



AGENDA

EL SEGUNDO CITY COUNCIL
REGULAR MEETING
TUESDAY, DECEMBER 19, 2023

4:00 PM CLOSED SESSION
6:00 PM OPEN SESSION

CITY COUNCIL CHAMBER
350 MAIN STREET, EL SEGUNDO, CA 90245

Drew Boyles, Mayor
Chris Pimentel, Mayor Pro Tem
Carol Pirsztuk, Council Member
Lance Giroux, Council Member
Ryan W. Baldino, Council Member

Tracy Weaver, City Clerk
Matthew Robinson, City Treasurer

Executive Team

Darrell George, City Manager
Barbara Voss, Deputy City Manager
Jaime Bermudez, Police Chief
Michael Allen, Community Development Dir.
Jose Calderon, IT Director
Aly Mancini, Recreation, Parks & Library Dir.

Mark Hensley, City Attorney
David Cain, Interim CFO
Robert Espinosa, Interim Fire Chief
Rebecca Redyk, HR Director
Elias Sassoon, Public Works Dir.

MISSION STATEMENT:

“Provide a great place to live, work, and visit.”

VISION STATEMENT:

“Be a global innovation leader where big ideas take off while maintaining our unique small-town character.”

The City Council, with certain statutory exceptions, can only act upon properly posted and listed agenda items. Any writings or documents given to a majority of City Council regarding any matter on this agenda that the City received after issuing the agenda packet are available for public inspection in the City Clerk's Office during normal business hours. Such documents may also be posted on the City's website at www.elsegundo.org and additional copies will be available at the City Council meeting.

Unless otherwise noted in the agenda, the public can only comment on City-related business that is within the jurisdiction of the City Council and/or items listed on the agenda during the Public Communications portions of the Meeting. Additionally, members of the public can comment on any Public Hearing item on the agenda during the Public Hearing portion of such item. The time limit for comments is five (5) minutes per person.

Those wishing to address the City Council are requested to complete and submit to the City Clerk a "Speaker Card" located at the Council Chamber entrance. You are not required to provide personal information in order to speak, except to the extent necessary for the City Clerk to call upon you, properly record your name in meeting minutes and to provide contact information for later staff follow-up, if appropriate.

When a Council Member duly requires AB 2449 teleconferencing to attend the City Council meeting the public will also be able to access the meeting and provide public comment via Zoom. To access Zoom from a PC, Mac, iPad, iPhone, or Android device, use URL <https://zoom.us/j/81951332052> and enter PIN: 903629 or visit www.zoom.us on device of choice, click on "Join a Meeting" and enter meeting ID: 81951332052 and PIN: 903629. If joining by phone, dial 1-669-900-9128 and enter meeting ID and PIN. *To reiterate, attending a City Council meeting by Zoom will only be used when AB 2449 is used.*

NOTE: Your phone number is captured by the Zoom software and is subject to the Public Records Act, dial *67 BEFORE dialing in to remain anonymous. Members of the public will be placed in a "listen only" mode and your video feed will not be shared with City Council or members of the public.

REASONABLE ACCOMMODATIONS: In compliance with the Americans with Disabilities Act and Government Code Section 54953(g), the City Council has adopted a reasonable accommodation policy to swiftly resolve accommodation requests. The policy can also be found on the City's website at <https://www.elsegundo.org/government/departments/city-clerk>. Please contact the City Clerk's Office at (310) 524-2308 to make an accommodation request or to obtain a copy of the policy.

4:00 PM CLOSED SESSION – CALL TO ORDER / ROLL CALL

PUBLIC COMMUNICATION – (RELATED TO CITY BUSINESS ONLY – 5-MINUTE LIMIT PER PERSON, 30-MINUTE LIMIT TOTAL) *Individuals who have received value of \$50 or more to communicate to the City Council on behalf of another, and employees speaking on behalf of their employer, must so identify themselves prior to addressing City Council. Failure to do so shall be a misdemeanor and punishable by a fine of \$250. While all comments are welcome, the Brown Act does not allow City Council to take action on any item not on the agenda. City Council and/or City Manager will respond to comments after Public Communications is closed.*

SPECIAL ORDERS OF BUSINESS

RECESS INTO CLOSED SESSION: City Council may move into a closed session pursuant to applicable law, including the Brown Act (Government Code Section §54960, et seq.) for purposes of conferring with City’s Real Property Negotiator; and/or conferring with City Attorney on potential and/or existing litigation; and/or discussing matters covered under Government Code Section §54957 (Personnel); and/or conferring with City’s Labor Negotiators.

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Threats to Significant exposure/- to litigation pursuant to (Government Code §54956.9(d)(2) or (d)(3)): -3- matter(s).

1. Government Tort Claim by Keith Puckett

6:00 PM – CONVENE OPEN SESSION – CALL TO ORDER / ROLL CALL

INVOCATION – Father Alexei Smith, St. Andrew Russian Greek Catholic Church

PLEDGE OF ALLEGIANCE – Council Member Giroux

SPECIAL PRESENTATIONS

1. Introduction of City's New Emergency Management Coordinator
2. Christmas Dinner Proclamation

PUBLIC COMMUNICATIONS – (RELATED TO CITY BUSINESS ONLY – 5 MINUTE LIMIT PER PERSON, 30 MINUTE LIMIT TOTAL) *Individuals who have received value of \$50 or more to communicate to the City Council on behalf of another, and employees speaking on behalf of their employer, must so identify themselves prior to addressing the City Council. Failure to do so shall be a misdemeanor and punishable by a fine of \$250. While all comments are welcome, the Brown Act does not allow Council to take action on any item not on the agenda. The Council will respond to comments after Public Communications is closed.*

CITY MANAGER FOLLOW-UP COMMENTS – (Related to Public Communications)

- Hyperion Reclamation Plant Update

A. PROCEDURAL MOTIONS

Read All Ordinances and Resolutions on the Agenda by Title Only

Recommendation -

Approval

B. CONSENT

3. City Council Meeting Minutes

Recommendation –

1. Approve regular City Council meeting minutes of December 5, 2023.
2. Alternatively, discuss and take other action as needed.

4. Warrant Demand Register for November 13, 2023 through November 26, 2023

Recommendation –

1. Ratify payroll and employee benefit checks; checks released early due to contracts or agreements; emergency disbursements and/or adjustments; and, wire transfers.
2. Approve Warrant Demand Register numbers 10B and 10C: warrant numbers 3048211 through 3048450, and 9003039.
3. Alternatively, discuss and take other action related to this item.

5. Amendment to Licensee Agreement No. 3787 with Equinix to Maintain Their Existing Fiber Optic Loop Within the City’s Public Right of Way

Recommendation –

1. Authorize the City Manager to execute a proposed amendment to license Agreement No. 3787 with Equinix.
2. Alternatively, discuss and take other possible action related to this item.

6. Second Reading and Adoption of an Ordinance Amending El Segundo Municipal Code Title 15 to Implement Certain Zone Text Amendments Identified in El Segundo Housing Element Program 9

Recommendation -

1. Waive second reading and adopt an Ordinance for Environmental Assessment No. 1345 and Zone Text Amendment No. 23-02, amending the El Segundo Municipal Code Title 15 (Zoning Regulations) to implement certain Zone Text Amendments in El Segundo Housing Element Program 9 and find it exempt from further environmental review pursuant to 14 California Code Regulations Section 15358, 15061(b)(3), and 15162.
2. Alternatively, discuss and take other action related to this item.

7. Amendment to Agreement With Willdan Group, Inc. for Plan Check and Contracted Fire Marshal Services

Recommendation -

1. Authorize the City Manager to execute an amended agreement with Willdan Group, Inc. ("Willdan") to increase the not to exceed amount by \$185,000 for a total of \$285,000 for FY 2023-24 for existing plan check and proposed interim Fire Marshal services.
2. Amend the City's FY 2023-24 Adopted Budget to increase revenues by \$125,000 in the Fire Department plan check fees.
3. Appropriate \$125,000 from General Fund Balance to the Fire Department professional services budget.
4. Alternatively, discuss and take other action related to this item.

8. Nomination to Appoint Jeff Wilson to the South Bay Workforce Investment Board

Recommendation -

1. Ratify the El Segundo Chamber of Commerce nomination to appoint Jeff Wilson to seat #18 of the South Bay Workforce Investment Board (SBWIB).
2. Request the City Clerk to forward a certified copy of Council's action to the SBWIB.
3. Alternatively, discuss and take other action related to this item.

9. Fiscal Year 2023-24 1st Quarter Financial Report

Recommendation -

1. Receive and file the Fiscal Year 2023-24 1st Quarter Financial Report.
2. Alternatively, discuss and take other action related to this item.

C. PUBLIC HEARINGS

10. Public Hearing for Adoption of FY 2023-24 Recreation, Parks, and Library Fee Schedule

Recommendation -

1. Conduct a public hearing.
2. Adopt a resolution approving FY 2023-24 Recreation, Parks, and Library fees as part of the FY 2023-24 Master Fee Schedule.
3. Alternatively, discuss and take other action related to this item.

D. STAFF PRESENTATIONS

11. Resolution Modifying the Basic Salary Range for the Fire Chief Classification

Recommendation -

1. Adopt a resolution modifying the basic monthly salary range for the Fire Chief classification.
2. Alternatively, discuss and take other action related to this item.

12. Consideration of Two Acre Land Dedication Offer by CDC Mar East Campus 1 LLC to City

Recommendation -

1. Discuss the nature and extent of the easement, restrictions, and other burdens affecting the subject property and consider whether to direct the City Attorney to prepare the documentation necessary to accept the offer of dedication or have staff continue to investigate the various deed restrictions and environmental conditions affecting the site.
2. Alternatively, discuss and take other action related to this item.

13. El Segundo Affordable Housing Strategic Plan to Further Implement Housing Element Program Four

Recommendation -

1. Adopt the proposed resolution to adopt the El Segundo Affordable Housing Strategic Plan to further implement Housing Element Cycle 6 Program Four regarding inclusionary housing and affordable housing strategies and find that such action is exempt from further environmental review pursuant to California Environmental Quality Act ("CEQA") Guidelines § 15061(b)(3).
2. Alternatively, discuss and take other action related to this item.

14. Update on the City of El Segundo and the El Segundo Unified School District Public Recreation Facilities Joint Use Agreement

Recommendation -

1. Receive and file the update.
2. Alternatively, discuss and take other action related to this item.

15. City Co-Sponsored Events and Fee Waivers

Recommendation -

1. Approve the updated list of fee waivers for events for two years through December 2025.
2. Approve the Fee Waiver Request Form and Fee Waiver Scorecard and the procedure for fee waiver requests.
3. Alternatively, discuss and take other action related to this item.

E. COMMITTEES, COMMISSIONS AND BOARDS PRESENTATIONS

16. Open the Recruitment Process for Positions on the City's Committees, Commissions and Boards that Expire in 2024

Recommendation -

1. Direct staff to open the recruitment process for the positions on the City's Committees, Commissions and Boards, as listed.
2. Alternatively, discuss and take other action related to this item.

F. REPORTS - CITY CLERK

G. REPORTS - CITY TREASURER

H. REPORTS - COUNCIL MEMBERS

COUNCIL MEMBER BALDINO

COUNCIL MEMBER GIROUX

COUNCIL MEMBER PIRSZTUK

MAYOR PRO TEM PIMENTEL

MAYOR BOYLES

17. **Mr. S. Claus' Annual Request for a Conditional Use Permit, Business License, and Various Waivers**

Recommendation -

1. Approve and immediately issue a Conditional Use Permit to Mr. S. Claus.
2. Approve the use of air rights and waive the Santa Monica Radial 160 R procedure (FAA should be contacted).
3. Grant a free business license to S. Claus Enterprises, a non-profit organization.
4. Waive ESMC 8-4-11B (Driveway Permits Required) and ESMC 8-5-11 (Parking on Grades).
5. Waive the Noise Ordinance (ESMC 7-2-3) to permit the clatter of reindeer hooves, the shouting of reindeer names, and the sound of bells on December 24 and 25, 2023.
6. Waive the Trespass Ordinance (ESMC 7-6-3) to allow Mr. S. Claus to deliver gifts.
7. Waive the Animal Control Ordinance (ESMC 6-2-1) including section 6-2-8 dealing with "Animals at Large" to allow eight reindeer to land on rooftops in El Segundo.
8. Waive of the Pooper-Scooper Regulations (ESMC 7-1-4).

Additionally, Mr. S. Claus has been directed to the Coastal Commission for clearance over the ocean; the DMV for a valid vehicle registration; the Department of Health and Welfare to ensure his elves are receiving minimum wage; and the Air Quality Management District to ensure a safe and clear sleigh ride.

I. REPORTS - CITY ATTORNEY

J. REPORTS/FOLLOW-UP - CITY MANAGER

CLOSED SESSION

The City Council may move into a closed session pursuant to applicable law, including the Brown Act (Government Code Section §54960, et seq.) for the purposes of conferring with the City's Real Property Negotiator; and/or conferring with the City Attorney on potential and/or existing litigation; and/or discussing matters covered under Government Code Section §54957 (Personnel); and/or conferring with the City's Labor Negotiators.

REPORT OF ACTION TAKEN IN CLOSED SESSION (if required)

MEMORIALS

ADJOURNMENT

POSTED:

DATE: December 14, 2023

TIME: 3:30 PM

BY: Tracy Weaver, City Clerk

Commendation

City of El Segundo, California



WHEREAS, The El Segundo Community Christmas Dinner was conceived by El Segundo resident Bill Coffman in 1983; Bill solicited the help of local businesses, residents and organizations to fund, cook, and serve a traditional Christmas dinner that brought people together to share the holiday spirit ; and

WHEREAS, The El Segundo Community Christmas Dinner has become a hometown tradition that has served the community for over 30 years; and

WHEREAS, This season Annual Christmas Dinner will be sponsored by the El Segundo Rotary Club along with the time and effort of many individual volunteers along with the support of the Recreation, Parks and Library Department’s Outreach Office ; and

WHEREAS, The El Segundo Community Christmas Dinner will be held at 12:00pm on December 24th at the Joslyn Center, for the benefit of all those in the community who wish to participate in fellowship and share in some Christmas cheer.

NOW, THEREFORE, on this 19th day of December, 2023, the Mayor and Members of the City Council of the City of El Segundo, California, do hereby commend and thank all sponsors, supporters and volunteers, for their unselfish community service in keeping this hometown holiday tradition alive in El Segundo.




Chris Pimentel
Mayor Pro Tem


Drew Boyles
Mayor


Carol Pirsztuk
Councilmember


Lance Giroux
Councilmember


Ryan Baldino
Councilmember

MEETING MINUTES OF THE EL SEGUNDO CITY COUNCIL
TUESDAY, December 5, 2023

CLOSED SESSION – Mayor Boyles called the meeting to order at 4:00 PM.

ROLL CALL

Mayor Boyles - Present
Mayor Pro Tem Pimentel - Present
Council Member Pirsztuk - Present
Council Member Giroux - Present
Council Member Baldino - Present

PUBLIC COMMUNICATION – (Related to City Business Only – 5-minute limit per person, 30-minute limit total)

SPECIAL ORDER OF BUSINESS:

Mayor Pro Tem Pimentel announced that Council would be meeting in closed session pursuant to the items listed on the agenda.

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (GOV'T CODE §54956.9(D)(1): -10- MATTER(S))

1. City of El Segundo v. Wiseburn Unified School District, Los Angeles Superior Court Case No. 23TRCV01031.
2. Scott O'Connor (City Police Officer) v. City of El Segundo, United States District Court (Central District of California), Civil Case No. 2:20-CV-0311 DMG (PLAx).
3. Scott Martinez (Retired City Fire Fighter) v. City of El Segundo, Los Angeles Superior Court Case No. 21ST CV10637.
4. James Tulette (Retired City Fire Fighter) v. City of El Segundo, Los Angeles Superior Court, Case No. 205T, CV44025.
5. Shawn Bonfield Retired (City Fire Department Battalion Chief) v. City of El Segundo, Los Angeles Superior Court Case no. 20ST CV48677.
6. William Hatcher (Retired El Segundo Fire Fighter) v. City of El Segundo, Los Angeles Superior Court, Case No. 21ST CV37399.
7. Richard Towne (Retired El Segundo Fire Fighter) v. City of El Segundo, Los Angeles Superior Court, Case No. 21ST CV19113.
8. Rebecca Smith (Former Non-Sworn Police Department Employee) v. City of El Segundo - Binding Arbitration Personnel Case.

9. Amy McDaniels (Non-Sworn Police Department Employee) v. City of El Segundo - Binding Arbitration Personnel Case.
10. Brent Beardmore (City Police Officer) v. City of El Segundo, Los Angeles Superior Court Case No. 22STCV25047.

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Threats to Significant exposure/- to litigation pursuant to (Government Code §54956.9(d)(2) or (d)(3)): -1- matter(s).

1. Government Tort Claim by Keith Puckett

CONFERENCE WITH CITY’S LABOR NEGOTIATOR (Government Code §54957.6): - 2- MATTER(S)

1. Employee Organizations: City Employees’ Association (CEA), Fire Fighter’s Association and Management Confidential (unrepresented).

Representative: City Manager, Darrell George, Human Resources Director, Rebecca Redyk, and Alex Volberding.

Adjourned at 5:50 PM

OPEN SESSION – Mayor Boyles called to order at 6:00 PM

ROLL CALL

Mayor Boyles	-	Present
Mayor Pro Tem Pimentel	-	Present
Council Member Pirsztuk	-	Present
Council Member Giroux	-	Present
Council Member Baldino	-	Present

INVOCATION – Rabbi Dovid Lisbon, Jewish Community Center

PLEDGE OF ALLEGIANCE – Council Member Pirsztuk

SPECIAL PRESENTATIONS:

1. Council Member Giroux read a commendation recognizing the El Segundo High School Water Polo Team. Former Water Polo Coach Henry Stuart and Greg McMullin spoke on behalf of the team.
2. Proclamation read by Council Member Baldino, proclaiming the 1200 block of East Acacia Avenue as Candy Cane Lane from December 9, 2023 at 7:00 PM through December 23, 2023.

3. Proclamation read by Council Member Baldino, proclaiming Sunday, December 10, 2023 as the 59th Annual El Segundo Holiday Parade. Marsha Hansen, El Segundo's Chamber of Commerce CEO accepted the proclamation.
4. Introduction and presentation regarding the El Segundo Public Library's New Vega Discover Online Catalog, Mark Herbert, Public Library Manager presented the item.

PUBLIC COMMUNICATIONS – (Related to City Business Only – 5-minute limit per person, 30-minute limit total)

Bradford Stone, resident, commented on item #D17, proposed yard sale at Park Vista.
Pam Nicholson, President of the Joslyn Center Seniors Club, commented on the need for a light at the bottom of the elevator. The light has been out for over a year.

CITY MANAGER FOLLOW-UP COMMENTS:

Darrell George, City Manager gave an update on the Hyperion Water Reclamation Plant.

- A. Read all Ordinances and Resolutions on the Agenda by Title Only.

MOTION by Council Member Giroux, Council Member Pirsztuk to read all ordinances and resolutions on the agenda by title only. MOTION PASSED BY A UNANIMOUS VOICE VOTE. 5/0

B. CONSENT:

5. Approve Regular and Special City Council meeting minutes of November 7, 2023.
(Fiscal Impact: None)
6. Approve warrants demand register for October 2, 2023 through November 11, numbers 7B, 8A, 8B, 9A, 9B, and 10A: warrant numbers 3047669 through 3048210, and 9003014 through 9003038. Ratify Payroll and employee benefit Checks; Checks released early due to contracts or agreement; Emergency disbursements and/or adjustments; and, Wire transfers.
(Fiscal Impact: \$10,771,724.33 (\$2,763,626.26 in check warrants and \$8,008,098.07 in wire warrants))
7. Approve the 2024 City Council Meeting Calendar with staff's recommended meeting cancellations.
(Fiscal Impact: None)
8. Adopt Resolution No. 5450 approving the plans and specifications for the proposed Water Main Improvements Project along California Street, Sycamore Avenue, Palm Avenue, and Elm Avenue. Project No. PW 23-15 to avail the City of immunities pursuant to Government Code § 830.6 and authorize staff to advertise the project for construction bids.

- (Fiscal Impact: \$1,500,000 included in the FY 2023-24 budget)
9. Authorize the City Manager to execute a standard Public Works Contract No. 6826 with NKS Mechanical Contracting, Inc. in the amount of \$647,000.00 for Phase 1 City Hall HVAC Improvements Project, Project No. PW 23-03, and authorize an additional \$103,000.00 as contingency funds for potential unforeseen condition
(Fiscal Impact: \$750,000, included in the FY 2023-24 budget)
 10. Accept the FY 2023-24 annual concrete Improvements Project by FS Contractors, Inc. as complete and authorize and direct the City Clerk to file a Notice of Completion with the County Recorder's Office. (Project No. PW 22-17)
(Fiscal Impact: \$261,139, included in the FY2022-23 budget)
 11. PULLED BY MAYOR PRO TEM PIMENTEL
 12. Waive second reading and adopt Ordinance No. 1653 for Environmental Assessment No. 1180 and Zone Text Amendment No. 23-02, amending the El Segundo Municipal Code ("ESMC") Chapters 4-16 and 15-4A-1 to allow permanent regulation of short-term home sharing through a permit process and find it exempt from further environmental review pursuant to 14 California Code of Regulations §§ 15358 and 15061(b)(3).
(Fiscal Impact: The proposed amendments allow short-term home sharing through a Home Share Permit. Implementation of the Ordinance will result in collection of permit fees, business license fees and Transient Occupancy Tax ("TOT"). Ongoing enforcement and management of home sharing is absorbed by the annual operating budget for the Community Development and Finance Departments)
 13. Authorize the City Manager to execute a Professional Services Agreement (PSA) No. 6805 with ESA Associates for \$364,000 to prepare an Environmental Impact Report to be reimbursed by the developer of a proposed residential project located at 1521 E. Grand Avenue.
(Fiscal Impact: None)

MOTION by Council Member Pirsztuk, SECONDED by Mayor Pro Tem Pimentel, approving Consent items 5, 6, 7, 8, (Council Member Baldino recused himself from this item) 9, 10, 12, and 13. MOTION PASSED BY A UNANIMOUS VOICE VOTE. 5/0

PULLED ITEMS:

11. Approve the Purchase of a Combination Jet/Vacuum Truck for the City's Wastewater Division
(Fiscal Impact: \$768,000 - Replacement cost for this combination jet/vacuum truck is \$668,000 plus a contingency of \$100,000. Currently, the equipment replacement fund for this vehicle has \$291,700 available. The remaining balance of \$476,300 will be funded by savings from the Wastewater Enterprise Fund. Over the years, vehicle costs have increased, yet the replacement rates collected through the Equipment Replacement Fund have remained at a consistent level. An increase in

the amount of funds collected per year for the Equipment Replacement Fund will be needed to keep pace with the cost of inflation.

This item will be moved to the December 19, 2023 City Council meeting. No vote was taken.

D. STAFF PRESENTATIONS: *(Item #D19 and # D17 were moved forward)*

19. Update and Memorandum of Understanding Regarding the Proposed Greenway Project to be Located Along the Western Side of Aviation Boulevard Where a Railroad Line Currently Exists

Mike Racine, member of the Board of Directors of the El Segundo Economic Development Corporation ("ESEDC") gave an update and presentation regarding a proposed Regional Aviation Boulevard Bikeway/Greenway Project, and associated funding options.

Mark Hensley, City Attorney also reported on the item and answered Council's questions.

Council Discussion

Council consensus to receive and file the update.

MOTION by Council Member Mayor Pro Tem Pimentel, SECONDED by Mayor Boyles approving a Memorandum of Understanding ("MOU") Agreement No. 6827 between the City and ESEDC regarding City staff providing limited assistance in working with ESEDC and the City potentially applying for grant funds, including from Los Angeles County Metropolitan Transportation Authority ("Metro"). MOTION PASSED BY A UNANIMOUS VOICE VOTE. 5/0

17. Park Vista Yard Sale Request
(Fiscal Impact: None)

Michael Allen, Community Development Director reported on the item.

Council Discussion

Council consensus directing staff to move forward on exploring a solution to allow a public yard sale for the Park Vista Senior Living facility residents.

C. PUBLIC HEARING:

14. Zone Text Amendment to Implement Program 9 of the City's Housing Element
(Fiscal Impact: None)

Mayor Boyles stated this was time and place for a public hearing regarding waiving full reading of the proposed Ordinance (EA No. 1345 and Zone Text Amendment No. 23-

02) to amend El Segundo Municipal Code Title 15, implement certain Zone Text Amendments in El Segundo Housing Element Program 9, and find it exempt from further environmental review pursuant to 14 California Code of Regulations Sections 15358, 15061(b)(3), and 15162.

Clerk Weaver stated that proper notice had been given in a timely manner and that no written communication had been received.

Michael Allen, Community Development Director introduced the item.

Eduardo Schonborn, AICP, Planning Manager gave a presentation.

Public Input:

MOTION by Mayor Pro Tem Pimentel, SECONDED by Council Member Pirsztuk to close the public hearing. MOTION PASSED BY A UNANMOUS VOICE VOTE. 4/0

During Council discussion, Council requested the following amendments to the Ordinance;

- Amend the definition of Employee Housing to delete reference to the number of persons
- Amend Table No. 1 of ESMC 15-4A-1 (Permitted uses in Residential Zones) to include the use of Employee housing serving 6 or fewer persons as permitted in the R-1 zone
- Amend Table No. 1 of ESMC 15-6A-1 (Permitted uses in the Industrial zones) include the use of Low Barrier Navigation Centers as permitted in the M-1 zone in accordance with the provisions established in ESMC 15-37A.

Mark Hensley, City Attorney read by title only;

ORDINANCE NO. 1654

AN ORDINANCE AMENDING EL SEGUNDO MUNICIPAL CODE TITLE 15 TO IMPLEMENT HOUSING ELEMENT PROGRAM 9 TO FACILITATE THE DEVELOPMENT OF A VARIETY OF HOUSING TYPES AND STREAMLINED DEVELOPMENT REVIEW PROCESS

(ENVIRONMENTAL ASSESSMENT NO. 1345 AND ZONE TEXT AMENDMENT NO. 23-02)

Council Member Baldino introduced the ordinance as amended. The second reading and possible adoption will be on December 5, 2023 of the regular City Council meeting.

D. STAFF PRESENTATIONS: *(ITEMS #D19 and #D17 were moved forward)*

15. Resolution of Intention and First Reading of an Ordinance Authorizing an Amendment to the City's CalPERS Contract to Implement Additional Government

Code § 20516 Employee Cost Sharing for Classic City Employees' Association Members

(Fiscal Impact: The retirement contract amendment will have an estimated \$14,477 annual savings to the City as the employees will be picking up a portion of the "employer share" of their retirement cost.)

Rebecca Redyk, Human Resources Director reported on the item.

Council Discussion

Mark Hensley, City Attorney read by title only;

RESOLUTION NO. 5451

A RESOLUTION OF INTENTION TO APPROVE AN AMENDMENT TO CONTRACT BETWEEN THE BOARD OF ADMINISTRATION CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM AND THE CITY COUNCIL CITY OF EL SEGUNDO

MOTION by Mayor Pro Tem Pimentel, Council Member Giroux adopting Resolution No. 5451. MOTION PASSED BY A UNANIMOUS VOICE VOTE. 5/0

MOTION by Council Member Baldino, SECONDED by Mayor Pro Tem Pimentel authorizing the City Manager and City Clerk, to execute CalPERS forms as required for submission to CalPERS to facilitate CalPERS contract amendment process. MOTION PASSED BY A UNANIMOUS VOICE VOTE. 5/0

Mark Hensley, City Attorney read by title only;

ORDINANCE NO. 1655

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF EL SEGUNDO AUTHORIZING AN AMENDMENT TO THE CONTRACT BETWEEN THE CITY OF EL SEGUNDO AND THE BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM.

Council Member Baldino introduced the ordinance. The second reading and possible adoption will be on January 16, 2024 at the regular City Council meeting.

(MOVED TO A FUTURE CITY COUNCIL MEETING)

16. Fire Services Automatic Aid Agreement Between the Cities of El Segundo and Manhattan Beach
(Fiscal Impact: None)
18. Topgolf USA El Segundo, LLC Sublease Assignment to Spirit Realty, L.P. and Associated Master Lease Amendment and Estoppel Certificate

Mark Hensley, City Attorney reported on the item.

Council discussion

MOTION by Council Member Baldino, SECONDED by Council Member Pirsztuk approving the proposed assignment of Topgolf USA El Segundo, LLC's sublease to Spirit Realty, L.P. and corresponding leaseback of the interest from Spirit Realty, L.P. to Topgolf USA El Segundo, LLC subject to, and contingent upon the execution of the attached Acknowledgment of Lease Terms and Guarantor Acknowledgment of Guaranty. MOTION PASSED BY A UNANIMOUS VOICE VOTE. 5/0

MOTION by Council Member Baldino, SECONDED by Council Member Pirsztuk authorizing the Mayor to execute the Estoppel Certificate and Consent, the Second Amendment to the Due Diligence and Recreation Ground Lease Agreement between the City of El Segundo and Centercal LLC, and the corresponding First Amendment to Memorandum of Lease, on the condition that the assignment of the sublease occurs on or before January 30, 2024, provided the documents are in a form substantially similar to the drafts attached to the Council Agenda Report and are approved by the City Attorney. MOTION PASSED BY A UNANIMOUS VOICE VOTE. 5/0

F. REPORTS – CITY CLERK – No report

G. REPORTS – CITY TREASURER – Not present

H. REPORTS – COUNCIL MEMBERS

Council Member Baldino – Spoke during Civic Engagement Week to 5th graders at both Richmond Elementary and Center Street School.

Council Member Giroux – Would like to agenize an item for an upcoming meeting regarding prohibiting the wearing masks while protesting.

Council Member Pirsztuk – Would like to see Holiday lights on main street, similar to what occurred during the filming of the Candy Cane Lane. Mentioned the Joy Around the World on Thursday, December 5th, Candy Cane Lane opening on Saturday, December 9th and the Holiday Parade is Sunday, December 10th. Mentioned it's the 4th birthday for the Space Force.

Mayor Pro Tem Pimentel – Gave an update on the Green Line Extension and gave an update on Sanitation.

Mayor Boyles – Also commented on the Green Line Extension, attended the Sidebar Summit that was held in El Segundo and thanked staff for a successful event. Thanked Brandon, a resident, for letting him know that he rolled through two stop signs! Stated it was a good reminder for all residents to slow down and be aware of your surroundings.

I. REPORTS – CITY ATTORNEY – Stated the City has spent nearly \$2.5 million on defending the multitude of lawsuits brought on by public safety. The city has defended 4 out of 4 lawsuits successfully. There are four remaining lawsuits.

J. REPORTS/FOLLOW-UP – CITY MANAGER – No report

MEMORIAL – Christy Boch, former employee Anjello Sotello’s daughter.

Adjourned at 7:44 PM

Tracy Weaver, City Clerk



City Council Agenda Statement

Meeting Date: December 19, 2023

Agenda Heading: Consent

Item Number: B.4

TITLE:

Warrant Demand Register for November 13, 2023 through November 26, 2023

RECOMMENDATION:

1. Ratify payroll and employee benefit checks; checks released early due to contracts or agreements; emergency disbursements and/or adjustments; and, wire transfers.
2. Approve Warrant Demand Register numbers 10B and 10C: warrant numbers 3048211 through 3048450, and 9003039.
3. Alternatively, discuss and take other action related to this item.

FISCAL IMPACT:

The warrants presented were drawn in payment of demands included within the FY 2023-2024 Adopted Budget. The total of \$3,174,396.75 (\$1,520,757.16 in check warrants and \$1,653,639.59 in wire warrants) are for demands drawn on the FY 2023-2024 Budget.

BACKGROUND:

California Government Code Section 37208 provides General Law cities flexibility in how budgeted warrants, demands, and payroll are audited and ratified by their legislative body. Pursuant to Section 37208 of the California Government Code, warrants drawn in payments of demands are certified by the City's Chief Financial Officer and City Manager as conforming to the authorized expenditures set forth in the City Council adopted budget need not be audited by the City Council prior to payment, but may be presented to the City Council at the first meeting after delivery.

In government finance, a warrant is a written order to pay that instructs a federal, state, county, or city government treasurer to pay the warrant holder on demand or after a specific date. Such warrants look like checks and clear through the banking system like

Warrant Demand Register

December 19, 2023

Page 2 of 2

checks. Warrants are issued for payroll to individual employees, accounts payable to vendors, to local governments, and to companies or individual taxpayers receiving a refund.

DISCUSSION:

The attached Warrants Listing delineates the warrants that have been paid for the period identified above. The Chief Financial Officer certifies that the listed warrants were drawn in payment of demands conforming to the adopted budget and that these demands are being presented to the City Council at its first meeting after the delivery of the warrants.

CITY STRATEGIC PLAN COMPLIANCE:

Goal 5: Champion Economic Development and Fiscal Sustainability

Objective 5B: El Segundo approaches its work in a financially strategic and responsible way.

PREPARED BY:

Liz Lydic, Management Analyst

REVIEWED BY:

Wei Cao, CPA, CPFO, Finance Manager

APPROVED BY:

Barbara Voss, Deputy City Manager

ATTACHED SUPPORTING DOCUMENTS:

1. Register 10b - summary
2. Register 10c - summary

CITY OF EL SEGUNDO
WARRANTS TOTALS BY FUND

DATE OF APPROVAL: AS OF 12/05/23

REGISTER #10b

3048211	-	3048329	
9003039	-	9003039	
		001	GENERAL FUND
		003	EXPENDABLE TRUST FUND - OTHER
		104	TRAFFIC SAFETY FUND
		106	STATE GAS TAX FUND
		108	ASSOCIATED RECREATION ACTIVITIES FUND
		109	ASSET FORFEITURE FUND
		110	MEASURE "R"
		111	COMM. DEVEL. BLOCK GRANT
		112	PROP "A" TRANSPORTATION
		114	PROP "C" TRANSPORTATION
		115	AIR QUALITY INVESTMENT PROGRAM
		116	HOME SOUND INSTALLATION FUND
		117	HYPERION MITIGATION FUND
		118	TDA ARTICLE 3 - SB 821 BIKEWAY FUND
		119	MTA GRANT
		121	FEMA
		120	C.O.P.S. FUND
		122	L.A.W.A. FUND
		123	PSAF PROPERTY TAX PUBLIC SAFETY
		124	FEDERAL GRANTS
		125	STATE GRANT
		126	A/P CUPA PROGRAM OVERSIGHT SURCHARGE
		127	MEASURE "M"
		128	SB-1
		129	CERTIFIED ACCESS SPECIALIST PROGRAM
		130	AFFORDABLE HOUSING
		131	COUNTY STORM WATER PROGRAM
		132	MEASURE "B"
		301	CAPITAL IMPROVEMENT FUND
		302	INFRASTRUCTURE REPLACEMENT FUND
		405	FACILITIES MAINTENANCE
		501	WATER UTILITY FUND
		502	WASTEWATER FUND
		503	GOLF COURSE FUND
		505	SOLID WASTE FUND
		601	EQUIPMENT REPLACEMENT
		602	LIABILITY INSURANCE
		603	WORKERS COMP. RESERVE/INSURANCE
		701	RETIRED EMP. INSURANCE
		702	EXPENDABLE TRUST FUND - DEVELOPER FEES
		704	EXPENDABLE TRUST FUND - OTHER
		706	OUTSIDE SERVICES TRUST
			<u>3,535.95</u>
			TOTAL WARRANTS
			<u>704,039.37</u>

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

Information on actual expenditures is available in the Chief Financial Officer's office in the City of El Segundo.

