1		NONE	No	No	No	Approved	Ministerial		
	8001-011-031	8249 Darby Ave		ADU 06-2025	ADU	R	7/17/2025												2	2		NONE	No	No	No	Approved	Ministerial		
	8006-007-030	10119 Jersey Ave		ADU 01-2025	ADU	O	8/27/2025												1	1		NONE	No	No	No	Approved	Ministerial		
	8006-009-038	11339 Hamden St		ADU 08-2025	ADU	O	10/12/2025												1	1		NONE	No	No	No	Approved	Ministerial		
	8017-016-028	11549 Bland St		ADU 09-2025	ADU	R	10/6/2025												1	1		NONE	No	No	No	Approved	Ministerial		
	8002-005-038	11409 Broadest St		ADU 10-2025	ADU	O	10/27/2025												1	1		NONE	No	No	No	Approved	Ministerial		
	8008-007-038	11549 Edmund St		ADU 11-2025	ADU	O	11/26/2025												1	1		NONE	No	No	No	Approved	Ministerial		
	8005-003-014	11422 Chaparral		ADU 13-2025	ADU	R	12/8/2025												1	1		NONE	No	No	No	Approved	Ministerial		
	8008-009-008	16130 Dorr and Day		ADU 15-2025	ADU	O	1/24/2026												1	1		NONE	No	No	No	Approved	Ministerial		
	8001-016-028	9331 Merrill Ave		ADU 16-2025	ADU	R	2/17/2026												1	1		NONE	No	No	No	Approved	Ministerial		
	8006-010-017	11502 Wilcox St		ADU 18-2024	ADU	O	1/8/2026												1	1		NONE	No	No	No	Approved	Ministerial		
	8008-018-001	11480 Dorcas St		ADU 19-2025	ADU	R	4/8/2026												1	1		NONE	No	No	No	Approved	Ministerial		
	8008-016-054	11419 Florence Ave		SFS-824-407	ADU	R	2/19/2025												2	2		NONE	No	No	No	Approved	Ministerial		
	8008-016-054	11439 Florence Ave		SFS-824-406	ADU	R	2/19/2025												1	1		NONE	No	No	No	Approved	Ministerial		





<b>Jurisdiction</b>	Santa Fe Springs	
<b>Reporting Year</b>	2025	(Jan. 1 - Dec. 31)
<b>Planning Period</b>	6th Cycle	10/15/2021 - 10/15/2029

**ANNUAL ELEMENT PROGRESS REPORT  
Housing Element Implementation**

This table is auto-populated once you enter your jurisdiction name and current year data. Past year information comes from previous APRs.  
Please contact HCD if your data is different than the material supplied here

Table B														
Regional Housing Needs Allocation Progress														
Permitted Units Issued by Affordability														
		1	Projection Period	2									3	4
Income Level		RHNA Allocation by Income Level	Projection Period - 06/30/2021-10/14/2021	2021	2022	2023	2024	2025	2026	2027	2028	2029	Total Units to Date (all years)	Total Remaining RHNA by Income Level
Acutely Low	Deed Restricted		-	-	-	-	-	-	-	-	-	-	-	-
	Non-Deed Restricted		-	-	-	-	-	-	-	-	-	-	-	-
Extremely Low	Deed Restricted		-	-	1	23	-	-	-	-	-	-	-	26
	Non-Deed Restricted		-	-	-	-	2	-	-	-	-	-	-	-
Very Low	Deed Restricted		-	-	-	66	-	-	-	-	-	-	-	-
	Non-Deed Restricted	253	-	-	-	-	4	3	-	-	-	-	99	154
Low	Deed Restricted		1	1	4	30	-	-	-	-	-	-	-	-
	Non-Deed Restricted	159	-	-	-	-	6	4	-	-	-	-	46	113
Moderate	Deed Restricted		2	-	8	7	-	-	-	-	-	-	-	-
	Non-Deed Restricted	152	-	-	-	-	-	4	-	-	-	-	21	131
Above Moderate		388	-	-	-	58	5	6	-	-	-	-	69	319
Total RHNA		952												
Total Units			3	1	13	184	17	17	-	-	-	-	235	717

\*For years prior to 2025, Acutely Low-Income units are reported within the Extremely Low-Income category

\*For jurisdictions that received RHNA determinations for the current cycle prior to the passage of AB 3093 (September 19, 2024):

- You were not allocated Acutely Low-Income and Extremely Low-Income RHNA targets, therefore the allocations in Field 1 are listed as "0"
- If you wish to set your own targets in these income categories for informational purposes, contact HCD staff at [apr@hcd.ca.gov](mailto:apr@hcd.ca.gov).
- All Acutely Low-Income and Extremely Low-Income units reported during the cycle are counted towards Very-Low Income RHNA progress

\*For years prior to 2025, data on deed-restricted vs. non-deed restricted Extremely Low-Income units is approximated from whether the projects reported any deed-restricted Very Low-Income Units. If you wish to edit this historical data for accuracy or have any questions about the data, you may login to HCD's online APR system, or contact HCD staff at [apr@hcd.ca.gov](mailto:apr@hcd.ca.gov).

Please Note: Table B does not currently contain data from Table F or Table F2 for prior years. You may login to the APR system to see Table B that contains this data.

Please note: The APR form can only display data for one planning period. To view progress for a different planning period, you may login to HCD's online APR system, or contact HCD staff at [apr@hcd.ca.gov](mailto:apr@hcd.ca.gov).



## ANNUAL ELEMENT PROGRESS REPORT Housing Element Implementation

Jurisdiction		Santa Fe Springs						
Reporting Year		2025 (Jan. 1 - Dec. 31)						
Table D								
Program Implementation Status pursuant to GC Section 65583								
Housing Programs Progress Report								
Describe progress of all programs including local efforts to remove governmental constraints to the maintenance, improvement, and development of housing as identified in the housing element.								
1	2	3	4	5	6	7	8	9
Name of Program	Objective	Projected Completion Date in Housing Element	Applicable Cycle	Status of Program Implementation	Program Implementation Details	Quantified Outcomes: Category	Quantified Outcomes: Count	Supporting Documents
1. Home Improvement Rebate Program	Pursue outside funding, such as CDBG or other viable financial sources, to support re-initiation of the Home Improvement Rebate Program. Re-evaluate program guidelines in light of funding constraints to ensure an effective program. Seek to assist a minimum of 12 lower income households and four extremely low income households. Additionally, work with non-profit organizations to obtain financial assistance to rehabilitate dwellings owned or rented by lower-income households.	12/31/2029	6th Cycle	Continuous	When redevelopment was dissolved, the Home Improvement Rebate Program was eliminated, but the City continued to re-evaluate the long-term viability of the program, including the possible use of CDBG funding. On November 15, 2022, the City Council approved \$104,000 of CDBG funds for a Home Improvement Grant Program. The program provides financial assistance in the form of grants of up to \$20,000 to low income households for the rehabilitation of owner-occupied, single-family dwellings, condominiums, townhomes, mobile homes, and 1-4 unit rental properties. Through an RFP process, Willdan was selected to administer the program. Five completed rehab projects were households with Low Income – 80% of median income. Four households are currently working with the City for repair work.	Units	2	None
2. Property Maintenance Program	Continue to bring properties into compliance with the City's Property Maintenance Ordinance; provide information on available rehabilitation assistance. Seek to complete 80 residential Code Enforcement inspections annually.	12/31/2029	6th Cycle	Continuous	During calendar year 2025, the City processed a total of 203 residential cases. 33 of the residential cases were property maintenance. Inspectors provided trash bin reminder door hangers on a regular basis in residential neighborhoods. In addition, Inspectors provided a total of (5) grant info sheets to residential owners in 2025.	Other	80	Trash bin reminder door hangers and grant info sheets can be viewed at the Police Services Center.
3. Sale of HARP Properties	Transfer ownership of HARP properties to a non-profit for provision of first-time homebuyer units. Seek to provide one moderate income unit.	12/31/2029	6th Cycle	Continuous	The City has a vacant lot at 9257 Millergrove Drive. The City is working to design and build a single family home on the property.	Other	1	None
4. Homebuyer Assistance Programs	Advertise the availability of the Los Angeles County Homeownership Program (HOP), the Southern California Home Financing Authority (SCHFA) homeownership assistance programs, and the Mortgage Credit Certificate (MCC) Program.	12/31/2022	6th Cycle	Completed	The City provides a description of the HOP, SCHFA, and MCC programs on its website, along with links to the programs on the Los Angeles County Development Authority (LACDA) website with program application information and dates for homebuyer seminars.	Other	1	<a href="https://www.santafesprings.gov/departments/planning_and_development_department/housing/housing_program_and_service.php">https://www.santafesprings.gov/departments/planning_and_development_department/housing/housing_program_and_service.php</a>
5.1 Affordable Housing Assistance	Work with developers to increase the supply of new housing for all income groups and special needs residents—including seniors, residents with disabilities and developmental disabilities, large families, extremely low-income households, and those experiencing homelessness. Examples may include prioritizing staff time to process permits for units affordable to lower-income and extremely low-income households; providing technical assistance in applying for government financing (e.g., HOME funds); concessions and incentives, using General Funds to offset City development fees; and providing preliminary staff review of development proposals at no cost to developers.	12/31/2029	6th Cycle	Continuous	In 2022, the City entered into a Purchase and Sale Agreement with Habitat For Humanity, The Whole Child, and The Richman Group of California (Richman Group) to develop 139 units of affordable housing on Housing Successor Agency-owned property. Planning entitlements were approved for both The Whole Child and Richman Group projects in 2022 and Habitat For Humanity received Planning Commission approval for their 18 units of affordable for-sale housing in May 2023. The Whole Child received certificates of occupancy for their 19 units in 2024. The Richman Group of California received certificates of occupancy for their 102 units of lower-income housing in 2025.	Other	3	Information provided in the APR
5.2 Affordable Housing Assistance	Provide, when possible, developer incentives such as expedited permit processing and developer impact fee deferrals for units that are affordable to lower-income households, including extremely low-income households, and encourage adding large family units or multigenerational units with three or four bedrooms. The City will promote these incentives to developers on the City's website and during the application process.	12/31/2029	6th Cycle	Continuous	While an official policy or program has not been adopted, the City's typical entitlement timelines are several months faster than most jurisdictions and Community Development staff expedites projects on a case by case basis. Additionally, the City abides by Senate Bill 937.	Other	1	None