I certify as to the accuracy of the Demands and the availability of fund for payment thereof.

For Approval: Regular checks held for City council authorization to release.

CODES:

R = Computer generated checks for all non-emergency/urgency payments for materials, supplies and services in support of City Operations

For Ratification:

A = Payroll and Employee Benefit checks

B - F = Computer generated Early Release disbursements and/or adjustments approved by the City Manager. Such as: payments for utility services, petty cash and employee travel expense reimbursements, various refunds, contract employee services consistent with current contractual agreements, instances where prompt payment discounts can be obtained or late payment penalties can be avoided or when a situation arises that the City Manager approves.

H = Handwritten Early Release disbursements and/or adjustments approved by the City Manager.

INTERIM CHIEF FINANCIAL OFFICER

David Moran
Acting CFO

DATE: 11/21/23

CITY MANAGER

[Signature]

DATE: 11-21-23

11-21-23

**CITY OF EL SEGUNDO
 PAYMENTS BY WIRE TRANSFER
 11/13/23 THROUGH 11/19/23**

<u>Date</u>	<u>Payee</u>		<u>Description</u>
11/13/2023	IRS	271,752.60	Federal 941 Deposit
11/13/2023	Employment Development	4,198.71	State SDI payment
11/13/2023	Employment Development	62,875.29	State PIT Withholding
11/15/2023	Cal Pers	61,080.70	EFT Retirement Safety Police Classic - 1st Tier 28
11/15/2023	Cal Pers	55,548.89	EFT Retirement Misc - PEPRA New 26013
11/15/2023	Cal Pers	52,366.42	EFT Retirement Safety Fire- Classic 30168
11/15/2023	Cal Pers	32,155.26	EFT Retirement Safety-Police-PEPRA New 25021
11/15/2023	Cal Pers	35,469.07	EFT Retirement Misc - Classic 27
11/15/2023	Cal Pers	16,616.01	EFT Retirement Safety-Fire-PEPRA New 25020
11/15/2023	Cal Pers	10,581.90	EFT Retirement Sfty Police Classic-2nd Tier 30169
11/15/2023	Cal Pers	61,185.15	EFT Retirement Safety Police Classic - 1st Tier 28
11/15/2023	Cal Pers	55,272.96	EFT Retirement Misc - PEPRA New 26013
11/15/2023	Cal Pers	54,217.85	EFT Retirement Safety Fire- Classic 30168
11/15/2023	Cal Pers	33,374.52	EFT Retirement Safety-Police-PEPRA New 25021
11/15/2023	Cal Pers	35,411.05	EFT Retirement Misc - Classic 27
11/15/2023	Cal Pers	16,862.71	EFT Retirement Safety-Fire-PEPRA New 25020
11/15/2023	Cal Pers	10,581.90	EFT Retirement Sfty Police Classic-2nd Tier 30169
11/16/2023	California EDD	7,513.00	Unemployment Insurance - Q3-2023
11/16/2023	IRS	9,007.43	IRS Quarterly Payment Adjustment
11/06/23-11/12/23	Workers Comp Activity	21,889.73	SCRMA checks issued/(voided)
11/06/23-11/12/23	Liability Trust - Claims	7,500.00	Claim checks issued/(voided)
11/06/23-11/12/23	Retiree Health Insurance	-	Health Reimbursement checks issued
		<u>915,461.15</u>	

DATE OF RATIFICATION: 11/20/23

TOTAL PAYMENTS BY WIRE:

915,461.15

Certified as to the accuracy of the wire transfers by:

 11/20/23
 Treasury & Customer Services Manager Date

 11/20/23
 Interim Chief Financial Officer Acting CFO Date

 11-21-23
 City Manager Date

Information on actual expenditures is available in the City Treasurer's Office of the City of El Segundo.

CITY OF EL SEGUNDO
WARRANTS TOTALS BY DEPARTMENT
AS OF 12/05/23
REGISTER #10b

DEPT#	NAME	TOTAL
GENERAL FUND DEPARTMENTAL EXPENDITURES		
GENERAL GOVERNMENT		
1101	City Council	550.00
1201	City Treasurer	
1300	City Clerk	29.28
2101	City Manager	5,875.00
2102	Communications	25,111.90
2103	El Segundo Media	2,480.82
2201	City Attorney	
2401	Economic Development	2,500.00
2402	Planning	3,195.50
2405	Human and Health Services	24.30
2500	Administrative Services	163,508.47
2601	Government Buildings	38,729.43
2900	Nondepartmental	3,035.57
6100	Library	32,911.49
		277,951.76
PUBLIC SAFETY		
3100	Police	18,123.91
3200	Fire	12,611.80
2403	Building Safety	363.49
2404	Plng/Bldg Sfty Administration	
		31,099.20
PUBLIC WORKS		
4101	Engineering	51,455.96
4200	Streets	27,514.77
4300	Wastewater	217.90
4601	Equipment Maintenance	10,600.19
4801	Administration	
		89,788.82
COMMUNITY DEVELOPMENT		
5100,5200	Recreation & Parks	7,349.51
5400	Centennial	
		7,349.51
EXPENDITURES		
	CAPITAL IMPROVEMENT	141,852.74
	ALL OTHER ACCOUNTS	155,997.34
	TOTAL WARRANTS	704,039.37

CITY OF EL SEGUNDO
WARRANTS TOTALS BY FUND

3048350 - 3048450		
9003090 - 9003430	<i>en</i>	
001	GENERAL FUND	411,179.14
003	EXPENDABLE TRUST FUND - OTHER	6,500.00
104	TRAFFIC SAFETY FUND	-
106	STATE GAS TAX FUND	-
108	ASSOCIATED RECREATION ACTIVITIES FUND	-
109	ASSET FORFEITURE FUND	-
110	MEASURE "R"	-
111	COMM. DEVEL. BLOCK GRANT	-
112	PROP "A" TRANSPORTATION	-
114	PROP "C" TRANSPORTATION	-
115	AIR QUALITY INVESTMENT PROGRAM	-
116	HOME SOUND INSTALLATION FUND	-
117	HYPERION MITIGATION FUND	63.98
118	TDA ARTICLE 3 - SB 821 BIKEWAY FUND	-
119	MTA GRANT	-
121	FEMA	-
120	C.O.P.S. FUND	-
122	L.A.W.A. FUND	-
123	PSAF PROPERTY TAX PUBLIC SAFETY	-
124	FEDERAL GRANTS	-
125	STATE GRANT	-
126	A/P CUPA PROGRAM OVERSIGHT SURCHARGE	38.01
127	MEASURE "M"	326,398.19
128	SB-1	-
129	CERTIFIED ACCESS SPECIALIST PROGRAM	-
130	AFFORDABLE HOUSING	-
131	COUNTY STORM WATER PROGRAM	-
132	MEASURE "B"	-
301	CAPITAL IMPROVEMENT FUND	-
302	INFRASTRUCTURE REPLACEMENT FUND	-
405	FACILITIES MAINTENANCE	-
501	WATER UTILITY FUND	2,280.35
502	WASTEWATER FUND	69,283.31
503	GOLF COURSE FUND	-
505	SOLID WASTE FUND	-
601	EQUIPMENT REPLACEMENT	-
602	LIABILITY INSURANCE	-
603	WORKERS COMP. RESERVE/INSURANCE	43.13
701	RETIRED EMP. INSURANCE	-
702	EXPENDABLE TRUST FUND - DEVELOPER FEES	-
704	EXPENDABLE TRUST FUND - OTHER	931.68
708	OUTSIDE SERVICES TRUST	-
	TOTAL WARRANTS	<u>816,717.79</u>

DATE OF APPROVAL: AS OF 12/05/23

REGISTER #10c

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

Information on actual expenditures is available in the Chief Financial Officer's office in the City of El Segundo.

I certify as to the accuracy of the Demands and the availability of fund for payment thereof.

For Approval: Regular checks held for City council authorization to release.

CODES:

R = Computer generated checks for all non-emergency/urgency payments for materials, supplies and services in support of City Operations

For Ratification:

A = Payroll and Employee Benefit checks

B - F = Computer generated Early Release disbursements and/or adjustments approved by the City Manager. Such as: payments for utility services, petty cash and employee travel expense reimbursements, various refunds, contract employee services consistent with current contractual agreements, instances where prompt payment discounts can be obtained or late payment penalties can be avoided or when a situation arises that the City Manager approves.

H = Handwritten Early Release disbursements and/or adjustments approved by the City Manager.

INTERIM CHIEF FINANCIAL OFFICER



DATE:

11/29/23

CITY MANAGER



DATE:

12-4-23

NOTES: Replacement Checks 3048330 - 3048349

CITY OF EL SEGUNDO
WARRANTS TOTALS BY DEPARTMENT
AS OF 12/05/23
REGISTER #10c

DEPT#	NAME	TOTAL
GENERAL FUND DEPARTMENTAL EXPENDITURES		
GENERAL GOVERNMENT		
1101	City Council	336.47
1201	City Treasurer	989.23
1300	City Clerk	8,039.05
2101	City Manager	10,800.00
2102	Communications	145.51
2103	El Segundo Media	
2201	City Attorney	
2401	Economic Development	
2402	Planning	45.53
2405	Human and Health Services	2,530.80
2500	Administrative Services	104,678.80
2601	Government Buildings	60,017.09
2900	Nondepartmental	6,087.51
6100	Library	25,386.67
		219,056.66
PUBLIC SAFETY		
3100	Police	4,240.94
3200	Fire	30,847.36
2403	Building Safety	
2404	Plng/Bldg Sfty Administration	513.86
		35,602.16
PUBLIC WORKS		
4101	Engineering	10,656.55
4200	Streets	32,030.88
4300	Wastewater	585.08
4601	Equipment Maintenance	4,152.25
4801	Administration	466.05
		47,890.81
COMMUNITY DEVELOPMENT		
5100,5200	Recreation & Parks	21,142.26
5400	Centennial	11,347.25
		32,489.51
EXPENDITURES		
CAPITAL IMPROVEMENT		
ALL OTHER ACCOUNTS		481,678.65
TOTAL WARRANTS		816,717.79

**CITY OF EL SEGUNDO
PAYMENTS BY WIRE TRANSFER
11/20/23 THROUGH 11/26/23**

<u>Date</u>	<u>Payee</u>		<u>Description</u>
11/22/2023	PARS-US Bank-Trust Acct	260,000.00	FY 23-24 PARS Contribution
11/22/2023	IRS	302,592.56	Federal 941 Deposit
11/22/2023	Employment Development	4,214.83	State SDI payment
11/22/2023	Employment Development	73,524.34	State PIT Withholding
11/22/2023	Mission Square	67,414.20	457 payment Vantagepoint
11/22/2023	Mission Square	1,080.00	401(a) payment Vantagepoint
11/22/2023	Mission Square	2,483.10	401(a) payment Vantagepoint
11/22/2023	Mission Square	100.00	IRA payment Vantagepoint
11/22/2023	ExpertPay	2,365.29	EFT Child support payment
11/13/23-11/19/23	Workers Comp Activity	24,404.12	SCRMA checks issued/(voided)
11/13/23-11/19/23	Liability Trust - Claims	-	Claim checks issued/(voided)
11/13/23-11/19/23	Retiree Health Insurance	-	Health Reimbursement checks issued
		<u>738,178.44</u>	

DATE OF RATIFICATION: 11/27/23

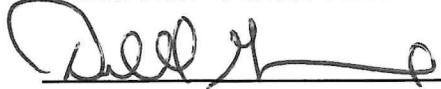
TOTAL PAYMENTS BY WIRE:

738,178.44

Certified as to the accuracy of the wire transfers by:

 11/29/23
Treasury & Customer Services Manager Date

 11/29/23
Interim Chief Financial Officer Date

 12-4-23
City Manager Date

Information on actual expenditures is available in the City Treasurer's Office of the City of El Segundo.



City Council Agenda Statement

Meeting Date: December 19, 2023

Agenda Heading: Consent

Item Number: B.5

TITLE:

Amendment to Licensee Agreement No. 3787 with Equinix to Maintain Their Existing Fiber Optic Loop Within the City's Public Right of Way

RECOMMENDATION:

1. Authorize the City Manager to execute a proposed amendment to license agreement No. 3787 with Equinix.
2. Alternatively, discuss and take other possible action related to this item.

FISCAL IMPACT:

This is a revenue-generating licensee agreement for the City. Projected revenue is \$665,000 through 2040.

BACKGROUND:

Equinix is one of the largest digital infrastructure companies in the U.S. and manages five data centers in L.A. County, two of which are in El Segundo (1920 E Maple Ave. and 445 N Douglas St.). The El Segundo locations are critical to the region and enable high-performing content streaming worldwide.

In 2008, the City entered into a 10-year license agreement with Equinix, and authorized the installation of fiber optic cable within the City's public right of way. This access allowed Equinix to create a fiber optic loop, interconnecting their two data center facilities in El Segundo. Terms of this agreement were from 2008 to 2018, in which Equinix compensated the City \$10,000 annually for the duration of the license.

DISCUSSION:

The amendment of contract 3787 will continue to allow Equinix to maintain their existing fiber-optic loop within the City's public right of way while increasing the City's revenue to \$30,000 annually. Specifically, the amendment would retroactively extend the

Amendment to Licensee Agreement with Equinix

December 19, 2023

Page 2 of 2

agreement term from 2019 to 2033, and increases the City's compensation to \$30,000 annually. An optional seven-year extended term is available at the conclusion of 2033, in which the City's compensation would increase to \$35,000 annually (if the option is exercised).

The City has received a partial true-up payment of \$30,000, which is reflected below for years 2019- 2021. A final true-up payment of \$120,000 is due to the City within 30 days of the execution of this contract amendment to allow the City to recoup its missed payments since the agreement initially lapsed in 2018.

True-up payment details

2019 - \$20,000

2020 - \$20,000

2021 - \$20,000

2022 - \$30,000

2023 - \$30,000

CITY STRATEGIC PLAN COMPLIANCE:

Goal 5: Champion Economic Development and Fiscal Sustainability

Objective 5B: El Segundo approaches its work in a financially strategic and responsible way.

PREPARED BY:

Jose Calderon, Information Technology Services Director

REVIEWED BY:

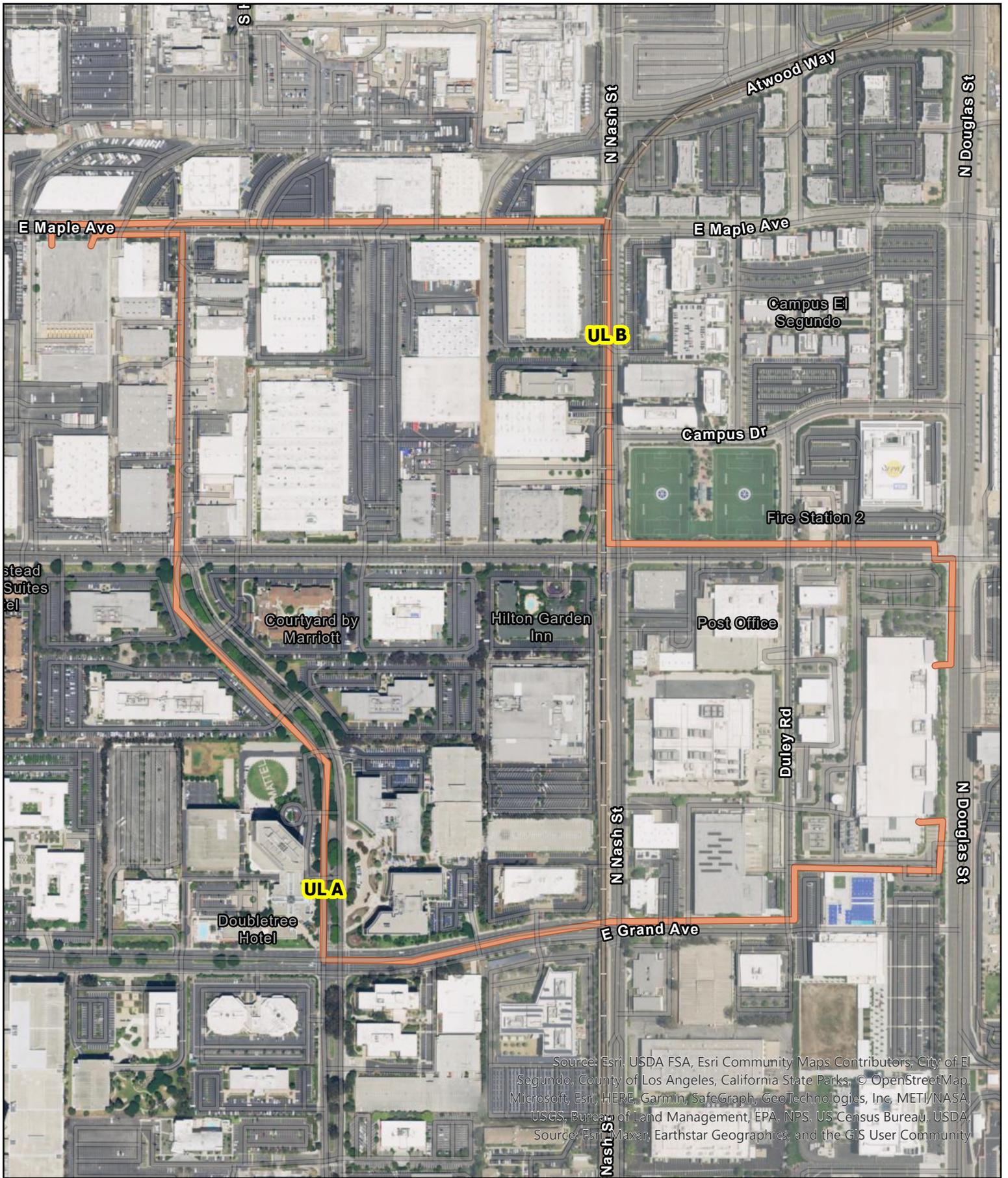
Jose Calderon, Information Technology Services Director

APPROVED BY:

Barbara Voss, Deputy City Manager

ATTACHED SUPPORTING DOCUMENTS:

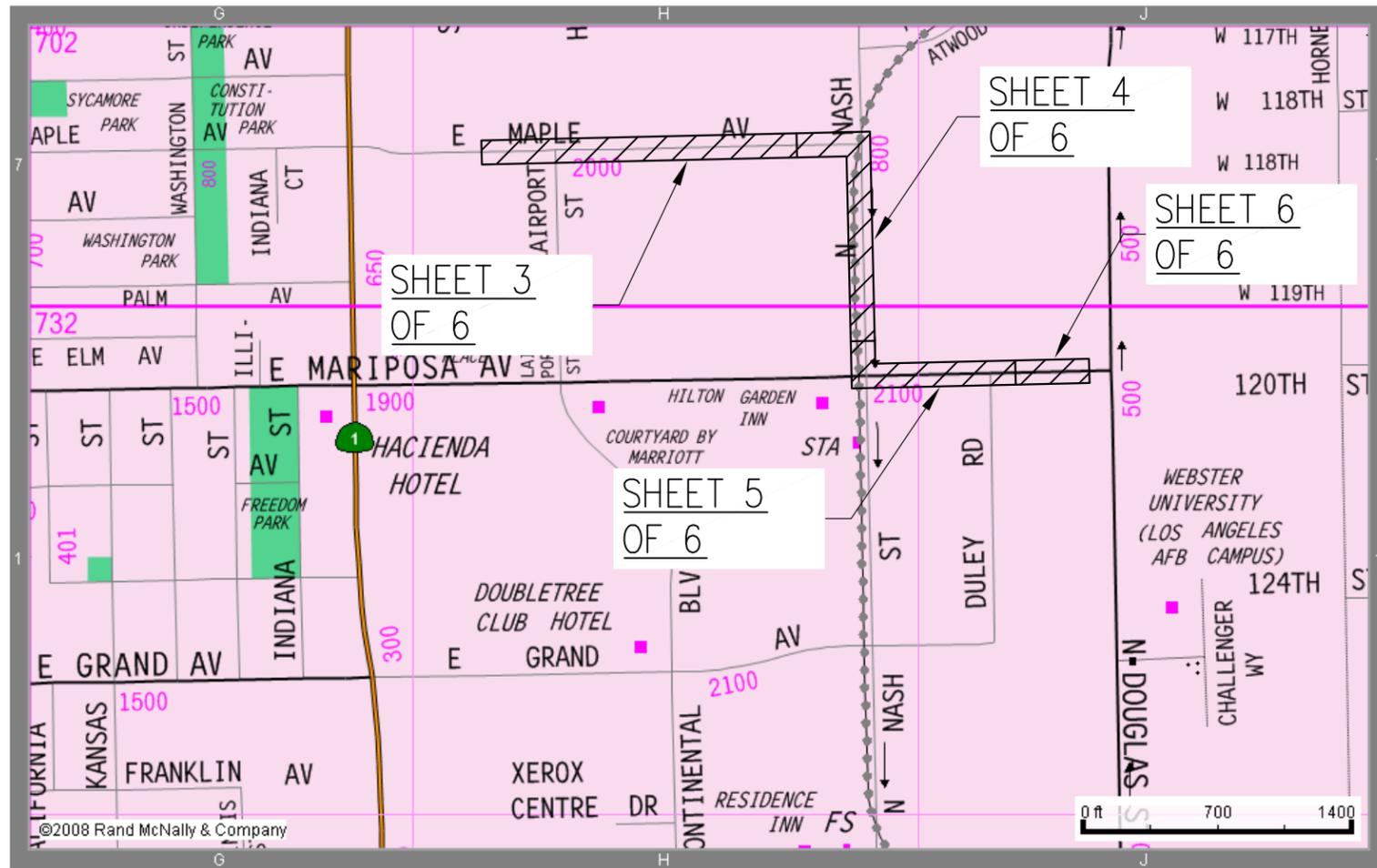
1. Utility Line Measurements
2. Equinix North Leg of Fiber Loop
3. Equinix South Leg of Fiber Loop
4. Equinix License Amendment - 2023
5. CONTRACT 3787 - 2008 License Agreement



— ULA —	Length = 1.15 mi.
— ULB —	Length = 0.97 mi.
Total Length = 2.12 mi.	

EL SEGUNDO SUB LOOP (NORTH ROUTE)

MAPLE AVE & LAIRPORT ST.
 NASH ST. FROM MAPLE AVE. TO CAMPUS DR.
 MARIPOSA AVE. FROM NASH ST. TO DULEY RD.
 MARIPOSA AVE & DOUGLAS ST.
 EL SEGUNDO, CA. 90245



SHEET INDEX

- SHEET 1 OF 6: COVER PAGE
- SHEET 2 OF 6: TYPICAL DETAILS SHEET
- SHEET 3 OF 6: PLAN SHEET
- SHEET 4 OF 6: PLAN SHEET
- SHEET 5 OF 6: PLAN SHEET
- SHEET 6 OF 6: PLAN SHEET

AS-BUILT
 05/20/09

T.G.P. NO.: LA 702-H7, 732-H1, J1

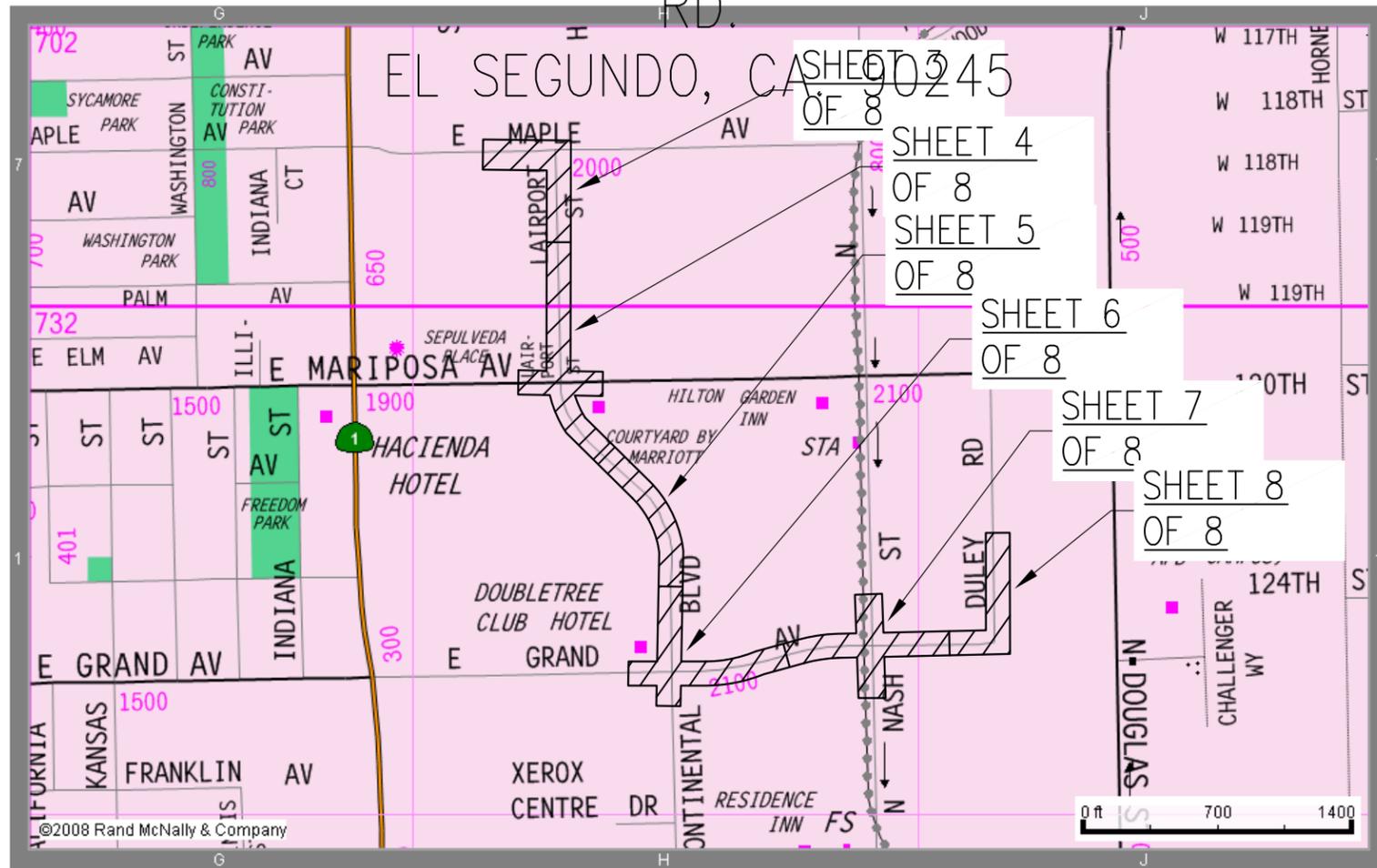


 PRESCOTT COMMUNICATIONS INC. 10640 SEPULVEDA BLVD, SUITE 1 MISSION HILLS, CA 91345 (818) 898-2352 FAX (818) 898-9186	UTILITY LEGEND		 SCALE: N.T.S.	CITY PERMIT INFORMATION		
	EQUINIX NEW EQUINIX EXISTING POWER GAS WATER PHONE STREET LIGHT OIL SEWER CABLE TV STORM DRAIN	PROJECT NO.: 45011-2 T.G. MAP NO.: LA 702-H7, 732-H1, J1 TOTAL FOOTAGE THIS PROJECT: 5,284' ENGINEERED BY: C.E.S. DATE: 11-04-08 DRAFTED BY: C.E.S. DATE: 11-04-08		PERMIT NO.: 3165 DATE: 02-11-09 CITY: EL SEGUNDO COUNTY: LOS ANGELES LOG NO.:		
	REVISION			LOCATION: NORTH ROUTE		
	ADDED (1)-4" CONDUIT AND (2)-2' X 3' VAULTS FROM MANHOLE #5 RELOCATE PROPOSED CONDUIT PER CITY PLAN CHECK AS-BUILT					DATE 12-08-08 01-14-09 05-20-09
		EL SEGUNDO SUB LOOP		PLAN NO.: FIS0808		

EL SEGUNDO SUB LOOP (SOUTH ROUTE)

LAIRPORT ST. BETWEEN MAPLE AVE. & MARIPOSA AVE.
CONTINENTAL BLVD. BETWEEN MARIPOSA AVE. & GRAND AVE.

GRAND AVE. BETWEEN CONTINENTAL BLVD. & DULEY RD.



SHEET 3 OF 8
SHEET 4 OF 8
SHEET 5 OF 8
SHEET 6 OF 8
SHEET 7 OF 8
SHEET 8 OF 8

SHEET INDEX

- SHEET 1 OF 8: COVER PAGE
- SHEET 2 OF 8: TYPICAL DETAILS SHEET
- SHEET 3 OF 8: PLAN SHEET
- SHEET 4 OF 8: PLAN SHEET
- SHEET 5 OF 8: PLAN SHEET
- SHEET 6 OF 8: PLAN SHEET
- SHEET 7 OF 8: PLAN SHEET
- SHEET 8 OF 8: PLAN SHEET

AS-BUILT
05/20/09

T.G.P. NO.: LA 702-H7, 732-H1, J1



EQUINIX

CES cable engineering services
PRESCOTT COMMUNICATIONS INC.
10640 SEPULVEDA BLVD, SUITE 1
MISSION HILLS, CA 91345
(818) 898-2352 FAX (818) 898-9186

UTILITY LEGEND	
	EQUINIX NEW
	EQUINIX EXISTING
	POWER
	GAS
	WATER
	PHONE
	STREET LIGHT
	OIL
	SEWER
	CABLE TV
	STORM DRAIN

SCALE:
N.T.S.

CITY PERMIT INFORMATION		PROJECT NO.:	PERMIT NO.:
		45011-2	3166
		PROJECT NAME: SUBSTRUCTURE PERMIT	DATE: 02-11-09
		T.G. MAP NO.: LA 702-H7, 732-H1, J1	CITY: EL SEGUNDO
		TOTAL FOOTAGE THIS PROJECT: 5,077'	COUNTY: LOS ANGELES
		ENGINEERED BY: C.E.S. DATE: 11-04-08	LOG NO.:
		DRAFTED BY: C.E.S. DATE: 11-04-08	LOCATION: SOUTH ROUTE
			EL SEGUNDO SUB LOOP
REVISION		DATE	
RELOCATE PROPOSED CONDUIT PER CITY PLAN CHECK		01-13-09	
AS-BUILT		05-20-09	
		PLAN NO.: FIS0809	

**FIRST AMENDMENT TO
AGREEMENT NO. 3787
BETWEEN THE CITY OF EL SEGUNDO
AND EQUINIX, INC**

THIS FIRST AMENDMENT ("Amendment") TO AGREEMENT NO. 3787 ("Agreement") is made and entered into this 12th day of October 2023, by and between the CITY OF EL SEGUNDO, a general law city and municipal corporation existing under the laws of California ("CITY"), and EQUINIX, INC., a California corporation ("LICENSEE"). Pursuant to Agreement Section 25 (Authority/Modification), the parties agree as follows:

1. The parties agree that this Amendment will take effect retroactively to March 1, 2019.
2. Agreement Section 3 (Term) is hereby amended and restated as follows:
"TERM. Except as provided in Section 4, the term of this Agreement will begin on March 1, 2019 and end on February 28, 2033 (the "Extended Term"). LICENSEE may exercise, subject to CITY approval, one (1), optional seven-year extension term at the end of the Extended Term. LICENSEE must notify the CITY, in writing, no less than 90 days before the end of the Extended Term of its exercise of the seven-year extension option. The CITY reserves the right to reject LICENSEE's exercise of the extension option and will provide written notification of its acceptance or rejection thereof within 30 days of its receipt of LICENSEE'S written extension request.
3. Agreement Section 4 is modified as follows:
 - a. Sections 4(A) is amended in its entirety to read as follows: "CITY may terminate this Agreement at any time without cause if it provides 365 days' written notice of termination to LICENSEE of such termination. CITY may also terminate this Agreement if LICENSEE fails to cure any failure to abide with this Agreement's terms after written notice and expiration of the 45-day cure period described in Section 15, and termination will take effect nine months following the expiration of the 45-day cure period. In the event of termination without cause, CITY will make reasonable efforts to assist LICENSEE in exploring alternative connections or locations for its fiber and associated infrastructure."
 - b. 4C is hereby deleted.
 - c. Section 4B is hereby modified in its entirety to read as follows: "Licensee may terminate this License at any time in writing at least five (5) days before the effective termination date."
 - d. Section 4D is hereby modified as follows: "Upon termination, Licensee may elect to either remove its personal property or leave the Property AS-IS on

the date thereof.”

4. Agreement Section 5 (Compensation) is amended to increase the annual license fee from \$10,000 per year to \$30,000 per year for the term of the license. CITY and LICENSEE parties agree that this compensation increase is retroactively effective to contract year 2019, beginning March 1, 2019. For LICENSEE’S unpaid annual license fee payments for the Agreement years between March 1, 2019 through February 28, 2023, LICENSEE will pay CITY a one-time, true-up payment of \$120,000 within 30 days of CITY and LICENSEE’S execution of this Amendment.¹ Beginning contract year 2024 (starting March 1, 2024), LICENSEE will pay CITY the annual fee within 30 days of the date of CITY’S written demand therefore, but in no event later than March 1 of each year. Should the CITY accept LICENSEE’S exercise of the seven-year extension option, the annual license fee will increase to \$35,000 for that extension period.
5. The last two sentences of Agreement Section 7 are hereby deleted.
6. Agreement Section 15 is hereby amended and restated as follows: “LICENSEE will be in default and breach of this Agreement if LICENSEE fails to perform any term or condition under this Agreement within 45 calendar days after receipt of CITY’S written notice to LICENSEE specifying LICENSEE’S specific failure under this Agreement. If LICENSEE remains in default beyond the 45-day cure period, CITY will have the right to exercise any and all rights and remedies available to it under law and equity, including termination as described in Section 4. CITY will have the discretion, but no obligation, to accept LICENSEE’S cure of such a default following the cure period.”
7. Agreement Section 19 is hereby amended to replace the notice address for Equinix, Inc. with the following:

Equinix, Inc.
1 Lagoon Drive
Redwood City, CA 94065
Attn: Legal Department
8. This Amendment may be executed in any number or counterparts, each of which will be an original, but all of which together constitutes one instrument executed on the same date. In accordance with Government Code §16.5, the Parties agree that this Amendment and related documents in connection with this Amendment will be considered signed when the signature of a party is delivered by electronic transmission. Such electronic signature will be treated in all respects as having the same effect as an original signature.
9. Except as modified by this Amendment, all other terms and conditions of the Agreement remain the same.

¹ The true-up payment of \$120,000 is comprised of the following fees: \$20,000 for contract year 2019, \$20,000 for contract year 2020, \$20,000 for contract year 2021, \$30,000 for contract year 2022, and \$30,000 for contract year 2023. The foregoing notwithstanding, CITY acknowledges its receipt of payments from LICENSEE totaling \$30,000 that it has applied to \$30,000 owed for each contract years 2019, 2020, and 2021.

[SIGNATURES ON THE NEXT PAGE]

IN WITNESS WHEREOF the parties hereto have executed this Amendment the day and year first hereinabove written.

CITY OF EL SEGUNDO

EQUINIX, INC

Darrell George,
City Manager

Name

Title

Jose Calderon,
Director, IT Services Department

Taxpayer ID No.

ATTEST:

Tracy Weaver, City Clerk

APPROVED AS TO FORM:
Mark D Hensley, City Attorney

Joaquin Vazquez,
Assistant City Attorney

Hank Lu,
Risk Manager

**LICENSE AGREEMENT BETWEEN THE
CITY OF EL SEGUNDO AND
EQUINIX, INC.**

THIS LICENSE is made and executed this 16th day of December 2008, between the CITY OF EL SEGUNDO, a municipal corporation ("CITY"), and Equinix, Inc, a California corporation ("LICENSEE").

1. LICENSE; DESCRIPTION OF PROPERTY. CITY licenses LICENSEE to use, on the terms and conditions in this License, real property located at (See Exhibit A) ("Property"). CITY's action is not, and should not be construed to be, a conveyance of a property interest or a lease; it is a license to use property only.

2. USE OF PROPERTY.

- A. LICENSEE may temporarily use the Property for the purposes of installing and maintaining pipelines and conduit containing fiber optic cables in public streets between the existing and proposed facility at 1920 E. Maple Avenue and 445 N. Douglas Street, respectively.
- B. CITY may change, amend, or terminate LICENSEE's use of Property at any time, and in its sole discretion, verbally or in writing.

3. TERM. Except as provided in Section 4, the term of this license will begin on March 1, 2008 and end on February 28, 2018. Upon mutual written agreement between the parties, this License may be renewed for additional time.

4. TERMINATION.

- A. As stated above, CITY may terminate this License at any time with or without cause, upon written or verbal notification. Termination will be effective upon notification, unless CITY specifies otherwise.
- B. LICENSEE may terminate this License at any time in writing at least five (5) days before the effective termination date.
- C. By executing this document, LICENSEE waives any and all claims for damages that might otherwise arise from CITY's termination under this Section.
- D. Upon termination, LICENSEE will remove all personal property and improvements from Property within two (2) days. Property will be left in a clean and orderly fashion.

5. **COMPENSATION.** In exchange for the use of the facilities at Property, LICENSEE agrees to pay CITY a sum of ten thousand dollars (\$10,000.00) annually for the term of this License. A one time fee of two thousand five hundred dollars (\$2,500.00) will be paid to the CITY for administration costs of this agreement.

6. **CONDEMNATION.** If all or part of Property is acquired by eminent domain or purchase in lieu thereof, LICENSEE acknowledges that it will have no claim to any compensation awarded for the taking of Property or any portion thereof or for loss of or damage to LICENSEE's improvements.

7. **RELOCATION BENEFITS.** LICENSEE acknowledges that it has been informed that CITY is a public entity and that Property was previously acquired by CITY for a public purpose. LICENSEE further acknowledges that any rights acquired under this License arose after the date of acquisition of Property and that said rights are subject to termination when Property is needed by CITY. LICENSEE hereby acknowledges that at the time of said termination of this License by CITY, it will not be a "displaced person" entitled to any of the relocation assistance or benefits offered to displaced persons under State or Federal law.

8. **ALTERATIONS.** LICENSEE will not make, or cause to be made, any alterations to Property, or any part thereof, without CITY's prior written consent.

9. **HAZARDOUS/TOXIC WASTE.** CITY has not, nor, to CITY's knowledge, has any third party used, generated, stored or disposed of, or permitted the use, generation, storage or disposal of, any Hazardous Material (as defined below) on, under, about or within Property in violation of any law or regulation. LICENSEE agrees that it will not use, generate, store or dispose of any Hazardous Material (as defined below) on, under, about or within Property in violation of any law or regulation. LICENSEE agrees to defend and indemnify CITY, to the extent stated in Section 12, against any and all losses, liabilities, claims or costs arising from any breach of any warranty or agreement contained in this Section. As used in this Section, "Hazardous Material" means any substance, chemical or waste that is identified as hazardous, toxic or dangerous in any applicable federal, state or local law or regulation (including petroleum and asbestos).

10. **SIGNS.** LICENSEE will not place any sign upon Property without CITY's prior written consent. LICENSEE will pay for all costs of any approved signage and comply with all applicable sign codes and ordinances.

11. **ASSIGNMENT.** LICENSEE will not be permitted to assign this License or any interest therein except to an affiliate of the LICENSEE.

12. INDEMNIFICATION.

- A. LICENSEE will hold CITY harmless and free from any and all liability arising out of this License, or its performance. Should CITY be named in any suit, or should any claim be against it, by suit or otherwise, whether the same be groundless or not, arising out of this License, or its performance, pursuant to this

License, LICENSEE will defend CITY (at CITY's request and with counsel satisfactory to CITY) and will indemnify it for any judgment rendered against it or any sums paid out in settlement or otherwise.

- B. For purposes of this section "CITY" includes CITY's officers, officials, employees, agents, representatives, and certified volunteers.
- C. LICENSEE expressly agrees that this release, waiver, and indemnity agreement is intended to be as broad and inclusive as is permitted by the law of the State of California and that if any portion is held invalid, it is agreed that the balance will, notwithstanding, continue in full legal force and effect.
- D. It is expressly understood and agreed that the foregoing provisions will survive termination of this License.
- E. The requirements as to the types and limits of insurance coverage to be maintained by LICENSEE as required by Section 13 below, and any approval of said insurance by CITY, are not intended to and will not in any manner limit or qualify the liabilities and obligations otherwise assumed by LICENSEE pursuant to this License, including but not limited to the provisions concerning indemnification.

13. INSURANCE.

- A. Before commencing performance under this License, and at all other times this License is effective, LICENSEE will procure and maintain the following types of insurance with coverage limits complying, at a minimum, with the limits set forth below:

<u>Type of Insurance</u>	<u>Limits (combined single)</u>
Commercial general liability:	\$1,000,000.00
Workers compensation	Statutory limits

- B. Commercial general liability insurance will meet or exceed the requirements of the most current ISO Forms. The amount of insurance set forth above will be a combined single limit per occurrence for bodily injury, personal injury, and property damage for the policy coverage. Liability policies must be endorsed to name CITY, its officials, and employees as "additional insureds" under said insurance coverage and to state that such insurance will be deemed "primary" such that any other insurance that may be carried by CITY will be excess thereto. Such insurance will be on an "occurrence," not a "claims made," basis and will not be cancelable except upon thirty (30) days prior written notice to CITY except for nonpayment of premiums which may be cancelable upon ten (10) day notice.

- C. LICENSEE will furnish to CITY duly authenticated Certificates of Insurance and Endorsements evidencing maintenance of the insurance required under this License and such other evidence of insurance or copies of policies as may be reasonably required by CITY from time to time. Insurance must be placed with insurers with a current A.M. Best Company Rating equivalent to at least a Rating of "A:VII." Certificate(s) must reflect that the insurer will provide thirty (30) day notice of any cancellation of coverage. CONTRACTOR will require its insurer to modify such certificates to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions.
- D. Should LICENSEE, for any reason, fail to obtain and maintain the insurance required by this License, CITY may obtain such coverage at LICENSEE's expense and charge the cost of such insurance to LICENSEE under this License or terminate pursuant to Section 4.

14. COMPLIANCE WITH LAW. LICENSEE will, at its sole cost and expense, comply with all of the requirements of all federal, state, and local authorities now in force, or which may hereafter be in force, pertaining to Property and will faithfully observe in the use of Property all applicable laws. The judgment of any court of competent jurisdiction, or the admission of LICENSEE in any action or proceeding against LICENSEE, whether CITY be a party thereto or not, that LICENSEE has violated any such ordinance or statute in the use of Property will be conclusive of that fact as between CITY and LICENSEE.

15. BREACH OF AGREEMENT. The violation of any of the provisions of this License will constitute a breach of this License by LICENSEE, and in such event said License will automatically cease and terminate.

16. WAIVER OF BREACH. Any express or implied waiver of a breach of any term of this License will not constitute a waiver of any further breach of the same or other term of this License.

17. ENTRY BY CITY AND PUBLIC. This License does not convey any property interest to LICENSEE. Except for areas restricted because of safety concerns, CITY and the general public will have unrestricted access upon Property for all lawful acts.

18. INSOLVENCY; RECEIVER. Either the appointment of a receiver to take possession of all or substantially all of the assets of LICENSEE, or a general assignment by the LICENSEE for the benefit of creditors, or any action taken or offered by LICENSEE under any insolvency or bankruptcy action, will constitute a breach of this License by LICENSEE, and in such event said License will automatically cease and terminate.

19. NOTICES. Except as otherwise expressly provided by law, all notices or other communications required or permitted by this License or by law to be served on or given to

either party to this License by the other party will be in writing and will be deemed served when personally delivered to the party to whom they are directed, or in lieu of the personal service, upon deposit in the United States Mail, certified or registered mail, return receipt requested, postage prepaid, addressed to LICENSEE at:

Equinix Inc.
 Attn: Legal Department
 301 Velocity Way
 5th floor
 Foster City, CA 94404

or to CITY at:

Dana Greenwood, Public Works Director
 350 Main Street
 El Segundo, CA 90245
 Attention: Dan Garcia, Assistant City Engineer

Either party may change its address for the purpose of this Section by giving written notice of the change to the other party.

20. ACCEPTANCE OF FACSIMILE SIGNATURES. The Parties agree that agreements ancillary to this License and related documents to be entered into in connection with this License will be considered signed when the signature of a party is delivered by facsimile transmission. Such facsimile signature will be treated in all respects as having the same effect as an original signature.

21. GOVERNING LAW. This License has been made in and will be construed in accordance with the laws of the State of California and exclusive venue for any action involving this License will be in Los Angeles County.

22. PARTIAL INVALIDITY. Should any provision of this License be held by a court of competent jurisdiction to be either invalid or unenforceable, the remaining provisions of this License will remain in effect, unimpaired by the holding.

23. ENTIRE AGREEMENT. This instrument and its Attachments constitute the sole agreement between CITY and LICENSEE respecting Property, the use of Property by LICENSEE, and the specified License term, and correctly sets forth the obligations of CITY and LICENSEE. Any agreement or representations respecting Property or its licensing by CITY to LICENSEE not expressly set forth in this instrument are void.

24. CONSTRUCTION. The language of each part of this License will be construed simply and according to its fair meaning, and this License will never be construed either for or against either party.

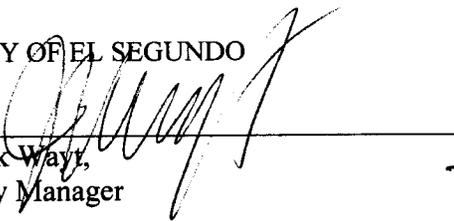
25. **AUTHORITY/MODIFICATION.** The Parties represent and warrant that all necessary action has been taken by the Parties to authorize the undersigned to execute this License and to engage in the actions described herein. This License may be modified by written agreement. CITY's city manager, or designee, may execute any such amendment on behalf of CITY.

26. **COUNTERPARTS.** This License may be executed in any number or counterparts, each of which will be an original, but all of which together will constitute one instrument executed on the same date.

IN WITNESS WHEREOF the parties hereto have executed this contract the day and year first hereinabove written.

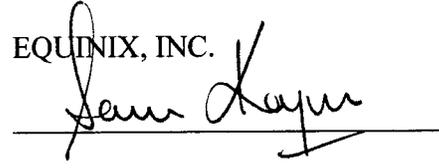
CITY OF EL SEGUNDO

Jack Wayt,
City Manager



DRE

EQUINIX, INC.



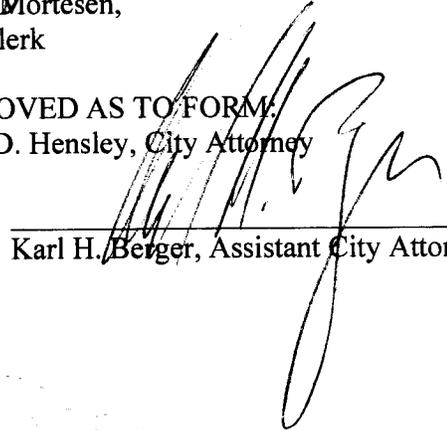
2008.12.
16
11:37:04
-08'00'

ATTEST:


Cindy Mortesen,
City Clerk

Taxpayer ID No. 77-0487526

APPROVED AS TO FORM:
Mark D. Hensley, City Attorney

By: 
Karl H. Berger, Assistant City Attorney

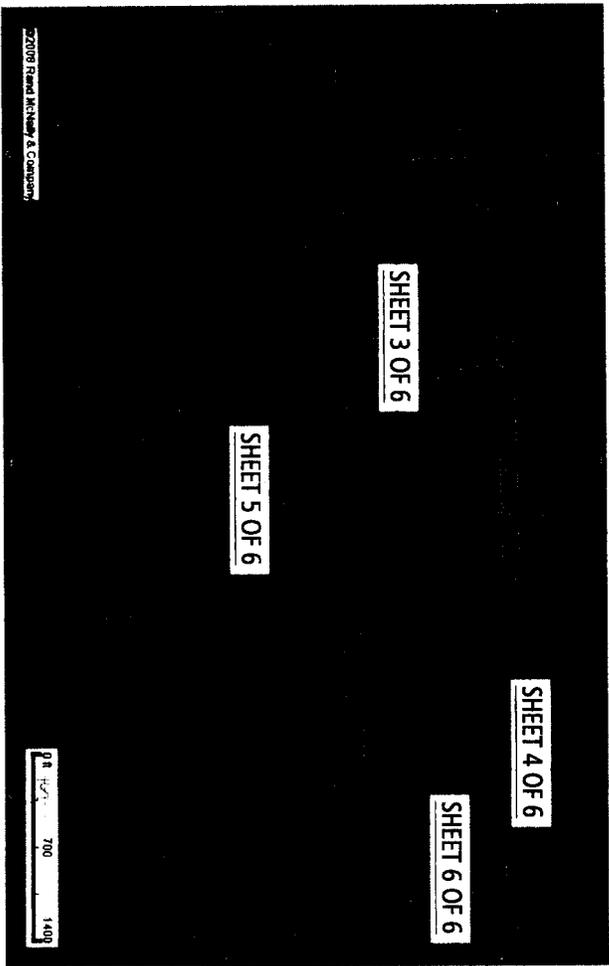
37 87 . . .]

EXHIBIT A

Description of Easement Area

(See Attached)

EL SEGUNDO SUB LOOP (NORTH ROUTE)
MAPLE AVE & LAIRPORT ST.
NASH ST. FROM MAPLE AVE. TO CAMPUS DR.
MARIPOSA AVE. FROM NASH ST. TO DULEY RD.
MARIPOSA AVE & DOUGLAS ST.
EL SEGUNDO, CA. 90245



T.G.P. NO.: LA 702-H7, 732-H1, J1

Cgs *cable engineering services*
 PRESCOTT COMMUNICATIONS INC.
 10840 SEPULVEDA BLVD, SUITE 1
 MISSION HILLS, CA 91345
 (818) 898-2327 FAX (818) 898-9186

DIGIPLAN
 1-800-227-2800
 1400 N. 17TH AVE
 DENVER, CO 80202
 TICKET # _____

UTILITY LEGEND

FOUNTAIN	FOUNTAIN
WATER	WATER
SEWER	SEWER
STORM	STORM
TELEPHONE	TELEPHONE
POWER	POWER
STREET LIGHT	STREET LIGHT
OTHER	OTHER



CITY PERMIT INFORMATION

APPROXIMATE BORE FOOTAGE	4,120'-0"
APPROXIMATE TRENCH FOOTAGE	564'-0"
TOTAL FOOTAGE THIS PROJECT	4,684'-0"

REVISION

ADDED (1)-4" CONDUIT AND (2)-2" X 3" WALLS FROM WAREHOUSE #5	DATE: 11-04-08
RELOCATED PROPOSED CONDUIT PER CITY PLAN CHECK	DATE: 12-08-08
	DATE: 01-14-09

PROJECT NO.: 48011-2
 T.G.P. NO.: LA 702-H7, 732-H1, J1
 DATE: EL SEGUNDO
 CONTRACTOR: LOS ANGELES
 LOCATION: NORTH ROUTE
 EL SEGUNDO SUB LOOP
 PLAN NO.: F150B033 SHEET 1 OF 6

SHEET INDEX

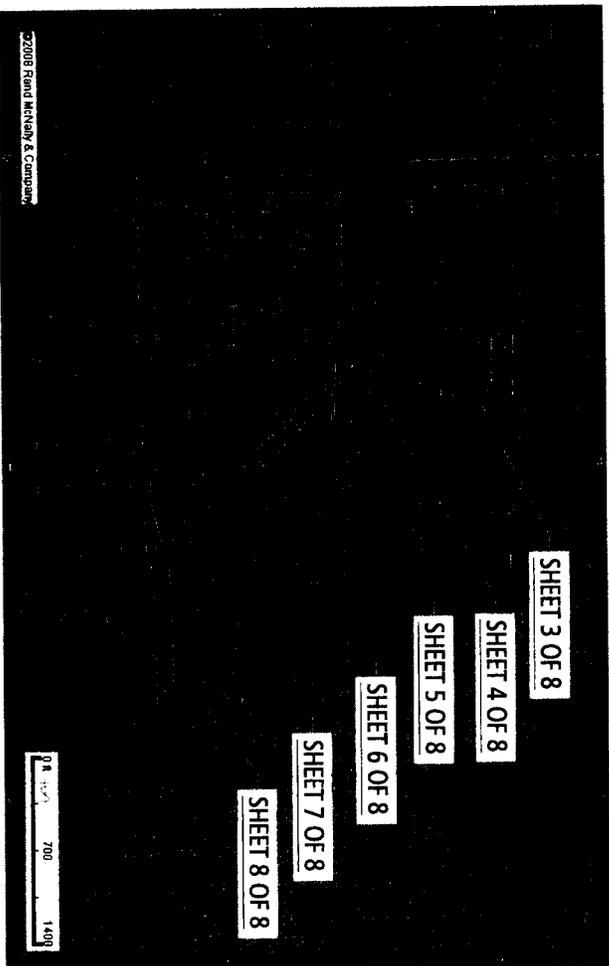
SHEET 1 OF 6 COVER PAGE
 SHEET 2 OF 6 TYPICAL DETAILS SHEET
 SHEET 3 OF 6 PLAN SHEET
 SHEET 4 OF 6 PLAN SHEET
 SHEET 5 OF 6 PLAN SHEET
 SHEET 6 OF 6 PLAN SHEET

EQUINIX

UNIVERSITY MICROFILMS
 300 N ZEEB RD
 ANN ARBOR MI 48106
 (734) 769-0000
 WWW.UMI.COM

- GENERAL NOTES**
1. INFORMATION CLAIM: THE CONTRACTOR AGREES AND SHALL ASSUME RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION PROVIDED FOR THE CONSTRUCTION OF THIS PROJECT, INCLUDING THE SIZES OF ALL PIPES AND MANHOLES. THE CONTRACTOR SHALL VERIFY THE INFORMATION PROVIDED BY THE OWNER AND SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND RECORDS FROM THE CITY, COUNTY OR STATE. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND RECORDS FROM THE CITY, COUNTY OR STATE. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND RECORDS FROM THE CITY, COUNTY OR STATE.
 2. FROM THE BEGINNING OF ANY CONSTRUCTION AND THROUGHOUT THE COURSE OF CONSTRUCTION WORK, THE CONTRACTOR SHALL FULLY COMPLY WITH CALIFORNIA OCCUPATIONAL SAFETY AND HEALTH ACT OF 1973 INCLUDING ALL RECORDS AND DOCUMENTS HERETO.
 3. ALL WORK SHALL COMPLY TO THE LATEST EDITION OF SO 95, 128, AND THE SHOWN SPECIFICATIONS FOR PUBLIC WORKS CONSTRUCTION, AS ADOPTED BY THE CITY, COUNTY OR STATE AS MODIFIED BY STANDARD PLANS AND ADDENDUMS.
 4. THE SIZES AND LOCATION OF UTILITIES AND OTHER AGENCIES FACILITIES AS SHOWN ON THIS PLAN SHALL BE VERIFIED BY THE CONTRACTOR. THE CONTRACTOR SHALL VERIFY FROM THE STATE OF CALIFORNIA DEPARTMENT OF WATER RESOURCES (DWR) THE LOCATION OF ALL UTILITIES OR AGENCY FACILITIES WITHIN THE LIMITS OF WORK. THE CONTRACTOR SHALL VERIFY FROM THE STATE OF CALIFORNIA DEPARTMENT OF WATER RESOURCES (DWR) THE LOCATION OF ALL UTILITIES OR AGENCY FACILITIES WITHIN THE LIMITS OF WORK.
 5. THE CONTRACTOR SHALL NOTIFY UNDERGROUND SERVICES (800) 227-2800, AT LEAST TWO (2) BUSINESS DAYS BEFORE THE COMMENCEMENT OF ANY WORK. THE CONTRACTOR SHALL NOTIFY THE CITY COUNTY OR STATE ENGINEER INSPECTION DEPARTMENT, (310) 524-2319, AT LEAST TWO DAYS BEFORE START OF ANY WORK. THE CONTRACTOR SHALL NOTIFY THE CITY COUNTY OR STATE ENGINEER INSPECTION DEPARTMENT, (310) 524-2319, AT LEAST TWO DAYS BEFORE START OF ANY WORK. THE CONTRACTOR SHALL NOTIFY THE CITY COUNTY OR STATE ENGINEER INSPECTION DEPARTMENT, (310) 524-2319, AT LEAST TWO DAYS BEFORE START OF ANY WORK.
 6. ALL WORK AREA AND STREET TRAFFIC CONTROL SHALL BE IN ACCORDANCE WITH THE SPECIFICATIONS OF THE WORK AREA AND TRAFFIC CONTROL DEVICES (WATCD) AND SPECIFICATIONS FROM THE CITY, COUNTY OR STATE.
 7. THE CITY, COUNTY OR STATE SHALL SPECIFY THE EXPIRATION PERIOD OF THE PERMIT FOR THIS CONSTRUCTION PROJECT.
 8. THE MANUAL COVER FOR ALL CONDUITS PLACED UNDERGROUND SHALL BE 30 INCHES TO THE PRESCRIBED SIZE AT ALL TIMES.
 9. THE CONTRACTOR SHALL MAINTAIN ALL CONDUITS AND CABLES AND BEAR ALL EXPENSES OF THE CONSTRUCTION AND MAINTENANCE OF THE CITY COUNTY OR STATE INSPECTOR.
 10. ALL A.C. AND/OR CONCRETE PAVEMENT SHALL BE REPLACED AT THE DISCRETION OF THE CITY, COUNTY OR STATE ENGINEER.
 11. ALL SINKS, PLANTS OR TREES THAT HAVE BEEN DAMAGED OR DESTROYED DURING THE COURSE OF THIS PROJECT SHALL BE REPLACED OR RESTORED TO ORIGINAL CONDITION.
 12. IF DAMAGE OCCURS TO THE CITY OR COUNTY FACILITIES, THE CONTRACTOR SHALL IMMEDIATELY NOTIFY TRAFFIC CONTROL UNITING, (310) 524-2288, STREET LIGHTING, (310) 524-2888.
 13. AT LEAST TWO DAYS FROM THE COMMENCEMENT OF ANY WORK, NOTIFY THE CONTRACTOR SHALL NOTIFY UNDERGROUND SERVICES (800) 227-2800, AT LEAST TWO DAYS BEFORE THE COMMENCEMENT OF ANY WORK. THE CONTRACTOR SHALL NOTIFY THE CITY COUNTY OR STATE ENGINEER INSPECTION DEPARTMENT, (310) 524-2319, AT LEAST TWO DAYS BEFORE START OF ANY WORK. THE CONTRACTOR SHALL NOTIFY THE CITY COUNTY OR STATE ENGINEER INSPECTION DEPARTMENT, (310) 524-2319, AT LEAST TWO DAYS BEFORE START OF ANY WORK.
 14. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION OF ALL UTILITIES AND FACILITIES SHOWN ON THIS PLAN. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND RECORDS FROM THE CITY, COUNTY OR STATE. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND RECORDS FROM THE CITY, COUNTY OR STATE.
 15. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION OF ALL UTILITIES AND FACILITIES SHOWN ON THIS PLAN. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND RECORDS FROM THE CITY, COUNTY OR STATE. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND RECORDS FROM THE CITY, COUNTY OR STATE.
 16. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION OF ALL UTILITIES AND FACILITIES SHOWN ON THIS PLAN. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND RECORDS FROM THE CITY, COUNTY OR STATE. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND RECORDS FROM THE CITY, COUNTY OR STATE.
 17. ALL U.C. CONDUIT MUST BE SCHEDULE 40 OR BETTER, UNLESS SPECIFIED.
- UNDERGROUND UTILITIES NOTE:**
- THE LOCATION AND EXISTENCE OF ANY UNDERGROUND PIPES, STRUCTURES OR CONDUITS SHOWN ON THIS PLAN WERE OBTAINED BY A SEARCH OF AVAILABLE RECORDS. THERE MAY BE OTHER UTILITIES OTHER THAN THOSE SHOWN ON THIS PLAN. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND RECORDS FROM THE CITY, COUNTY OR STATE. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND RECORDS FROM THE CITY, COUNTY OR STATE.

EL SEGUNDO SUB LOOP (SOUTH ROUTE)
LAIRPORT ST. BETWEEN MAPLE AVE. & MARIPOSA AVE.
CONTINENTAL BLVD. BETWEEN MARIPOSA AVE. & GRAND AVE.
GRAND AVE. BETWEEN CONTINENTAL BLVD. & DULEY RD.
EL SEGUNDO, CA. 90245



T.G.P. NO.: LA 702-H7, 732-H1, J1

Cgs cable engineering services
 PRESCOTT COMMUNICATIONS INC.
 10650 SEPULVEDA BLVD., SUITE 1
 (818) 898-2355 FAX (818) 898-9186

DIGITAL
 1-800-227-2800
 TICKET # _____

UTILITY LEGEND

---	EQUINIX PROPOSED
---	EQUINIX EXISTING
---	POWER
---	WATER
---	PHONE
---	STREET LIGHT
---	SEWER
---	CABLE TV
---	STORM DRAIN

SCALE:

 N.T.S.

CITY PERMIT INFORMATION

APPROXIMATE BONE FOOTAGE	4,922'
TOTAL FOOTAGE THIS PROJECT	5,198'
APPROXIMATE TRENCH FOOTAGE	236'
TOTAL FOOTAGE THIS PROJECT	5,198'
DATE	11-04-08
DESIGNED BY	C.E.S.
DATE	11-04-08
REVISION	01-13-08
RELOCATE PROPOSED CONDUIT PER CITY PLAN CHECK	

SHEET INDEX

SHEET 1 OF 8 COVER PAGE
SHEET 2 OF 8 TYPICAL DETAILS SHEET
SHEET 3 OF 8 PLAN SHEET
SHEET 4 OF 8 PLAN SHEET
SHEET 5 OF 8 PLAN SHEET
SHEET 6 OF 8 PLAN SHEET
SHEET 7 OF 8 PLAN SHEET
SHEET 8 OF 8 PLAN SHEET

EQUINIX

PROJECT NO.: 49011-2
 DATE: EL SEGUNDO
 COUNTY: LOS ANGELES
 LOCATION: SOUTH ROUTE
 EL SEGUNDO SUB LOOP
 PLAN NO.: FISG0803 SHEET 1 OF 8

- GENERAL NOTES**
1. INTERCONNECTION CLAUSE: THE CONTRACTOR AGENTS AND SHALL ASSUME SOLE AND COMPLETE RESPONSIBILITY FOR THE JOB SITE CONDITIONS, RESOURCES AND PROPERTIES. THAT THESE AGREEMENTS SHALL APPLY TO CONTRACTORS, SUBCONTRACTORS, VENDORS, SUPPLIERS, AND ALL OTHERS WHOSE WORK IS PERFORMED ON THE PROJECT. AND NOT BE LIMITED TO THE CONTRACTOR AGENTS AND SHALL APPLY TO ALL CONTRACTORS, REPRESENTATIVES, AND EMPLOYEES WHOSE WORK IS PERFORMED ON THE PROJECT. ALL WORK SHALL BE IN ACCORDANCE WITH THE REQUIREMENTS OF THE PERMITS AND ORDINANCES OF THE CITY OF EL SEGUNDO.
 2. PRIOR TO THE BEGINNING OF ANY CONSTRUCTION WORK, THE CONTRACTOR SHALL OBTAIN ALL NECESSARY PERMITS AND APPROVALS FROM THE CITY OF EL SEGUNDO, INCLUDING BUT NOT LIMITED TO OCCUPANCY, SAFETY AND HEALTH ACT OF 1973 INCLUDING ALL PERMITS AND APPROVALS HERETO.
 3. ALL WORK SHALL CONFORM TO THE LATEST EDITION OF CGS 22, 128, AND THE CITY COUNTY OR STATE AS ADOPTED BY STANDARD PLANS AND AMENDMENTS.
 4. THE EXPENSE AND LOCATION OF UTILITIES AND OTHER SERVICES, FACILITIES AS SHOWN HEREON ARE DETERMINED BY A SEPARATE SET OF RECORD DRAWINGS OF CONSTRUCTION AND SHALL USE EXTREME CARE AND PROTECTIVE MEASURES TO PROTECT ALL UTILITIES OR FACILITIES WITHIN THE LIMITS OF WORK. WHETHER THEY ARE SHOWN ON THIS PLAN OR NOT.
 5. THE CONTRACTOR SHALL NOTIFY UNDERGROUND SERVICE (800) 277-3900 AT LEAST TWO WORKING DAYS PRIOR TO THE START OF ANY EXCAVATION.
 6. THE CONTRACTOR SHALL NOTIFY THE CITY COUNTY OR STATE ENGINEER INSPECTION DEPARTMENT AT LEAST TWO WORKING DAYS BEFORE THE START OF ANY WORK REQUIRING THEIR INVOLVEMENT.
 7. ALL WORK AREAS AND STREET TRAFFIC CONTROL SHALL BE IN ACCORDANCE WITH THE OPERATIONS OF THE WORK AREA TRAFFIC CONTROL HANDBOOK (M.T.C.H.) AND/OR THE RECORD DRAWINGS FROM THE CITY COUNTY OR STATE.
 8. THE CITY COUNTY OR STATE SHALL SPECIFY THE OPERATION PERIOD OF THE PERMIT FOR THIS CONSTRUCTION PROJECT.
 9. THE MINIMUM COVER FOR ALL CONDUITS PLACED UNDERGROUND SHALL BE 30 INCHES TO THE FINISHED GRADE AT ALL TIMES.
 10. THE CONTRACTOR SHALL TRIMMEL ALL CURBS AND CUTTERS AND BORE ALL CONCRETE UNDERGROUND AND ASSET OWNERS AT THE DIRECTION OF THE CITY COUNTY OR STATE.
 11. ALL A.C. AND/OR CONCRETE MESSAGES SHALL BE REPLACED AT THE DIRECTION OF THE CITY COUNTY OR STATE ENGINEERS.
 12. ALL SIGNS, PLANTS OR TREES THAT HAVE BEEN DAMAGED OR DISTURBED DURING THE COURSE OF THE WORK, SHALL BE REPLACED AND/OR REPAIRED SO AS TO RESTORE THE WORK SITE TO ITS ORIGINAL CONDITION.
 13. IF DAMAGE OCCURS TO THE CITY OR COUNTY FACILITIES, THE CONTRACTOR SHALL REPAIR AND/OR REPLACE THE FACILITIES AT THE CONTRACTOR'S EXPENSE. (310) 524-2885, TRAFFIC CONTROL DIVISION, (310) 524-2828 STREET LIGHTING (310) 524-2885.
 14. AT LEAST TWO DAYS PRIOR TO THE COMMENCEMENT OF ANY WORK, NOTIFY THE POLICE TRAFFIC BUREAU (310) 524-2200 AND THE FIRE DEPARTMENT (310) 524-2288.
 15. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION OF ALL ADJACENT PROPERTY AND UTILITIES. THE CONTRACTOR SHALL OBTAIN ALL NECESSARY PERMITS AND APPROVALS FROM THE CITY COUNTY OR STATE AS ALSO REQUIRED WITH CONSTRUCTION PROJECT. INSURANCE IN THE AMOUNT OF \$1,000,000.00 FOR THIS CONSTRUCTION PROJECT.
 16. WALLS, FENCINGS, CONDUITS AND OTHER TYPES OF SUBSTRUCTURE ARE EITHER SPECIFIED ON THIS PLAN OR WILL BE SPECIFIED BY THE CONSTRUCTION ENGINEER. THE CONTRACTOR SHALL OBTAIN ALL NECESSARY PERMITS AND APPROVALS FROM THE CITY COUNTY OR STATE AS ALSO REQUIRED WITH CONSTRUCTION PROJECT. APPROVED BY THE STREET ENGINEER, IN WRITING BEFORE INSTALLATION THEREOF.
 17. ALL U.G. CONDUIT MUST BE CHECKED 40 OR BETTER, UNLESS SPECIFIED.
- UNDERGROUND UTILITIES NOTE:**
- THE LOCATION AND EXISTENCE OF ANY UNDERGROUND PIPES, STRUCTURES OR CONDUITS ARE SHOWN ON THIS PLAN. THE CONTRACTOR SHALL BE RESPONSIBLE FOR VERIFYING THE LOCATION AND EXISTENCE OF ALL UTILITIES OTHER THAN THOSE SHOWN ON THIS PLAN. THE CONTRACTOR IS ADVISED THAT THE LOCATION AND EXISTENCE OF UTILITIES OTHER THAN THOSE SHOWN ON THIS PLAN ARE NOT SHOWN ON THIS PLAN.



City Council Agenda Statement

Meeting Date: December 19, 2023

Agenda Heading: Consent

Item Number: B.6

TITLE:

Second Reading and Adoption of an Ordinance Amending El Segundo Municipal Code Title 15 to Implement Certain Zone Text Amendments Identified in El Segundo Housing Element Program 9

RECOMMENDATION:

1. Waive second reading and adopt an Ordinance for Environmental Assessment No. 1345 and Zone Text Amendment No. 23-02, amending the El Segundo Municipal Code Title 15 (Zoning Regulations) to implement certain Zone Text Amendments in El Segundo Housing Element Program 9 and find it exempt from further environmental review pursuant to 14 California Code Regulations Section 15358, 15061(b)(3), and 15162.
2. Alternatively, discuss and take other action related to this item.

FISCAL IMPACT:

None.

BACKGROUND:

On December 5, 2023, City Council conducted a public hearing on an ordinance amending El Segundo Municipal ("ESMC") Title 15 (Zoning Regulations). The ordinance implements zone text amendments identified in Program 9 of the City's Housing Element with regard to: Residential care facilities; Emergency shelters; Low barrier navigation centers; Employee housing; Reasonable accommodations; and Senior housing. After discussing the item and making minor amendments to the ordinance, City Council introduced the ordinance for first reading.

DISCUSSION:

In accordance with the amendments made at the City Council's December 5th first reading, the following three amendments are included in the attached ordinance:

Zone Text Amendment to Implement the City's Housing Element

December 19, 2023

Page 2 of 2

1. The definition of "Employee Housing" no longer refers to a specific threshold number of persons.
2. Table No. 1 of ESMC 15-4A-1 (Permitted Uses in Residential Zones) includes Employee Housing serving 6 or fewer persons as a permitted use.
3. Table No. 1 of ESMC 15-6A-1 (Permitted Uses in the Industrial Zones) lists Low Barrier Navigation Centers as a permitted use

City Council may waive second reading and adopt the amended ordinance as introduced on December 5, 2023. If the ordinance is adopted by City Council at its December 19, 2023 meeting, the effective date of the ordinance will be January 18, 2024, which is 30 days from the adoption date.

CITY STRATEGIC PLAN COMPLIANCE:

Goal 1: Enhance Customer Service, Diversity, Equity, Inclusion and Communication

Objective 1A: El Segundo provides unparalleled service to all customers.

Objective 1B: El Segundo's engagement with the community ensures excellence.

Goal 5: Champion Economic Development and Fiscal Sustainability

Objective 5A: El Segundo promotes economic growth and vitality for businesses and the community.