<b>5.3 Affordable Housing Assistance</b>	Encourage provision of affordable housing in the vicinity of transit through the designation of mixed use and multifamily sites near the existing and planned transit stations by allowing higher building intensities, reduced parking requirements, reduced set-back and yard requirements, increased building height, and greater floor-area ratios.	12/31/2029	6th Cycle	Completed	The sites near existing and future transit stations were re-zoned to Mixed Use Transit Oriented Development, which allow for greater densities and reduced parking requirements. Ordinance Nos. 1131 and 1132 were adopted by the City Council on September 5, 2023.	Other	1	<a href="https://files.santafesprings.gov/09-05-2023%20Agenda%20Packet.pdf">https://files.santafesprings.gov/09-05-2023%20Agenda%20Packet.pdf</a>
<b>5.4 Affordable Housing Assistance</b>	Provide fee underwriting, fee deferral, and/or permit fast-tracking for projects that include housing affordable to lower income households, prioritizing projects that include units affordable to extremely low-income households.	12/31/2029	6th Cycle	Continuous	While an official policy or program has not been adopted, Community Development staff expedites projects on a case by case basis. Additionally, the City abides by Senate Bill 937.	Other	1	None
<b>5.5 Affordable Housing Assistance</b>	Facilitate development and improve site development feasibility for site V-1 through financial assistance (including below market land sales) to offset remediation cost and by pursuing grant 2 funding for site remediation strategies and cleanup.	12/31/2029	6th Cycle	Continuous	In 2023, the City pursued grants to assist with funding the costs to characterize the contamination on four city-owned sites. A Phase I Draft report has been completed, and a Phase II report is currently in process.	Other	1	Phase I can be viewed at the Community Development Department counter.
<b>6. Residential Sites Inventory and Monitoring of No Net Loss</b>	Monitor the status of potential sites to ensure adequate sites to accommodate the City's entire RHNA allocation of 952 units (253 very low income, 159 low income, 152 moderate income, and 388 above moderate income) during the 2021-2029 planning period, and continue to provide site information to interested developers.	12/31/2029	6th Cycle	Continuous	The City has submitted and will continue to submit its Annual Report for each year of the 2021-2029 Housing Element planning period. The City has been monitoring its site inventory in conjunction with this process to ensure the continued availability of adequate site capacity to meet its RHNA allocation.	Other	1	Information provided in the APR
<b>7.1 Accessory Dwelling Units (ADUs)</b>	Prepare pre-approved ADU design templates, available at no charge to applicants, tailored to meet the specific zoning and building standards. Use of these free design templates by a potential homeowner would ensure that the proposed ADU meets most, if not all, required standards at the outset of the development process, minimizing and streamlining the review process and reducing time and cost.	5/31/2026	6th Cycle	Continuous	The City invites architects to submit their designs to be pre-approved design templates. To date, no architect has submitted to have their plans become a pre-approved template.	Other	1	None
<b>7.2 Accessory Dwelling Units (ADUs)</b>	Promote development of ADUs by providing written information at the City's planning counter and on the City's website.	5/31/2026	6th Cycle	Continuous	The City's website has a page dedicated to ADU information and resources.	Other	1	<a href="https://www.santafesprings.gov/departments/planning_and_development_department/accessory_dwelling_unit/index.php">https://www.santafesprings.gov/departments/planning_and_development_department/accessory_dwelling_unit/index.php</a>
<b>7.3 Accessory Dwelling Units (ADUs)</b>	Monitor ADU permit applications and approvals through the Housing Element Annual Progress Report process; identify and implement additional incentives or other strategies, as appropriate, to ensure adequate sites or trends align with projections identified in this Housing Element during the planning period. If trends do not align with assumptions, take appropriate actions within one year of making such determination.	5/31/2026	6th Cycle	Continuous	The City keeps track of annual ADU production and is on track with projections thus far.	Other	125	Information provided in the APR
<b>7.4 Accessory Dwelling Units (ADUs)</b>	Establishing an ADU "amnesty" program, to allow existing unpermitted units to come up to code standards without penalty, helping to preserve accessory units.	5/31/2026	6th Cycle	Continuous	While an official policy or program has not been adopted, Community Development staff treats unpermitted ADUs as if they are new submittals when an applicant comes in to legalize an unpermitted ADU. The applicant faces no penalty when they apply to legalize their unit.	Other	1	None
<b>8. Healthy and Sustainable Living Environment</b>	Encourage and facilitate energy conservation and building design strategies to help residents minimize energy-related expenses and impacts from transportation corridors and industrial uses.	12/31/2029	6th Cycle	Continuous	The City website provides information on the California Green Building Code, along with links to a number of websites for sustainability tips and resources, including information about recycling, proper disposal of electronic waste, and energy and water conservation rebates.	Other	1	<a href="https://www.santafesprings.gov/departments/planning_and_development_department/drought_tolerant_landscaping.php">https://www.santafesprings.gov/departments/planning_and_development_department/drought_tolerant_landscaping.php</a> ; <a href="https://files.santafesprings.gov/departments/public%20works/water%20conservation/Water%20ConserveBrochure%202022.pdf?t=202305111912180&amp;t=202305111912180">https://files.santafesprings.gov/departments/public%20works/water%20conservation/Water ConserveBrochure%202022.pdf?t=202305111912180&amp;t=202305111912180</a>
<b>9. Section 8 Rental Assistance Program</b>	Continue participation in program administered by the Los Angeles County Development Authority (LACDA). Promote the use of the Section 8 Program with the goal of maintaining at least the current level of assistance (219 voucher holders)	12/31/2029	6th Cycle	Continuous	The City does not administer its own Section 8 Program, but instead, the City provides a description of the Section 8 Program on its website, along with a link to the program on the LACDA website with program application information.	Other	219	<a href="https://www.santafesprings.gov/departments/planning_and_development_department/housing/housing_program_and_service.php">https://www.santafesprings.gov/departments/planning_and_development_department/housing/housing_program_and_service.php</a>
<b>10. Preservation of Assisted Rental Housing</b>	Monitor at-risk properties; as necessary, pursue alternative funding for rent subsidies and provide tenant education. Conserve 34 units of low-income housing.	12/31/2022	6th Cycle	Completed	Santa Fe Springs contained one project at risk of conversion to market rate during the 2021-2029 planning period: Villa Verde (34 units). On June 15, 2022, the Villa Verde project received an award of private activity bond allocation from the California Debt Limit Allocation Committee, enabling the Villa Verde Housing Partners to preserve the affordability of the project for an additional 55 years. As a result, this project's affordability was extended from 2022 to 2077 and is no longer at-risk of conversion to market rate.	Units	34	<a href="https://files.santafesprings.gov/09-20-2022%20Meeting%20Minutes.pdf">https://files.santafesprings.gov/09-20-2022%20Meeting%20Minutes.pdf</a>

<p><b>11.1 Zoning Code Revisions</b></p>	<p>Mixed-use and transit-oriented development are important strategies in the Santa Fe Springs General Plan to increase housing choices (including affordable housing), concentrate higher density projects adjacent to planned and existing transit stations and around the planned Downtown area, support economic activity, and improve the walkability of an area. To achieve these benefits, the City will create new mixed-use zones and apply those zones to the zoning map to achieve consistency with the General Plan. The new zones will be: Mixed Use-Downtown (71.8 acres at a maximum of 40 and a minimum of 20 units per acre with an anticipation of 646 units), Mixed Use (38.1 acres at a maximum of 40 and a minimum of 20 units per acre with an anticipation of 992 units), and Mixed Use-Transit Oriented Development (36.7 acres at a maximum of 60 and a minimum of 30 units per acre with an anticipation of 1,436 units). The rezoning will also accommodate the housing needs of lower-income households, pursuant to Government Code section 65583.2, subdivisions (h) and (i), which includes zoning these sites at a minimum density and development standards of at least 20 units per acre. Sites smaller than a half acre or larger than 10 acres shall not be deemed adequate for accommodating lower income housing.</p>	<p>5/1/2024</p>	<p>6th Cycle</p>	<p>Completed</p>	<p>The new mixed use zones and R-3 zone regulations were established in conjunction with the initial adoption of the 2021-2029 Housing Element in February 2022. The mixed use and R-3 development standards were adopted into the Zoning Code on September 5, 2023. The nonconforming provisions were comprehensively updated and adopted on August 20, 2024.</p>	<p>Other</p>	<p>1</p>	<p><a href="https://files.santafesprings.gov/09-05-2023%20Agenda%20Packet.pdf">https://files.santafesprings.gov/09-05-2023%20Agenda%20Packet.pdf</a></p>
<p><b>11.2 Zoning Code Revisions</b></p>	<p>Evaluate and revise the zoning regulations to include multifamily parking standards and policies that reflect the actual parking needs of different types of affordable housing and transitoriented-development. For clarity to housing developers, review guest parking standards and revise as appropriate. Specifically assess the impact on housing affordability in requiring two covered parking spaces for each multifamily unit, including studios and one-bedroom apartments and commit to making the appropriate changes and reductions to parking requirements. As of August 2023, the City has updated the parking requirements for multi-family and mixed-use developments, which now include reduced requirements for covered parking spaces (50 percent required) and clear identification of guest parking spaces (one space per four units).</p>	<p>5/1/2024</p>	<p>6th Cycle</p>	<p>Completed</p>	<p>The new mixed use zones and R-3 zone regulations were established in conjunction with the initial adoption of the 2021-2029 Housing Element in February 2022. The mixed use and R-3 development standards were adopted into the Zoning Code on September 5, 2023. The nonconforming provisions were comprehensively updated and adopted on August 20, 2024.</p>	<p>Other</p>	<p>1</p>	<p><a href="https://files.santafesprings.gov/09-05-2023%20Agenda%20Packet.pdf">https://files.santafesprings.gov/09-05-2023%20Agenda%20Packet.pdf</a></p>
<p><b>11.3 Zoning Code Revisions</b></p>	<p>Modify the standards of the R-3 zoning district to allow up to 25 dwelling units per acre and allow three-story buildings.</p>	<p>5/1/2024</p>	<p>6th Cycle</p>	<p>Completed</p>	<p>The new mixed use zones and R-3 zone regulations were established in conjunction with the initial adoption of the 2021-2029 Housing Element in February 2022. The mixed use and R-3 development standards were adopted into the Zoning Code on September 5, 2023. The nonconforming provisions were comprehensively updated and adopted on August 20, 2024.</p>	<p>Other</p>	<p>1</p>	<p><a href="https://files.santafesprings.gov/09-05-2023%20Agenda%20Packet.pdf">https://files.santafesprings.gov/09-05-2023%20Agenda%20Packet.pdf</a></p>
<p><b>11.4 Zoning Code Revisions</b></p>	<p>Modify the Zoning Code definition of "family" to ensure it does not exclude allowed uses and is inclusive/nondiscriminatory.</p>	<p>5/1/2024</p>	<p>6th Cycle</p>	<p>Completed</p>	<p>The new mixed use zones and R-3 zone regulations were established in conjunction with the initial adoption of the 2021-2029 Housing Element in February 2022. The mixed use and R-3 development standards were adopted into the Zoning Code on September 5, 2023. The nonconforming provisions were comprehensively updated and adopted on August 20, 2024.</p>	<p>Other</p>	<p>1</p>	<p><a href="https://files.santafesprings.gov/09-05-2023%20Agenda%20Packet.pdf">https://files.santafesprings.gov/09-05-2023%20Agenda%20Packet.pdf</a></p>
<p><b>11.5 Zoning Code Revisions</b></p>	<p>Ensure compliance with the Supportive Housing Streamlining Act (AB 2162) and AB 101 (Low-Barrier Navigation Centers). AB 2162 requires supportive housing to be considered a use by right in zoning districts where multifamily and mixed uses are permitted, including nonresidential zoning districts permitting multifamily uses if the proposed housing development meets specified criteria. If located within one-half mile of any public transit stop, no minimum parking requirements may be imposed. Review of applications for supportive housing must be completed within 60 days after the application is deemed complete for a project with 50 or fewer units, or within 120 days after the application is complete for a project with more than 50 units.</p>	<p>5/1/2024</p>	<p>6th Cycle</p>	<p>Completed</p>	<p>The new mixed use zones and R-3 zone regulations were established in conjunction with the initial adoption of the 2021-2029 Housing Element in February 2022. The mixed use and R-3 development standards were adopted into the Zoning Code on September 5, 2023. The nonconforming provisions were comprehensively updated and adopted on August 20, 2024.</p>	<p>Other</p>	<p>1</p>	<p><a href="https://files.santafesprings.gov/09-05-2023%20Agenda%20Packet.pdf">https://files.santafesprings.gov/09-05-2023%20Agenda%20Packet.pdf</a></p>