PREPARED BY:

Eduardo Schonborn, AICP, Planning Manager

REVIEWED BY:

Michael Allen, AICP, Development Services Director

APPROVED BY:

Barbara Voss, Deputy City Manager

ATTACHED SUPPORTING DOCUMENTS:

1. Final Ordinance, Zone Text Amendment (Housing Element Program 9)

ORDINANCE NO. 1654

AN ORDINANCE AMENDING EL SEGUNDO MUNICIPAL CODE TITLE 15 TO IMPLEMENT HOUSING ELEMENT PROGRAM 9 TO FACILITATE THE DEVELOPMENT OF A VARIETY OF HOUSING TYPES AND STREAMLINED DEVELOPMENT REVIEW PROCESS

(ENVIRONMENTAL ASSESSMENT NO. 1345 AND ZONE TEXT AMENDMENT NO. 23-02)

The City Council of the City of El Segundo does ordain as follows:

SECTION 1: The Council finds and declares as follows:

- A. In accordance with California law, the City is required to prepare a Housing Element for its General Plan every 8 years. The 6th planning cycle runs from October 15, 2021 through October 15, 2029, for jurisdictions within the Southern California Association of Governments (SCAG) region;
- B. In general, the Housing Element must identify and analyze existing and projected housing needs and establish goals, policies, and quantified objectives, financial resources, and scheduled programs for the preservation, improvement and development of housing within the City's jurisdiction;
- C. Between April 13, 2021 and September 30, 2021, the City held a series of community meetings, public workshops, and study sessions to provide the community an overview of the Housing Element process including a review of applicable state law and the Regional Housing Needs Assessment ("RHNA"); community profile information and an existing conditions report; and an overview of the existing Housing Element Goals, Policies, and Objectives;
- D. In addition, the City reviewed the project's environmental impacts under the California Environmental Quality Act (Public Resources Code §§ 21000, et seq., "CEQA"), the regulations promulgated thereunder (14 Cal. Code of Regulations §§15000, et seq., the "CEQA Guidelines"). Staff determined that the project be found exempt from further environmental review, as set forth in Section 5, below;
- E. Based on comments received from the public, governmental agencies, the Planning Commission and the City Council, the Housing Element was prepared for submission to the California Department of Housing and Community Development (HCD) for review and certification;
- F. On February 1, 2022, the City Council adopted a Negative Declaration and approved the Housing Element at a public hearing;

- G. On April 8, 2022, HCD submitted a comment letter to the City requesting revisions before certifying the Housing Element. Staff, working with the City's consultant, revised the Housing Element to address HCD's comments;
- H. On October 27, 2022, the Planning Commission held a duly noticed public hearing and adopted a resolution recommending City Council approval of the revised 2021-2029 Housing Element;
- I. On November 15, 2022, the City Council held a duly noticed public hearing, received public testimony and other evidence, and adopted Resolution No. 5375 approving Environmental Assessment No. EA-1271 and adopting General Plan Amendment No. 19-04 (2021-2029 Housing Element) to amend the Housing Element of the El Segundo General Plan;
- J. On January 17, 2023, HCD issued a conditional approval letter determining that the adopted Housing Element meets most of the statutory requirements of State Housing Element Law (Gov. Code, Article 10.6). Full certification of the Housing Element was contingent upon completing the necessary rezones to address the shortfall of sites to accommodate the RHNA. HCD's conditional approval is also contingent upon the City's timely and effective implementation of all Housing Element programs, including: Accessory Dwelling Units (Program 3), Affordable Housing Strategy (Program 4), Provision of Adequate Sites (Program 6), Lot Consolidation (Program 8), Code Amendments (Program 9), Fair Housing (Program 11).
- K. The Community Development Department has engaged multiple consultants to assist in the implementation of various Housing Element programs.
- L. The Community Development Department prepared a draft ordinance amending Title 15 of the El Segundo Municipal Code implementing Program 9 of the El Segundo Housing Element to facilitate the development of a variety of housing types and streamlined development review process, and scheduled a public hearing before the Planning Commission for November 9, 2023;
- M. On November 9, 2023, the Planning Commission held a public hearing to receive public testimony and other evidence regarding the draft ordinance including, without limitation, information provided to the Planning Commission by city staff; and adopted Resolution No. 2941 recommending that the City Council approve this Ordinance;
- N. On December 5, 2023, the City Council held a public hearing and considered the information provided by City staff and public testimony regarding this Ordinance; and
- O. This Ordinance and its findings are made based upon the entire administrative record including, without limitation, testimony and evidence presented to the City

Council at its December 5, 2023, hearing and the staff report submitted by the Community Development Department.

SECTION 2: *Factual Findings and Conclusions.* The City Council finds that adopting the proposed Ordinance would result in the following:

- A. Amend El Segundo Municipal Code (“ESMC”) § 15-1-6 adding definitions for Employee Housing and Low Barrier Navigation Centers, and revising definitions for Residential Care Facility and Residential Care Facility for the Elderly;
- B. Amend ESMC § 15-4A-1, Table No. 1 - Permitted Uses in Residential Zones adding a new land use classification for employee housing, and amending regulatory classifications for Residential Care Facilities, Senior Citizen Housing, and Senior Housing Facilities;
- C. Amend ESMC § 15-6A-1, Table No. 1 - Permitted Uses in Industrial Zones, regarding Emergency Shelters;
- D. Amend ESMC § 15-6B-7 regarding Emergency Shelters Development Standards;
- E. Delete ESMC § 15-22-4-D regarding Reasonable Access Accommodations; and
- F. Add ESMC § 15-22-5 regarding Reasonable Accommodations For Individuals With Disabilities.

SECTION 3: *General Plan Findings.* As required under Government Code § 65860, the ESMC amendments proposed by the Ordinance are consistent with the El Segundo General Plan as follows:

- A. The proposed Ordinance is consistent with Program 9 of the General Plan Housing Element in that it would remove governmental and other constraints to facilitate the development of a variety of housing types and enable a more streamlined development review process.
- B. The proposed Ordinance is consistent with the General Plan Housing Element in that the amendments contribute to improving the existing jobs-housing balance in the City and provides opportunities for new housing construction in a variety of locations and a variety of densities.
- C. The proposed Ordinance is consistent with the General Plan Housing Element in that the amendments provide sufficient new, affordable housing opportunities in the City to meet the needs of groups with special requirements, including the needs of lower and moderate- income households.
- D. The proposed Ordinance is consistent with the General Plan Housing Element in that the amendments remove governmental constraints to diversify available

housing opportunities, including ownership and rental, fair-market, and assisted, in conformance with open housing policies and free of discriminatory practices.

SECTION 4: Zone Text Amendment Findings. In accordance with ESMC Chapter 15-27 (Amendments), and based on the findings set forth above, the proposed Ordinance is consistent with and necessary to carry out the purpose of the ESMC as follows:

- A. The proposed Ordinance is consistent with the General Plan in that the amendments would implement the goals, policies, and programs of the Housing Element. Implementation of the Housing Element would preserve the existing housing stock and encourages construction of new residential units, including affordable housing, without affecting the character of existing single-family residential neighborhoods.
- B. The proposed Ordinance is necessary to serve the public health, safety, and general welfare in that it would implement the Housing Element Update, which includes programs, goals, and policies that help to maintain and improve the existing housing stock in the City. The proposed amendments would facilitate the development of additional housing in the community, which contribute to improving the existing jobs-housing balance and facilitates the development of housing that is affordable to households of various income levels and thus will provide equal housing opportunities to all segments of the community.

SECTION 5: Environmental Assessment and Findings. An Initial Study of Environmental Impacts was prepared for the Housing Element pursuant to the requirements of CEQA Guidelines § 15063. The Initial Study demonstrated that the Housing Element would not cause any significant environmental impacts, nor would not result in approval of any physical improvements. The Ordinance is also exempt from the requirements to prepare additional environmental documentation per CEQA Guidelines Section 15061(b)(3) because the proposed amendments would implement the City's 6th Cycle Housing Element and does not approve any developments. Thus, it can be seen with certainty that there is no possibility that the Ordinance may have a significant effect on the environment. Pursuant to its Resolution No. 5308, dated February 1, 2022, the City Council found that the Negative Declaration ("ND") prepared for the adopted 2021-2029 Housing Element was completed in compliance with the requirements of CEQA and the CEQA Regulations, in accordance with the independent judgment of the City. The City Council determined that there is no substantial evidence that the adopted Housing Element, inclusive of its goals, policies, and implementing programs, would have a significant effect on the environment, cumulative or otherwise. City staff evaluated the proposed amendments to Title 15 of the El Segundo Municipal Code, implementing Program 9 of the Housing Element, set forth in this Ordinance within the scope of the ND, and determined that there is not substantial evidence that any condition set forth in CEQA Regulation 15162(a) are present that would require revision or modification to the ND. Accordingly, the City Council finds that the activities set forth in the Ordinance implement the Housing Element contemplated in the approved ND and no further environmental review is required for the proposed Ordinance.

SECTION 6: El Segundo Municipal Code (“ESMC”) § 15-1-6 (Definitions) is amended as follows:

RESIDENTIAL CARE FACILITY: A residential care facility (State authorized, certified or licensed) provides A twenty-four (24) hour residential care facility, licensed by the State, for persons with chronic, life threatening illness who are eighteen (18) years or older or are emancipated minors, and for family units. for children, elderly persons, people with physical or mental disabilities, or incompetent persons in need of personal services, protection, supervision, assistance, guidance, or training essential for sustaining the activities of daily living or for the protection of the individual. This classification includes, but is not limited to, intermediate care facilities, developmentally disabled habilitative or nursing, congregate living health facilities, and other facilities licensed by the State of California.

RESIDENTIAL CARE FACILITY FOR THE ELDERLY: Pursuant to California Health and Safety Code § 1569.2, “resident care facility for the elderly” means a housing arrangement chosen voluntarily by persons 60 years of age or over, or their authorized representative, where varying levels and intensities of care and supervision, protective supervision, personal care, or health-related services are provided, based upon their varying needs, as determined in order to be admitted and to remain in the facility A twenty four (24) hour housing arrangement, licensed by the State, chosen voluntarily by the residents, the resident's guardian, conservator, or other responsible person; where seventy five percent (75%) of the residents are at least sixty two (62) years of age, or, if younger, have needs compatible with other residents; and where varying levels of care and supervision are provided, as agreed to at time of admission or as determined necessary at subsequent times of appraisal.

* * *

SECTION 7: ESMC § 15-1-6 (Definitions) is amended to include the additional definitions as follows:

EMPLOYEE HOUSING: Employer-owned and/or operated living quarters provided for the employer's employees in connection to their employment that ensures the employee residents' health, safety, and welfare, as authorized under Health and Safety Code § 17000 et seq., i.e., the State Employee Housing Act.

LOW BARRIER NAVIGATION CENTERS: A housing-first, low-barrier, service-enriched shelter focused on moving people into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing. For purposes of this definition, “low barrier” means the best practices to reduce barriers to entry, including, without limitation: allowing pets, permitting partners to share living space, and providing storage for residents’

possessions. Low Barrier shelters are permitted in accordance with Article 15-37A of this code.

* * *

SECTION 8: ESMC § 15-4A-1, Table No. 1 - Permitted Uses in Residential Zones, is amended as follows:

Uses	Zones		
	R-1	R-2	R-3
Residential uses/Hospitality			
	*	*	*
Employee housing serving six or fewer persons	<u>P</u>		
Employee housing serving seven or more persons	<u>CUP</u>		
Renting of up to two rooms to not more than four persons per dwelling unit	P	P	P
	*	*	*
Group care uses			
	*	*	*
Residential facility, residential care facility, residential care facility for the elderly, intermediate care facility, developmentally disabled habilitative or nursing, or congregate living health facility, serving six (6) or fewer persons (State authorized, certified or licensed)	P	P	P
Residential care facility serving seven (7) or more persons (State authorized, certified or licensed)	<u>CUP</u>	<u>CUP</u>	<u>CUP</u>
Senior citizen housing subject to California Government Code sections 65913, 65914 and 65915			<u>P</u> <u>CUP</u>
Senior housing facilities, including, but not limited to, rest homes, convalescent homes, or nursing homes			<u>P</u> <u>CUP</u>
	*	*	*

* * *

SECTION 9: ESMC § 15-6A-1, Table No. 1 - Permitted Uses in Industrial Zones, is amended as follows:

Uses	Zones	
	M-1	M-2
	*	*
Group care and hospitality uses		
	*	*
Emergency shelters, per ESMC Section 15-6A-11	<u>P</u>	
Low-Barrier Navigation Centers, pursuant to ESMC 15-37A	<u>P</u>	
	*	*

* * *

SECTION 10: ESMC § 15-6B-7 (Emergency Shelters Development Standards) is amended as follows:

A. Emergency Shelters: Emergency shelters are subject to the following, objective development standards:

1. Not more than one emergency shelter is permitted within a radius of 300 feet from another emergency shelter.
- ~~2. No emergency shelter will be permitted within 300 feet of residentially zoned property, El Segundo public or private schools, El Segundo parks and open space, or childcare facilities.~~
- ~~3. The emergency shelter facility may provide one or more of the following specific facilities and services including, without limitation:
 - a. Childcare facilities;
 - b. Commercial kitchen facilities designed and operated in compliance with Health and Safety Code section 113700 et seq.;
 - c. Dining area;
 - d. Laundry;
 - e. Recreation room; and
 - f. Support services (e.g., training, counseling).~~
24. Not more than 12 persons can be served on a nightly basis.
35. Maximum length of stay of a person in an emergency shelter is limited to 180 days in any 12-month period.
- ~~6. The facility must provide a minimum of 50 gross square feet of personal living space per person served, not including space for common areas.~~
- ~~7. Emergency shelters may operate 24 hours a day to provide sleeping facilities and other facilities and services. Admittance and intake processing of emergency shelter clients is limited to 7:00 A.M. to 10:00 P.M. daily. Delivery hours are limited to 7:00 A.M. to 6:00 P.M. daily. Refuse collection is limited to 7:00 A.M. to 8:00 P.M. daily.~~
48. Each emergency shelter must have an on-site management office, with at least one employee **manager** present at all times the emergency shelter is in operation. ~~A minimum of two employees must be on duty when more than 10 beds are occupied.~~
59. Each emergency shelter must have on site security employees, with at least one security employee present at all times the emergency shelter is in operation.
640. Staging drop off, intake, and pick up of emergency shelter clients must take place inside a building, at a rear or side entrance not adjacent to a public right-of-way, or in an interior courtyard. Any exterior waiting areas must be physically and visually separated from public view of a right-of-way with a minimum six-foot tall decorative masonry wall and/or a six-foot tall hedge or similar mature landscaping as approved by the Director. Floor plans for the emergency shelter must be

submitted with the building plans that show the size and location of any proposed interior and/or exterior waiting or resident intake areas.

- ~~14. Outdoor recreation activities may be conducted at the facility subject to the same physical and visual separation requirements as exterior waiting areas as set forth in this section.~~
- ~~712. Off street parking must be provided as set forth in this Code, except that the number of off street parking spaces provided must be one parking space per three beds, plus one parking space per employee on duty with a minimum of three employee parking spaces. Notwithstanding this requirement, the required number of off street parking spaces cannot exceed the spaces required for similar uses of the same size in the M-1 Zone.~~
- ~~813. Exterior lighting must be provided at all building entrances and outdoor activity areas, and must be activated between sunset and sunrise of each day. All exterior lighting must comply with this Code.~~
- ~~14. Facilities must provide a storage area for refuse and recyclables and must be fully screened from public view of any public right-of-way and be enclosed by a solid wall or fence, in accordance with this Code. The refuse and recyclable storage area must be large enough to accommodate the number of bins that are required to provide the facility with sufficient services so as to avoid the overflow of material outside of the bins provided.~~
- ~~15. Emergency shelter application requests and building plans for emergency shelters must be submitted to the Director, and if the application and building plans meet all applicable standards in this Code, including design, development, and any other State or local requirement, the emergency shelter application may be approved by the Director. Emergency shelter applications must be approved before a building permit may be issued.~~

* * *

SECTION 11: Subsection (A) of § 15-15-6 (Automobile spaces required) is amended as follows:

A. Automobile Spaces Required

Use	Number Of Parking Spaces Required
Use	Number Of Parking Spaces Required
	* * *
Group care:	
	* * *
<u>Emergency Shelters</u>	<u>1 space per employee on duty, with a minimum of 3 employee parking spaces, provided the number of spaces does not exceed the minimum spaces required for similar uses if the same size in the M-1 Zone.</u>

			*	*	*				

SECTION 12: ESMC § 15-22-4 (Adjustments to Development Standards) is amended to delete subsection 15-22-4-D.

* * *

~~D. Reasonable access accommodations: In addition to the adjustment findings above, the following findings must be made before any action is taken to approve or deny a request for a deviation from development standards for reasonable access accommodations:~~

- ~~1. The housing, which is the subject of the request for reasonable accommodation, will be used by an individual protected under the California Fair Employment and Housing Act, Government Code § 12900 et seq. ("Act"), as amended.~~
- ~~2. The request for reasonable accommodation is necessary to make specific housing available to an individual protected under the Act.~~

SECTION 13: ESMC Title 15 (Zoning Regulations) is amended to add a new Chapter 36 entitled "Reasonable Accommodations for Individuals With Disabilities" to read as follows:

CHAPTER 36: REASONABLE ACCOMMODATIONS FOR INDIVIDUALS WITH DISABILITIES

- 15-36-1: PURPOSE**
- 15-36-2: DEFINITIONS**
- 15-36-3: APPLICABILITY**
- 15-36-4: APPLICATION REQUIREMENTS**
- 15-36-5: REVIEW PROCEDURES**
- 15-36-6: REQUIRED FINDINGS**
- 15-36-7: CONDITIONS**
- 15-4B-8: EXPIRATION**

15-36-1: PURPOSE:

A. Pursuant to the federal Fair Housing Amendments Act of 1988 and the California Fair Employment and Housing Act, Section 15-22-5 of the El Segundo Municipal Code ("Section") establishes formal procedures allowing individuals with disabilities and their representatives to request reasonable accommodations in the application of zoning laws and other land use regulations, policies and procedures when necessary to eliminate barriers to housing opportunities.

- B. A reasonable accommodation granted pursuant to this section shall not be construed as an amendment to this title or a change to the maps which are part of this title.

15-36-2: DEFINITIONS:

- A. “Fair housing laws” means the “Fair Housing Act” (42 U.S.C. § 3601 et seq.), the “Americans with Disabilities Act”(42 U.S.C. § 12101 et seq.), and the “California Fair Employment and Housing Act” (California Government Code § 12900 et seq.), as these statutes now exist or may be amended from time to time, and the implementing regulations for each of these statutes.
- B. “Individual with a disability” means a person who has a physical or mental impairment that limits one or more major life activities, anyone who is regarded as having that type of impairment or, anyone who has a record of that type of impairment, as those terms are defined in the fair housing laws. People who are currently using illegal substances are not considered individuals with a disability.
- C. “Major life activity” means physical, mental, and social activities, such as the operation of major bodily functions, seeing, hearing, eating, sleeping, walking, standing, sitting, reaching, lifting, bending, speaking, breathing, learning, reading, concentrating, thinking, communicating, interacting with others, and working.
- D. “Physical or mental impairment” means any physiological disorder or condition and any mental or psychological disorder, including, but not limited to, orthopedic, visual, speech and hearing impairments, cosmetic disfigurement, anatomical loss, cerebral palsy, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, intellectual disabilities (formerly termed “mental retardation”), emotional or mental illness, learning disabilities, HIV disease (whether symptomatic or asymptomatic), tuberculosis, and alcoholism and drug addiction (but not including current use of illegal drugs). A temporary condition, such as a broken leg, pregnancy, use of crutches, etc. does not qualify as a physical or mental impairment.
- E. “Reasonable accommodation” means any deviation requested and/or granted from the City’s zoning and land use laws, rules, regulations, policies, procedures, practices, or any combination thereof, that may be reasonable and necessary for a disabled person to have an equal opportunity to use and enjoy a dwelling.

15-36-3: APPLICABILITY:

- A. A request for a reasonable accommodation may be made by any person with a disability, their representative, or any developer or provider of housing for an individual with a disability, when the application of a zoning law or other land use regulation, policy or practice acts as a barrier to fair housing opportunities. This Section is intended for the benefit of those individuals with disabilities as defined as under Subsection 15-22-5-B.
- B. A request for a reasonable accommodation may include a modification or exception to the rules, standards and practices for the siting, development and use of housing or housing-related facilities that would eliminate regulatory barriers and provide a person with a disability equal opportunity to the housing of their choice. Requests for a reasonable accommodation shall be made in the manner prescribed by this Section.
- C. A reasonable accommodation does not affect a person's obligations to comply with other applicable regulations not at issue in the requested accommodation.
- D. A request for a reasonable accommodation shall be granted to an individual and shall not run with the land, unless expressly authorized under Subsection 15-22-5-I-2.

15-36-4: APPLICATION REQUIREMENTS:

- A. Requests for a reasonable accommodation shall be submitted on an application form provided by the community development department, or in the form of a letter to the Community Development Director. The application shall contain the following information:
 - 1. The applicant's name, address and telephone number;
 - 2. Address of the property for which the request is being made;
 - 3. The current actual use of the property;
 - 4. Documentation that the applicant is: (A) an individual with a disability; (B) applying on behalf of one or more individuals with a disability; or (C) a developer or provider of housing for one or more individuals with a disability;
 - 5. The specific exception or modification to the zoning code provision, regulation, policy, or practice that is being requested;
 - 6. Documentation that the requested accommodation is necessary to provide one or more individuals with a disability an equal opportunity to use and enjoy the residence.

- B. Any information identified by an applicant as confidential shall be retained in a manner so as to respect the privacy rights of the applicant and shall not be made available for public inspection, unless required by state or federal law.
- C. A request for a reasonable accommodation from the strict application of the City's regulations, policies, practices or procedures may be filed at any time that the accommodation may be necessary to ensure equal access to housing.

15-36-5: REVIEW PROCEDURES:

- A. Requests for a reasonable accommodation shall be reviewed by the Community Development Director if no approval is sought other than the request for a reasonable accommodation.
- B. The Community Development Director may, in their discretion, refer applications to the Planning Commission for consideration.
- C. The Director may request additional information necessary for making a determination regarding the request for a reasonable accommodation that complies with the fair housing law's protections and the privacy rights of the individual with a disability to use the specified housing. If additional information is requested, the required timeframe for making a determination on the request stops running until the additional information is provided.
- D. The reviewing authority shall issue a written determination within 60 days of the receipt of a complete application, unless extended in writing by mutual agreement of the City and the applicant.
- E. The reviewing authority may either grant, grant with modifications, or deny a request for reasonable accommodation in accordance with the required findings set forth in Subsection 15-22-5-F. The notice of determination shall explain in detail the basis of the decision.
- F. All written decisions shall give notice of the applicant's right to appeal and to request a reasonable accommodation in the appeals process.
 - 1. The written decision shall be final, unless the applicant appeals the decision pursuant to Chapter 29.
 - 2. While a request for a reasonable accommodation is pending, all laws and regulations otherwise applicable to the property shall remain in full force and effect. No reasonable accommodation shall be effective and no development permitted by a reasonable accommodation shall be initiated or construction started, until the appeal period has been exhausted.

15-36-6: REQUIRED FINDINGS:

- A. **The request for a reasonable accommodation shall be approved, or approved with conditions, if the reviewing authority finds that all of the following findings can be made:**
1. **The housing, which is the subject of the request for reasonable accommodation, will be used by an individual with a disability protected under the fair housing laws;**
 2. **The requested accommodation is necessary to make housing available to an individual with a disability protected under the fair housing laws;**
 3. **The requested accommodation will not impose an undue financial or administrative burden on the city;**
 4. **The requested accommodation will not require a fundamental alteration in the nature of the city's zoning regulations and policies; and**
 5. **There are no alternatives to the requested accommodations that may provide an equivalent level of benefit.**

15-36-7: CONDITIONS:

- A. **The reviewing authority may impose conditions upon the approval of the reasonable accommodation request deemed reasonable and necessary to ensure that the reasonable accommodation would comply with the findings required by Subsection 15-22-5-F.**
- B. **Conditions of approval may, where deemed appropriate, provide for any or all of the following:**
1. **The reasonable accommodation shall only be applicable to particular individual(s).**
 2. **Periodic inspection of the affected premises, as specified in the conditions, to verify compliance with the El Segundo Municipal Code and with any applicable conditions of approval.**
 3. **Prior to any transfer of interest in the premises, notice shall be given to the transferee of the existence of the modification, and the requirements that the transferee apply for a new modification as necessary. Once such transfer takes effect, the originally approved modification shall have no further validity.**

4. Removal of the improvement if the need for which the accommodation was granted no longer exists.
 5. Time limits and/or expiration of the approval if the need for which the accommodation was granted no longer exists.
 6. Other reasonable conditions deemed necessary to protect the public health, safety, and welfare.
- C. Prior to the issuance of any permits relative to an approved reasonable accommodation, the reviewing authority may require the applicant and/or owner to record a covenant in the County recorder's office acknowledging and agreeing to comply with the terms and conditions established in the determination, and to provide notice to future owners that a reasonable accommodation has been approved.

15-36-8: EXPIRATION:

- A. A reasonable accommodation shall lapse if the exercise of rights does not occur within one hundred eighty (180) days after the issuance of the final decision.
- B. The rights conferred by an approved accommodation shall expire when the disabled person for whom the accommodation was granted no longer resides at the property, unless the Director makes either of the following findings:
 1. That such accommodation is physically integrated with the property and cannot easily be removed or altered to comply with Chapter 4 of the El Segundo Municipal Code; or
 2. The property is now occupied by another disabled person who requires the accommodation to have an equal opportunity to use and enjoy the dwelling. The Community Development Director may request documentation that subsequent occupants are disabled persons. Failure to provide such documentation within thirty (30) days of the date of a request by the City shall constitute grounds for discontinuance by the City of a previously approved reasonable accommodations.

* * *

SECTION 14: A new Chapter 37, entitled "Housing Programs" is added as a new chapter to ESMC Title 15.

SECTION 15: Article 15-37A, entitled "Low-Barrier Navigation Centers" is added as a new article to ESMC Title 15, Chapter 36 to read as follows:

“ARTICLE A. LOW-BARRIER NAVIGATION CENTERS

15-37A-1: PURPOSE

15-37A-2: APPLICABILITY

15-37A-3: DEVELOPMENT AND OPERATIONAL STANDARDS

15-37A-4: DEFINITIONS

15-37A-1: PURPOSE

The purpose of this chapter is to establish development standards for low-barrier navigation centers and to ensure this use is constructed and operated in a manner that is consistent with the requirements and allowances of state law, specifically Article 12 of Chapter 3 of Division 1 of Planning and Zoning Law commencing with California Government Code Section 65660.

15-37A-2: APPLICABILITY

The provisions of this chapter shall apply to all low-barrier navigation center projects.

15-37A-3: DEVELOPMENT AND OPERATIONAL STANDARDS

A low-barrier navigation center development is a use by-right in areas zoned for mixed-use and nonresidential zones permitting multifamily uses, if it meets the following requirements:

- A. Connected Services. It offers services to connect people to permanent housing through a services plan that identifies services staffing.
- B. Coordinated Entry System. It is linked to a coordinated entry system, so that staff in the interim facility or staff who co-locate in the facility may conduct assessments and provide services to connect people to permanent housing. “Coordinated entry system” means a centralized or coordinated assessment system developed pursuant to Section 576.400(d) or Section 578.7(a)(8), as applicable, of Title 24 of the Code of Federal Regulations, as those sections read on January 1, 2020, and any related requirements, designed to coordinate program participant intake, assessment, and referrals.
- C. Code Compliant. It complies with Chapter 6.5 (commencing with Section 8255) of Division 8 of the Welfare and Institutions Code.
- D. Homeless Management Information System. It has a system for entering information regarding client stays, client demographics, client income, and exit destination through the local Homeless Management Information System, as defined by Section 578.3 of Title 24 of the Code of Federal Regulations.

15-37A-4: DEFINITIONS

Low-Barrier Navigation Centers. A housing-first, low-barrier, service-enriched shelter focused on moving people into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing. “Low barrier” means best practices to reduce barriers to entry, and may include, but is not limited to, the following:

- (1) The presence of partners if it is not a population-specific site, such as for survivors of domestic violence or sexual assault, women, or youth.**
- (2) Pets.**
- (3) The storage of possessions.**
- (4) Privacy, such as partitions around beds in a dormitory setting or in larger rooms containing more than two beds, or private rooms.**

Use by Right. Use by right has the meaning defined in subdivision (i) of Section 65583.2. Division 13 (commencing with Section 21000) of the California Public Resources Code shall not apply to actions taken by a public agency to lease, convey, or encumber land owned by a public agency, or to facilitate the lease, conveyance, or encumbrance of land owned by a public agency, or to provide financial assistance to, or otherwise approve, a Low-Barrier Navigation Center constructed or allowed by this section.”

SECTION 16: Construction. This Ordinance must be broadly construed to achieve the purposes stated in this Ordinance. It is the City Council’s intent that the provisions of this Ordinance be interpreted or implemented by the City and others in a manner that facilitates the purposes set forth in this Ordinance.

SECTION 17: Enforceability. Repeal of any provision of the ESMC does not affect any penalty, forfeiture, or liability incurred before, or preclude prosecution and imposition of penalties for any violation occurring before this Ordinance’s effective date. Any such repealed part will remain in full force and effect for sustaining action or prosecuting violations occurring before the effective date of this Ordinance.

SECTION 18: Validity of Previous Code Sections. If this entire Ordinance or its application is deemed invalid by a court of competent jurisdiction, any repeal or amendment of the ESMC or other city ordinance by this Ordinance will be rendered void and cause such previous ESMC provision or other the city ordinance to remain in full force and effect for all purposes.

SECTION 19: Severability. If any part of this Ordinance or its application is deemed invalid by a court of competent jurisdiction, the City Council intends that such invalidity will not affect the effectiveness of the remaining provisions or applications and, to this end, the provisions of this Ordinance are severable.

SECTION 20: Recordation. The City Clerk, or designee, is directed to certify the passage and adoption of this Ordinance; cause it to be entered into the City of El Segundo’s book of original ordinances; make a note of the passage and adoption in the records of this

meeting; and, within 15 days after the passage and adoption of this Ordinance, cause it to be published or posted in accordance with California law.

SECTION 21: This Ordinance will go into effect and be in full force and effect 30 days after its passage and adoption.

PASSED AND ADOPTED this 19th day of December, 2023.

Drew Boyles, Mayor

APPROVED AS TO FORM:

By: _____
Mark D. Hensley, City Attorney

ATTEST:

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS
CITY OF EL SEGUNDO)

I, Tracy Weaver, City Clerk of the City of El Segundo, California, do hereby certify that the whole number of members of the City Council of said City is five; that the foregoing Ordinance No. 1654 was duly introduced by said City Council at a regular meeting held on the 5th day of December 2023, and was duly passed and adopted by said City Council, approved and signed by the Mayor, and attested to by the City Clerk, all at a regular meeting of said Council held on the 19th day of December 2023, and the same was so passed and adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Tracy Weaver, City Clerk



City Council Agenda Statement

Meeting Date: December 19, 2023

Agenda Heading: Consent

Item Number: B.7

TITLE:

Amendment to Agreement With Willdan Group, Inc. for Plan Check and Contracted Fire Marshal Services

RECOMMENDATION:

1. Authorize the City Manager to execute an amended agreement with Willdan Group, Inc. ("Willdan") to increase the not to exceed amount by \$185,000 for a total of \$285,000 for FY 2023-24 for existing plan check and proposed interim Fire Marshal services.
2. Amend the City's FY 2023-24 Adopted Budget to increase revenues by \$125,000 in the Fire Department plan check fees.
3. Appropriate \$125,000 from General Fund Balance to the Fire Department professional services budget.
4. Alternatively, discuss and take other action related to this item.

FISCAL IMPACT:

It is anticipated that there will be no net fiscal impact due to full cost recovery for fire plan check services and personal salary and benefit savings from the vacant Fire Marshal position. The amended professional services agreement includes contracted services for an in-house Fire Marshal.

Estimated Additional Revenue (from plan check services to be provided by Willdan): \$125,000 to accounts 001-300-0000-3807 (\$112,500) and 001-300-0000-3832 (\$12,500)

Additional Appropriation: \$125,000 from General Fund Balance to account 001-400-3204-6214 (amount originally budgeted: \$100,000) to be offset by the estimated additional revenue.

Amendment to Agreement With Willdan Group, Inc. for Plan Check and Contracted Fire Marshal Services

December 19, 2023

Page 2 of 3

Budget Transfer: \$60,000 from Fire Marshal Salary & Benefits Accounts 001-400-3204-4101, 001-400-3204-4201, 001-400-3204-4202, 001-400-3204-4203, and 001-400-3204-4204 to Fire Department Professional Services Account 001-400-3204-6214

BACKGROUND:

The City originally contracted with Dennis Grubb & Associates, LLC in May 2022 for fire prevention plan check services to the City. The City approved Willdan's assumption of responsibilities under this agreement after it acquired Dennis Grubb & Associates, LLC. High demand for fire prevention plan check services has created the need to increase the total fiscal year sum for fire plan check services. Further, the resignation of the Fire Marshal has established a need for contracted Fire Marshal services, which Willdan also provides.

DISCUSSION:

All plan check and inspection service fees paid to Willdan are fully recovered by the City via the plan check and inspection fees adopted in the FY 22-23 Master Fee Schedule (FR-001 through FR-003M, FR-004A, FR-009, and FR-013).

The Fire Marshal position requires an experienced and qualified professional to administer the Fire Code. Essential duties of the Fire Marshal include, but are not limited to, reviewing proposed construction/equipment projects for compliance with fire code and environmental regulations, investigating fires for cause and origin determinations, and directing daily operations of the Fire Prevention division. Contracted Fire Marshal services will be funded with salary and benefit savings from the vacant Fire Marshal position.

Based on the demand for fire prevention plan check services in the City and the need for experienced Fire Marshal services, staff recommends increasing the contract amount with Willdan by \$185,000, for a total not to exceed amount of \$285,000 for FY 23-24. Due to cost recovery for all plan check services and using salary and benefit savings from the vacant Fire Marshal position, there is no fiscal impact to the general fund.

CITY STRATEGIC PLAN COMPLIANCE:

Goal 1: Enhance Customer Service, Diversity, Equity, Inclusion and Communication

Objective 1A: El Segundo provides unparalleled service to all customers.

Goal 2: Support Community Safety and Preparedness

Amendment to Agreement With Willdan Group, Inc. for Plan Check and Contracted Fire Marshal Services
December 19, 2023
Page 3 of 3

Objective 2A: El Segundo is a safe and prepared community.

Goal 5: Champion Economic Development and Fiscal Sustainability

Objective 5B: El Segundo approaches its work in a financially strategic and responsible way.

PREPARED BY:

Vanessa Arias, Senior Management Analyst

REVIEWED BY:

Robert Espinosa, Interim Fire Chief

APPROVED BY:

Barbara Voss, Deputy City Manager

ATTACHED SUPPORTING DOCUMENTS:

None



City Council Agenda Statement

Meeting Date: December 19, 2023

Agenda Heading: Consent

Item Number: B.8

TITLE:

Nomination to Appoint Jeff Wilson to the South Bay Workforce Investment Board

RECOMMENDATION:

1. Ratify the El Segundo Chamber of Commerce nomination to appoint Jeff Wilson to seat #18 of the South Bay Workforce Investment Board (SBWIB).
2. Request the City Clerk to forward a certified copy of Council's action to the SBWIB.
3. Alternatively, discuss and take other action related to this item.

FISCAL IMPACT:

None

BACKGROUND:

The South Bay Workforce Investment Board provides guidance for programs administered under the Federal Workforce Investment Act, under a Joint Powers Agreement (JPA), for the eight cities of El Segundo, Gardena, Hawthorne, Hermosa Beach, Inglewood, Lawndale, Manhattan Beach and Redondo Beach.

DISCUSSION:

The JPA is the instrument that allows the cities to pool and utilize available federal funds. Pursuant to the amended JPA dated May 16, 2002, Section 3, Sub-Part 3 of Section 4 of Agreement No. 83-100 requires that each of the SBWIB member cities shall appoint at least two private-sector employees, to serve on the SBWIB as representative of their respective cities' private-sector businesses. The process specified by the JPA requires that nominees originate from a business group. Historically, the chambers of the member cities have been that business group. The chambers nominate a business representative to the SBWIB, which nomination is then

Appoint Jeff Wilson to the South Bay Workforce Investment Board (SBWIB)

December 19, 2023

Page 2 of 2

ratified by the respective city council. On November 16, 2023, the El Segundo Chamber of Commerce Board of Directors nominated Mr. Jeff Wilson to serve on the SBWIB as a representative of the business sector in El Segundo.

CITY STRATEGIC PLAN COMPLIANCE:

Goal 1: Enhance Customer Service, Diversity, Equity, Inclusion and Communication

Objective 1B: El Segundo's engagement with the community ensures excellence.

PREPARED BY:

Mishia Jennings, Executive Assistant to City Council

REVIEWED BY:

Barbara Voss, Deputy City Manager

APPROVED BY:

Barbara Voss, Deputy City Manager

ATTACHED SUPPORTING DOCUMENTS:

1. El Segundo Chamber Letter, SBWIB Letter

November 16, 2023

Honorable Mayor Boyles and City Council
City of El Segundo
350 Main Street
El Segundo, CA 90245

Dear Honorable Mayor Boyles and City Council:

On behalf of the Board of Directors of the El Segundo Chamber of Commerce, please accept the nomination of the following individual to be appointed to serve on the South Bay Workforce Investment Board as a representative of the business private sector in El Segundo:

Jeff Wilson, Corporate Affairs Manager, Chevron, to serve under an existing term of office from July 1, 2021 to June 30, 2025

Thank you for your consideration.

Sincerely,



Marsha Hansen
CEO/President



www.sbwib.org

SOUTH BAY WORKFORCE INVESTMENT BOARD

SBWIB

M E M B E R S

**GLENN MITCHELL
CHAIRPERSON**

- AMBER MESHACK
- ANDREW FOWLER
- ARMANDO PENA
- DR. BRENDA THAMES
- BRIGETTE CALDERON
- CAROLYN WOODARD
- CATHERINE HOLDBROOK-SMITH
- CHRIS HANNAN
- CRYSTAL SPENCER
- DONALD FORD
- EDUARDO LEIVA
- FAISAL HASHMI
- FRAN FULTON
- J. KIM MCNUTT
- JACKIE CHOI
- JAMIN GALLMAN
- JANICE JIMENEZ
- JASON WITT
- JEFFREY R. JENNISON
- JENIFER HARRIS
- JEREMY DIAZ
- JOE AHN
- JOSH LAFARGA
- KEN GOMEZ
- KENDRICK ROBERSON
- DR. LANCE WILLIAMS
- LILY CRAIG
- MARC WEISS
- MARIA CAMACHO
- MICHAEL BRENK
- MIKE COSTIGAN
- MIKE HARRIEL
- MIKE TALLEDA
- MITCH PONCE
- MOHAMMAD NASER
- NAYEEM KHAN
- PATRICIA BENNETT
- PATRICIA DONALDSON
- PAUL RUSSELL
- RODERICK EDISON
- RUTHI DAVIS
- SANJAY MURTY
- SARAH GONZAGA
- SUSAN SENIOR
- TAMALA LEWIS
- TED CORDOVA
- TOD SWORD
- TOM BAKALY
- TONYA GRIFFIN
- WALTER AHHAITTY
- WAYNE DIULIO

November 28, 2023

Mr. Darrell George, City Manager
City of El Segundo
350 Main Street
El Segundo, CA 90245

Dear Mr. George:

Currently, there is one El Segundo business private sector vacancy on the South Bay Workforce Investment Board (SBWIB), which needs to be filled. The term of office for this seat will take effect is July 1, 2021, through June 30, 2025.

On November 16, 2023, the Carson Chamber of Commerce nominated Mr. Jeff Wilson, Corporate Affairs Manager for Chevron, to fill the El Segundo business private sector seat. Mr. Wilson was nominated to replace Ms. Lily Craig, former External Affairs Manager for Chevron. Ms. Craig resigned from the SBWIB on July 31, 2023, when she retired from Chevron. We are requesting that the Mayor and City Council please initiate the process to appoint Mr. Jeff Wilson to the SBWIB at the City of El Segundo's next regularly scheduled City Council meeting or at your earliest convenience.

Your cooperation in this matter is greatly appreciated. If you have any questions or require assistance, please contact me, or my assistant, Sha'Ron Berry, at (310) 970-7700.

Sincerely,

Jan Vogel
Executive Director

Attachments

JAN VOGEL
EXECUTIVE DIRECTOR



City Council Agenda Statement

Meeting Date: December 19, 2023

Agenda Heading: Consent

Item Number: B.9

TITLE:

Fiscal Year 2023-24 1st Quarter Financial Report

RECOMMENDATION:

1. Receive and file the Fiscal Year 2023-24 1st Quarter Financial Report.
2. Alternatively, discuss and take other action related to this item.

FISCAL IMPACT:

This report provides the City Council and the public with an overview of the City's financial performance for the first three months of the fiscal year, July 1, 2023-September 30, 2023, with an emphasis on the General Fund.

Many expenses and revenues are cyclical or seasonal in timing, and may not have significant impact in the first quarter. Because of this timing, rather than focusing on budget-to-actual comparisons, this first quarter report will focus on variances over the current fiscal year and the last fiscal year.

BACKGROUND:

The first quarter of Fiscal Year 2023-24 ended on September 30, 2023. Staff has reviewed all revenues and expenditures in the General Fund, and the various Enterprise Funds, Internal Service Funds, Debt Fund, and the Senior Housing Fund.

DISCUSSION:

A detailed report is attached that provides a preliminary discussion on how the budget performed in the 1st quarter of Fiscal Year 2023-2024 in comparison to the same period in the previous Fiscal Year 2022-2023.

Fiscal Year 2023-24 1st Quarter Financial Report

December 19, 2023

Page 2 of 2

CITY STRATEGIC PLAN COMPLIANCE:

Goal 5: Champion Economic Development and Fiscal Sustainability

Objective 5B: El Segundo approaches its work in a financially strategic and responsible way.

PREPARED BY:

Liz Lydic, Management Analyst

REVIEWED BY:

David Cain, Interim Chief Financial Officer

APPROVED BY:

Barbara Voss, Deputy City Manager

ATTACHED SUPPORTING DOCUMENTS:

1. FY2023-24 1st Quarter Financial Review



Finance Department Memorandum

350 Main Street El Segundo, CA 90245
Phone 310-524-2300 | www.elsegundo.org

To: Honorable Mayor Boyles and Members of City Council

From: Darrell George, City Manager & David Cain, Interim Chief Financial Officer

Date: December 19, 2023

Subject: FY 2023-2024 1st Quarter Financial Review

BACKGROUND:

The purpose of this report is to provide the City Council and the public with an overview of the City's financial performance for the first three months of the fiscal year, July 1, 2023-September 30, 2023, with an emphasis on the General Fund.

During the fiscal year, additional expenditures are appropriated following City Council approval, and so, the fiscal year budget total may fluctuate throughout the fiscal year.

Many expenses and revenues are cyclical or seasonal in timing, and may not have significant impact in the first quarter. Because of this timing, rather than focusing on budget-to-actual comparisons, this first quarter report will focus on variances over the current fiscal year and the last fiscal year.

DISCUSSION:

FY 2023-24 General Fund Revenue First Quarter

As of September 30, 2023, \$7 million of revenues have been received. In the same quarter in the previous fiscal year (FY 2022-2023), the City had received \$9.9 million of revenues. An explanation for this difference is described following Table 1.

Forthcoming quarters may provide more accurate gauges on how the fiscal year is progressing.

Table 1 summarizes:

- 1) General Fund Revenues received in the first quarter FY 2024
- 2) General Fund Revenues received in the first quarter FY 2023

Quarterly Financial Review

DATE

Page 2 of 8

Table 1:

	Revenue Source	Actual Revenues Received Through Q1	Full Year Budget
1	Sales & Use Tax	\$1,248,120	14,750,000
2	Business License	\$234,157	14,300,000
3	Transient Occupancy Tax	\$1,286,481	12,750,000
4	Property Tax	\$0	12,539,805
5	Chevron Tax Reso Agreement	\$0	5,500,000
6	Utility User Tax (UUT)	\$1,374,290	10,634,000
7	Charges for Services	\$738,154	4,952,040
8	Transfers In	\$0	50,000
9	Franchise Tax	\$6,280	4,200,000
10	Other Revenues	\$768,703	3,112,944
11	Intergovernmental	\$27,796	130,000
12	License & Permits	\$213,146	2,182,000
13	Interest & Rental Income	\$1,077,189	2,867,620
14	Fines & Forfeitures	\$100,864	327,101
Total General Fund Revenues		\$7,075,180	88,295,510
Fiscal Year 2023			
	Revenue Source	Actual Revenues Received Through Q1	Full Year Budget
1	Sales & Use Tax	\$1,157,143	\$12,950,000
2	Business License	\$252,061	\$11,935,200
3	Transient Occupancy Tax	\$1,285,981	\$11,040,000
4	Property Tax	\$0	\$12,209,615
5	Chevron Tax Reso Agreement	\$0	\$7,578,805
6	Utility User Tax (UUT)	\$1,467,693	\$7,269,908
7	Charges for Services	\$1,414,975	\$4,797,150
8	Transfers In	\$2,146,733	\$3,212,390
9	Franchise Tax	\$51,645	\$3,300,000
10	Other Revenues	\$483,472	\$2,163,683
11	Intergovernmental	\$27,629	\$168,006
12	License & Permits	\$1,012,058	\$2,100,000
13	Interest & Rental Income	\$439,818	\$2,874,000
14	Fines & Forfeitures	\$165,157	\$311,766
Total General Fund Revenues		\$9,904,365	\$ 81,910,522

Quarterly Financial Review

DATE

Page 3 of 8

The primary reason for the \$2.1 million decrease in revenues in the first (current) quarter of Fiscal Year 2024 was due to two one-time items in Transfers-In that occurred in the first (previous) quarter Fiscal Year 2023: in the previous period, the City received its second and final COVID-19 ARPA payment of \$1,986,733; and \$160,000 was transferred-in to the Equipment Replacement fund for the Wiseburn Aquatic Center Heater Repair Project.

Some revenue has been received in the first quarter Fiscal Year 2024, but due to posting timing, is not yet reflected in Table 1:

- **Charges for Services**, and **Licenses and Permits** has received \$544,000 in revenue in the first quarter Fiscal Year 2024 from various sources that is not reflected in Table 1.
- **UUT** has received \$21,000 in revenue in the first quarter Fiscal Year 2024 from SCE that is not reflected in Table 1.
- **Business License** has received \$58,500 in revenue in the first quarter Fiscal Year 2024 that is not reflected in Table 1. Business License Tax for renewals is assessed each December and collected from December 1-January 31 each year. Subsequent financial reports will reflect the annual collection and the increased revenue as a result of Measure BT, which was approved by voters in November 2022.

These items are expected to be reflected in the Mid-Year Financial Report, which will discuss the first six months of of the Fiscal Year.

Sales and Use Tax is performing similarly this first quarter as it did in the previous period. Staff continues to work with the City's Sales Tax Consultant, HdL to review sales tax activity, and to stay informed of audit finds that can include gains or losses in this category. **Transient Occupancy Tax** is performing similarly this first quarter as it did in the previous period.

Property Tax, and **Chevron Tax Resolution Agreement** revenue are not received until later in the fiscal year; in both first quarters, no revenue is reflected.

Franchise Tax is performing lower this fiscal year than the previous period; staff will continue to monitor this revenue source for trends.

Other Revenues are performing higher than last period due to increases in Miscellaneous revenue, SB-90 reimbursements, and Administrative Charges revenue.

Intergovernmental Revenue is performing similarly this quarter as it did in the previous period.

Quarterly Financial Review

DATE

Page 4 of 8

Interest & Rental Income saw an increase in this first quarter FY24 compared to FY23, mainly due to an increase in the Interest on Investments.

Fines & Forfeitures revenue was slightly lower in first quarter FY24 than the previous year due to a decrease of \$55,000 in City Code Fines.

Taking into consideration both the one-time transfers-in from the previous fiscal year, along with the revenue that is collected but not yet reflected in the current first quarter financials, the first quarter revenues are performing comparably this fiscal year as to last.

Revenues in the first quarter this fiscal year came in as expected, and staff anticipates revenues to continue to be on track with the budget.

FY 2023-24 General Fund Expenditures First Quarter

As of September 30, 2023, \$24.8 million was expended, an increase from the prior period, due to the timing of the July 1, 2023 recording of transfers out to CIP, Park Vista and the Sewer Fund. When considering the \$8.4 million Transfers-Out (one-time expenditure recording) in the first quarter Fiscal Year 2024, expenditures are overall performing very similarly to the previous period.

Table 2 summarizes:

- 1) General Fund Expenditures received in the first quarter FY 2024
- 2) General Fund Expenditures received in the first quarter FY 2023

Quarterly Financial Review

DATE

Page 5 of 8

Table 2:

Fiscal Year 2024			
	Expenditure Source	Actual Expenditures Through Q1	Full Year Budget
1	Police	\$5,341,659	\$ 21,672,638
2	Fire	3,217,091	14,089,002
3	Transfers Out	8,432,500	17,930,206
4	Public Works	1,471,281	8,843,951
5	Non-departmental	1,614,439	6,745,052
6	Recreation, Parks & Library	1,910,839	10,372,344
7	Community Development	575,037	3,802,120
8	Information Technology	740,667	3,864,715
9	City Manager	530,842	2,903,270
10	Finance	495,074	2,754,376
11	Human Resources	316,530	2,116,401
12	City Attorney	81,514	835,450
13	City Clerk	85,151	516,545
14	City Council	39,568	235,329
Total General Fund Expenditures		\$24,852,190	96,681,400.49
Fiscal Year 2023			
	Expenditure Source	Actual Expenditures Through Q1	Full Year Budget
1	Police	\$5,391,208	\$ 20,378,246
2	Fire	3,415,196	13,564,266
3	Transfers Out	-	13,985,120
4	Public Works	1,394,749	7,134,855
5	Non-departmental	1,424,994	6,128,801
6	Recreation, Parks & Library	2,202,560	8,705,569
7	Community Development	568,823	3,828,989
8	Information Technology	586,771	3,741,130
9	City Manager	487,428	2,850,002
10	Finance	550,896	2,576,680
11	Human Resources	312,787	1,492,491
12	City Attorney	29,568	770,450
13	City Clerk	83,417	568,511
14	City Council	40,527	216,018
15	Civil Unrest	-	-
16	COVID-19 Reimbursements	(74,996)	-
Total General Fund Expenditures		\$16,413,929	85,941,128

Quarterly Financial Review

DATE

Page 6 of 8

DEBT SERVICE FUND

The Debt Service fund records the City's lease payments for the Douglas Street Gap Closure capital improvement project. In September 2005, the City entered into a facility lease agreement with California Infrastructure and Economic Development Bank (CIEDB) whereby CIEDB issued \$10,000,000 in bonds to finance the Douglas Street Gap Closure Project. The City makes semi-annual lease payments over a 30-year period from Traffic Mitigation Fees which began in February 2006. The General Fund does not fund the debt service. The interest rate on the bonds is 2.87% per annum. Payments on the lease obligation are due February 1 and August 1 of each year. The Debt Service fund revenues and expenditures to date are tracking similarly to date as they did in the prior fiscal year first quarter.

Debt Service Fund	Revenues	Expenses
Full Adopted Budget	\$367,200	\$603,300
Actuals To Date	\$36	\$450,262

ENTERPRISE FUNDS

The City of El Segundo purchases all potable and recycled water from West Basin Municipal Water District. In addition to purchasing water, the City also operates and maintains water reservoirs, pipelines, and equipment.

Water Fund	Revenues	Expenses
Full Adopted Budget	\$36,850,000	\$31,837,693
Actuals To Date	\$6,406,421	\$8,240,613

The Water Utility Fund is tracking both revenues and expenditures similar to the previous period last fiscal year. Expenditures to date include potable and reclaimed water purchases, and insurance and bonds.

Wastewater Fund	Revenues	Expenses
Full Adopted Budget	\$5,200,000	\$6,875,554
Actuals To Date	\$1,101,782	\$725,589

The Wastewater Fund is tracking both revenues and expenditures similar to the previous period last fiscal year.

Quarterly Financial Review

DATE

Page 7 of 8

INTERNAL SERVICE FUNDS

General Liability Fund revenues are transferred in from operating departments and programs throughout the City. In addition, the City occasionally receives revenue from recovery of claims paid. The City participates in the following insurance risk pool programs: auto physical damage program, crime, cyber, earth movement and flood, general liability, property and equipment breakdown program, and terrorism.

General Liability Fund	Revenues	Expenses
Full Adopted Budget	\$3,115,000	\$3,222,127
Actuals To Date	\$775,000	\$1,767,786

The General Liability Fund is tracking both revenues and expenditures similar to the previous period last fiscal year. Insurance and Bonds expenditures are trending overbudget year-to-date.

Workers' Compensation Fund	Revenues	Expenses
Full Adopted Budget	\$3,235,881	\$3,405,200
Actuals To Date	\$777,377	\$969,625

The Workers' Compensation Fund is tracking revenues similar to the previous period last fiscal year. Expenses are primarily the annual insurance premium paid and claims paid. The annual premium is paid each July and claims are paid as they occur. The claims expenses are trending higher this fiscal year to date than in the previous period.

SENIOR HOUSING FUND

In 1986, the City constructed a 97-unit senior housing project, Park Vista. The City continues to own and maintain Park Vista. The property is overseen by the Senior Citizen Housing Corporation Board and managed by a third-party property management firm, The Cadman Group. The revenue is attributed to interest on investments.

Senior Housing Fund	Revenues	Expenses
Full Adopted Budget	\$203,099	\$963,461
Actuals To Date	\$187,569	\$802,447

This fiscal year includes the new annual transfer-in to the Senior Housing fund, as well as a transfer-out to the fund for Capital Improvement Projects, both of which were recorded at the beginning of the fiscal year.

Quarterly Financial Review

DATE

Page 8 of 8

The Adopted FY 2023-24 Citywide Budget also includes a number of other Special Revenue Funds and Proprietary Funds not included in this third quarter financial update. These funds will be included in the City's official FY 2023-24 Mid-Year Financial Report which will be presented to City Council in February 2024. During the Mid-Year Financial report, staff will also present recommended additional appropriations which will impact various funds, including the fund balance.



City Council Agenda Statement

Meeting Date: December 19, 2023

Agenda Heading: Public Hearings

Item Number: C.10

TITLE:

Public Hearing for Adoption of FY 2023-24 Recreation, Parks, and Library Fee Schedule

RECOMMENDATION:

1. Conduct a public hearing.
2. Adopt a resolution approving FY 2023-24 Recreation, Parks, and Library fees as part of the FY 2023-24 Master Fee Schedule.
3. Alternatively, discuss and take other action related to this item.

FISCAL IMPACT:

The estimated fiscal impact from the proposed changes is potential additional revenue for FY 2023-2024 of approximately \$75,000.

BACKGROUND:

On April 18, 2023, the City Council approved FY 2023-2024 Master Fee schedule while voting to exclude certain Recreation, Parks, and Library fees: Exhibit B (Recreation programming), Exhibit C (Facility reservations), and Exhibit D (Aquatics Center fees). Council directed staff to review fees more thoroughly, including conducting an analysis of the surrounding city's fees, considering non-profit vs. for-profit rates, youth programming incremental increases, and subsidy of core programs such as learn to swim programs.

DISCUSSION:

The FY 2023-2024 Master Fee Schedule established fees to be charged for City services. Most user fees and charges must reflect actual costs incurred in providing a specific service from which one or more individuals obtain a benefit. Rental charges for rooms or facilities, fines, penalties, and late charges are exempt from this requirement.

Public Hearing for Adoption of FY 2023-2024 Recreation, Parks, and Library Fee Schedule

December 19, 2023

Page 2 of 2

Instead, these fees are generally determined by market rates, demand for service, and other policies. Recreation, Parks, and Library fees and services were included in the 2022 study conducted by the City's consultant, Revenue Cost Specialist ("RCS"). Periodically increasing public fees for facility use and programming services is a practical solution to utilize general revenues more efficiently.

One of the Council's priority focus areas is to enhance the City's long-term financial stability as well as improve Recreation, Parks, and Library facilities. The Recreation, Parks, and Aquatics fees have not been adjusted in several years, although costs to provide these services have risen significantly. Based on Council's direction on April 18, 2023, City staff reviewed program participation numbers, facility usage, and surrounding City's fees before presenting a draft of proposed increases to the Finance Committee on August 17, 2023. Staff incorporated feedback from the Finance Committee and made additional adjustments to the proposed increases. After editing the draft of fees, staff conducted multiple study sessions with the Aquatics Subcommittee to discuss user fees for aquatics programs.

Exhibits A through K (Attachment A) reflect the proposed fee schedules pertaining to Recreation, Parks, and Library services. The attached, proposed Resolution would adopt the proposed fees as part of the FY 2023-2024 Master Fee Schedule.

CITY STRATEGIC PLAN COMPLIANCE:

Goal 5: Champion Economic Development and Fiscal Sustainability

Objective 5B: El Segundo approaches its work in a financially strategic and responsible way.

PREPARED BY:

Linnea Palmer, Recreation Specialist

REVIEWED BY:

Aly Mancini, Recreation, Parks and Library Director

APPROVED BY:

Barbara Voss, Deputy City Manager

ATTACHED SUPPORTING DOCUMENTS:

1. Recreation, Parks, and Library FY 2023-2024 Fees
2. Recreation, Parks, and Library Fees Presentation
3. ES - RPL Fees Resolution

		Current	Proposed	
		<u>FY 22-23</u>	<u>FY 23-24</u>	<u>Comment</u>
Adult Sports				
*Note that teams pay an additional umpire & official fees per game				
Basketball				
	Resident	\$203	\$220	team
	Non-Resident	\$243	\$265	team
Soccer				
	Resident	\$203	\$220	team
	Non-Resident	\$243	\$265	team
Pickleball				
	Resident	\$350	\$375	team
	Non-Resident	\$420	\$450	team
Softball				
	Resident	\$355	\$380	team
	Non-Resident	\$426	\$460	team
Kickball				
	Resident	\$304	\$325	team
	Non-Resident	\$365	\$390	team

Exhibit B- Camps

	Current		Proposed	<u>Note:</u> <u>Hourly</u> <u>Rate</u>
	<u>FY 22-23</u>	<u>FY 23-24</u>	<u>Comment</u>	
Day Camps				
Sports Camp				
Resident	\$51	\$60	participant	\$4
Non-Resident	\$68	\$80	participant	\$5.33
Tiny Tots				
Resident	\$51	\$60	participant	\$4
Non-Resident	\$68	\$80	participant	\$5.33
Aquatics Camp				
Resident	\$51	\$60	participant	\$5
Non-Resident	\$68	\$80	participant	\$6.66
Winter Camp Day				
Resident	\$100	\$115	participant	\$5.75
Non-Resident	\$125	\$145	participant	\$7.25
Teen Camp				
Resident	\$104	\$115	participant	\$4.60
Non-Resident	\$130	\$145	participant	\$7.25
Spring Break Camp				
Resident	\$120	\$140	participant	\$5.60
Non-Resident	\$150	\$180	participant	\$7.20
Camp Cowabunga				
Resident	\$177	\$225	participant	\$5
Non-Resident	\$250	\$320	participant	\$7.11

	<u>Current</u>	<u>Proposed FY 23-</u>		<u>Note</u>
	<u>FY 22-23</u>	<u>24</u>	<u>Comment</u>	
Teen Center/Basketball				
Snowboard Trip				
Resident	\$66	Market -20%	participant	
Non-Resident	\$100	Market	participant	
Bus Only	\$30		\$30 participant	
Mountain passes have increased significantly every year.				
Skate Tournament				
Resident	\$5		\$5 participant	
Non-Resident	\$5		\$7 participant	
GABIT - Spring and Summer				
Resident or Non-Resident	\$15		\$15 per player	
Non-Resident/Non-Card Holder	\$20		\$20 per player	
Youth Basketball				
Resident	\$100		\$100 participant	
Non-Resident	\$125		\$125 participant	
Misc Fees				
El Segundo Youth Drama Program				
Junior Production - Resident	\$200		\$250 participant	
Junior Production - Non-Resident	\$250		\$313 participant	
Senior Production - Resident	\$250		\$300 participant	
Senior Production - Non-Resident	\$313		\$375 participant	
Variety Show - Resident	\$160		\$200 participant	
Variety Show - Non-Resident	\$200		\$250 participant	
Fired Up! Day Camp				
Resident	\$25		\$25 participant	
Non-Resident	\$32		\$32 participant	
Administrative Fee for Camp Refunds				
	\$10		\$10 participant	
Private Instructor Permit Fee	NEW*		\$15 Hourly	
Recreation Card Registration (Annual)				
Adult	\$15		\$15 card	
Youth	\$10		\$10 card	
Senior/Infant	\$5		\$5 card	
Replacement	\$5		\$5 card	
Wiseburn Card Registration (Annual) (AC Only)				
Adult	\$15		\$15 card	
Youth	\$10		\$10 card	
Senior/Infant	\$5		\$5 card	
Replacement	\$5		\$5 card	

	Current	Proposed	
	<u>FY 22-23</u>	<u>FY 23-24</u>	<u>Comment</u>
Aquatics Services			
Group Lessons (All Facilities)			
Resident	\$48	\$50	participant
Non-Resident	\$60	\$90	participant
Private Swim Lessons			
Resident	\$80	\$100	participant
Non-Resident	\$125	\$150	participant
Semi-Private Swim Lessons			
Resident	\$70	\$80	participant
Non-Resident	\$88	\$100	participant
GIT (Guard in Training)			
Resident	\$51	\$55	participant
Non-Resident	\$65	\$70	participant
Facility Rentals during Rec Swim			
Resident per hour	\$36	\$39	participant
Non-Resident per hou	\$120	\$128	participant
Special Event Registration			
Resident	\$5	\$5	participant
Non-Resident	\$10	\$11	participant
Lifeguard Classes and Certifications			
	\$200	\$214	participant
	No Fee	No Fee	Staff Re-Certification

Exhibit E- Aquatic Drop-In

	Current FY 22-23	Proposed FY 23-24	Comment	Note
Rec Swim (Hilltop)				
Resident	FREE	FREE		
Adult-Non-Resident	\$6	\$7		
Senior/Youth Non-Res	\$4	\$5		
Camp Participant	\$2	\$3		
Rec Swim & Lap Swim (Aquatics Center)				
Adult - Resident	\$4	\$5		
Adult - Non-Resident	\$6	\$7		
Military - Resident	\$2	\$3		
Military - Non-Resident	\$4	\$5		
Senior - Resident	\$2	\$3		
Senior - Non-Resident	\$4	\$5		
Youth - Resident	\$2	\$3		
Youth - Non-Resident	\$4	\$5		
Annual Membership (AC)				
Adult Resident	\$400	\$500	membership	
Adult Non-Resident	\$600	\$700	membership	
Military Resident	\$200	\$300	membership	
Military Non-Resident	\$400	\$500	membership	
Senior Resident	\$200	\$300	membership	
Senior Non-Resident	\$400	\$500	membership	
Family Resident	\$800	\$1,000	membership	
Family Non-Resident	\$1,200	\$1,400	membership	
Youth Resident	\$200	\$300	membership	
Youth Non-Resident	\$400	\$500	membership	
10 Punch Pass (AC)				
Adult Resident	\$35	\$44	membership	\$4.38 per swim
Adult Non-Resident	\$52	\$61	membership	\$6.07 per swim
Military Resident	\$18	\$27	membership	\$2.70 per swim
Military Non-Resident	\$35	\$44	membership	\$4.38 per swim
Senior Resident	\$18	\$27	membership	\$2.70 per swim
Senior Non-Resident	\$35	\$44	membership	\$4.38 per swim
Youth Resident	\$18	\$27	membership	\$2.70 per swim
Youth Non-Resident	\$35	\$44	membership	\$4.38 per swim
20 Punch Pass (AC)				
Adult Resident	\$65	\$82	membership	\$4.10 per swim
Adult Non-Resident	\$100	\$117	membership	\$5.85 per swim
Military Resident	\$33	\$50	membership	\$2.48 per swim
Military Non-Resident	\$65	\$82	membership	\$4.10 per swim
Senior Resident	\$33	\$50	membership	\$2.48 per swim
Senior Non-Resident	\$65	\$82	membership	\$4.10 per swim
Youth Resident	\$33	\$50	membership	\$2.48 per swim
Youth Non-Resident	\$65	\$82	membership	\$4.10 per swim

30 Punch Pass (AC)

Adult Resident	\$90	\$113 membership	\$3.75 per swim
Adult Non-Resident	\$135	\$158 membership	\$5.25 per swim
Military Resident	\$45	\$56 membership	\$1.88 per swim
Military Non-Resident	\$90	\$113 membership	\$3.75 per swim
Senior Resident	\$45	\$56 membership	\$1.88 per swim
Senior Non-Resident	\$90	\$113 membership	\$3.75 per swim
Youth Resident	\$45	\$56 membership	\$1.88 per swim
Youth Non-Resident	\$90	\$113 membership	\$3.77 per swim

Exhibit F- Picnic Reservations

	<u>Current</u>	<u>Proposed</u>	
Picnic Reservations	FY 22-23	FY 23-24	Comment
Recreation Park Picnic Area - Each Area (4 tables, max capacity 50)			
Less Than 25 People (First-come, first- served)	Free	Free	
El Segundo Non-Profit/Individual (25+ people)	\$12	\$13	hour
El Segundo for Profit (25+ people)	\$24	\$26	hour
Non-Resident Groups (25+ people)	\$36	\$39	hour
Recreation Park BBQ Area (max capacity 75)			
El Segundo Non-Profit/Individual	\$30.50	\$33	hour
El Segundo for Profit	\$61	\$65	hour
Non-Resident Groups	\$91	\$97	hour
Recreation Park Inflatable Bouncer Surcharge			
El Segundo Non-Profit/Individual	\$25.50	\$27	hour
El Segundo for Profit	\$51	\$55	hour
Non-Resident Groups	\$76	\$81	hour
Recreation Park Fire Circle (max capacity 100)			
*Pending Fire Marshall Approval			
El Segundo Non-Profit/Individual	\$41	\$44	per event
El Segundo for Profit	\$81	\$87	per event
Non-Resident Groups	\$122	\$131	per event
Hilltop Park Picnic Area(max capacity 25)			
El Segundo Non-Profit/Individual	\$12	\$13	hour
El Segundo for Profit	\$24	\$26	hour
Non-Resident Groups	\$36	\$39	hour
Acacia Picnic Area (max capacity 25)			
El Segundo Non-Profit/Individual	\$12	\$13	hour
El Segundo for Profit	\$24	\$26	hour
Non-Resident Groups	\$36	\$39	hour
Sycamore Park Picnic Area(max capacity 25)			
El Segundo Non-Profit/Individual	\$12	\$13	hour
El Segundo for Profit	\$24	\$26	hour
Non-Resident Groups	\$36	\$39	hour
Kansas Park Picnic Area (max capacity 25)			
El Segundo Non-Profit/Individual	\$12	\$13	hour
El Segundo for Profit	\$24	\$26	hour
Non-Resident Groups	\$36	\$39	hour
Independence Park			
*Rental Agreement Only			
Constitution Park Picnic Area (max capacity 25)			
El Segundo Non-Profit/Individual	\$51	\$55	hour
El Segundo for Profit	\$101	\$108	hour
Non-Resident Groups	\$152	\$163	hour

Washington Park Picnic Area (max capacity 25)		
El Segundo Non-Profit/Individual	\$51	\$55 hour
El Segundo for Profit	\$101	\$108 hour
Non-Resident Groups	\$152	\$163 hour
Freedom Park		
*Rental Agreement Only		
Security Deposit	\$203	\$203 per event
Additional Staff Fee (If Necessary)	\$25.50	\$25.50 per hour/per staff
Cancellation Policy	\$51	\$51

	<u>Current</u> <u>FY 22-23</u>	<u>Proposed</u> <u>FY 23-24</u>	<u>Comment</u>
Recreation Park Outdoor Amenities			
Grass Area (Up to 100)			
El Segundo Non-Profit/Individual	\$51	\$55	hour
El Segundo for Profit	\$101	\$108	hour
Non-Resident Groups	\$152	\$163	hour
Lawn Bowling Green			
*Rental Agreement Only			
Clubhouse Amphitheatre			
*Rental Agreement Only			
Clubhouse Outdoor Patio			
El Segundo Non-Profit/Individual	\$16	\$17	hour
El Segundo for Profit	\$32	\$34	hour
Non-Resident Groups	\$48	\$51	hour
Library Park (Open Space up to 100 people)			
El Segundo Non-Profit/Individual	\$51	\$55	hour
El Segundo for Profit	\$101	\$108	hour
Non-Resident Groups	\$152	\$163	hour

Exhibit H- Facilities

	<u>FY 22-23</u>	<u>FY 23-24</u>	<u>Comment</u>
Large Capacity Room (150) (Joslyn Center Social Hall, Clubhouse Auditorium)			
El Segundo Non-Profit/Individual	\$50	\$54	hour
El Segundo for Profit	\$100	\$107	hour
Non-Resident Groups	\$150	\$161	hour
Meeting Room (max capacity 50) (Joslyn Center Multi-purpose Room, Joslyn Center Craft Room, Joslyn Center Library, Clubhouse Tri-Room, Clubhouse Drop-In Room)			
El Segundo Non-Profit/Individual	\$16	\$17	hour
El Segundo for Profit	\$32	\$34	hour
Non-Resident Groups	\$48	\$51	hour
Kitchen (Add-On at Joslyn Center or Clubhouse)			
El Segundo Non-Profit/Individual	\$11	\$12	hour
El Segundo for Profit	\$22	\$24	hour
Non-Resident Groups	\$33	\$35	hour
Camp Eucalyptus *Rental Agreement Only			
Teen Center *Rental Agreement Only			