<b>11.6 Zoning Code Revisions</b>	Review the Development Plan Approval (DPA) permitting procedures and adjust as necessary to 1) allow for ministerial approval for projects consistent with future codified objective design standards, including modifying approval findings or modify the application of the approval finding; 2) remove any constraints related to the number of hearings, timing, costs, and approval certainty; 3) ensure the development permitting process is not a constraint to housing; and 4) ensure compliance and consistency with the Permit Streamlining Act and California Environmental Quality Act (CEQA), including timing requirements and streamlining determinations.	5/31/2026	6th Cycle	In Progress	The City is preparing a comprehensive update of its Zoning Code for the first time in more than 68 years. The Comprehensive Zoning Code Update will create a modern, flexible, effective, and user-friendly tool to implement the community's vision for the future, reflect current laws and best practices, and streamline development.	Other	1	<a href="https://santafesprings-ca.civilspace.io/en/projects/zoning-code-update">https://santafesprings-ca.civilspace.io/en/projects/zoning-code-update</a>
<b>11.7 Zoning Code Revisions</b>	Annually monitor the effectiveness of these zoning amendments and make modifications as necessary to address constraints and encourage the development of a variety of housing types.	12/31/2029	6th Cycle	Continuous	Staff regularly monitor new housing laws and has a running list of code cleanup items that have been provided to the consultant team preparing the Comprehensive Zoning Code Update.	Other	1	None
<b>11.8 Zoning Code Revisions</b>	Review, and if necessary revise Chapter 155 (Zoning) of the Santa Fe Springs Municipal Code, to remove governmental constraints on housing for lower- income Households and housing for persons with disabilities.	5/31/2026	6th Cycle	In Progress	The City is preparing a comprehensive update of its Zoning Code for the first time in more than 68 years. The Comprehensive Zoning Code Update will create a modern, flexible, effective, and user-friendly tool to implement the community's vision for the future, reflect current laws and best practices, and streamline development.	Other	1	<a href="https://santafesprings-ca.civilspace.io/en/projects/zoning-code-update">https://santafesprings-ca.civilspace.io/en/projects/zoning-code-update</a>
<b>11.9 Zoning Code Revisions</b>	Review and revise the Zoning Code as needed to allow large residential care facilities (seven or more persons) in residential zones with objectivity and certainty, treating the use similarly to other residential uses.	5/31/2026	6th Cycle	In Progress	The City is preparing a comprehensive update of its Zoning Code for the first time in more than 68 years. The Comprehensive Zoning Code Update will create a modern, flexible, effective, and user-friendly tool to implement the community's vision for the future, reflect current laws and best practices, and streamline development.	Other	1	<a href="https://santafesprings-ca.civilspace.io/en/projects/zoning-code-update">https://santafesprings-ca.civilspace.io/en/projects/zoning-code-update</a>
<b>11.10 Zoning Code Revisions</b>	Establish a new SB 9 Ordinance that creates new regulations pertaining to two-unit residential developments and urban lot splits in singlefamily residential zones in the City, pursuant to Senate Bill 9 (SB9), which became effective on January 1, 2022.	5/31/2026	6th Cycle	Completed	An SB 9 ordinance was adopted on April 2, 2024	Other	1	<a href="https://files.santafesprings.gov/04.02.2024%20City%20Council%20Agenda%20Packet.pdf">https://files.santafesprings.gov/04.02.2024%20City%20Council%20Agenda%20Packet.pdf</a>
<b>11.11 Zoning Code Revisions</b>	Evaluate parking standards for Emergency Shelters to ensure that such standards provide sufficient parking to accommodate all staff working in the emergency shelter, provided that the standards do not require more parking for emergency shelters than other residential or commercial uses within the same zone.	5/31/2026	6th Cycle	In Progress	The City is preparing a comprehensive update of its Zoning Code for the first time in more than 68 years. The Comprehensive Zoning Code Update will create a modern, flexible, effective, and user-friendly tool to implement the community's vision for the future, reflect current laws and best practices, and streamline development.	Other	1	<a href="https://santafesprings-ca.civilspace.io/en/projects/zoning-code-update">https://santafesprings-ca.civilspace.io/en/projects/zoning-code-update</a>
<b>12. Density Bonus</b>	Promote the use of density bonus incentives and provide technical assistance to developers in utilizing density bonus for maximize feasibility and meet local housing needs. Amend the existing density bonus ordinance to become fully compliant with Government Code §65915.	5/31/2026	6th Cycle	In Progress	The City is preparing a comprehensive update of its Zoning Code for the first time in more than 68 years. The Comprehensive Zoning Code Update will create a modern, flexible, effective, and user-friendly tool to implement the community's vision for the future, reflect current laws and best practices, and streamline development.	Other	1	<a href="https://santafesprings-ca.civilspace.io/en/projects/zoning-code-update">https://santafesprings-ca.civilspace.io/en/projects/zoning-code-update</a>
<b>13. CEQA Exemptions for Infill Projects</b>	Continue to utilize CEQA categorical exemptions where appropriate, on a case-by-case basis.	12/31/2029	6th Cycle	Continuous	The City has on-call CEQA consultants to assist with all CEQA determinations and to find exemptions, when appropriate. No categorical exemptions were used for residential infill projects during 2025 because all housing projects were processed ministerially.	Other	1	None
<b>14. Objective Design Standards</b>	Adopt objective design standards to ensure that the City can provide local guidance on design and standards for by-right projects as allowed by State law.	5/31/2026	6th Cycle	Completed	Objective Development Standards for the Medium Density Residential, High Density, Mixed Use and Mixed Use TOD zones were formulated and presented to the Planning Commission and City Council on September 5, 2023.	Other	1	<a href="https://files.santafesprings.gov/09-05-2023%20Agenda%20Packet.pdf">https://files.santafesprings.gov/09-05-2023%20Agenda%20Packet.pdf</a>
<b>15. Inclusionary Housing Ordinance</b>	Adopt an inclusionary housing ordinance requiring residential rental housing developments to include a specified percentage of affordable units as a condition of development.	5/31/2027	6th Cycle	Not Yet Started	The drafting, supporting economic feasibility analysis, and adoption of the ordinance will be completed within three years of adopting the final Housing Element.	Other	1	None
<b>16. Affirmatively Furthering Fair Housing (AFFH)</b>	Promote and affirmatively further fair housing opportunities and promote housing for all persons, including those protected by the California Fair Employment and Housing Act and any other State and federal fair housing and planning laws.	12/31/2029	6th Cycle	Continuous	Execution of the AFFH actions/strategies identified in the Housing Element has commenced and will continue over the course of the planning period. Brochures about fair housing services provided in Santa Fe Springs through the Housing Rights Center are provided at City Hall.	Other	1	<a href="https://www.santafesprings.gov/departments/planning_and_development_department/housing/housing_program_and_service.php">https://www.santafesprings.gov/departments/planning_and_development_department/housing/housing_program_and_service.php</a>
<b>17. Social Service Programs for Special Needs Groups</b>	Maintain proactive social service programs; augment services as directed by the Social Services and Senior Citizen Advisory Committees.	12/31/2029	6th Cycle	Continuous	The City maintains active social services programs for its residents, mainly through its Community Services Department.	Other	1	<a href="https://www.santafesprings.gov/departments/community_services/family_and_human_services/index.php">https://www.santafesprings.gov/departments/community_services/family_and_human_services/index.php</a>





<b>Jurisdiction</b>	Springs
<b>Reporting Period</b>	2025 (Jan. 1 - Dec. 31)
<b>Planning Period</b>	6th Cycle 10/15/2021 - 10/15/2029

**ANNUAL ELEMENT PROGRESS REPORT**  
**Housing Element Implementation**

Note: "+" indicates an optional field  
 Cells in grey contain auto-calculation formulas

**Table F**

**Units Rehabilitated, Preserved and Acquired for Alternative Adequate Sites pursuant to Government Code section 65583.1(c)**

Please note this table is optional: The jurisdiction can use this table to report units that have been substantially rehabilitated, converted from non-affordable to affordable by acquisition, and preserved, including mobilehome park preservation, consistent with the standards set forth in Government Code section 65583.1, subdivision (c). Please note, motel, hotel, hostel rooms or other structures that are converted from non-residential to residential units pursuant to Government Code section 65583.1(c)(1)(D) are considered net-new housing units and must be reported in Table A2 and not reported in Table F.