	Current	Proposed	
	<u>FY 22-23</u>	<u>FY 23-24</u>	<u>Comment</u>
Basketball Court			
El Segundo Non-Profit/Individual	\$51	\$55	hour
El Segundo for Profit	\$101	\$108	hour
Non-Resident Groups	\$152	\$163	hour
Volleyball Court			
El Segundo Non-Profit/Individual	\$26	\$27	hour
El Segundo for Profit	\$51	\$55	hour
Non-Resident Groups	\$76	\$81	hour
Roller Hockey Rink			
El Segundo Non-Profit/Individual	\$26	\$27	hour
El Segundo for Profit	\$51	\$55	hour
Non-Resident Groups	\$76	\$81	hour
Skate Park - Facility Rental			
*Rental Agreement Only			
Tennis, Racquetball, Paddle Tennis, Pickleball Courts			
El Segundo Non-Profit/Individual/Profit	\$5	\$10	hour
Non-Residents	\$15	\$20	hour
Batting Cage			
El Segundo Non-Profit/Individual/Profit	NEW*	\$10	hour
Non-Residents	NEW*	\$20	hour
George Brett Field			
El Segundo Non-Profit/Individual	\$31	\$33	hour
El Segundo for Profit	\$61	\$65	hour
Non-Resident Groups	\$91	\$97	hour
Stevenson Field			
El Segundo Non-Profit/Individual	\$31	\$33	hour
El Segundo for Profit	\$61	\$65	hour
Non-Resident Groups	\$91	\$97	hour
Softball Field			
El Segundo Non-Profit/Individual	\$31	\$33	hour
El Segundo for Profit	\$61	\$65	hour
Non-Resident Groups	\$91	\$97	hour
Richmond Field			
El Segundo Non-Profit/Individual	\$31	\$33	hour
El Segundo for Profit	\$61	\$65	hour
Non-Resident Groups	\$91	\$97	hour
Campus El Segundo (1/2 Field Available)			
El Segundo Non-Profit/Individual	\$60	\$64	hour
El Segundo for Profit	\$120	\$128	hour
Non-Resident Groups	\$180	\$193	hour

Athletic Field Lighting Fee

El Segundo Non-Profit/Individual	No fee	No fee
El Segundo for Profit	\$21	\$22 hour
Non-Resident Groups	\$21	\$22 hour

	Current		Proposed
	<u>FY 22-23</u>	<u>FY 23-24</u>	<u>Comment</u>
Hilltop Pool (*See below for staff fees)			
El Segundo Non-Profit/Individual	\$101	\$108	hour
El Segundo for Profit	\$240	\$257	hour
Non-Resident Groups	\$360	\$385	hour
Inflatable Obstacle Course and Staff Fee (in addition to facility fee)			
El Segundo Non-Profit/Individual	\$100	\$107	hour
El Segundo for Profit	\$180	\$193	hour
Non-Resident Groups	\$216	\$231	hour
Key Log Roll			
El Segundo Non-Profit/Individual	\$50	\$54	hour
El Segundo for Profit	\$90	\$96	hour
Non-Resident Groups	\$108	\$116	hour
Additional Staffing Fees for Aquatics Facility Rentals (Lifeguard Costs by Group Size)			
One to 19 people (1 senior guard, 1 lifeguard)			
El Segundo Non-Profit/Individual	\$40	\$43	hour
El Segundo for Profit	\$48	\$51	hour
Non-Resident Groups	\$58	\$62	hour
20 to 39 people (1 senior guard, 2 lifeguards)			
El Segundo Non-Profit/Individual	\$55	\$59	hour
El Segundo for Profit	\$66	\$71	hour
Non-Resident Groups	\$80	\$86	hour
40 to 59 people (1 senior guard, 3 lifeguards)			
El Segundo Non-Profit/Individual	\$70	\$75	hour
El Segundo for Profit	\$84	\$90	hour
Non-Resident Groups	\$100	\$107	hour
60+ people (1 senior guard, 4 lifeguards)			
El Segundo Non-Profit/Individual	\$85	\$91	hour
El Segundo for Profit	\$102	\$109	hour
Non-Resident Groups	\$123	\$132	hour

	<u>Current</u>	<u>Proposed</u>	
	<u>FY 22-23</u>	<u>FY 23-24</u>	<u>Comment</u> <u>Notes</u>
REC-018 COMPETITION POOL - RENTAL - HOURLY RATES			
SHORT COURSE - SHORT TERM RENTAL <10HRS/WK	\$21	\$23	hour
SHORT COURSE - LONG TERM RENTAL > OR = 10HRS/WK	\$16	\$18	hour
LONG COURSE - SHORT TERM RENTAL <10HRS/WK	\$41	\$46	hour
LONG COURSE - LONG TERM RENTAL > OR = 10HRS/WK	\$31	\$36	hour
HALF POOL - ALTERNATE USE- SHORT TERM RENTAL <10HRS/WK	\$106	\$119	hour
HALF POOL - ALTERNATE USE - LONG TERM RENTAL > OR = 10HRS/WK	\$86	\$98	hour
REC -019 TEACHING POOL - RENTAL - HOURLY RATES			
PER LANE - SHORT TERM RENTAL <10HRS/WK	\$16	\$18	hour
PER LANE - LONG TERM RENTAL > OR = 10HRS/WK	\$11	\$12	hour
FULL POOL - SHORT TERM RENTAL <10RS/WK	\$101	\$114	hour
FULL POOL - LONG TERM RENTAL > OR = 10HRS/WK	\$81	\$91	hour
REC - 020 EVENT/FILMING PRICING			
FULL DAY COMPETITION POOL (6+ HOURS)	\$3,549	\$3,549	event
HALF DAY COMPETITION POOL (< 6 HOURS)	\$1,876	\$1,876	event
FULL DAY TEACHING POOL (6+ HOURS)	\$710	\$710	event
HALFDAY TEACHING POOL (< 6 HOURS)	\$431	\$431	event
LIGHTING FEE (IF APPLICABLE)	20.50	20.50	hour
TIMING SYSTEM (IF APPLICABLE)	56.00	56.00	event
EXTRA STAFF (IF APPLICABLE)	30.00	30.00	hour



Recreation, Parks, and Library Fees FY 2023-2024

Adult Sports Fees (Exhibit A)

Sport	Residency	Current Price	Proposed Price
Basketball	Resident	\$203	\$220
	Non-Resident	\$243	\$265
Soccer	Resident	\$203	\$220
	Non-Resident	\$243	\$265
Pickleball	Resident	\$350	\$375
	Non-Resident	\$420	\$450
Softball	Resident	\$355	\$380
	Non-Resident	\$426	\$460
Kickball	Resident	\$304	\$325
	Non-Resident	\$365	\$390

Day Camps (Exhibit B)

Camp	Residency	Current Price	Proposed Price	Hourly Rate
Sports	Resident	\$51	\$60	\$4
	Non-Resident	\$68	\$80	\$5.33
Tiny Tots	Resident	\$51	\$60	\$4
	Non-Resident	\$68	\$80	\$5.33
Aquatics	Resident	\$51	\$60	\$4
	Non-Resident	\$68	\$80	\$5.33
Winter Camp	Resident	\$100	\$115	\$5.75
	Non-Resident	\$125	\$145	\$7.25
Spring Camp	Resident	\$120	\$140	\$5.60
	Non-Resident	\$150	\$180	\$7.20
Cowabunga	Resident	\$177	\$225	\$5
	Non-Resident	\$250	\$320	\$7.11

City	Res Avg.	Non-Res Avg.
MB	\$4.98	\$5.49
CC	\$2.67	\$3.30
RB	\$5.90	\$5.90
SM	\$10.50	\$11.67
TOR	\$8.05	\$8.48

Misc. Rec Programs (Exhibit C)

Activity	Residency	Current Price	Proposed Price
Snowboard Trip	Resident	\$66	Market -20%
	Non-Resident	\$100	Market
	Bus Only	\$30	\$30
Skate Tournament	Resident	\$5	\$5
	Non-Resident	\$5	\$7
GABIT	Resident	\$15	\$15
	Non-Resident	\$20	\$20
Youth Basketball	Resident	\$100	\$100
	Non-Resident	\$125	\$125
Drama Variety Show	Resident	\$160	\$200
	Non-Resident	\$200	\$250
Drama Junior Show	Resident	\$200	\$250
	Non-Resident	\$250	\$312.50
Drama Senior Show	Resident	\$250.40	\$300
	Non-Resident	\$313	\$375

Misc. Rec Programs (Exhibit C)

Activity	Residency	Current Price	Proposed Price
Fired Up Day Camp	Resident	\$25	\$25
	Non-Resident	\$32	\$32
El Segundo Rec ID Card	Adult	\$15	\$15
	Youth	\$10	\$10
	Senior/Infant	\$5	\$5
Wiseburn ID Card (Aquatics Center Only)*	Adult	\$15	\$15
	Youth	\$10	\$10
	Senior/Infant	\$5	\$5
Camp Refund Admin Fee		\$10	\$10
Private Instructor Permit Fee		\$15	\$15

Aquatic Programs (Exhibit D)

Program	Residency	Current Price	Proposed Price	Per Class Rate
Group Lessons	Resident	\$48	\$50	\$6.25
	Non-Resident	\$60	\$90	\$11.25
Private Lessons	Resident	\$80	\$100	\$25
	Non-Resident	\$125	\$150	\$37.50
Semi-Private	Resident	\$70	\$80	\$20
	Non-Resident	\$88	\$100	\$25
Guard in Training	Resident	\$51	\$55	\$13.75
	Non-Resident	\$65	\$70	\$17.50
Special Event	Resident	\$5	\$5	
	Non-Resident	\$10	\$11	
Lifeguard Class		\$200	\$214	

Group (per 20-30min)		
City	Res	Non-Res
MB	\$12	\$13.19
CC	\$2.62	\$13
RB	\$13.75	\$13.75
SM	\$6.63	\$13.13
TOR	\$6	\$6

Private (per 20-30min)		
City	Res	Non-Res
MB	\$26	\$28.63
CC	\$30	\$39
SM	\$27.50	\$27.50
TOR	\$20	\$20

Aquatics Drop In (Exhibit E)

Facility	Age Category	Residency	Current Price	Proposed Price
Hilltop	All	Resident	\$0	\$0
	Adult	Non-Resident	\$6	\$7
	Senior/Youth	Non-Resident	\$4	\$5
	Campers	All	\$2	\$3
	Aquatics Center	Adult	Resident	\$4
	Adult	Non-Resident	\$6	\$7
	Military	Resident	\$2	\$3
	Military	Non-Resident	\$4	\$5
	Senior	Resident	\$2	\$3
	Senior	Non-Resident	\$4	\$5
	Youth	Resident	\$2	\$3
	Youth	Non-Resident	\$4	\$5

Youth/Senior Drop In		
City	Res	Non-Res
MB	\$5	\$7
CC	\$3	\$3
RB	\$3	\$3
SM	\$2.25	\$4.50
TOR	\$3	\$3

Adult Drop In		
City	Res	Non-Res
MB	\$5	\$7
CC	\$4	\$4
RB	\$4	\$5
SM	\$4.50	\$9
TOR	\$4	\$4

Aquatics Drop In (Exhibit E)

Activity	Residency	Current Prices	Proposed Prices	Per-Swim
Annual Membership	Resident	\$200-\$800	\$300-\$1,000	
	Non-Resident	\$400-\$1,200	\$500-\$1,400	
10 Punch Pass	Resident	\$18-\$35	\$27-\$44	\$2.70-\$4.28
	Non-Resident	\$35-\$52	\$44-\$61	\$4.38-\$6.07
20 Punch Pass	Resident	\$33-\$65	\$50-\$82	\$2.48-\$4.10
	Non-Resident	\$50-\$82	\$82-\$117	\$4.10-\$5.85
30 Punch Pass	Resident	\$45-\$90	\$56-\$113	\$1.88-\$3.77
	Non-Resident	\$90-\$135	\$113-\$158	\$3.77-\$5.25

* 30-day and 90-day memberships are scheduled to be removed.

Picnic Rentals (Exhibit F)

Facility	Area	Renter Type	Price per hour	Proposed Price per hour
Recreation Park	Picnic Area (4 tables)	El Segundo Non-Profit/Individual	\$12	\$13
		El Segundo For Profit	\$24	\$26
		Non-Resident Groups	\$36	\$39
	BBQ Area	El Segundo Non-Profit/Individual	\$30.50	\$33
		El Segundo For Profit	\$61	\$65
		Non-Resident Groups	\$91	\$97
	Fire Circle	El Segundo Non-Profit/Individual	\$41	\$44
		El Segundo For Profit	\$81	\$87
		Non-Resident Groups	\$122	\$131
	Inflatable Bouncer Surcharge	El Segundo Non-Profit/Individual	\$25.50	\$27
		*Flat Fee	\$51	\$55
		Non-Resident Groups	\$76	\$81

Picnic Rentals (Exhibit F)

Facility	Area	Renter Type	Price per hour	Proposed Price per hour
Hilltop Park	Picnic Areas	El Segundo Non-Profit/Individual	\$12	\$13
		El Segundo For Profit	\$24	\$26
		Non-Resident Groups	\$36	\$39
Acacia Park	Picnic Areas	El Segundo Non-Profit/Individual	\$12	\$13
		El Segundo For Profit	\$24	\$26
		Non-Resident Groups	\$36	\$39
Sycamore Park	Picnic Areas	El Segundo Non-Profit/Individual	\$12	\$13
		El Segundo For Profit	\$24	\$26
		Non-Resident Groups	\$36	\$39
Kansas Park	Picnic Areas	El Segundo Non-Profit/Individual	\$12	\$13
		El Segundo For Profit	\$24	\$26
		Non-Resident Groups	\$36	\$39

Picnic Rentals (Exhibit F)

Facility	Area	Renter Type	Price per hour	Proposed Price per hour
Constitution Park	Picnic Areas	El Segundo Non-Profit/Individual	\$51	\$55
		El Segundo For Profit	\$101	\$108
		Non-Resident Groups	\$152	\$163
Washington Park	Picnic Areas	El Segundo Non-Profit/Individual	\$51	\$55
		El Segundo For Profit	\$101	\$108
		Non-Resident Groups	\$152	\$163
Freedom Park	Picnic Areas	*Rental Agreement Only		
Independence Park	Picnic Areas	*Rental Agreement Only		
Administrative	Security Deposit		\$203	\$203
	Additional Staffing Fee (If Necessary)		\$25.50	\$25.50
	Cancellation Policy		\$51	\$51



Facilities (Exhibit H)

Room	Facility	Renter Type	Price per hour	Proposed Price per hour
Large Capacity Room	Joslyn Social Hall & Clubhouse Auditorium	El Segundo Non-Profit/Individual	\$50	\$54
		El Segundo For Profit	\$100	\$107
		Non-Resident Groups	\$150	\$161
Meeting Room	Joslyn Craft Room, Joslyn Library, Clubhouse Tri-Room and Clubhouse Drop-In Room	El Segundo Non-Profit/Individual	\$16	\$17
		El Segundo For Profit	\$32	\$34
		Non-Resident Groups	\$48	\$51
Kitchen	Joslyn & Clubhouse	El Segundo Non-Profit/Individual	\$11	\$12
		El Segundo For Profit	\$22	\$24
		Non-Resident Groups	\$33	\$35
Camp Eucalyptus		*Rental Agreement Only		
Teen Center		*Rental Agreement Only		

Fields & Courts (Exhibit I)

Facility	Field/Court	Renter Type	Current Price per hour	Proposed Price per hour
Recreation Park	Basketball Court	El Segundo Non-Profit/Individual	\$51	\$55
		El Segundo For Profit	\$101	\$108
		Non-Resident Groups	\$152	\$163
	Volleyball Court	El Segundo Non-Profit/Individual	\$25.50	\$27
		El Segundo For Profit	\$51	\$55
		Non-Resident Groups	\$76	\$81
	Roller Hockey Rink	El Segundo Non-Profit/Individual	\$25.50	\$27
		El Segundo For Profit	\$51	\$55
		Non-Resident Groups	\$76	\$81
Tennis, Paddle Tennis, & Pickleball Courts	El Segundo Non-Profit/Individual/Profit	\$5	\$10	
	Non-Residents	\$15	\$20	

Fields & Courts (Exhibit I)

Facility	Field/Court	Renter Type	Current Price per hour	Proposed Price per hour
Recreation Park	Batting Cage	El Segundo Non-Profit/Individual/Profit		\$10
		Non-Residents		\$20
	George Brett Field	El Segundo Non-Profit/Individual	\$30.50	\$33
		El Segundo For Profit	\$61	\$65
		Non-Resident Groups	\$91	\$97
	Stevenson Field	El Segundo Non-Profit/Individual	\$30.50	\$33
		El Segundo For Profit	\$61	\$65
		Non-Resident Groups	\$91	\$97
	Softball Field	El Segundo Non-Profit/Individual	\$30.50	\$33
		El Segundo For Profit	\$61	\$65
		Non-Resident Groups	\$91	\$97

Fields & Courts (Exhibit I)

Facility	Field/Court	Renter Type	Current Price per hour	Proposed Price per hour
Richmond	Richmond Field	El Segundo Non-Profit/Individual	\$30.50	\$33
		El Segundo For Profit	\$61	\$65
		Non-Resident Groups	\$91	\$97
Campus El Segundo	½ Field	El Segundo Non-Profit/Individual	\$60	\$64
		El Segundo For Profit	\$120	\$128
		Non-Resident Groups	\$180	\$193
All Fields	Field Lighting	El Segundo Non-Profit/Individual	No Fee	No Fee
		El Segundo For Profit	\$20.50	\$22
		Non-Resident Groups	\$20.50	\$22

Aquatics Facilities(Exhibit J)

Field/Court	Renter Type	Current Price per hour	Proposed Price per hour
Hilltop Pool	El Segundo Non-Profit/Individual	\$101	\$108
	El Segundo For Profit	\$240	\$257
	Non-Resident Groups	\$360	\$385
Inflatable Obstacle Course and Staff Fee	El Segundo Non-Profit/Individual	\$100	\$107
	El Segundo For Profit	\$180	\$193
	Non-Resident Groups	\$216	\$231
Key Log Roll	El Segundo Non-Profit/Individual	\$50	\$54
	El Segundo For Profit	\$90	\$96
	Non-Resident Groups	\$108	\$116

Aquatics Facilities(Exhibit J)

Additional Staffing Needs	Renter Type	Current Price per hour	Proposed Price per hour
1-19 People (1 Senior Guard, 1 LG)	El Segundo Non-Profit/Individual	\$40	\$43
	El Segundo For Profit	\$48	\$51
	Non-Resident Groups	\$58	\$62
20-39 People (1 Senior Guard, 2 LG)	El Segundo Non-Profit/Individual	\$55	\$59
	El Segundo For Profit	\$66	\$71
	Non-Resident Groups	\$80	\$86
40-59 People (1 Senior Guard, 3 LG)	El Segundo Non-Profit/Individual	\$70	\$75
	El Segundo For Profit	\$84	\$90
	Non-Resident Groups	\$100	\$107
60+ People (1 Senior Guard, 4 LG)	El Segundo Non-Profit/Individual	\$85	\$91
	El Segundo For Profit	\$102	\$109
	Non-Resident Groups	\$123	\$132

Aquatic Center (Exhibit K)

Facility	Pool	Renter Type	Current Price per hour	Proposed Price per hour
Aquatics Center	Competition Pool	Short Course- Short Term Rental	\$20.50	\$23
		Short Course- Long Term Rental	\$15.50	\$18
		Long Course- Short Term Rental	\$41	\$46
		Long Course- Long Term Rental	\$30.50	\$36
		Half Pool- Alternative Use- Short Term Rental	\$106	\$119
		Half Pool- Alternative Use- Long Term Rental	\$86	\$98
	Teaching Pool	Per Lane- Short Term Rental	\$15.50	\$17.50
		Per Lane- Long Term Rental	\$10.50	\$12
		Full Pool- Short Term Rental	\$101	\$114
		Full Pool- Long Term Rental	\$81	\$91
	Event/Filming	Full Day Competition Pool (6+ Hours)	\$3549	\$3549
		Half Day Competition Pool (<6 Hours)	\$1876	\$1876
		Full Day Teaching Pool (6+ Hours)	\$710	\$710
		Half Day Teaching Pool (<6 Hours)	\$431	\$431

RESOLUTION NO. _____

**A RESOLUTION ADOPTING RECREATION, PARKS, AND
LIBRARY FEES FOR THE FISCAL YEAR 2023-2024
MASTER FEE SCHEDULE.**

The City Council of the city of El Segundo does resolve as follows:

SECTION 1. *Findings.* The City Council finds and declares as follows:

- A. The City Council may establish fees for services under various provisions of California law including, without limitation, Business & Professions Code § 16000; Government Code §§ 54344, 65104, 65909.5, 65943, 66013, 66014, 66451.2; and Health & Safety Code §§ 17951, 17980.1, and 19852.
- B. The Recreation, Parks, and Library Director () may issue permits authorizing certain activities, including, without limitation events, pursuant to the El Segundo Municipal Code.
- C. Pursuant to Government Code § 66016, the City made data available regarding the cost, or estimated cost, of providing certain municipal services for the proposed.
- D. On December 19, 2023, the City Council heard public testimony and considered evidence in a public hearing held and noticed in accordance with Government Code §§ 66016 and 66018.
- E. After careful consideration, including a review of the documentary and testimonial evidence submitted during the public hearing, the City Council finds that the user fees adopted by this Resolution are in the public interest to recover the City's costs for certain municipal services.

SECTION 2. *Fee Adoption.* The City Council approves and adopts the schedule of fees and charges attached as Exhibit "A," which is incorporated by reference, and the Master Fee Schedule for Fiscal Year 2023-24, adopted under Resolution No. 5405, is amended to include such fees. This adoption supersedes any previously adopted fees pertaining to the schedule set forth in the attached.

SECTION 3. *Environmental Review.* This Resolution is exempt from review under the California Environmental Quality Act (Cal. Pub. Res. Code §§ 211 000. et seq.; "CEQA") and CEQA regulations (14 Cal. Code Regs. §§ 15000, et seq.) because it establishes, modifies, structures, restructures, and approves rates and charges for meeting operating expenses; purchasing supplies, equipment, and materials; meeting financial requirements; and obtaining funds for capital projects needed to maintain service within existing service areas. This Resolution, therefore, is categorically exempt from further CEQA review under 14 Cal. Code Regs. § 15273.

SECTION 4. *Effective Dates:* This Resolution will become effective immediately upon adoption and will remain effective unless repealed or superseded.

SECTION 5. *Signature.* The Mayor, or presiding officer, is hereby authorized to affix his signature to this Resolution signifying its adoption by the City Council of the City of EL Segundo and the City Clerk, or her duly appointed deputy, will attest thereto.

SECTION 6. *City Clerk Direction:* The City Clerk will certify to the passage and adoption of this Resolution, enter it in the City's book of original Resolutions, and make a record of this action in the meeting's minutes.

PASSED, APPROVED AND ADOPTED this ____ day of _____, 2023.

Drew Boyles, Mayor

ATTEST:

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS
CITY OF EL SEGUNDO)

I, Tracy Weaver, City Clerk of the City of El Segundo, California, do hereby certify that the whole number of members of the City Council of said City is five; that the foregoing Resolution No. _____ was duly passed and adopted by said City Council, approved and signed by the Mayor of said City, and attested to by the City Clerk of said City, all at a regular meeting of said Council held on the ____ day of ____ 2023, and the same was so passed and adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Tracy Weaver, City Clerk

APPROVED AS TO FORM:
MARK D. HENSLEY, CITY ATTORNEY

Joaquin Vazquez, Assistant City Attorney

EXHIBIT "A"
FEE INFORMATION



City Council Agenda Statement

Meeting Date: December 19, 2023

Agenda Heading: Staff Presentations

Item Number: D.11

TITLE:

Resolution Modifying the Basic Salary Range for the Fire Chief Classification

RECOMMENDATION:

1. Adopt a resolution modifying the basic monthly salary range for the Fire Chief classification.
2. Alternatively, discuss and take other action related to this item.

FISCAL IMPACT:

The maximum fiscal impact of the proposed salary range adjustment to the Fire Chief classification for FY 2023-24 is approximately \$30,205. The actual impact will depend on the placement of the incumbent within the adjusted salary range and the start date of the individual selected for the position.

Account Number: 001-400-3201

BACKGROUND:

The Fire Chief classification compensation, benefits and other terms and conditions of employment are provided under the City's Administrative Code Chapter 1A- Management and Confidential Series. The last salary range adjustment for the Fire Chief was approved with Resolution 5147 which was effective May 7, 2019.

The Management and Confidential Series is an unrepresented employee group that has not regularly received cost-of-living adjustments to salary as is customary with the represented employees in bargaining units. Instead, this group receives salary increases based on merit and performance from 1-5% annually, until the top of the established salary range for the position has been attained. Once at the top of the salary range, no additional salary can be provided, regardless of satisfactory job performance. Once the salary ranges are adjusted, if an employee is due for their annual evaluation, they may be awarded a salary increase based on their performance

Salary Range Adjustment for the Fire Chief Classification

December 19, 2023

Page 2 of 3

and availability in the salary range.

DISCUSSION:

On August 15, 2023, adjustments were made to the salary ranges for the “miscellaneous” employees covered under the Administrative Code Chapter 1A Management and Confidential series with the adoption of Resolution 5432. Miscellaneous positions received a six percent (6%) salary adjustment and non-safety executive salary ranges were adjusted to a maximum of \$18,750 per month.

On September 19, 2023, the Chief of Police salary range was adjusted to a maximum of \$23,259 per month. The Fire Chief is a “safety” position and did not receive a salary range adjustment with the Administrative Code update. The Fire Chief salary has remained the same since May 7, 2019 with the adoption of Resolution No. 5147. The current salary range is \$16,760 to \$20,112. The proposed salary range adjustment for the Fire Chief places the top of the range at \$23,129 per month.

It is important to note that the incumbents do not receive an automatic increase when the range is adjusted. A change to the salary range provides for an opportunity for the incumbents to receive annual increases based on merit and performance as described earlier in this report and also provides the ability for the City to attract qualified candidates to these positions.

In May 2023, an executive recruitment was launched to fill this vacancy and a retired annuitant was placed in the Fire Chief position on an interim basis. The interim Fire Chief has announced that his last day in the interim position will be December 21, 2023. For the reasons described above, it is recommended that the base salary range of the Fire Chief be adjusted to assist the City in filling this important vacancy.

If the Council approves the recommended Resolution, Human Resources will work with Finance to implement the monthly salary range adjustment for the Fire Chief position.

CITY STRATEGIC PLAN COMPLIANCE:

Goal 2: Support Community Safety and Preparedness

Objective 2A: El Segundo is a safe and prepared community.

Goal 3: Promote a Quality Workforce Through Teamwork and Organizational Efficiencies

Objective 3A: El Segundo is an employer of choice and consistently hires for the future, with a workforce that is inspired, world-class, engaged and innovative.

Salary Range Adjustment for the Fire Chief Classification

December 19, 2023

Page 3 of 3

PREPARED BY:

Rebecca Redyk, Human Resources Director

REVIEWED BY:

Rebecca Redyk, Human Resources Director

APPROVED BY:

Barbara Voss, Deputy City Manager

ATTACHED SUPPORTING DOCUMENTS:

1. Resolution Modifying the Monthly Basic Salary Range for a Full-Time Classification

RESOLUTION NO. _____

**A RESOLUTION MODIFYING THE BASIC MONTHLY SALARY RANGE
FOR A FULL-TIME JOB CLASSIFICATION**

The City Council of the City of El Segundo does resolve as follows:

SECTION 1: The City Council approves the following basic salary range:

Classification	Monthly Salary Range
Fire Chief	\$16,760.14 - \$23,129

SECTION 2: *Authority.* The City Manager or his designee is authorized to take any steps necessary to effectuate this Resolution.

SECTION 3: *Construction.* This Resolution must be broadly construed in order to achieve the purposes stated in this Resolution. It is the City Council's intent that the provisions of this Ordinance be interpreted or implemented by the City and others in a manner that facilitates the purposes set forth in this Resolution.

SECTION 4: *Severability.* If any part of this Resolution or its application is deemed invalid by a court of competent jurisdiction, the City Council intends that such invalidity will not affect the effectiveness of the remaining provisions or applications and, to this end, the provisions of this Ordinance are severable.

SECTION 5: The City Clerk is directed to certify the adoption of this Resolution; record this Resolution in the book of the City's original resolutions and make a minute of this adoption of the Resolution in the City Council's records and the minutes of this meeting.

SECTION 6: This Resolution is effective upon adoption and will remain effective unless repealed or superseded.

PASSED AND ADOPTED this 19th day of December, 2023

Drew Boyles,
Mayor

ATTEST:

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS
CITY OF EL SEGUNDO)

I, Tracy Weaver, City Clerk of the City of El Segundo, California, do hereby certify that the whole number of members of the City Council of said City is five; that the foregoing Resolution No. ____ was duly passed and adopted by said City Council, approved and signed by the Mayor, and attested to by the City Clerk, all at a regular meeting of said Council held on the ___ day of _____, 2023, and the same was so passed and adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Tracy Weaver, City Clerk

APPROVED AS TO FORM:

Mark D. Hensley, City Attorney



City Council Agenda Statement

Meeting Date: December 19, 2023

Agenda Heading: Staff Presentations

Item Number: D.12

TITLE:

Consideration of Two Acre Land Dedication Offer by CDC Mar East Campus 1 LLC to City

RECOMMENDATION:

1. Discuss the nature and extent of the easement, restrictions, and other burdens affecting the subject property and consider whether to direct the City Attorney to prepare the documentation necessary to accept the offer of dedication or have staff continue to investigate the various deed restrictions and environmental conditions affecting the site.
2. Alternatively, discuss and take other action related to this item.

FISCAL IMPACT:

If the City rejects the two acre dedication of land, there is no fiscal impact.

Unknown costs include potential environmental remediation efforts, absorbing the property into the City's capital asset management, future development and site improvements, and ongoing property maintenance and servicing. Additionally, should the City take ownership of the property it could become liable for hazardous soils conditions, including possible cleanup and associated damages. Should City Council direct staff to pursue acceptance of the parcel(s), staff will further study annual costs for environmental abatement and general maintenance costs.

Specifically, additional and initial soil and soil vapor tests may cost between \$10,000 and \$20,000. Depending on the results of those tests and depending on the city's intended use of the site (e.g., whether there be any structures developed, utilities installed, grading, etc.), additional testing and assessments could be required.

Depending on the findings, an additional \$50,000 or more may be required to obtain information and data necessary to secure closure from the California Department of Toxic Substance Control ("DTSC").

Two Acre Land Dedication Offer by CDC Mar LLC to City

December 19, 2023

Page 2 of 8

BACKGROUND:

On December 7, 2021, the City Council held a public hearing to consider CDC-Mar's proposed development of Phase II of the El Segundo South Campus Specific Plan ("ESSCSP") with a new corporate office headquarters and training facility for the Los Angeles Chargers, along with the demolition and reconstruction of a storage/warehouse building by Raytheon (the "Project"). The proposed Project included an amendment to the 2016 Development Agreement, delaying a contractual requirement that 7.54 acres of land within the Specific Plan area be used for open space and recreational purposes, either through an irrevocable offer to dedicate the land to the City or by providing employees within the Specific Plan area permanent access to the recreational area.

During the hearing, the Council expressed concern that the proposed amendment further prolonged the dedication of recreation/open space originally required when the specific plan was approved in 2016. In exchange for the City's agreement to the amendment, CDC-Mar agreed to contribute \$3 million towards The Plunge Saari Swim Stadium Pool Rehabilitation project and Raytheon agreed to modify the ESSCSP to allow additional use of the existing Raytheon park and to extend the hours available to the City and the community for limited practice use on weekdays and for practice and competitive play on weekends. CDC-Mar also agreed to offer (which offer was made on December 7, 2021 – the initial Council public hearing on the item) the subject, approximately two-acre open space parcel south of El Segundo Boulevard and along the eastern property line of the ESSCSP area. With those changes, the Project was ultimately approved on December 21, 2021.

On August 15, 2022, prior to making a determination to accept or reject the land dedication offer, City Council directed staff to return with additional information related to viable potential uses at the subject site.

DISCUSSION:

The offered parcel is approximately 1,760 feet in length (north to south) and ranges between 30 feet to 160 feet in width. It is, for the most part, located directly under a portion of the north-south segment of the Green Line between El Segundo Boulevard and Rosecrans Avenue. (See Attachment 1 [Location Maps].) The City commissioned a preliminary title report in February 2023 which revealed numerous easements, conditions, covenants, and restrictions affecting the use of the parcel. The preliminary title report is included in Attachment 2. In addition to the restrictions indicated in the title report, there are documented environmental issues in the immediate area that may warrant further investigation.

Potential Site Use

Due to the irregular shape and configuration of the parcel, along with the below mentioned constraints (easement rights, and potential environmental contamination and

Two Acre Land Dedication Offer by CDC Mar LLC to City

December 19, 2023

Page 3 of 8

remediation) and land use covenants, conditions, and restrictions outlined, the viability of utilizing the site solely for recreation or commercial purposes is severely restricted and not feasible. Maintained as open space and/or parking, with appropriate environmental remediation remain the most viable options. Further discussions with CDC-Mar provided additional land use limitations would be imposed upon a transfer keeping future use by the City consistent with the Open Space designation in the ESSCSP. This is limited to and includes, open space, public utilities, and a surface parking lot.

Summary of Easements Affecting the Subject Property

Below is a summary of the various easements listed in Schedule B (Exceptions to Coverage) of the preliminary title report. The area affected by each of the easements is plotted on the easement exhibit provided in Attachment 3. These easements could make it difficult or impracticable for the City to use the property for any recreation or open space use.

- [PTR Exception No. 3.] Chevron (Grantor) to Hagee-Lewis Petroleum (Grantee). A 45-foot-wide easement giving Grantee the right to lay, construct, reconstruct, replace, etc., pipe lines and appurtenances for the transportation of oil and gas and for underground wires, cables, and conduit. The underground lines must be at least 24 inches deep. Grantee is also given the right to trim trees overhanging when deemed necessary. Grantor's successors (City, if the dedication is accepted) may not construct or maintain the whole or any part of any structure on the strip of land or in any manner impair or interfere with the rights granted by the easement. This easement covers the vast majority of the parcel.
- [PTR Exception No. 8.] Hughes Aircraft Company (Grantor/owner) to City of El Segundo. A 70-foot-wide non-exclusive easement for the operation, inspection, maintenance, repair and reconstruction of a below surface grade, buried waterline. Grantor retained the right to use the easement area for any purpose that does not unreasonably interfere with the easement, including, without limitation, landscaping and/or paved parking, roadway or street purposes, underground or overground utilities. This easement covers virtually the entire parcel. It is not clear whether these retained rights would pass with, and be effectively extinguished by, the transfer of the parcel to the City or if they would continue to benefit some adjacent parcel previously owned by Hughes Aircraft (Grantor). If the city is wary of the reserved rights to use of the surface of the parcel for parking, streets, etc., it can request that CDC-Mar take steps necessary, if any, to have those retained rights terminated.
- [PTR Exception No. 9.] Hughes Aircraft Company (Grantor) to Pacific Telephone and Telegraph (Grantee). Same 70-foot-wide non-exclusive easement area as Exception No. 8, but for the right to construct and maintain underground communications facilities and above ground markers, pedestals, equipment

Two Acre Land Dedication Offer by CDC Mar LLC to City

December 19, 2023

Page 4 of 8

cabinets, etc. Grantor retained the right to use the easement area for any purpose that does not unreasonably interfere with the easement, including, without limitation, landscaping and/or paved parking, roadway or street purposes, underground or overground utilities. Again, if the City is wary of the reserved rights to use of the surface of the parcel for parking, streets, etc., it can request that CDC-Mar take steps necessary, if any, to have those retained rights quitclaimed back.