Activity Type	Units that Do Not Count Towards RHNA* Listed for Informational Purposes Only				Units that Count Towards RHNA* Note - Because the statutory requirements severely limit what can be counted, please contact HCD at apr@hcd.ca.gov and we will unlock the form which enable you to populate these fields.				The description should adequately document how each unit complies with subsection (c) of Government Code Section 65583.1*. For detailed reporting requirements, see the checklist here:  <a href="https://www.hcd.ca.gov/community-development/docs/adequate-sites-checklist.pdf">https://www.hcd.ca.gov/community-development/docs/adequate-sites-checklist.pdf</a>
	Extremely Low-Income*	Very Low-Income*	Low-Income*	TOTAL UNITS*	Extremely Low-Income*	Very Low-Income*	Low-Income*	TOTAL UNITS*	
Rehabilitation Activity									
Preservation of Units At-Risk									
Acquisition of Units									
Mobilehome Park Preservation									
Total Units by Income									









<b>Jurisdiction</b>	Santa Fe Springs	
<b>Reporting Period</b>	2025	(Jan. 1 - Dec. 31)
<b>Planning Period</b>	6th Cycle	10/15/2021 - 10/15/2029

## ANNUAL ELEMENT PROGRESS REPORT

**Table K**  
**Tenant Preference Policy**

Local governments are required to inform HCD about any local tenant preference ordinance the local government maintains when the jurisdiction submits their annual progress report on housing approvals and production, per Government Code 7061 (SB 649, 2022, Cortese). Effective January 1, 2023, local governments adopting a tenant preference are required to create a webpage on their internet website containing authorizing local ordinance and supporting materials, no more than 90 days after the ordinance becomes operational.

<b>Does the Jurisdiction have a local tenant preference policy?</b>	No	
<b>If the jurisdiction has a local tenant preference policy, provide a link to the jurisdiction's webpage containing authorizing local ordinance and supporting materials.</b>		
Notes		



<b>Jurisdiction</b>	Santa Fe Springs
<b>Reporting Year</b>	2025 (Jan. 1 - Dec. 31)

**ANNUAL ELEMENT PROGRESS REPORT**  
**Local Early Action Planning (LEAP) Reporting**  
 (CCR Title 25 §6202)

Please update the status of the proposed uses listed in the entity's application for funding and the corresponding impact on housing within the region or jurisdiction, as applicable, categorized based on the eligible uses specified in Section 50515.02 or 50515.03, as applicable.

<b>Total Award Amount</b>	\$ 65,000.00	Total award amount is auto-populated based on amounts entered in rows 15-26.
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Task	\$ Amount Awarded	\$ Cumulative Reimbursement Requested	Task Status	Other Funding	Notes
Project mangement and staff/consultant meetings related to Housing Element and Zoning Amendment	\$15,000.00	\$0.00	Completed	Other	Project was part of much larger General Plan and Zoning Ordinance Update with estimated cost of over \$1M. In addition to LEAP grant, funding included SB2 grant (\$160,000), SB1 grant (\$330,000), and General Fund.
Draft Guiding Pricipals and Housing Policies	\$5,000.00	\$0.00	Completed	Other	
Assessment/Constraints/Resources	\$8,000.00	\$0.00	Completed	Other	
Screencheck/Public Draft Housing Element/Zoning Amendments	\$19,000.00	\$0.00	Completed	Other	
Final Housing Element/Zoning Amendments	\$13,000.00	\$0.00	Completed	Other	
HCD Certification meetings/process/changes	\$4,350.00	\$0.00	Completed	Other	Certified by HCD on October 28, 2024
Gateway Cities COG Housing Technical Sevices	\$650.00	\$0.00	Completed	Other	Contributed to hiring of regional housing planner.

Summary of entitlements, building permits, and certificates of occupancy (auto-populated from Table A2)

Completed Entitlement Issued by Affordability Summary		
Income Level		Current Year
Acutely Low	Deed Restricted	0
	Non-Deed Restricted	0
Extremely Low	Deed Restricted	0
	Non-Deed Restricted	0
Very Low	Deed Restricted	0
	Non-Deed Restricted	9
Low	Deed Restricted	0
	Non-Deed Restricted	8
Moderate	Deed Restricted	0
	Non-Deed Restricted	1
Above Moderate		4
<b>Total Units</b>		<b>22</b>



## CITY COUNCIL AGENDA STAFF REPORT

**TO:** Honorable Mayor and City Council Members  
**FROM:** René Bobadilla, P.E., City Manager  
**BY:** Cuong Nguyen, Director of Community Development  
**SUBJECT:** **AWARD OF CONTRACTS – ON-CALL PROFESSIONAL ARCHITECTURAL CONSULTING SERVICES (RFQ NO. 26-1)**  
**DATE:** March 17, 2026

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### **RECOMMENDATION:**

It is recommended that the City Council:

1. Adopt Resolution No. 10004 awarding Professional Services Agreements to Dahlin Group, dSantana Arquitectura, RACAIA, Inc., RJM Design Group, TAIT & Associates Inc., and Tate Snyder Kimsley Architects, Inc., and authorizing the City Manager, or designee, to enter into and execute the Professional Services Agreements with all six firms; and
2. Take such additional, related action that may be desirable.

### **FISCAL IMPACT**

The proposed agreements will be on an as-needed, task order basis, with compensation based on approved hourly rates and negotiated scopes of work. Each proposal included a time-and-materials fee schedule, which was evaluated for reasonableness under the evaluation criteria.

Funding for architectural services will be allocated from the appropriate funds and accounts associated with consulting services or development projects, as applicable. There is no guarantee of a minimum amount of work. Expenditures will be incurred only upon issuance of City-approved work orders.

### **BACKGROUND**

On November 6, 2025, the City of Santa Fe Springs ("City") issued Request for Qualifications (RFQ) No. 26-1 seeking qualified firms to provide on-call architectural consulting services. The RFQ was issued and administered in accordance with the City's procurement policies and made available through the City's PlanetBids portal.

The purpose of the RFQ was to establish a list of pre-qualified firms capable of providing professional architectural services on an as-needed basis. Services include, but are not limited to:

- Conceptual site design services
- Project plan review services
- Technical support coordination
- Additional services as requested

The City received six Statements of Qualifications (SOQs) by the December 11, 2025, deadline. An evaluation panel reviewed and scored the submittals in accordance with the criteria outlined in the RFQ.

### **ANALYSIS**

Proposals were evaluated by a review panel in accordance with the criteria established in RFQ No. 26-1, including: (1) Experience of Proposer and Project Personnel (40 points); (2) Proposed Approach and Work Plan (30 points); (3) Proposed Fees for Items/Services (20 points); and (4) Responsiveness to RFQ (10 points), for a total possible score of 100 points.

Each submittal demonstrated strong technical expertise in architectural design and planning, extensive experience with building code compliance and permitting, facility programming and space planning, and construction administration services, as well as competitive and reasonable fee schedules. Based on the evaluation results and qualitative review of the Statements of Qualifications, staff recommends establishing agreements with Dahlin Group, dSantana Arquitectura, RACAIA, Inc., RJM Design Group, TAIT & Associates Inc., and Tate Snyder Kimsley Architects, Inc.

Establishing a pre-qualified on-call list provides the City with flexibility to assign work based on expertise, availability, and project-specific requirements. Task orders will be negotiated individually, allowing the City to control scope, schedule, and cost.

The agreements will be structured as professional services agreements with no guaranteed minimum compensation and will require compliance with the City's insurance, indemnification, and federal funding provisions, if applicable. The RFQ requires each selected firm to execute a Professional Services Agreement, attached in substantial form to the RFQ and included herein as Attachment A.

### **ENVIRONMENTAL**

The approval of on-call professional services agreements for architectural consulting services is not a project under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378, as it constitutes an administrative action that does not have the potential for resulting in a direct or reasonably foreseeable indirect physical change in the environment.

Future site-specific projects will undergo appropriate environmental review in accordance with CEQA before implementation.

### **DISCUSSION**

The City is responsible for planning, design, and oversight of public facilities and infrastructure improvements that require ongoing technical evaluation, regulatory compliance, and, in certain cases, renovation, expansion, or new construction.

Given the technical complexity and regulatory oversight associated with architectural planning, design, and construction administration activities, retaining qualified on-call architectural consulting support is critical to:

- Ensuring compliance with applicable building codes, accessibility standards, and other regulatory requirements;
- Supporting efficient and functional facility programming, space planning, and design development;
- Promoting sustainable design practices and long-term operational efficiency;
- Providing reliable cost estimates, design documentation, and coordination with engineering disciplines; and
- Maintaining transparency and effective coordination with stakeholders, City departments, and regulatory agencies.

Utilizing multiple firms reduces project delivery risk, enhances technical capacity, and provides competitive cost control when negotiating task-specific scopes of work.

**SUMMARY/NEXT STEPS**

Approval of the recommended action will:

- Establish a list of qualified professional architectural consulting firms;
- Enable the City to efficiently issue task orders for planning, design, and construction support; and
- Support the City’s ongoing compliance with building standards, sustainable design goals, and project risk management objectives.

Upon City Council approval, staff will:

1. Finalize and execute Professional Services Agreements with the selected firms;
2. Develop and issue task orders for projects; and
3. Return to City Council as necessary for additional appropriations or project-specific approvals.

**ATTACHMENT(S):**

- A. Sample Professional Services Agreement
- B. Resolution No. 10004

<b><u>ITEM STATUS:</u></b>	
APPROVED:	<input type="checkbox"/>
DENIED:	<input type="checkbox"/>
TABLED:	<input type="checkbox"/>
DIRECTION GIVEN:	<input type="checkbox"/>
<hr/>	
City Clerk, Maribel Garcia	

**CITY OF SANTA FE SPRINGS  
PROFESSIONAL SERVICES AGREEMENT  
WITH**



This Professional Services Agreement (“Agreement”) is made and effective as of November 12, 2024 (“Effective Date”), by and between the City of Santa Fe Springs, a California municipal corporation, (“City”) and [REDACTED] (“Consultant”). For the purposes of this Agreement, City and Consultant may be referred to collectively by the capitalized term “Parties.” The capitalized term “Party” may refer to City or Consultant interchangeably, as appropriate

RECITALS

WHEREAS, City requires professional consulting services for [REDACTED] (collectively, the “Project”); and

WHEREAS, City staff has determined that Consultant possesses the experience, skills, and training necessary to competently provide such services to City; and

WHEREAS, the execution of this Agreement was approved by the City of Santa Fe Springs City Council (“City Council”) at its Regular Meeting of [REDACTED] under Agenda Item No. [REDACTED];

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, City and Consultant agree as follows:

AGREEMENT

**1. TERM**

This Agreement shall commence on the Effective Date and shall remain and continue in effect until [REDACTED] (“Term”), or until services described herein are completed, unless sooner terminated pursuant to the provisions of this Agreement. This Agreement may be extended for one (1) additional, one (1) year term, if mutually agreed upon in writing.

**2. SERVICES**

Subject to the terms and conditions of this Agreement, Consultant shall perform the services and tasks described and set forth in the City’s Request for Proposals, attached hereto as Exhibit A, and Consultant’s Proposal, attached hereto as Exhibit B, both incorporated herein as though set forth in full (“Scope of Work”). Consultant further agrees to furnish to City all labor, materials, tools, supplies, equipment, services, tasks and incidental and customary work necessary to competently perform and timely complete the services and tasks set forth in the Scope of Work. Consultant shall complete the services and tasks set forth in the Scope of Work according to any schedule of

performance set forth in Exhibit A. To the extent that Exhibit B contains provisions inconsistent with this Agreement and/or Exhibit A, the provisions of this Agreement and Exhibit A shall govern. For the purposes of this Agreement, the aforementioned services and tasks set forth in the Scope of Work shall hereinafter be referred to generally by the capitalized term "Work."

### **3. PERFORMANCE**

- A. Time is of importance for this Agreement and every provision contained herein. The Work shall commence upon mutual consent of the Parties subsequent the City's issuance of a written Notice to Proceed. Consultant shall perform the various tasks identified in, and within the timeframes set forth in, the Scope of Work, and shall complete all of the Work in accordance with the schedule and timeline established by the Parties;
- B. Consultant shall at all times faithfully, competently and to the best of Consultant's ability, experience, and talent, perform all tasks described herein. Consultant shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing similar services as are required of Consultant under this Agreement;
- C. Consultant shall not claim or be entitled to receive any compensation or damage because of the failure of Consultant, or its subconsultants, to have related services or tasks completed in a timely manner;
- D. Consultant shall at all times enforce strict discipline and good order among Consultant's employees; and
- E. Consultant, at its sole expense, shall pay all sales, consumer, use or other similar taxes required by law

### **4. PAYMENT OF COMPENSATION**

- A. Consultant's total compensation for the performance of all Work contemplated under this Agreement shall not exceed \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) per fiscal year (July 1<sup>st</sup> – June 30<sup>th</sup>) during the Term of this Agreement unless additional payment is first approved as provided in this Agreement. In the event Consultant's charges are projected to exceed the Not-to-Exceed Sum prior to the expiration of this Agreement, City may suspend Consultant's performance for the relevant Work pending City approval of any anticipated expenditures in excess of the Not-to-Exceed Sum or any other City approved amendment to the compensation terms of this Agreement.
- B. Consultant shall not be compensated for any Work rendered in connection with its performance of this Agreement which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the City Manager or his/her designee. Consultant shall be compensated for any



Consultant hereby designates [REDACTED], [Title], to act as its representative for the performance of this Agreement (the "Consultant Representative"). Consultant Representative will have full authority to represent and act on behalf of the Consultant for all purposes under this Agreement. Consultant Representative or his/her designee will supervise and direct the performance of the Work, using his best skill and attention, and will be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Work under this Agreement. Notice to the Consultant Representative will constitute notice to Consultant.

#### **9. COORDINATION OF SERVICE; CONFORMANCE WITH REQUIREMENTS**

Consultant agrees to work closely with City staff in the performance of the Work and this Agreement and will be reasonably available to City staff and the City Representative at all reasonable times. All work prepared by Consultant will be subject to inspection and approval by City Representative or his or her designees.

#### **10. STANDARD OF CARE; PERFORMANCE OF EMPLOYEES**

Consultant represents, acknowledges and agrees to the following:

- A. Consultant will perform all Work skillfully, competently and to the highest standards of Consultant's profession;
- B. Consultant shall at all times employ such force, plant, materials, and tools as will be sufficient in the opinion of the City to perform the Services within the time limits established, and as provided herein. It is understood and agreed that said tools, equipment, apparatus, facilities, labor, and material shall be furnished and said Services performed and completed as required by the Agreement, and subject to the approval of the City's authorized representative;
- C. Consultant will perform all Work in a manner reasonably satisfactory to the City;
- D. Consultant will comply with all applicable federal, state and local laws and regulations, including the conflict of interest provisions of Government Code Section 1090 and the Political Reform Act (Government Code Section 81000 et seq.). Consultant shall be liable for all violations of such laws and regulations in connection with Services. If Consultant performs any work knowing it to be contrary to such laws, rules and regulations, Consultant shall be solely responsible for all costs arising therefrom;
- E. Consultant understands the nature and scope of the Work to be performed under this Agreement as well as any and all schedules of performance;
- F. All of Consultant's employees and agents possess sufficient skill, knowledge, training and experience to perform those services and tasks assigned to them by Consultant; and

- G. All of Consultant's employees and agents (including, but not limited to, subcontractors and subconsultants) possess all licenses, permits, certificates, qualifications and approvals of whatever nature that are legally required to perform the tasks and services contemplated under this Agreement and all such licenses, permits, certificates, qualifications and approvals will be maintained throughout the term of this Agreement and made available to City for copying and inspection.

The Parties acknowledge and agree that Consultant will perform, at Consultant's own cost and expense and without any reimbursement from City, any services necessary to correct any errors or omissions caused by Consultant's failure to comply with the standard of care set forth under this Section or by any like failure on the part of Consultant's employees, agents, contractors, subcontractors and subconsultants. Such effort by Consultant to correct any errors or omissions will be commenced immediately upon their discovery by either Party and will be completed within seven (7) calendar days from the date of discovery or such other extended period of time authorized by the City Representative in writing and in her sole and absolute discretion. The Parties acknowledge and agree that City's acceptance of any work performed by Consultant or on Consultant's behalf will not constitute a release of any deficiency or delay in performance. The Parties further acknowledge, understand and agree that City has relied upon the foregoing representations of Consultant, including but not limited to the representation that Consultant possesses the skills, training, knowledge and experience necessary to perform the Work skillfully, competently and to the highest standards of Consultant's profession.

#### **11. ASSIGNMENT**

The skills, training, knowledge and experience of Consultant are material to City's willingness to enter into this Agreement. Accordingly, City has an interest in the qualifications and capabilities of the person(s) who will perform the services and tasks to be undertaken by Consultant or on behalf of Consultant in the performance of this Agreement. In recognition of this interest, Consultant agrees that it will not assign or transfer, either directly or indirectly or by operation of law, this Agreement or the performance of any of Consultant's duties or obligations under this Agreement without the prior written consent of the City. In the absence of City's prior written consent, any attempted assignment or transfer will be ineffective, null and void and will constitute a material breach of this Agreement.

#### **12. SUBSTITUTION OF KEY PERSONNEL**

Consultant has represented to City that certain key personnel will perform and coordinate the Services under this agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence upon written approval of City. In the event that City and Consultant cannot agree as to the substitution of key personnel, City shall be entitled to terminate this Agreement for cause. As discussed below, any personnel who fail or refuse to perform the Services in a manner acceptable to the City, or who are determined by the City to be uncooperative,

incompetent, a threat to the adequate or timely completion of the Project or a threat to the safety of persons or property, shall be promptly removed from the Project by the Consultant at the request of the CITY. The key personnel for performance of this Agreement are as follows: [REDACTED].

**13. CONTROL AND PAYMENT OF SUBORDINATES; INDEPENDENT CONTRACTOR**

The Work will be performed by Consultant or under Consultant's strict supervision. Consultant will determine the means, methods and details of performing the Work subject to the requirements of this Agreement. City retains Consultant on an independent contractor basis and not as an employee. Consultant reserves the right to perform similar or different services for other principals during the term of this Agreement, provided such work does not unduly interfere with Consultant's competent and timely performance of the Work contemplated under this Agreement and provided the performance of such services does not result in the unauthorized disclosure of City's confidential or proprietary information. Any additional personnel performing the Work under this Agreement on behalf of Consultant are not employees of City and will at all times be under Consultant's exclusive direction and control. Consultant will pay all wages, salaries and other amounts due to such personnel and will assume responsibility for all benefits, payroll taxes, Social Security and Medicare payments and the like. Consultant will be responsible for all reports and obligations respecting such additional personnel, including, but not limited to, Social Security taxes, income tax withholding, unemployment insurance, disability insurance, workers' compensation insurance and the like.

**14. REMOVAL OF EMPLOYEES OR AGENTS**

If any of Consultant's officers, employees, agents, contractors, subcontractors or subconsultants is determined by the City Representative to be uncooperative, incompetent, a threat to the adequate or timely performance of the tasks assigned to Consultant, a threat to persons or property, or if any of Consultant's officers, employees, agents, contractors, subcontractors or subconsultants fail or refuse to perform the Work in a manner acceptable to the City, such officer, employee, agent, contractor, subcontractor or subconsultant will be promptly removed by Consultant and will not be reassigned to perform any of the Work.

**15. COMPLIANCE WITH LAWS**

Consultant will keep itself informed of and in compliance with all applicable federal, state or local laws to the extent such laws control or otherwise govern the performance of the Work. Consultant's compliance with applicable laws will include, without limitation, compliance with all applicable Cal/OSHA requirements, Federal Labor Standards Provisions including the prevailing wage requirements of the DBRA, and all applicable regulations of the U.S. Department of Housing and Urbanization.

**16. NON-DISCRIMINATION**

Consultant represents that it is an equal opportunity employer and it shall not discriminate against any subconsultant, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination.

**17. INDEPENDENT CONTRACTOR STATUS**

The Parties acknowledge, understand and agree that Consultant and all persons retained or employed by Consultant are, and will at all times remain, wholly independent contractors and are not officials, officers, employees, departments or subdivisions of City. Consultant will be solely responsible for the negligent acts and/or omissions of its employees, agents, contractors, subcontractors and subconsultants. Consultant and all persons retained or employed by Consultant will have no authority, express or implied, to bind City in any manner, nor to incur any obligation, debt or liability of any kind on behalf of, or against, City, whether by contract or otherwise, unless such authority is expressly conferred to Consultant under this Agreement or is otherwise expressly conferred by City in writing.

**18. INSURANCE**

Prior to the beginning of and throughout the duration of the Work, Consultant will procure and maintain policies of insurance that meet the requirements and specifications set forth in **Exhibit C**. Consultant will procure and maintain the required insurance coverage, at its own expense.