- [PTR Exception No. 11.] Hughes Aircraft Company (Grantor) to City of El Segundo. Same 70-foot-wide non-exclusive easement area as Exception Nos. 8 and 9, but for the operation, maintenance, and repair of underground storm drains. Grantor retained the right to use the easement area for any purpose that does not unreasonably interfere with the easement, including, without limitation, landscaping and/or paved parking, roadway or street purposes, underground or overground utilities. Again, if the City is wary of the reserved rights to use of the surface of the parcel for parking, streets, etc., it can request that CDC-Mar take steps necessary, if any, to have those retained rights quitclaimed back.
- [PTR Exception No. 13.] Hughes Aircraft Company (Grantor) to Los Angeles County Flood Control District (Grantee). Same 70-foot-wide non-exclusive easement area as Exception Nos. 8, 9, and 11, but for the construction, reconstruction, operation, maintenance and repair of underground waterline. Grantor retained the right to use the easement area for any purpose that does not unreasonably interfere with the easement, including, without limitation, landscaping and/or paved parking, roadway or street purposes, underground or overground utilities. If Grantee fails to use the waterline for a continuous period of one year, then the easement may be terminated at Grantor's option upon written notice. Again, if the city is wary of the reserved rights to use of the surface of the parcel for parking, streets, etc., it can request that CDC-Mar take steps necessary, if any, to have those retained rights quitclaimed back.
- [PTR Exception No. 15.] Raytheon (Grantor) to Los Angeles County Metropolitan Transportation Authority (Grantee). Two separate conveyances. The first ("Parcel 2") is an ingress and egress easement allowing access to the MTA area off El Segundo Boulevard. The second ("Parcel 3") is a limitation on air rights that affects the area where the MTA line is constructed. The upper and lower limits of the air rights restriction vary along the way, but is generally between 106 and 165 feet in elevation.
- [PTR Exception No. 21.] Raytheon (Grantor) to CDC MAR RETAIL I LLC (Grantee). A 20-foot-wide non-exclusive perpetual easement appurtenant to CDC's commercial parcels, for the purpose of constructing, installing, operating, maintaining, etc. sewer lines. The easement area comes off El Segundo Boulevard and affects the northern portion of the parcel.

Two Acre Land Dedication Offer by CDC Mar LLC to City

December 19, 2023

Page 5 of 8

- [PTR Exception No. 30.] An easement from CDC MAR to Raytheon giving Raytheon an access easement over those portions of the property a may be reasonably required for vehicular and pedestrian access to storage buildings and an identified “target area,” both of which are just south of the southerly boundary of the subject parcel.
- [PTR Exception No. 31.] An access easement agreement giving Raytheon the right to access the property for purposes of conducting any activities necessary (including testing, excavating, boring, etc.) for Raytheon to fulfill its obligations to DTSC or any other governmental authority in connection with the completion of a Corrective Action Consent Agreement dated June 22, 2011. These access rights may have been terminated by virtue of a DTSC letter dated February 20, 2020 removing the subject parcel(s) from the RCRA Facility Permit in place due to suspected contamination. In any event, the access rights terminate as of November 5, 2023 (November 5, 2032 as it related to groundwater contamination).

Summary of Conditions, Covenants, and Retained Rights

Below is a summary of various conditions, covenants and retained rights that are included among the exceptions from coverage listed in Schedule B of the preliminary title report.

- Instrument No. 78-1317577 (PTR Exception No. 5) is a grant deed from Chevron to Hughes Aircraft from November 28, 1978, where Chevron reserved oil and gas rights, including the right to drill.
- Instrument No. 17-489957 (CC&Rs; PTR Exception No. 19), as amended by Instrument No. 20-378566 (First Amendment) and Instrument No. 20-378567 (Second Amendment). These CC&Rs initially contained a number of restrictions on the subject property. However, the subsequent amendments specifically removed nearly all restrictions from the subject property. Relevant restrictions that appear to remain include: (i) The subject parcel, part of what the CC&R amendments refer to as the “Northeast Parcels”, are no longer required to pay a proportionate share of common area expenses, except for those relating to “Park Areas,” as defined; (ii) Development on the parcels is now exclusively governed by any applicable special land use restrictions (no residential, marijuana, auto/gas, cell or TV transmissions, warehousing, light industrial, hazardous materials, helipads, laser/optical targets, video arcades, or radar towers).
- Instrument No. 17-489958 (PTR Exception No. 20). Declaration of Special Land Use Restrictions. No further subdivision of the land is permitted. No development unless in full compliance with the Project Area Entitlements (Specific Plan SP11-01, etc.)

Two Acre Land Dedication Offer by CDC Mar LLC to City

December 19, 2023

Page 6 of 8

- Instrument No. 21-545514 (PTR Exception No. 19). Declaration of Special Land Use Restrictions. Limited to uses allowable under the Specific Plan. No further subdivisions. Develop only with Specific Facilities contemplated by the document unless Declarant agrees otherwise.
- Instrument Nos. 19-1466051 and 22-285149 (PTR Exception No. 24) and Instrument Nos. 21-545514 and 22-285150 (PTR Exception No. 28). Similar to other declarations of special land use restrictions.
- Instrument No. 20-1306546 (PTR Exception No. 26). Land Use Covenant and Agreement between Raytheon (prior owner) and DTSC that restricts uses on the property as a consequence of permitted hazardous waste facility on or near the site that was removed in 2017 and closed under DTSC supervision in September 2018. The Covenant indicates that subsurface investigations at the property identified chlorinated solvents (TCE and PCE) in the soil and groundwater. In addition, arsenic levels exceeding local standards were detected in the soil. The Covenant prohibits use of the property for any type of residences, hospitals, schools, or day care centers. In addition, no activities that will disturb the soil at one foot below grade are allowed without a soil management plan approved by DTSC. Any soil disturbance must be managed in accordance with applicable state and federal law. The Covenant also requires the property owner to submit annual compliance reports to DTSC along with more comprehensive reports every five years.
- Instrument No. 21-545155 (PTR Exception No. 29). Grant deed from Raytheon to CDC Mar that prohibits the property from being used for consumptive agricultural use, residential use, day car use, hospital use, or aggregate or critical care use or educational use that includes dormitories of overnight stays.
- Instrument No. 21-545520 (PTR Exception No. 33). Deed of trust securing a \$50,000,000 note.

Environmental Issues

CDC-Mar provided the city with a summary of the environmental issues affecting the proposed dedicated property. (See Attachment 4.) According to that summary, the Raytheon property was developed with a series of oil wells and associated holding ponds and above ground storage tanks from the late 1930s until the 1970s. Between June 1995 and late 2020, Hughes and Raytheon maintained a Resources Conservation and Recovery Act Hazardous Waste Facility Permit (“RCRA Permit”) issued by DTSC. According to CDC-Mar’s information, the dedication property appears to have been used primarily as a landscaped boundary to the overall Raytheon property, with some limited surface parking. Consequently, CDC-Mar requested that DTSC remove the

Two Acre Land Dedication Offer by CDC Mar LLC to City

December 19, 2023

Page 7 of 8

parcels that comprise the dedication property from the RCRA Permit. In February 2020, DTSC obliged and issued a letter removing the dedication property from the RCRA Permit. DTSC concluded that there is “no evidence of a release, storage, treatment, or disposal of hazardous waste or constituents” at the dedication property. However, DTSC went on to note that its approval of the permit modification is contingent on the understanding that the subject property will remain restricted to commercial/industrial land uses only, consistent with the above-mentioned Land Use Covenant (PTR Exception No. 26). In addition, DTSC explained, “if previously unidentified contamination at the facility is discovered, additional investigation and remediation may be required. DTSC reserves the right to take or require action at [the site] if new or different information becomes known or available.” (See February 20, 2020, correspondence from DTSC, attached to Attachment 4.)

When CDC-Mar acquired the property, it performed several environmental sampling activities, including the removal and replacement of a significant quantity of topsoil that contained unacceptable levels of arsenic. In late 2022, soil borings were conducted in the vicinity of the dedication property to analyze the presence of various organic and inorganic compounds. The investigation detected a total of 16 volatile organic compounds (“VOCs”) as well as gasoline range organics (“GRO”). GRO was detected as a concentration of 356,000 micrograms per cubic meter in a boring conducted at the boundary line of the dedication property. According to CDC-Mar’s summary, that concentration does not exceed regulatory standards if the dedicated property were to be used for a park or other open space type of use. However, different standards apply for commercial/industrial uses, which could be precluded without further investigation and, possibly, remediation. CDC-Mar’s summary advises the City to conduct its own, independent due diligence to evaluate the potential for environmental impacts associated with the property dedicated.

The City Attorney’s office consulted informally with a senior engineer at SCS Engineers, an environmental engineering firm with significant experience in El Segundo, to get an idea of what type of due diligence would be recommended prior to acquiring the site.

The engineer suggested that both soil and soil vapor tests would be appropriate and estimated the costs of such at between \$10,000 and \$20,000. Depending on the results of those tests and depending on the City’s intended use of the site (e.g., whether there be any structures developed, utilities installed, grading, etc.), additional testing and assessments could be required. The engineer speculated that it could cost \$50,000 or more to get the information and data necessary to obtain closure from DTSC.

CITY STRATEGIC PLAN COMPLIANCE:

Goal 4: Develop and Maintain Quality Infrastructure and Technology

Objective 4A: El Segundo's physical infrastructure supports an inviting and safe community.

Two Acre Land Dedication Offer by CDC Mar LLC to City

December 19, 2023

Page 8 of 8

Goal 5: Champion Economic Development and Fiscal Sustainability

Objective 5B: El Segundo approaches its work in a financially strategic and responsible way.

PREPARED BY:

Michael Allen, AICP, Development Services Director

REVIEWED BY:

Michael Allen, AICP, Development Services Director

APPROVED BY:

Barbara Voss, Deputy City Manager

ATTACHED SUPPORTING DOCUMENTS:

1. Proposed 2 Acre Land Dedication Map
2. Declaration of Special Land Use Restrictions
3. Preliminary Title Report
4. Easements Exhibit
5. Environmental Summary and DTSC Letter
6. Draft Offer to Dedicate Land

El Segundo Blvd

approximately 2 acres

30ft

160ft

1760ft

95ft



This page is part of your document - DO NOT DISCARD



20210545514



Pages:
0032

Recorded/Filed in Official Records
Recorder's Office, Los Angeles County,
California

04/07/21 AT 08:00AM

FEES:	110.00
TAXES:	0.00
OTHER:	0.00
<hr/>	
PAID:	110.00



LEADSHEET



202104071190029

00020253156



012051710

SEQ:
03

SECURE - 8:00AM



THIS FORM IS NOT TO BE DUPLICATED

**CHICAGO TITLE COMPANY
COMMERCIAL DIVISION**

**RECORDING REQUESTED BY
AND WHEN RECORDED
MAIL TO:**

Allen Matkins Leck Gamble Mallory & Natsis LLP
Attn: John M. Tipton, Esq.
1901 Avenue of the Stars, Suite 1800
Los Angeles, California 90067-6019

SPACE ABOVE THIS LINE FOR RECORDER'S USE

DECLARATION OF SPECIAL LAND USE RESTRICTIONS

**Exempt from fee per GC 27388.1 (a) (2);
recorded concurrently in connection with
a transfer subject to the imposition of
documentary transfer tax**

TABLE OF EXHIBITS

EXHIBIT A Legal Description of Project Area
EXHIBIT B Legal Description of the Land
EXHIBIT C Requirements for Specific Facilities
EXHIBIT D Allocation Matrix

DECLARATION OF SPECIAL LAND USE RESTRICTIONS

THIS DECLARATION OF SPECIAL LAND USE RESTRICTIONS (this "**Declaration**") is made as of APRIL 5, 2021, by and between RAYTHEON COMPANY, a Delaware corporation ("**Raytheon**"), and CDC MAR EAST CAMPUS 1 LLC, a California limited liability company ("**Initial Buyer**"), with reference to the following facts:

R E C I T A L S :

A. As of the Effective Date (as hereinafter defined) of this Declaration, Raytheon is the owner of fee title to the Project Area (as hereinafter defined). The Project Area is located within the area commonly known as the Raytheon El Segundo South Campus.

B. The City of El Segundo (the "**City**") has approved the final tract map for Tract Map No. 71551 ("**Final Map 71551**") for the subdivision of the Project Area pursuant to the provisions of the California Subdivision Map Act (California Government Code Sections 66410 et seq.), and any local ordinances adopted pursuant thereto (collectively, the "**Subdivision Laws**") on the terms and conditions set forth therein, and Final Map 71551 has been recorded in the Official Records of Los Angeles County, California (the "**Official Records**").

C. Concurrently herewith, Initial Buyer is acquiring fee title from Raytheon for a portion of the land located within the Project Area which land is legally described on Exhibit B attached hereto and by this reference incorporated herein, and includes all easements and rights appurtenant thereto (the "**Land**").

D. Raytheon is making this Declaration for the benefit of the Project Area.

E. In connection with Initial Buyer's acquisition of the Land, Initial Buyer has represented to Raytheon that Initial Buyer, and its successors and assigns, will be acquiring the Land to develop the same in accordance with the covenants, conditions, rights, obligations, restrictions and limitations described herein (collectively referred to herein as the "**Restrictions**"), and Raytheon is selling the Land to Initial Buyer on the basis of Initial Buyer's compliance with such Restrictions.

F. But for such representations by Initial Buyer, and Initial Buyer's unique skills, expertise and suitability in development of the Land and construction and operation of the Specific Facilities described below, Raytheon would not have sold the Land to Initial Buyer; instead, Raytheon either would have sold the Land to another Person (as hereinafter defined) willing to conform to the Restrictions or Raytheon would have developed the Land itself in a manner consistent with Declarant's long-range master planning program and thereby retained the benefits of ownership, including future appreciation of the Land.

A G R E E M E N T :

NOW, THEREFORE, in consideration of the foregoing (including the sale of the Land by Raytheon to Initial Buyer), and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged by Buyer, the parties hereto agree as follows:

Article 1. GENERAL PROVISIONS.

1.1 Statement of General Purposes. Raytheon is the owner of the Project Area which is a large and unique landholding in the City. Among the distinguishing characteristics of this Project Area are the clear delineation of use areas throughout the Project Area, together with the exercise of development controls over individual construction projects, so as to ensure the harmonious growth and development of the Project Area and the maximization of the value of the Project Area.

In addition to those general concerns, it is vitally important to Raytheon that the intensity of development be limited on those parcels of property in the Project Area that Raytheon from time to time elects to sell to third parties (including the Land). Should the development limitations imposed by Raytheon be exceeded, such conditions could in turn adversely affect the ability of Raytheon to develop the Remaining Project Area (as hereinafter defined)

It is to promote these purposes that this Declaration is made, and it is the intention of the parties that it will be in furtherance of said purposes that the Restrictions, and all other declarations supplemental hereto, will be understood and construed.

1.2 Certain Definitions. As used herein, the following terms shall have the meanings given to them below:

(a) **"Affiliate"** means, with respect to any Person, any other Person or Persons directly or indirectly controlling, controlled by or under common control with the specified Person.

(b) **"Association"** shall mean the Raytheon El Segundo South Campus Association, a California non-profit corporation.

(c) **"Association Trigger Event"** shall mean: a Raytheon Entity or an Affiliate thereof does not (i) own and hold fee title to, or (ii) lease and occupy, at least an aggregate of 500,000 square feet of Net Floor Area in buildings located in the Remaining Project Area. For purposes of clarification, if a Raytheon Entity or an Affiliate thereof has temporarily vacated buildings in the Remaining Project Area in order for new buildings in the Remaining Project Area to be constructed for occupancy by a Raytheon Entity or an Affiliate thereof (which period of vacation shall not exceed twenty-four (24) months), then the Raytheon Entity's or Affiliate's temporary occupancy of less than an aggregate of 500,000 square feet of Net Floor Area in the Remaining Project Area shall not be deemed an Association Trigger Event.

(d) **"Buyer"** shall mean, collectively, the Initial Buyer identified above and each and every successor of the Initial Buyer as the owner in fee title of the Land or any portion thereof. All lessees, licensees and/or other occupants of all or any portion of the Land shall be subject to and bound by the terms and restrictions set forth in this Declaration.

(e) **"CC&Rs"** shall mean that certain Declaration of Covenants, Conditions and Restrictions for Raytheon El Segundo South Campus, entered into by Raytheon, as Declarant, dated May 2, 2017 and recorded in the Official Records on May 3, 2017, as Instrument No. 20170489957, as amended by that certain First Amendment to Declaration of Covenants, Conditions and Restrictions for Raytheon El Segundo South Campus dated as of March 18, 2020

and recorded in the Official Records on April 2, 2020, as Instrument No. 20200378566, and by that certain Second Amendment to Declaration of Covenants, Conditions and Restrictions for Raytheon El Segundo South Campus dated as of March 18, 2020 and recorded in the Official Records on April 2, 2020, as Instrument No. 20200378567, and that certain Third Amendment to Declaration of Covenants, Conditions and Restrictions for Raytheon El Segundo South Campus that is being executed and recorded in the Official Records concurrently herewith, and as further amended or supplemented from time to time in accordance with the terms and conditions thereof.

(f) "**control**" and the corresponding terms "**controlling**" and "**controlled by**" shall mean the ownership, directly or indirectly, of more than fifty percent (50%) of the voting securities of, or possession of the right to vote, in the ordinary direction of its affairs, of more than fifty percent (50%) of the voting interest in, any Person.

(g) "**DA Expiration Date**" shall mean the date on which the expiration of the Term (as defined in Section 4.11 of the Development Agreement, as amended) of the Development Agreement (as defined below) occurs; provided, however, that Declarant, as Developer under the Development Agreement, has the right to extend the Term of the Development Agreement pursuant to the terms of Section 4.11 of the Development Agreement and may, in its sole election, seek additional extensions to the Term of the Development Agreement with the City. In no event will Buyer or its employees, agents, representatives or consultants take any action, publicly or otherwise, to object to or interfere with Declarant's efforts to extend the Term of the Development Agreement.

(h) "**Declarant**" shall mean:

(i) Declarant shall be the Raytheon Entity unless and until either: (A) the Raytheon Entity has voluntarily elected to assign in writing its rights and obligations under this Declaration to the Association; or (B) an Association Trigger Event has occurred.

(ii) The Association shall be the successor Declarant from and after the date that either: (A) the Raytheon Entity has voluntarily elected to assign in writing its rights and obligations under this Declaration to the Association; or (B) an Association Trigger Event has occurred.

Declarant shall provide written notice to Buyer of any change in the Person serving as Declarant under this Declaration no later than ten (10) business days following the occurrence thereof.

(i) "**Development Agreement**" shall mean that certain Development Agreement 11-02 between the City and Raytheon, dated March 24, 2016, which was recorded in the Official Records on December 13, 2016, as Instrument No. 20161579230, as amended by that certain First Amendment to Development Agreement between the City and Raytheon dated November 5, 2019, which is recorded in the Official Records on November 13, 2019 as Instrument No. 20191228494, and as clarified by that certain Operating Memorandum No. 1 by and among the City, Seller, and CDC Mar Retail I LLC, a California limited liability company, dated as of September 26, 2019 and recorded in the Official Records on October 9, 2019 as Document No. 201991072116.

(j) **"Effective Date"** shall mean the date on which this Declaration is recorded in the Official Records.

(k) **"Entitlements"** collectively shall mean the following: (i) the Development Agreement; (ii) Environmental Impact Report (Environmental Assessment No. EA-905) and Mitigation Monitoring and Reporting Program therefor; (iii) General Plan Amendment and General Plan Map Amendment No. GPA 11-01; (iv) Zone Change and Zoning Map Amendment No. ZC 11-02; (v) Zone Text Amendment No. ZTA 11-01; (vi) Specific Plan No. SP 11-01; (vii) Subdivision No. SUB 11-02 for Final Map 71551; (viii) Lot Line Adjustment No. SUB 16-03; (ix) all Conditions of Approval therefor; and (x) that certain Operating Memorandum No. 1, El Segundo South Campus Development Agreement (Raytheon) dated September 26, 2019.

(l) **"Force Majeure"** shall mean a delay in performance caused by: (i) war, terrorist acts, insurrection or riots; (ii) earthquakes, fires, floods, other casualties or acts of God; (iii) restrictions or delays imposed or mandated by government agencies, or the actions or the failure to act of government agencies (beyond the standard periods of time for governmental agencies) that would prevent or preclude compliance by any party with its obligations under this Declaration, including without limitation, any delays in the issuance of government permits and approvals required for the development of Specific Facilities on the Land due to any requirements imposed by the California Department of Toxic Substances related to the environmental condition of the Land as of the Effective Date; (iv) strikes, labor disputes, or the unavailability or shortage of required materials; (v) litigation brought by Persons other than Buyer or an Affiliate of Buyer challenging the development of Specific Facilities on the Land or the occupancy of any Specific Buildings proposed to be developed by Buyer on the Land; (vi) acts of Declarant or the Raytheon Entity, or failure of Declarant or the Raytheon Entity to act when action is required, which to the extent in and of itself prevents or precludes compliance by Buyer with any material provision of this Declaration; or (vii) other similar basis for excused performance that is not within the reasonable control of Buyer. "Force Majeure" does not include delays related to economic or market conditions, unavailability of commercial financing, or the financial inability or insolvency of Buyer.

(m) **"Gross Floor Area"** shall mean the sum of the Net Floor Area plus an additional twelve percent (12%) of Net Floor Area for all proposed new construction.

(n) **"Net Floor Area"** shall mean the area of all floors or levels included within the exterior surrounding walls of a Specific Building (defined on Exhibit C). Space devoted to the following is not included when determining the total Net Floor Area within a Specific Building:

1. Elevator shafts
2. Stairwells
3. Courts or atriums uncovered and open to the sky
4. Rooms exclusively holding building operating equipment
5. Parking spaces at or above grade and access thereto
6. Structures devoted exclusively for parking
7. Restrooms in common areas of nonresidential buildings

(o) **"North Parcels"** shall mean, collectively, that certain real property identified on Final Map 71551 as Lots 13, 14, 19, 23 and 24, and located in the City of El Segundo, County of Los Angeles, State of California.

(p) **"Permitted Uses"** collectively shall mean any use that is listed as a permitted use or a conditionally permitted use for the Land in the Specific Plan that is then in effect, which, as of the date hereof, includes commercial (which shall include retail, restaurant and service commercial uses such as, but not limited to, banks, dental offices, urgent care facilities and opticians), office (which shall include, but not be limited to, medical office uses) or industrial purposes; provided that notwithstanding any provision in the Specific Plan or this Declaration to the contrary, the term "Permitted Uses" expressly excludes any Specifically Prohibited Uses and no portion of the Land may be used for a Specifically Prohibited Use during the term of this Declaration.

(q) **"Person"** shall mean means an individual, corporation, partnership, association, limited liability company, trust, estate or other entity.

(r) **"Project Area"** shall mean the real property located in the City of El Segundo, County of Los Angeles, State of California, which is legally described on Exhibit A attached hereto and by this reference incorporated herein; provided, however, upon the sale of any portion of such real property by Declarant to any third party (excluding Raytheon's sale of the Land to Initial Buyer), such real property shall no longer be included within the Project Area.

(s) **"Raytheon Corporate Successor"** shall mean either of the following Persons only, which shall assume in writing from Raytheon the rights and obligations of Raytheon under this Declaration, and to whom Raytheon shall assign in writing Raytheon's rights and obligations under this Declaration: (i) any Person that is the successor in interest to Raytheon by means of a corporate merger or reorganization; and (ii) any Person that acquires all or substantially all of the corporate assets of Raytheon.

(t) **"Raytheon Entity"** shall mean (i) Raytheon, or (ii) if Raytheon has assigned all of its rights and obligations under this Declaration to its Raytheon Corporate Successor, the Raytheon Corporate Successor.

(u) **"Remaining Project Area"** shall mean the portions of the Project Area other than the Land.

(v) **"Specific Plan"** shall mean the El Segundo South Specific Plan (Specific Plan No. SP 11-01) and any amendments or modifications thereto.

(w) **"Specifically Prohibited Use"** shall mean any use that is listed on Exhibit C attached hereto and by this reference incorporated herein.

Article 2. GENERAL AND SPECIFIC USE RESTRICTIONS.

2.1 General Use Restrictions. The violation of any of the following general use limitations during the respective time periods set forth below shall, at the option of the applicable Enforcement Entity (as hereinafter defined) designated below, constitute a default hereunder and

a breach of the Restrictions, which shall entitle the Enforcement Entity, to exercise any of the rights and remedies set forth in Section 3.3 below. Except as otherwise expressly set forth in this Declaration, the Restrictions set forth in this Declaration shall be effective on the Effective Date and shall terminate on December 31, 2049, at which time this Declaration and the Restrictions herein shall be of no further force and effect without the necessity of recording any document or statement declaring this Declaration to be of no further force and effect. The term "**Enforcement Entity**" shall mean the Person designated in this Section 2.1 and Section 2.2 as the Person authorized to take action to enforce a particular Restriction or limitation.

(a) Subdivision. Declarant and Buyer agree that:

(i) For a period commencing on the Effective Date and concluding on the DA Expiration Date, Buyer shall not further subdivide the Land or take actions under the Subdivision Laws to effectuate any change or amendment to Final Map 71551 related to the Land (collectively, a "**Subdivision Modification**") if the proposed subdivision would constitute one or more of the Subdivision Objection Reasons (as hereinafter defined). Prior to Buyer filing an application for a Subdivision Modification with the City, Buyer shall provide a copy of the application to Declarant. Following receipt by Buyer of any tentative parcel map, tentative tract map or other tentative approval from the City that sets forth conditions imposed by the City for its approval of the Subdivision Modification proposed by Buyer (the "**Subdivision Modification Conditions**"), Buyer shall deliver a copy of the Subdivision Modification Conditions to Declarant.

(ii) Within thirty (30) days following delivery to Declarant of the Subdivision Modification Conditions (the "**Subdivision Modification Review Period**"), Declarant shall review the proposed Subdivision Modification for the sole purpose of confirming that the Subdivision Modification Conditions imposed by the City do not establish new obligations on the use or development of the Remaining Project Area or any portion thereof that (A) did not exist under Final Map 71551 and (B) either (1) materially expand the obligations of Declarant in connection with the development of the Remaining Project Area or any portion thereof or increase the costs of Declarant for such development (provided that if such increased costs are a one-time obligation versus an on-going obligation, Buyer may agree in writing to pay any such incremental additional costs imposed on Declarant) or (2) alter the circulation patterns of the Remaining Project Area or access thereto (the "**Subdivision Objection Reasons**"). If and only if Declarant reasonably believes that any Subdivision Objection Reasons apply to Buyer's proposed Subdivision Modification, Declarant shall deliver to Buyer a written notice (the "**Subdivision Objection Notice**") detailing its Subdivision Objection Reasons prior to the conclusion of the Subdivision Modification Approval Period. If Declarant fails to deliver a Subdivision Objection Notice prior to the conclusion of the Subdivision Modification Review Period, then Declarant shall be deemed to have waived its right to claim that the Subdivision Modification proposed by Buyer constitutes one or more of the Subdivision Objection Reasons. If Declarant delivers a Subdivision Objection Notice prior to the conclusion of the Subdivision Modification Review Period, then Buyer shall not proceed with the its proposed Subdivision Modification unless either: (A) Declarant withdraws its Subdivision Objection Notice; or (B) an Arbitrator issues a written decision in an arbitration conducted pursuant to Section 5.2 that the Subdivision Modification Conditions imposed by the City do not constitute one of the Subdivision Objection Reasons listed in Declarant's Subdivision Objection Notice.

(iii) Declarant shall be the Enforcement Entity for the provisions of this Section 2.1(a). The provisions of this Section 2.1(a) shall automatically terminate on the DA Expiration Date, as the same may be extended, and be of no further force or effect thereafter.

(b) Permitted Use. During the term of this Declaration, Buyer shall not use or develop or attempt to use or develop the Land or any portion thereof for any purpose or use other than for a Permitted Use (as defined in Section 1.2(o) above) without the prior written approval of Declarant, which may be granted, conditionally granted or denied by Declarant in its sole and absolute discretion. Except for any Specifically Prohibited Uses (as defined on Exhibit C) for which Buyer shall never utilize the Land or any portion thereof, if Buyer proposes to develop or use the Land or any portion thereof for any conditionally permitted use for the Land set forth in the Specific Plan then in effect: (i) Buyer shall be responsible, at its sole cost and expense, for applying for and obtaining any conditional use permit, variance or other approval necessary from the City to satisfy the required conditions for such conditionally permitted use; and (ii) neither Declarant nor a Raytheon Entity shall oppose or object to such application or the issuance by the City of such approval. Declarant shall be the Enforcement Entity for the provisions of this Section 2.1(b).

(c) Modifications to Specific Plan or Entitlements. The following provisions shall govern any proposed change or modification of the provisions of the Specific Plan or Entitlements that are in effect as of the Effective Date of this Declaration (an "**Entitlement Amendment**"):

(i) Neither Declarant nor a Raytheon Entity shall apply for an Entitlement Amendment that would, if adopted by the City, apply to or affect the Land unless the Entitlement Amendment is expressly approved in writing by Buyer. Such approval shall be granted by Buyer, if in Buyer's reasonable judgment the proposed Entitlement Amendment does not adversely affect the provisions of the Specific Plan or the Entitlements governing the use, development or operation of the Land. Buyer shall notify Declarant of its approval or disapproval of such Entitlement Amendment within thirty (30) days of written request for such approval from Declarant or a Raytheon Entity. If Buyer fails to approve or disapprove such proposed Entitlement Amendment within thirty (30) days of request, then Declarant shall deliver a second notice to Buyer requesting approval of the proposed Entitlement Amendment pursuant to the terms of Section 2.3 below. Thereafter, if Buyer continues to fail to deliver an approval or disapproval notice prior to the expiration of the time period set forth in Section 2.3 below, then Buyer shall be deemed to have approved the proposed Entitlement Amendment proposed by Declarant. Buyer shall be the Enforcement Entity for the provisions of this Section 2.1(a)(i).

(ii) During the period commencing on the Effective Date and concluding on the DA Expiration Date, Buyer shall not apply for an Entitlement Amendment that would, if adopted by the City, also apply to or affect the Remaining Project Area, unless the Entitlement Amendment is approved in writing by Declarant. Such approval shall be granted by Declarant if in Declarant's reasonable judgment the Entitlement Amendment does not adversely affect the provisions in the Specific Plan or the Entitlements governing the use, development or operation of the Remaining Project Area. Such approval or disapproval by Declarant shall be granted within thirty (30) days of written request for such approval from Buyer. If Declarant fails to approve or disapprove such proposed Entitlement Amendment within such thirty (30) day

period, then Buyer may deliver a second notice to Declarant requesting approval of the proposed Entitlement Amendment pursuant to the terms of Section 2.3 below. Thereafter, if Declarant continues to fail to approve or disapprove the proposed Entitlement Amendment prior to the expiration of the time period set forth in Section 2.3 below, then Declarant shall be deemed to have approved the proposed Entitlement Amendment. Declarant shall be the Enforcement Entity for the provisions of this Section 2.1(a)(ii). Any dispute between Declarant or Raytheon, on the one hand, or Buyer, on the other hand, as to whether an event of Force Majeure has occurred or the length of delay resulting from a Force Majeure event may be submitted by either Party to arbitration pursuant to Section 5.2.

If any proposed Entitlement Amendment requires the approval of another Person pursuant to this Section 2.1(a), the Person seeking such approval (A) shall obtain such approval prior to submitting any such application or related documents to any governmental agency and (B) will submit copies of all such documents for which approval is sought to the approving Person for its review and approval.

For purposes of clarification, the parties agree that an "Entitlement Amendment" constitutes an amendment, change or revision of the then existing provisions of the Specific Plan or the Entitlements and does not include (i) permits or approvals that may be issued by the City or any agency of the City that are consistent with the then existing provisions of the Specific Plan and Entitlements, or (ii) applications for such permits or approvals that may be filed with the City or an agency of the City, if such permits and approvals are issued, or such applications are filed, pursuant to and in accordance with the procedures set forth in the then existing provisions of the Specific Plan or the Entitlements.

(d) Development or Use. Buyer's construction, maintenance, operation and use of any structure or improvements on the Land shall be in full compliance with all requirements of the Entitlements then in effect that are applicable to the Land. Declarant shall be the Enforcement Entity for the provisions of this Section 2.1(d).

(e) Floor Area Limitation. As described in Section 1.1 above, Buyer understands that the development potential of the Remaining Project Area pursuant to the Entitlements, will depend in substantial part upon the intensity of development and use of the Project Area in general and on the Land in particular. Accordingly, Buyer covenants that during the term of this Declaration, without the prior written consent of Declarant (which consent may be withheld in Declarant's sole and absolute discretion), in no event shall the collective Gross Floor Area of the Specific Facilities and/or any other buildings on the Land exceed the permitted maximum Gross Floor Area specified in attached Exhibit C. In no event shall there be any deemed approval of Declarant's consent of a modification in the maximum Gross Floor Area. Declarant shall be the Enforcement Entity for the provisions of this Section 2.1(e).

(f) Maximum Site Trips. Buyer covenants that during the term of this Declaration, without the prior consent of Declarant (which consent may be withheld in Declarant's sole and absolute discretion), in no event shall the Site Trips (as defined in Exhibit C) allocated to the Land by the City exceed the limitations set forth in the attached Exhibit C, nor shall Buyer make application for any approval from the City with regard to permitted uses of the Land which would result in the City allocating Site Trips to the Land which would exceed the limitations set

forth in the attached Exhibit C. In no event shall there be deemed any deemed approval of Declarant's consent of a modification to the maximum Site Trips. Declarant shall be the Enforcement Entity for the provisions of this Section 2.1(f).

(g) Development Conditions; Allocation Matrix. Exhibit D attached hereto and incorporated herein by this reference is a table (the "**Allocation Matrix**") indicating (i) which of the development conditions set forth in the Specific Plan, Final Map 71551 and the Entitlements (collectively, the "**Development Conditions**") are to be completed by Buyer with respect to any development of the Land or any portion thereof, and (ii) which of the Development Conditions are to be completed by Declarant with respect to any development of the Remaining Project Area or any portion thereof. Buyer shall comply with the Development Conditions allocated to Buyer under the Allocation Matrix for the length of time required by the Development Conditions and Declarant shall comply with the Development Conditions allocated to Declarant under the Allocation Matrix for the length of time required by the Development Conditions. Declarant shall be the Enforcement Entity for the Development Conditions allocated to Buyer under the Allocation Matrix and Buyer may enforce the obligations of Declarant to perform the Development Conditions allocated to Declarant under the Allocation Matrix. The provisions of this Section 2(g) shall automatically terminate on the DA Expiration Date and be of no further force or effect thereafter.

2.2 Specific Facilities Requirements.

(a) Development.

(i) During the applicable time periods set forth in Section 2.1 and this Section 2.2, Buyer represents and agrees that: (i) Buyer shall cause the Land to be developed only with the specific facilities described on Exhibit C attached hereto (collectively, the "**Specific Facilities**") in full accordance with the applicable provisions of the Restrictions set forth in Section 2.1, this Section 2.2 and Exhibit C attached hereto; and (ii) no portion of the Land, or any improvements thereon, or any portion thereof, shall be developed or maintained with any facilities or improvements except for the Specific Facilities unless expressly approved by Declarant, which approval may be granted or withheld by Declarant in its sole and absolute discretion. Declarant shall be the Enforcement Entity for the provisions of this Section 2.2(a)(i).

(ii) In no event will the Specific Facilities on the Land or any element thereof utilize, incorporate or display any copyrighted or trademarked names or symbols of a Raytheon Entity. The Raytheon Entity shall be the Enforcement Entity for the provisions of this Section 2.2(a)(ii).

(b) Site Plan.

(i) Prior to Buyer's construction of any improvements on the Land, Buyer shall prepare a site plan which sets forth the configuration, location, elevation and exterior materials and colors of the improvements to be constructed on the Land by Buyer, the location and size of landscape areas, the location and screening of all parking and all utility vaults and meters, and the location, materials, lighting and design of all signage for the Land ("**Site Plan**"), a copy of which shall be provided to Declarant.