**19. INDEMNIFICATION**

A. The Parties agree that City and City's elected and appointed officials, officers, employees, agents and volunteers (hereinafter, the "City Indemnitees") should, to the fullest extent permitted by law, be protected from any and all loss, injury, damage, claim, lawsuit, cost, expense, attorneys' fees, litigation costs, or any other cost arising out of or in any way related to the performance of this Agreement. Accordingly, the provisions of this indemnity provision are intended by the Parties to be interpreted and construed to provide the City Indemnitees with the fullest protection possible under the law. Consultant acknowledges that City would not enter into this Agreement in the absence of Consultant's commitment to indemnify, defend and protect City as set forth herein. Notwithstanding the foregoing, to the extent Consultant's services are subject to Civil Code Section 2782.8, the above indemnity shall be limited, to the extent required by Civil Code Section 2782.8, to Claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant.

Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the City, its officials, officers, employees, agents or volunteers.

- B. To the fullest extent permitted by law, Consultant shall indemnify, hold harmless and defend the City Indemnitees from and against all liability, loss, damage, expense, cost (including without limitation reasonable attorneys' fees, expert fees and all other costs, and fees of litigation) of every nature arising out of or in connection with Consultant's performance of work hereunder or its failure to comply with any of its obligations contained in this Agreement, except such loss or damage which is caused by the sole negligence or willful misconduct of the City.
- C. City shall have the right to offset against the amount of any compensation due to Consultant under this Agreement, any amount due to City from Consultant as a result of Consultant's failure to either pay City promptly for any costs associated with Consultant's obligations to indemnify the City Indemnitees under this Section, or related to Consultant's failure to either (i) pay taxes on amounts received pursuant to this Agreement, or (ii) comply with applicable workers' compensation laws.
- D. The obligations of Consultant under this Section will not be limited by the provisions of any workers' compensation act or similar act. Consultant expressly waives its statutory immunity under such statutes or laws as to City and City's elected and appointed officials, officers, employees, agents, and volunteers.
- E. Consultant agrees to obtain executed indemnity agreements with provisions identical to those set forth herein this Section from each and every subcontractor or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this Agreement. In the event Consultant fails to obtain such indemnity obligations from others as required herein, Consultant agrees to be fully responsible and indemnify, hold harmless and defend City and City's elected and appointed officials, officers, employees, agents, and volunteers from and against any and all claims and losses, costs or expenses for any damage due to death or injury to any person and injury to any property resulting from any alleged intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of Consultant's subcontractors or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this Agreement. Such costs and expenses shall include reasonable attorneys' fees incurred by counsel of City's choice.
- F. City does not and shall not waive any rights that it may possess against Consultant because of the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement. This hold harmless and indemnification provision shall apply regardless of whether or not

any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost, or expense.

- G. This Section and all provisions contained herein (including but not limited to the duty to indemnify, defend, and hold free and harmless) shall survive the termination or normal expiration of this Agreement and is in addition to any other rights or remedies which the City may have at law or in equity.

## **20. TERMINATION WITHOUT CAUSE**

City may immediately terminate this Agreement at any time for convenience and without cause by giving prior written notice of City's intent to terminate this Agreement which notice shall specify the effective date of such termination. Upon such termination for convenience, Consultant will be compensated only for those services and tasks which have been performed by Consultant up to the effective date of the termination. Consultant may not terminate this Agreement except for cause as provided under Section 21, below. If this Agreement is terminated as provided herein, City may require Consultant to provide all finished or unfinished Documents and Data, as defined in Section 24, below, and other information of any kind prepared by Consultant in connection with the performance of the Work. Consultant will be required to provide such Documents and Data within fifteen (15) calendar days of City's written request. No actual or asserted breach of this Agreement on the part of City pursuant to Section 21, below, will operate to prohibit or otherwise restrict City's ability to terminate this Agreement for convenience as provided under this Section.

## **21. EVENTS OF DEFAULT; BREACH OF AGREEMENT**

- A. In the event either Party fails to perform any duty, obligation, service or task set forth under this Agreement (or fails to timely perform or properly perform any such duty, obligation, service or task set forth under this Agreement), an event of default (hereinafter, "Event of Default") will occur. For all Events of Default, the Party alleging an Event of Default will give written notice to the defaulting Party (hereinafter referred to as a "Default Notice") which will specify: (i) the nature of the Event of Default; (ii) the action required to cure the Event of Default; (iii) a date by which the Event of Default will be cured, which will not be less than the applicable cure period set forth herein, or if a cure is not reasonably possible within the applicable cure period, to begin such cure and diligently prosecute such cure to completion. The Event of Default will constitute a breach of this Agreement if the defaulting Party fails to cure the Event of Default within the applicable cure period or any extended cure period allowed under this Agreement.
- B. Consultant will cure the Event of Default within the following time periods:
- i. Within ten (10) business days of City's issuance of a Default Notice for any failure of Consultant to timely provide City or City's employees or agents with any information and/or written reports, documentation or work product which Consultant is obligated to provide to City or City's employees or agents under this Agreement. Prior to the expiration of

the 10-day cure period, Consultant may submit a written request for additional time to cure the Event of Default upon a showing that Consultant has commenced efforts to cure the Event of Default and that the Event of Default cannot be reasonably cured within the 10-day cure period. The foregoing notwithstanding, City will be under no obligation to grant additional time for the cure of an Event of Default under this subsection B.i. that exceeds seven (7) calendar days from the end of the initial 10-day cure period; or

- ii. Within fourteen (14) calendar days of City's issuance of a Default Notice for any other Event of Default under this Agreement. Prior to the expiration of the 14-day cure period, Consultant may submit a written request for additional time to cure the Event of Default upon a showing that Consultant has commenced efforts to cure the Event of Default and that the Event of Default cannot be reasonably cured within the 14-day cure period. The foregoing notwithstanding, City will be under no obligation to grant additional time for the cure of an Event of Default under this Subsection B.ii that exceeds thirty (30) calendar days from the end of the initial 14-day cure period.

In addition to any other failure on the part of Consultant to perform any duty, obligation, service or task set forth under this Agreement (or the failure to timely perform or properly perform any such duty, obligation, service or task), an Event of Default on the part of Consultant will include, but will not be limited to the following: (i) Consultant's refusal or failure to perform any of the services or tasks called for under the Scope of Work; (ii) Consultant's failure to fulfill or perform its obligations under this Agreement within the specified time or if no time is specified, within a reasonable time; (iii) Consultant's and/or its employees' disregard or violation of any federal, state, local law, rule, procedure or regulation; (iv) the initiation of proceedings under any bankruptcy, insolvency, receivership, reorganization, or similar legislation as relates to Consultant, whether voluntary or involuntary; (v) Consultant's refusal or failure to perform or observe any covenant, condition, obligation or provision of this Agreement; and/or (vi) CITY's discovery that a statement representation or warranty by Consultant relating to this Agreement is false, misleading or erroneous in any material respect.

- C. City will cure any Event of Default asserted by Consultant within forty-five (45) calendar days of Consultant's issuance of a Default Notice, unless the Event of Default cannot reasonably be cured within the 45-day cure period. Prior to the expiration of the 45-day cure period, City may submit a written request for additional time to cure the Event of Default upon a showing that City has commenced its efforts to cure the Event of Default and that the Event of Default cannot be reasonably cured within the 45-day cure period. The foregoing notwithstanding, an Event of Default dealing with City's failure to timely pay any

undisputed sums to Consultant pursuant to this Agreement will be cured by City within five (5) calendar days from the date of Consultant's Default Notice to City.

- D. City, in its sole and absolute discretion, may also immediately suspend Consultant's performance under this Agreement pending Consultant's cure of any Event of Default by giving Consultant written notice of City's intent to suspend Consultant's performance (hereinafter, a "Suspension Notice"). City may issue the Suspension Notice at any time upon the occurrence of an Event of Default. Upon such suspension, Consultant will be compensated only for those services and tasks which have been rendered by Consultant to the reasonable satisfaction of City up to the effective date of the suspension. No actual or asserted breach of this Agreement on the part of City will operate to prohibit or otherwise restrict City's ability to suspend this Agreement as provided herein.
- E. No waiver of any Event of Default or breach under this Agreement will constitute a waiver of any other or subsequent Event of Default or breach. No waiver, benefit, privilege, or service voluntarily given or performed by a Party will give the other Party any contractual rights by custom, estoppel, or otherwise.
- F. The duties and obligations imposed under this Agreement and the rights and remedies available hereunder will be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law. In addition to any other remedies available to City at law or under this Agreement in the event of any breach of this Agreement, City, in its sole and absolute discretion, may also pursue any one or more of the following remedies:
- i. Upon written notice to Consultant, the City may immediately terminate this Agreement in whole or in part;
  - ii. Upon written notice to Consultant, the City may extend the time of performance;
  - iii. The City may proceed by appropriate court action to enforce the terms of the Agreement to recover damages for Consultant's breach of the Agreement or to terminate the Agreement; or
  - iv. The City may exercise any other available and lawful right or remedy.

Consultant will be liable for all legal fees plus other costs and expenses that City incurs upon a breach of this Agreement or in the City's exercise of its remedies under this Agreement.

- G. In the event City is in breach of this Agreement, Consultant's sole remedy will be the suspension or termination of this Agreement and/or the recovery of any unpaid

sums lawfully owed to Consultant under this Agreement for completed services and tasks.

**22. SCOPE OF WAIVER OF DEFAULT**

No waiver of any default or breach under this Agreement will constitute a waiver of any other default or breach, whether of the same or other covenant, warranty, agreement, term, condition, duty or requirement contained in this Agreement. No waiver, benefit, privilege, or service voluntarily given or performed by a Party will give the other Party any contractual rights by custom, estoppel, or otherwise.

**23. SURVIVING ARTICLES, SECTIONS AND PROVISIONS**

The termination of this Agreement pursuant to any provision of this Agreement or by normal expiration of its term or any extension thereto will not operate to terminate any Section or provision contained herein which provides that it will survive the termination or normal expiration of this Agreement.

**24. DOCUMENTS & DATA; LICENSING OF INTELLECTUAL PROPERTY**

All Documents and Data will be and remain the property of City without restriction or limitation upon their use or dissemination by City. For purposes of this Agreement, the term "Documents and Data" means and includes all reports, analyses, correspondence, plans, designs, notes, summaries, strategies, charts, schedules, spreadsheets, calculations, lists, data compilations, documents or other materials developed and/or assembled by or on behalf of Consultant in the performance of this Agreement and fixed in any tangible medium of expression, including but not limited to Documents and Data stored digitally, magnetically and/or electronically. This Agreement creates, at no cost to City, a perpetual license for City to copy, use, reuse, disseminate and/or retain any and all copyrights, designs, and other intellectual property embodied in all Documents and Data. Consultant will require all subcontractors and subconsultants working on behalf of Consultant in the performance of this Agreement to agree in writing that City will be granted the same right to copy, use, reuse, disseminate and retain Documents and Data prepared or assembled by any subcontractor or subconsultant as applies to Documents and Data prepared by Consultant in the performance of this Agreement.

**25. CONFIDENTIALITY**

All data, documents, discussion, or other information developed or received by Consultant or provided for performance of this Agreement are deemed confidential and will not be disclosed by Consultant without prior written consent by City. City will grant such consent of disclosure as legally required. Upon request, all City data will be returned to City upon the termination or expiration of this Agreement. Consultant will not use City's name or insignia, photographs, or any publicity pertaining to the Work in any magazine, trade

paper, newspaper, television or radio production or other similar medium without the prior written consent of City.

**26. FALSE CLAIMS ACT**

Consultant warrants and represents that neither Consultant nor any person who is an officer of, in a managing position with, or has an ownership interest in Consultant has been determined by a court or tribunal of competent jurisdiction to have violated the False Claims Act, 31 U.S.C., Section 3789 et seq. and the California False Claims Act, Government Code Section 12650 et seq.

**27. PROHIBITED INTERESTS**

Consultant warrants, represents and maintains that it has not employed nor retained any company or person, other than a *bona fide* employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants and represents that it has not paid, nor has it agreed to pay, any company or person, other than a *bona fide* employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, City will have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of City, during the term of his or her service with CITY, will have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

**28. RELEASE OF INFORMATION**

- A. All information gained by Consultant in performance of this Agreement shall be considered confidential and shall not be released by Consultant without the City's prior written authorization, unless the information is clearly public. Consultant, its officers, employees, agents, or subconsultants, shall not without written authorization from the City Manager or designee, or unless requested by the City's attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the Services performed under this Agreement or relating to the City. Response to a subpoena or court order shall not be considered "voluntary" provided Consultant gives the City notice of such court order or subpoena.
- B. Consultant shall promptly notify the City should Consultant, its officers, employees, agents, and/or subconsultants be served with any summons, complaint, notice of deposition, request for documents, interrogatories, request for admissions, or other discovery request ("Discovery"), court order, or subpoena from any person or party regarding this Agreement and the Services performed hereunder or with respect to any project or property located within the City, unless the City is a party to any lawsuit, arbitration, or administrative proceeding connected to such Discovery, or unless Consultant is prohibited by law from

informing the City of such Discovery. The City retains the right, but has no obligation, to represent Consultant and/or be present at any deposition, hearing, or similar proceeding as allowed by law. Unless the City is a party to the lawsuit, arbitration, or administrative proceeding and is adverse to Consultant in such proceeding, Consultant agrees to cooperate fully with the City and to provide the opportunity to review any response to discovery requests provided by Consultant. However, the City's right to review any such response does not imply or mean the right by the City to control, direct, or rewrite said response, or that the City has an obligation to review any such response or verifies any response it has reviewed.

**29. COOPERATION; FURTHER ACTS**

The Parties will fully cooperate with one another and will take any additional acts or sign any additional documents as are reasonably necessary, appropriate or convenient to achieve the purposes of this Agreement.

**30. SUBCONTRACTING**

Consultant will not subcontract any portion of the Work required by this Agreement, except as expressly stated herein, without the prior written approval of City. Subcontracts (including without limitation subcontracts with subconsultants), if any, will contain a provision making them subject to all provisions stipulated in this Agreement, including provisions relating to insurance requirements and indemnification.

**31. NOTICES**

All notices permitted or required under this Agreement will be given to the respective Parties at the following addresses, or at such other address as the respective Parties may provide in writing for this purpose:

To the City:

City of Santa Fe Springs  
11710 E. Telegraph Road  
Santa Fe Springs, CA 90670  
Attention: City Clerk's Office

To Consultant:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention:

Such notices will be deemed effective when personally delivered or successfully transmitted by facsimile as evidenced by a fax confirmation slip or when mailed, forty-eight (48) hours after deposit with the United States Postal Service, first class postage prepaid and addressed to the Party at its applicable address.

**32. TIME IS OF THE ESSENCE**

Time is of the essence for each and every provision of this Agreement.

**33. GOVERNING LAW**

The City and Consultant understand and agree that the laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement. Any litigation concerning this Agreement shall take place in the municipal, superior, or federal district court with jurisdiction over the City.

**34. ENTIRE AGREEMENT**

This Agreement contains the entire understanding between the parties relating to the obligations of the parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written and pertaining to the subject of this Agreement or with respect to the terms and conditions of this Agreement shall be of no further force or effect. Each party is entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

**35. FORCE MAJEURE**

The Completion Date shall be extended in the event of any delays due to unforeseeable causes beyond the control of Consultant and without the fault or negligence of Consultant, including but not limited to severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the City, if the Consultant shall within three (3) calendar days of the commencement of such delay notify the City Representative in writing of the causes of the delay. The City Representative shall ascertain the facts and the extent of delay and extend the time for performing the services for the period of the enforced delay when and if in the judgment of the City Representative such delay is justified. The City Representative's determination shall be final and conclusive upon the parties to this Agreement. In no event shall Consultant be entitled to recover damages against the City for any delay in the performance of this Agreement, however caused, Consultant's sole remedy being extension of the Agreement pursuant to this Section.

**36. AMENDMENTS; MODIFICATIONS**

No amendment, modification or supplement of this Agreement will be valid or binding unless executed in writing and signed by both Parties, subject to City approval. The requirement for written amendments, modifications or supplements cannot be waived and any attempted waiver will be void and invalid.

**37. NON-EXCLUSIVE AGREEMENT**

Consultant acknowledges that the City may enter into agreements with other consultants for services similar to the services that are subject to this Agreement or may have its own employees perform services similar to those services contemplated by this Agreement.

**38. ATTORNEYS' FEES**

In the event that litigation is brought by any party in connection with this Agreement, the prevailing party shall be entitled to recover from the opposing party all costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in the exercise of any of its rights or remedies hereunder or the enforcement of any of the terms, conditions, or provisions hereof.

**39. NO THIRD-PARTY BENEFIT**

There are no intended third-party beneficiaries of any right or obligation assumed by the Parties. All rights and benefits under this Agreement inure exclusively to the Parties.

**40. SUCCESSORS AND ASSIGNS**

This Agreement will be binding on the successors and assigns of the Parties

**41. CONSTRUCTION**

The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement, this Agreement shall be construed as if drafted jointly by the parties and in accordance with its fair meaning. There shall be no presumption or burden of proof favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

**42. WAIVER**

The delay or failure of any party at any time to require performance or compliance by the other of any of its obligations or agreements shall in no way be deemed a waiver of those rights to require such performance or compliance. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought. The waiver of any right or remedy in respect to any occurrence or event shall not be deemed a waiver of any right or remedy in respect to any other occurrence or event, nor shall any waiver constitute a continuing waiver.

**43. SEVERABILITY**

If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable in any circumstance, such determination shall not affect the validity or enforceability of the remaining terms and provisions hereof or of the offending provision

in any other circumstance. Notwithstanding the foregoing, if the value of this Agreement, based upon the substantial benefit of the bargain for any party, is materially impaired, which determination made by the presiding court or arbitrator of competent jurisdiction shall be binding, then both parties agree to substitute such provision(s) through good faith negotiations.

**44. COUNTERPARTS**

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.

**45. AUTHORITY TO EXECUTE THIS AGREEMENT**

The persons executing this Agreement on behalf of the parties warrant and represents that they have the authority to execute this Agreement on behalf of said parties and has the authority to bind the parties to the provisions of this Agreement.

**46. ELECTRONIC SIGNATURES**

The parties acknowledge and agree that execution of this Agreement by electronic signature or electronic transmittal of signatures shall have the same effect as handwritten signatures for the purposes of validity, enforceability, and admissibility.

**[SIGNATURE PAGE TO FOLLOW]**

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

CITY OF SANTA FE SPRINGS

CONSULTANT

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

\_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

ATTEST:

CONSULTANT

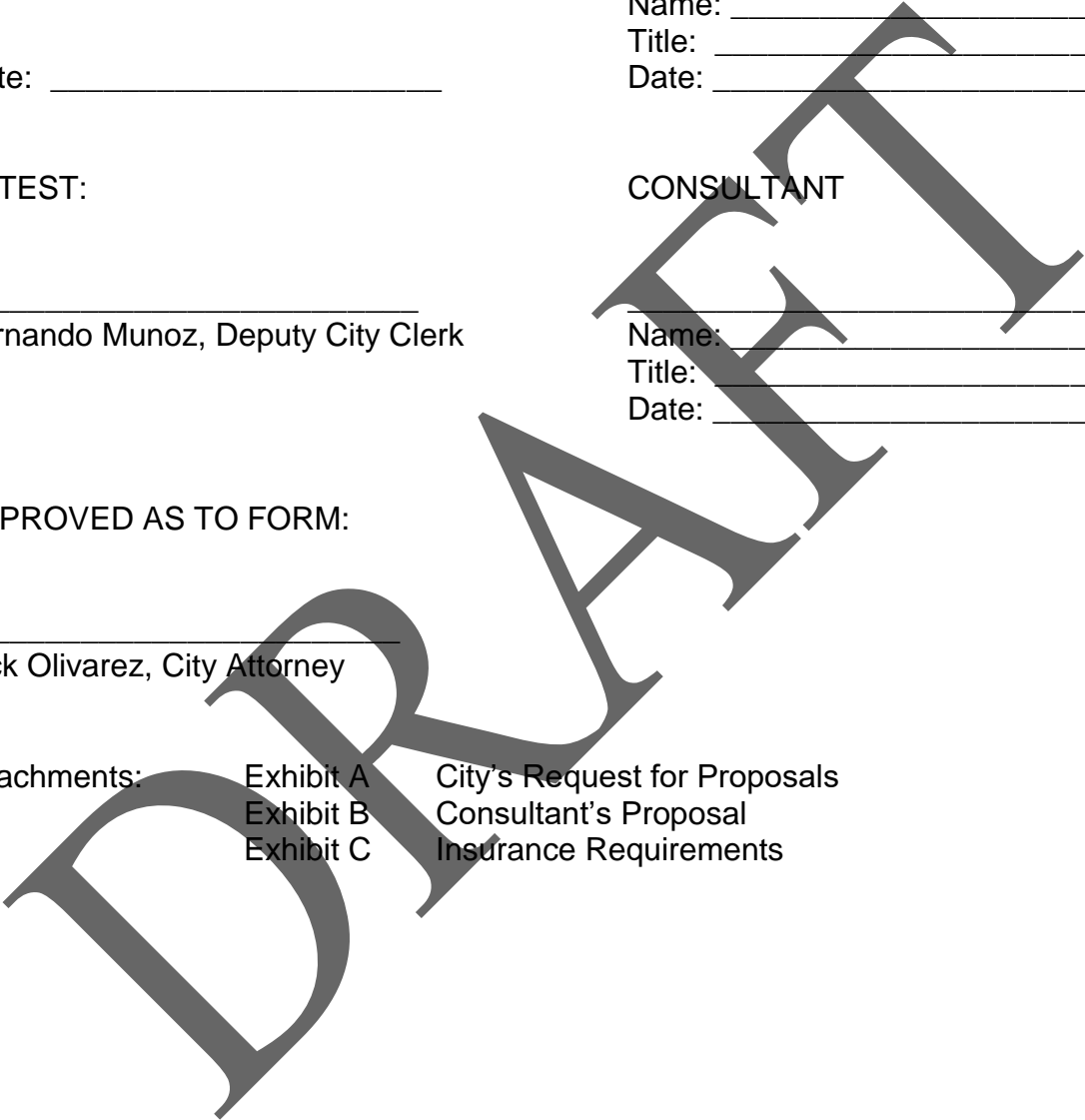
\_\_\_\_\_  
Fernando Munoz, Deputy City Clerk

\_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
Rick Olivarez, City Attorney

Attachments:    Exhibit A    City's Request for Proposals  
                         Exhibit B    Consultant's Proposal  
                         Exhibit C    Insurance Requirements



**EXHIBIT A**  
**CITY'S REQUEST FOR PROPOSALS**

**DRAFT**

**EXHIBIT B**  
**CONSULTANT'S PROPOSAL**

**DRAFT**

## EXHIBIT C

### INSURANCE REQUIREMENTS

Without limiting Consultant's indemnification of the City, and prior to commencement of Services, Consultant shall obtain, provide, and maintain at its own expense during the term of this Agreement, policies of insurance of the type and amounts described below and in a form satisfactory to the City. If Consultant maintains higher limits than the minimum limits shown below, the City requires and shall be entitled to coverage for the higher limits maintained by the Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

**Commercial General Liability Insurance.** Consultant shall procure and maintain commercial general liability insurance ("CGL Coverage") with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than One Million Dollars (\$1,000,000.00) per occurrence, Two Million Dollars (\$2,000,000.00) general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.

**Automobile Liability Insurance.** Consultant shall procure and maintain automobile liability insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with Services to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than One Million Dollars (\$1,000,000.00) per accident for bodily injury and property damage.

**Professional Liability (Errors & Omissions) Insurance.** For the full term of this Agreement and for a period of three (3) years thereafter, Consultant shall procure and maintain professional liability insurance appropriate to Consultant's profession. Such coverage shall have the minimum limits of no less than One Million Dollars (\$1,000,000.00) per claim and in the aggregate. Any policy inception date, continuity date, or retroactive date must be before the effective date of this Agreement and Consultant agrees to maintain continuous coverage through a period no less than three (3) years after completion of the services required by this Agreement.

**Workers' Compensation Insurance.** Consultant shall procure and maintain Workers' Compensation Insurance (Statutory Limits) and Employer's Liability Insurance (with limits of at least One Million Dollars (\$1,000,000.00) per accident for bodily injury or disease), which will indemnify, insure and provide legal defense for both Consultant and City against any loss, claim or damage arising from any injuries or occupational diseases occurring to any worker employed by or any persons retained by Consultant in the course of carrying out the Work contemplated in this Agreement.

Consultant shall submit to the City, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of the City, its officers, agents, employees, and volunteers.

**Umbrella or Excess Liability Insurance.** Consultant shall obtain and maintain an umbrella or excess liability insurance policy with limits that will provide bodily injury, personal injury and property damage liability coverage at least as broad as the primary coverages set forth above, including commercial general liability, automobile liability, and employer's liability. Such policy or policies shall include the following terms and conditions:

- A drop-down feature requiring the policy to respond if any primary insurance that would otherwise have applied proves to be uncollectible in whole or in part for any reason;
- Pay on behalf of wording as opposed to reimbursement;
- Concurrency of effective dates with primary policies;
- Policies shall "follow form" to the underlying primary policies; and
- Insureds under primary policies shall also be insureds under the umbrella or excess policies.

#### **Other provisions or requirements**

**Proof of insurance.** Consultant shall provide certificates of insurance to the City as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation. Insurance certificates and endorsements must be approved by the City's Risk Manager prior to commencement of performance. Current certification of insurance shall be kept on file with the City at all times during the term of this Agreement. The City reserves the right to require complete, certified copies of all required insurance policies at any time.

**Duration of coverage.** Consultant shall procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the Services hereunder by Consultant, or Consultant's agents, representatives, employees or subconsultants.

**Primary/noncontributing.** Coverage provided by Consultant shall be primary and any insurance or self-insurance procured or maintained by the City shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of the City before the City's own insurance or self-insurance shall be called upon to protect it as a named insured.

**The City's rights of enforcement.** In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced,

the City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by the City will be promptly reimbursed by Consultant or the City will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, the City may immediately terminate this Agreement.

**Acceptable insurers.** All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance or is on the List of Approved Surplus Line Insurers in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VI (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the City's Risk Manager.

**Waiver of subrogation.** All insurance coverage maintained or procured pursuant to this Agreement shall be endorsed to waive subrogation against the City, its elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against the City and shall require similar written express waivers and insurance clauses from each of its subconsultants.

**Enforcement of Agreement provisions (non estoppel).** Consultant acknowledges and agrees that any actual or alleged failure on the part of the City to inform Consultant of non-compliance with any requirement imposes no additional obligations on the City nor does it waive any rights hereunder.

**Requirements not limiting.** Requirements of specific coverage features or limits contained in this Agreement are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type.

**Notice of cancellation.** Consultant agrees to oblige its insurance agent or broker and insurers to provide to the City with a thirty (30) day notice of cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage.

**Additional insured status.** General liability policies shall provide or be endorsed to provide that the City and its officers, officials, employees, agents, and volunteers shall be additional insureds under such policies. This provision shall also apply to any excess/umbrella liability policies.

**Prohibition of undisclosed coverage limitations.** None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to the City and approved of in writing.

**Separation of insureds.** A severability of interests provision must apply for all additional insureds ensuring that Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.

**Pass through clause.** Consultant agrees to ensure that its subconsultants, subcontractors, and any other party involved with the Services who is brought onto or involved in the Services by Consultant, provide the same minimum insurance coverage and endorsements required of Consultant. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Consultant agrees that upon request, all agreements with consultants, subconsultants, and others engaged in the Services will be submitted to the City for review.

**The City's right to revise specifications.** The City reserves the right at any time during the term of the Agreement to change the amounts and types of insurance required by giving Consultant ninety (90) days advance written notice of such change. If such change results in substantial additional cost to Consultant, City and Consultant may renegotiate Consultant's compensation or come to some other agreement to address the additional cost.

**Self-insured retentions.** Any self-insured retentions must be declared to and approved by the City. The City reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these specifications unless approved by the City.

**Timely notice of claims.** Consultant shall give the City prompt and timely notice of claims made or suits instituted that arise out of or result from Consultant's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.

**Additional insurance.** Consultant shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the Services.

**Failure to Maintain Coverage.** In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced immediately so as to avoid a lapse in the required coverage, City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by City will be promptly reimbursed by Consultant or City will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, City may cancel this Agreement effective upon notice.

**RESOLUTION NO. 10004**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS  
AWARDING PROFESSIONAL SERVICES AGREEMENTS TO DAHLIN GROUP,  
DSANTANA ARQUITECTURA, RACAIA, INC., RJM DESIGN GROUP, TAIT & ASSOCIATES  
INC., AND TATE SNYDER KIMSLEY ARCHITECTS, INC., AND AUTHORIZING THE CITY  
MANAGER TO EXECUTE PROFESSIONAL SERVICES AGREEMENTS WITH ALL  
SIX FIRMS**

**WHEREAS**, the City of Santa Fe Springs (“City”) anticipates the need for on-call professional architectural consulting services;

**WHEREAS**, on November 6, 2025, the City issued Request for Qualifications No. 26-1 (“RFQ”) seeking qualified firms to provide on-call professional architectural consulting services;

**WHEREAS**, the City received six timely Statement of Qualifications (“SOQs”) which were reviewed and scored by an evaluation panel in accordance with the specifications outlined in the RFQ;

**WHEREAS**, the RFQ provides that City staff will present to the City Council the ratings assigned to each SOQ by the evaluation panel, together with Staff’s recommendations, and that the ultimate award of professional services agreements shall be made in City Council’s discretion;

**WHEREAS**, the RFQ allows for the award of professional services agreements to multiple firms;

**WHEREAS**, the RFQ requires each selected firm to enter into a professional services agreement, attached to the RFQ in substantial form (“Professional Services Agreement”), with final terms subject to City Council approval;

**WHEREAS**, the RFQ and Professional Services Agreement provides for services to be performed on a project-by-project basis pursuant to a request from the City;

**WHEREAS**, at the March 17, 2026, City Council Meeting, City staff presented the ratings assigned to each SOQ by the evaluation committee, and recommended the award of Professional Services Agreements to Dahlin Group, dSantana Arquitectura, RACAIA, Inc., RJM Design Group, TAIT & Associates Inc., and Tate Snyder Kimsley Architects, Inc.

**NOW, THEREFORE, BE IT RESOLVED** that the Council of the City of Santa Fe Springs hereby awards Professional Services Agreements for on-call professional architectural consulting services to Dahlin Group, dSantana Arquitectura, RACAIA, Inc., RJM Design Group, TAIT & Associates Inc., and Tate Snyder Kimsley Architects, Inc.,

**APPROVED:**  
**ITEM NO.:**

and authorizes the City Manager to enter into and execute Professional Services Agreements with all six firms.

**APPROVED and ADOPTED** this 17th day of March, **2026**, by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Joe Angel Zamora, Mayor

ATTEST:

\_\_\_\_\_  
Maribel Garcia, City Clerk