(ii) Following Buyer's preparation of the Site Plan, Buyer shall have the right to modify or change the Site Plan to address market needs or demands or tenant or user requirements, provided that any modification to the Site Plan shall (A) conform to the applicable Restrictions of this Declaration then in effect and the applicable provisions of the Specific Plan and the Entitlements then in effect and applicable City laws and (B) be consistent with other first class development projects located in the City. Upon any material changes to the Site Plan and prior to the commencement of construction by Buyer of any new buildings or structures on the Land, Buyer shall deliver to Declarant a copy of the final Site Plan. Declarant shall be the Enforcement Entity for the provisions of this Section 2.2(b)(ii).

(c) Maintenance. Buyer shall maintain in good and safe condition any Specific Facilities, signs, markers, monuments, exterior lighting and related landscaping installed by Buyer on the Land.

2.3 Approvals from the Approving Entity.

With respect to any approval requested by one party to this Declaration from the other party to this Declaration (the "**Approving Entity**") that is required pursuant to the provisions of this Declaration, the Approving Entity shall approve or disapprove the requested item from the requesting party in writing within ten (10) business days (unless a different period of time is set forth in a specific section of this Declaration) after receipt by the Approving Entity of a written request from the requesting party for such approval, together with copies of any documents or plans for which such approval is being sought by the requesting party (the "**Requested Approval Item**"). If approved by the Approving Entity, such approval shall be in writing and shall be delivered to the requesting party within such ten (10) business day period (unless a different period of time is set forth in a specific section of this Declaration). If the Approving Entity does not approve the Requested Approval Item, the Approving Entity shall within such applicable period of time notify the requesting party in writing of its detailed reasons for not approving the Requested Approval Item. If the Approving Entity does not timely respond to the Requested Approval Item, then the requesting party shall send a second (2nd) notice to the Approving Entity which shall state in all caps "FAILURE TO RESPOND TO THIS NOTICE WITHIN FIVE (5) BUSINESS DAYS SHALL CONSTITUTE DEEMED APPROVAL OF THE APPROVAL ITEMS SET FORTH HEREIN". Thereafter, failure of the Approving Entity to approve or disapprove any Requested Approval Item within said five (5) business day period shall be deemed the Approving Entity's approval thereof. The approval by the Approving Entity of any plans submitted by the requesting party to the Approving Entity for approval shall not be deemed approval for architectural or engineering design nor a representation or warranty by the Approving Entity as to the adequacy or sufficiency of such plans and specifications or the grading, landscaping, improvements or construction contemplated thereby for any use or purpose. By approving such plans, the Approving Entity assumes no liability or responsibility therefor or for any defect in any grading, landscaping, improvements or construction made pursuant thereto.

Article 3. ENFORCEMENT OF RESTRICTIONS.

3.1 General Purpose and Constructive Notice. The Restrictions shall run and pass with each and every portion of the Land and be binding upon Buyer, its successors and assigns during the applicable time period set forth in this Declaration in which Buyer (or each successor fee title

owner) owns the Land. These Restrictions shall benefit the Remaining Project Area and be enforceable solely by the applicable Enforcement Entity set forth in this Declaration. Except as specifically set forth herein, the Restrictions shall remain in full force and effect for the respective periods of time specified in Sections 2.1 and 2.2 above, notwithstanding an Enforcement Entity's exercise of any right or remedy herein due to a previous or repeated violation of any one or more of the previous Restrictions. Every Person who now or hereafter owns or acquires any right, title or interest in or to any portion of the Land is and shall be conclusively deemed to have consented and agreed to every applicable Restriction, provision, covenant, condition, right and limitation contained herein, whether or not any reference to this Declaration is contained in the instrument by which such Person acquired an interest in the Land.

3.2 Inspection. After two (2) business days' prior written notice to Buyer and subject to the reasonable security requirements of Buyer, Declarant or its authorized representatives may from time to time, at any reasonable hours and in coordination with Buyer to minimize interference with Buyer's tenants and their respective operations on the Land, enter upon and visually inspect the exterior areas of the Land and, in order to confirm the Permitted Uses and Specifically Prohibited Uses are being complied with, the internal portions of the Specific Facilities constructed thereon, to ascertain compliance with the Restrictions, but without obligation to do so or liability therefor.

3.3 Default and General Remedies. In the event of any breach, violation or failure to perform or satisfy any of the Restrictions which has not been cured within the applicable cure period set forth below, the applicable Enforcement Entity, at its sole option and discretion, may enforce any one or more of the following remedies or any other rights or remedies to which the Enforcement Entity may be entitled by law or equity, whether or not set forth herein. Unless a different cure period is otherwise specifically designated in this Declaration, such cure period shall commence when written notice is given to Buyer of a violation hereunder and shall end ten (10) business days thereafter in the case of a monetary default and thirty (30) days thereafter in the case of a nonmonetary default; provided that if a nonmonetary default is not reasonably susceptible of cure within such thirty (30) day period, then Buyer shall have a reasonable time to cure same so long as Buyer has commenced such cure promptly within the thirty (30) day period and thereafter diligently prosecutes the cure to completion. To the maximum extent allowable by law, all remedies provided herein or by law or equity shall be cumulative and not exclusive; provided, however, that in the event the Raytheon Entity elects to exercise any remedy provided for in this Section 3.3, such remedy shall be the sole and exclusive remedy of the Raytheon Entity for Buyer's violation of the applicable Restrictions, although such remedy may be sought in the alternative with other available remedies in any legal action.

(a) Damages. The applicable Enforcement Entity may bring a suit for damages for any compensable breach of or noncompliance with any of the Restrictions, or declaratory relief to determine the enforceability of any of the Restrictions.

(b) Equity. It is recognized that a particular or ongoing violation by Buyer of one or more of the foregoing Restrictions may cause the applicable Enforcement Entity to suffer material injury or damage not compensable in money (including, but not limited to irreparable effects on the type and quality of development on the Remaining Project Area or portions thereof), and that the applicable Enforcement Entity shall be entitled to bring an action in equity or otherwise

for specific performance to enforce compliance with the Restrictions or an injunction to enjoin the continuance of any such breach or violation thereof, whether or not the applicable Enforcement Entity exercises any other remedy set forth herein.

3.4 Rights Not Assignable: Limitations on Enforcement. Notwithstanding any provision of this Declaration to the contrary, Declarant expressly acknowledges and agrees that, except to (i) a Raytheon Corporate Successor or (ii) the Association, the rights and obligations of the Declarant under this Declaration may not be assigned or transferred to any other Person without the prior written consent of Buyer, which may be granted, conditionally granted or denied in Buyer's sole and absolute discretion.

Article 4. MISCELLANEOUS PROVISIONS.

4.1 Waiver. No waiver by Declarant or the Raytheon Entity, on the one hand, or Buyer, on the other hand, of a breach of any of the Restrictions by the other party and no delay or failure to enforce any of the Restrictions shall be construed or held to be a waiver of any succeeding or preceding breach of the same or any other of the Restrictions. No waiver of any breach or default of Declarant or the Raytheon Entity, on the one hand, or Buyer, on the other hand, hereunder shall be implied from any omission by the other party to take any action on account of such breach or default if such breach or default persists or is repeated, and no express waiver shall affect a breach or default other than as specified in said waiver. The consent or approval by Declarant or the Raytheon Entity, on the one hand, or Buyer, on the other hand, to or of any act by the other party requiring the consent or approval of the approval party shall not be deemed to waive or render unnecessary the consent or approval of the approval party to or of any subsequent similar acts by the party that requires approval.

4.2 Rights of Lenders. No breach or violation of the Restrictions shall defeat or render invalid the lien of any mortgage, deed of trust or similar instrument securing a loan made in good faith and for value with respect to the development or permanent financing of the Land or any portion thereof. However, this Declaration and all provisions hereof shall be binding upon and effective against any subsequent owner or other occupant of the Land or portion thereof whose title is acquired by foreclosure, trustee's sale, deed in lieu of foreclosure or otherwise, but such subsequent owner shall have a reasonable period of time after taking title to cure any continuing violation hereunder that is susceptible of being cured provided that such subsequent owner continuously and diligently acts to effect such cure.

4.3 Termination or Amendment. Except as otherwise expressly provided in this Declaration, the Restrictions may be validly terminated, amended, modified or extended, in whole or in part, only by recordation by the Los Angeles County Recorder of a proper instrument duly executed and acknowledged by Declarant and Buyer to that effect.

4.4 Captions. The captions used herein are for convenience only and are not a part of this Declaration and do not in any way limit or amplify the scope or intent of the terms and provisions hereof.

4.5 Invalidity of Provision. If any provision of this Declaration as applied to Declarant and the Raytheon Entity, on the one hand, and Buyer, on the other hand, or to any circumstance

shall be adjudged by a court of competent jurisdiction to be void, invalid, illegal or unenforceable for any reason, the same shall in no way affect (to the maximum extent permissible by law) any other provision of this Declaration, the application of any such provision under circumstances different from those adjudicated by the court, or the validity or enforceability of the Declaration as a whole.

4.6 Notices. All notices required or permitted by this Agreement shall be in writing and may be delivered in person or may be delivered by express mail of the U.S. Postal Service, Federal Express or any other courier service guaranteeing overnight delivery, charges prepaid and shall be validly given only if sent to each representative of the other party as follows:

- If to Declarant
or Raytheon: Raytheon Company
Waltham Woods
870 Winter Street
Waltham, Massachusetts 02451-1449
Attn: Jerry A. Cellucci, Esq.
Email: jerry_a_cellucci@raytheon.com
- With a copy to: Raytheon Company
2000 E. El Segundo Boulevard
P.O. Box 902
El Segundo, California 90245-0902
Attn: Susan Bray-Magnall
Email: susan.e.bray-magnall@raytheon.com
- And a copy to: Allen Matkins Leck Gamble Mallory & Natsis LLP
1901 Avenue of the Stars, Suite 1800
Los Angeles, California 90067
Attn: John M. Tipton, Esq.
Email: jtipton@allenmatkins.com
- If to Buyer: CDC MAR East Campus 1 LLC
do Continental Development Corporation
2041 Rosecrans Avenue, Suite 200
El Segundo, CA 90245
Attn: Richard C. Lundquist
Email: rlundquist@continentaldevelopment.com
- With a copy to: Continental Development Corporation
2041 Rosecrans Avenue, Suite 200
El Segundo, CA 90245
Attn: Leonard E. Blakesley, Jr., Esq.
Email: lblakesley@continentaldevelopment.com
- And a copy to: Mar Ventures, Inc.
721 N. Douglas Street

El Segundo, CA 90245
Attn: Allan W. Mackenzie
Email: allan.mackenzie@marventures.com

And a copy to: Cox, Castle & Nicholson LLP
2029 Century Park East, Suite 2100
Los Angeles, CA 90067
Attn: Andrew M. Ouvrier, Esq.
Email: aouvrier coxcastle.com

Any party may, from time to time, by written notice to the other, designate a different address or representative than set forth above. Notices delivered by overnight service shall be deemed to have been given 24 hours after delivery of the same, charges prepaid, to the U.S. Postal Service or private courier. Any notice or other document sent or delivered in any other manner shall be effective only if and when received.

4.7 Application to Declarant. Notwithstanding anything herein contained to the contrary, if the Raytheon Entity reacquires title to the Land or any portion thereof at any time after the date hereof, the Restrictions shall automatically cease and terminate and be of no further force or effect as to the Raytheon Entity and such property, effective as of the date of such reacquisition by the Raytheon Entity.

4.8 Time of Essence. Time is of the essence of each provision of this Declaration in which time is an element.

4.9 Other Restrictions. This Declaration is not the exclusive source of restrictions on the use of the Land, and nothing herein contained shall prejudice or diminish in any way Declarant's rights under any other documents of record from time to time affecting all or any portion of the Land.

4.10 Counterparts. This Declaration may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same instrument.

4.11 Joint and Several Liability. If Buyer consists of more than one party, then the obligations and liabilities of all such parties under this Declaration shall be joint and several; provided, however, that following the completion of the Specific Facilities in accordance with the terms hereof, and the issuance of certificates of occupancy in connection therewith, this Declaration shall continue to encumber the entirety of the Land, provided that an owner of a portion of the Land shall not be liable for a breach of the terms of this Declaration by a non-Affiliate owner of a different portion of the Land.

4.12 Estoppel Certificate. Within thirty (30) days after written request is delivered to Declarant and the Raytheon Entity by Buyer, or to Buyer by Declarant and/or the Raytheon Entity, and upon payment of any reasonable out-of-pocket third party fees incurred by the responding party in connection therewith, the responding party shall issue an estoppel certificate certifying as of the date thereof: (i) either that, to the knowledge of the responding party, no default exists hereunder or, specifying each such default of which the responding party has knowledge; (ii) that

this Declaration is unmodified and is in full force and effect (or, if there have been modifications, that this Declaration is in full force and effect as modified, and setting forth such modifications); and (iii) whether any sums payable to the responding party hereunder have not been paid, and if so, the amount of such deficiency.

Article 5. WAIVER OF JURY TRIAL, ARBITRATION, LITIGATION EXPENSES.

5.1 Waiver of Jury Trial. DECLARANT AND BUYER EACH ACKNOWLEDGES THAT IT IS AWARE OF AND HAS HAD THE ADVICE OF COUNSEL OF ITS CHOICE WITH RESPECT TO ITS RIGHTS TO TRIAL BY JURY, AND EACH PARTY DOES HEREBY EXPRESSLY AND KNOWINGLY WAIVE AND RELEASE, FOR ITSELF AND ITS SUCCESSORS AND ASSIGNS, ALL SUCH RIGHTS TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER PARTY HERETO AGAINST THE OTHER (AND/OR AGAINST ITS OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, OR SUBSIDIARY OR AFFILIATED ENTITIES) ON ANY MATTERS WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS DECLARATION, BUYER'S USE OR OCCUPANCY OF THE LAND, AND/OR ANY CLAIM OF INJURY OR DAMAGE RELATING THERETO.

5.2 Arbitration of Consent and Approval Matters.

(a) JAMS. If a party to this Declaration (1) has the right to grant its consent or approve or disapprove an item subject to reasonable discretion (as opposed to sole discretion) and the requesting party to the Declaration contends that such approving party has not acted reasonably and in good faith, or (2) claims that a Force Majeure event has occurred and the other party to this Declaration disputes whether such Force Majeure event has occurred or the length of the delay resulting from a Force Majeure event, the requesting party may submit such dispute to binding arbitration before a retired judge of the Superior Court of the State of California (the "**Arbitrator**") under the auspices of JAMS, using JAMS Streamlined Arbitration Rules & Procedures then in effect. Such arbitration shall be initiated by Declarant or the Raytheon Entity, on the one hand, or Buyer, on the other hand, or either of them, by filing and serving a Demand For Arbitration in conformity with the JAMS Demand for Arbitration Form. The parties may agree on a retired judge from the JAMS panel. If they are unable to agree within ten (10) business days after one party having been served by the other with the Demand for Arbitration, any party may request that JAMS provide a list of three available judges and Declarant or the Raytheon Entity, on the one hand, and Buyer, on the other hand, may strike one. The remaining judge (or if there are two, the one selected by JAMS) will serve as the Arbitrator. In the event that JAMS shall no longer exist or if JAMS fails or refuses to accept submission of such dispute, then the dispute shall be resolved by binding arbitration before the American Arbitration Association ("AAA") under the AAA's commercial arbitration rules then in effect.

(b) Arbitration Procedure.

(i) Pre-Decision Actions. The Arbitrator shall schedule a pre-hearing conference to resolve procedural matters, arrange for the exchange of information, obtain stipulations, and narrow the issues. The parties will submit proposed discovery schedules to the Arbitrator at the pre-hearing conference. The scope and duration of discovery will be within the

sole discretion of the Arbitrator. The Arbitrator shall have the discretion to order a pre-hearing exchange of information by the parties, including, without limitation, production of requested documents, exchange of summaries of testimony of proposed witnesses, and examination by deposition of parties and third-party witnesses. This discretion shall be exercised in favor of discovery reasonable under the circumstances. When scheduling any conferences or making any orders under this section, the Arbitrator shall give deference to the fact that the parties have agreed to use the Streamlined Arbitration Rules & Procedures.

(ii) The Decision. The arbitration shall be conducted in Los Angeles County, California. Any party may be represented by counsel or other authorized representative. In rendering a decision(s), the Arbitrator shall determine the rights and obligations of the parties according to the substantive and procedural laws of the State of California and the terms and provisions of this Declaration. The Arbitrator's decision shall be based on the evidence introduced at the hearing, including all logical and reasonable inferences therefrom. The Arbitrator may make any determination that is just and equitable. The decision must be based on, and accompanied by, a written statement of decision explaining the factual and legal basis for the decision as to each of the principal controverted issues. The decision shall be conclusive and binding, and it may thereafter be confirmed as a judgment by the Superior Court of the State of California, subject only to challenge on the grounds set forth in the California Code of Civil Procedure Section 1286.2. The validity and enforceability of the Arbitrator's decision is to be determined exclusively by the California courts pursuant to the provisions of this Declaration. The Arbitrator may award costs, including without limitation attorneys' fees, and expert and witness costs, to the prevailing party, if any, as determined by the Arbitrator in his discretion. The Arbitrator's fees and costs shall be paid by the non-prevailing party as determined by the Arbitrator in his discretion.

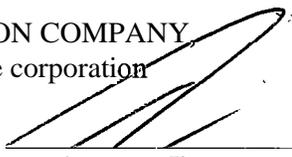
5.3 Attorney's Fees and Costs. If Declarant or the Raytheon Entity, on the one hand, or Buyer, on the other hand, brings an action against the other party by reason of a breach or alleged violation of any covenant, term or obligation of this Declaration, or for the enforcement of any provision of this Declaration or otherwise arising out of this Declaration, the prevailing party in such action shall be entitled to its cost of suit and reasonable attorneys' fees, which shall be made part of any judgment rendered in such action. For the purposes of this Declaration, the term "attorneys' fees" shall mean the fees and expenses of counsel to the parties hereto, which may include post-judgment motions, contempt proceedings, garnishment, levy and debtor and third-party examinations, discovery, bankruptcy, litigation, printing, photostating, duplicating and other expenses, air freight charges and fees billed for law clerks, paralegals and other persons not admitted to the bar but performing services under the supervision of an attorney, all of which shall be deemed to have accrued upon the commencement of such action.

[SIGNATURES ARE ON THE FOLLOWING PAGES]

IN WITNESS WHEREOF, the undersigned has executed this Declaration as of the date first above written.

DECLARANT:

RAYTHEON COMPANY
a Delaware corporation

By: 
Printed Name: R. Jimenez
Title: Vice President, General Counsel and Secretary

From R. Jimenez

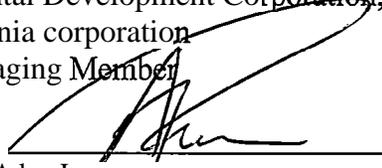
[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

ACCEPTED AND AGREED TO BY INITIAL BUYER:

CDC MAR EAST CAMPUS 1 LLC,
a California limited liability company

By: CDC East Campus 1 LLC,
a California limited liability company
Its: Managing Member

By: Continental Development Corporation,
a California corporation
Its: Managing Member

By: 
Name: Alex J. [unclear]
Its: S for Vice President, Development

Attachment 3.205-e,

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 (Ac 5sAcA mi seiis)
County of niv, 1a

On March 30, 2011, before me, Thomas A. Voltero, Jr.
(insert name of notary)

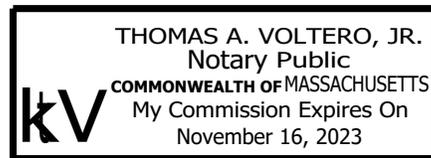
Notary Public, personally appeared Frcott jineAea
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their 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 Mcis.r that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

(Seal)



ACKNOWLEDGEMENT

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 Los Angeles

On **March 31, 2021** before me, **Ester M. Fungladda, Notary Public**, personally appeared **Alex J. Rose**, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

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

WITNESS my hand and official seal.

(Signature)

awia tadok



ESTER M. FUNGLADDA
Notary Public - California
Los Angeles County
Commission # 2250322
My Comm. Expires Aug 15, 2022

EXHIBIT A

LEGAL DESCRIPTION OF PROJECT AREA

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

LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 17, 18, 20, 21, 22, 25 AND 26 OF TRACT NO. 71551, IN THE CITY OF EL SEGUNDO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 1418, PAGES 45 THROUGH 55, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

ALSO EXCEPT THEREFROM, ALL OIL, GAS AND OTHER HYDROCARBONS, GEOTHERMAL RESOURCES AS DEFINED IN SECTION 6903 OF THE CALIFORNIA PUBLIC RESOURCES CODE AND ALL OTHER MINERALS, WHETHER SIMILAR TO THOSE HEREIN SPECIFIED OR NOT, WITHIN OR THAT MAY BE PRODUCED FROM THE PROPERTY BELOW A DEPTH OF FIVE HUNDRED (500) FEET, AS RESERVED BY DEED EXECUTED BY CHEVRON U.S.A. INC., A CORPORATION, RECORDED ON NOVEMBER 28, 1978 AS INSTRUMENT NO. 78-1317577, OF OFFICIAL RECORDS, WHICH ALSO RECITES, "PROVIDED, HOWEVER, THAT ALL RIGHTS AND INTEREST IN THE SURFACE OF THE PROPERTY AND THE LAND MASS OF THE PROPERTY TO A DEPTH OF FIVE HUNDRED (500) FEET ARE HEREBY CONVEYED TO GRANTEE, NO RIGHT OR INTEREST OF ANY KIND THEREIN, EXPRESS OR IMPLIED, BEING EXCEPTED OR RESERVED TO GRANTOR EXCEPT AS HEREINAFTER EXPRESSLY SET FORTH"

EXHIBIT B

LEGAL DESCRIPTION OF THE LAND

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

LOTS 7, 8, 20 AND 22 OF TRACT NO. 71551, IN THE CITY OF EL SEGUNDO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 1418, PAGES 45 THROUGH 55, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

ALSO EXCEPT THEREFROM, ALL OIL, GAS AND OTHER HYDROCARBONS, GEOTHERMAL RESOURCES AS DEFINED IN SECTION 6903 OF THE CALIFORNIA PUBLIC RESOURCES CODE AND ALL OTHER MINERALS, WHETHER SIMILAR TO THOSE HEREIN SPECIFIED OR NOT, WITHIN OR THAT MAY BE PRODUCED FROM THE PROPERTY BELOW A DEPTH OF FIVE HUNDRED (500) FEET, AS RESERVED BY DEED EXECUTED BY CHEVRON U.S.A. INC., A CORPORATION, RECORDED ON NOVEMBER 28, 1978 AS INSTRUMENT NO. 78-1317577, OF OFFICIAL RECORDS, WHICH ALSO RECITES, "PROVIDED, HOWEVER, THAT ALL RIGHTS AND INTEREST IN THE SURFACE OF THE PROPERTY AND THE LAND MASS OF THE PROPERTY TO A DEPTH OF FIVE HUNDRED (500) FEET ARE HEREBY CONVEYED TO GRANTEE, NO RIGHT OR INTEREST OF ANY KIND THEREIN, EXPRESS OR IMPLIED, BEING EXCEPTED OR RESERVED TO GRANTOR EXCEPT AS HEREINAFTER EXPRESSLY SET FORTH"

EXHIBIT C

REQUIREMENTS FOR SPECIFIC FACILITIES

Specific Buildings: Buildings for use and occupancy by Persons for any Permitted Uses.

Specific Facilities: Specific Buildings and improvements that are ancillary or related thereto, including without limitation, parking, lighting and landscaping; street improvements; and sidewalks and parkway landscaping (including landscaping in the public or private right-of-way to back of curb) and related irrigation along the portion of the Land bordering public or private streets,

Specifically Prohibited Uses: In no event shall any facility be constructed, placed or used on the Land in connection with, nor shall the Land in any event be used for: (a) the sale, leasing or other disposition of automobiles or automobile parts or accessories, or of gasoline products or any alternative energy products; (b) the sale, cultivation or distribution of any marijuana, cannabinoids or any products or services related thereto; (c) any dance or strip club or other establishment appealing to the prurient interest; (d) any transmission of radio, television, cellular phone, "C.B.", microwave or other communication signals of any type or any other wireless transmission of information, except to the extent the same does not unreasonably affect or interfere with Declarant's use of the Remaining Project Area, and other than the transmission of signals or wireless information originated by or for the benefit of owners, tenants, or other occupants of the Land from which such transmissions originate, or any employees, agents or invitees thereof; (e) any storage of hazardous materials (other than the use or storage of hazardous materials by retail, restaurant, office or medical office users that are normal and customary for such uses); (f) helicopter landing facilities except to the extent the same does not unreasonably affect or interfere with Declarant's use of the Remaining Project Area; (g) laser/optical targets; (h) video arcades (which does not include stores which have as their principal business the sale of video and/or computer games and which have video game displays in the stores for use by their patrons); and (i) radar towers. In addition, the Land shall be subject to those certain "Restrictions and Requirements" set forth in that certain Grant Deed and Environmental Restrictions dated of even date herewith from Raytheon, as Grantor, to Initial Buyer, as Grantee, conveying the Land to Buyer.

Maximum Gross Floor Area: 300,000 square feet* Notwithstanding the foregoing, in the event that Buyer, or an Affiliate of Buyer owns the North Parcels, then the total aggregate maximum Gross Floor Area applicable to the Land and the North Parcels shall be 676,000 square feet, and Buyer and/or

its Affiliate shall have the right to allocate the amount of maximum Gross Floor Area between the Land and the North Parcels in such amounts, and at such times, as Buyer desires, subject to applicable laws and governmental requirements.

Maximum PM Peak Hour Trips:

433**. Notwithstanding the foregoing, in the event that Buyer, or an Affiliate of Buyer owns the North Parcels, then the total aggregate maximum PM Peak Hour Trips applicable to the Land and the North Parcels shall be 975, and Buyer and/or its Affiliate shall have the right to allocate the amount of maximum PM Peak Hour Trips between the Land and the North Parcels in such amounts, and at such times, as Buyer desires, subject to applicable laws and governmental requirements.

Maximum Height:

The maximum height of any particular Specific Facility on the Land shall not exceed the maximum height for such Specific Facility as set forth in the applicable Entitlements.

By setting forth any required maximum gross floor area above, Declarant does not thereby represent or warrant that Buyer shall be able to develop the Land for such density. It is further understood that these restrictions are for the benefit of Declarant and, accordingly, Declarant may unilaterally waive, by written instrument only, any portion of such restrictions.

** The maximum PM Peak Hour Trips are referred to in this Declaration as the "**Site Trips**".

EXHIBIT D
ALLOCATION MATRIX¹

COND #	BRIEF DESCRIPTION	DECLARANT	BUYER	Done/Not Applicable
Conditions for Project Approvals Resolution No. 4985 Ordinance No. 1516				
1	Approvals, licenses, permits, and fees	X	X	
2	Mitigation measures incorporated	X	X	
3	Landscape and irrigation plans	X	X	
4	Nash Street Extension			X
5	Nash Street landscape & lighting district			X
6	Continental Boulevard Extension	X		
7	Continental Blvd. landscape & lighting district	X		
8	Parcel 26 dedication	X		
9	El Segundo Blvd. roadway improvements	X		
10	El Segundo Boulevard bicycle path	X		
11	Nash Street bicycle lanes			X
12	Bicycle parking facilities fee		X	
13	Parcels 13, 14, and 24 pedestrian easement			X
14	Parcels 20 and 22 dedication		X	
15	Sewer upgrade fee			X
16	Access to open space and recreational area	X	X	
17	Parcels 1, 2, 3, 4 dedication	X		
18.	Annual payments	X		
19	\$0.50 per square foot development fee	X	X	
20	Metro approval	X	X	
21	Metro plan review	X	X	
22	Metro permit for pile driving	X	X	
23	Track allocation permit	X	X	

¹ Unless otherwise stated in this Allocation Matrix, whenever an item in this matrix is allocated to both Declarant and Buyer, Buyer shall be responsible for satisfaction of the item with respect to the development of the Land, and Declarant shall be responsible for satisfaction of the item with respect to the development of the Remaining Project Area. Further, for any condition or mitigation measure requiring the recordation of a covenant or the creation or implementation of a plan, Buyer shall have the obligation and responsibility to comply with the terms of the covenant or plan to the extent applicable to the development of the Land.

COND #	BRIEF DESCRIPTION	DECLARANT	BUYER	Done/Not Applicable
24	Metro monitoring	X	X	
25	Wayfinding signage	X	X	
26	Employer transit pass programs	X	X	
27	TDM compliance	X	X	
28	Industrial waste discharge permit	X	X	
29	Electrical substation review	X		
30	El Segundo Blvd. widening plans	X		
31	Trash and recycling enclosures	X	X	
32	Cultural resources monitor	X	X	
33	Equipment screening	X	X	
34	Exterior lighting	X	X	
35	Interior noise attenuation	X	X	
36	Monitoring costs	X	X	
37	Implementation of mitigation measures	X	X	
38	Landscape master plan	X	X	
39	Master sign program	X	X	
40	Trip budget tracking system	X	X	
41	Trip ceiling ²	X	X	
42	Reclaimed water facility plan ³	X	X	
43	Specific Plan design criteria	X	X	
44	Geotechnical report and grading plan	X	X	
45	Soils report	X	X	
46	Building Code compliance	X	X	
47	Evidence of all applicable permits	X	X	
48	Fire Code compliance	X	X	
49	Fire life safety plan	X	X	
50	Fire access roadway	X	X	
51	Fire main system	X	X	
52	Automatic fire sprinkler system	X	X	
53	Fire feature protection	X	X	
54	Separate street addresses	X	X	
55	Non-storm water discharges	X	X	
56	Diesel powered generators	X	X	
57	Chemical inventory	X	X	
58	Underground service alert	X	X	
59	Segregated wastewater systems	X	X	
60	Underground utilities	X	X	

² Buyer's trip budget shall not exceed 422 am. peak hour trips, 433 p.m. peak hour trips, and 3,690 daily trips.

³ The first party who obtains a building permit in the Project Area will be responsible for preparing, and obtaining City approval, of this written plan.

COND #	BRIEF DESCRIPTION	DECLARANT	BUYER	Done/Not Applicable
61	Encroachment permits	X	X	
62	NPDES permit	X	X	
63	Water meters	X	X	
64	Water service connection points	X	X	
65	Water service and fire hydrant	X	X	
66	Water main meter location	X	X	
67	Wastewater facilities	X	X	
68	Wastewater facilities	X	X	
69	Storm drain facility design	X	X	
70	Construction related parking	X	X	
71	Record drawings	X	X	
72	Photometric calculations	X	X	
73	Security camera system plan	X	X	
74	Lighting device protection	X	X	
75	Crosswalk location	X	X	
76	Bicycle parking locations	X	X	
77	Police Chief review of plans	X	X	
78	Street address visibility	X	X	
79	Low profile landscaping	X	X	
80	Construction fencing	X	X	
81	Public sidewalks	X	X	
82	Haul trucks	X	X	
83	Designated truck routes	X	X	
84	Construction management plan	X	X	
85	Construction waste disposal	X	X	
86	Fire services mitigation fee	X	X	
87	Police services mitigation fee	X	X	
88	Park services mitigation fee	X	X	
89	Sewer connection fees	X	X	
90	Traffic mitigation fee	X	X	
91	Development impact fees	X	X	
92	Agency fees for intersections and	X		
93	School fees	X	X	
94	Vesting tentative map expiration			X
95	Indemnity			X

**Mitigation Measures For Environmental Assessment No. EA-905
Resolution No. 4958**

MM #	BRIEF DESCRIPTION	DECLARANT	BUYER	Done/Not Applicable
TRA-1	Nash Street/Maple Avenue improvements			X

TRA-2	Nash Street/EI Segundo Blvd.			X
TRA-3	Aviation Blvd./E1 Segundo Blvd.	X		
TRA-4	Aviation Blvd./Utah Street improvements	X		
TRA-5	Aviation Blvd./Alaska Avenue	X		
TRA-6	Aviation Blvd./Marine Avenue	X		
TRA-7	Aviation Blvd./Manhattan Bch Blvd.	X		
TRA-8	Sepulveda Blvd./Mariposa Ave.	X		
TRA-9	I-405 SB Ramps/E1 Segundo Blvd.	X		
TRA-10	Traffic mitigation fees	X	X	
AQ-1	SCAQMD Rules 402 and 403	X	X	
AQ-2	Vehicle Code § 23114	X	X	
AQ-3	Architectural coatings	X	X	
AQ-4	Construction emissions and traffic controls	X	X	
GHG-1	Energy, water, and solid waste efficiency	X	X	
N-1	Construction noise measures	X	X	
GEO-1	Geotechnical/soils investigation	X	X	
HAZ-1	Oil/gas wells	X	X	
HAZ-2	Soil sampling	X	X	
HAZ-3	Subsoil release investigation	X	X	
HAZ-4	Worker safety plan	X	X	
HAZ-5	Onsite structures investigation	X	X	
HAZ-6	Discovery of unknown wastes	X	X	
HAZ-7	Vapor intrusion investigation	X	X	
HAZ-8	Construction lane closures/emergency access	X	X	
HWQ-1	Hydrology and hydraulics study	X	X	
HWQ-2	Hydrology and hydraulics study update	X	X	
USS-1	High pressure zone capacity	X	X	
US S-2	Relief sewer line	X	X	

Development Agreement No. DA-905 Ordinance No. 1516⁴				
PARA #	BRIEF DESCRIPTION	DECLARANT	BUYER	Done/Not Applicable
5.1	Compliance with approvals	X	X	
5.2	Maintenance obligations	X	X	
5.3	Sales and use tax	X	X	
5.4	Energy efficiency	X	X	
7.1	Nash Street improvements			X
7.2	Continental Boulevard public access	X		
7.3	El Segundo Boulevard improvements	X		
7.4	El Segundo Boulevard bicycle path	X		
7.5	Nash Street extension bicycle lane			X
7.6	Green Line station		X	
7.7	Coral Circle connection		X	
8.2	Sewer line upgrade			X
9	Recreational access	X	X	
10.1	Six annual payments	X		
10.2	Payment in year 10	X		
10.3	Building permit fee	X	X	

⁴ The Development Agreement includes the First Amendment to the Development Agreement by and between the City of El Segundo and Raytheon Company and recorded on November 13, 2019 in the official records of Los Angeles County, California as Instrument No. 20191228494, and that certain Operating Memorandum No. 1 by and among the City, Seller, and CDC Mar Retail I LLC, a California limited liability company, dated as of September 26, 2019 and recorded in the Official Records on October 9, 2019 as Document No. 201991072116. Except as described herein to the contrary with respect to specific obligations, Declarant and Buyer shall each comply with the terms of the Development Agreement as such terms apply to the development of their respective parcels.



300 PACIFIC COAST HIGHWAY, #1075
EL SEGUNDO, CA 90245
PHONE NO. (800) 794-8094

HLG HENSLEY LAW GROUP
2600 W. OLIVE AVENUE, SUITE 500
BURBANK, CA 91505

TITLE OFFICER: STEVE POSS/ JULIE SCHAAL
E-MAIL: TITLEUNIT10@PROVIDENTTITLE.COM
ORDER NO.: 10526042

ATTN: GREGG KOVACEVICH

YOUR REFERENCE NO: 4138-032-024,023 & 022

PROPERTY ADDRESS: VACANT LAND 4138-032-024, 023 AND 022 LOS ANGELES, CALIFORNIA

PRELIMINARY REPORT

DATED AS OF FEBRUARY 16, 2023 AT 7:30 A.M.

PROVIDENT TITLE COMPANY, HEREBY REPORTS THAT IT IS PREPARED TO ISSUE, OR CAUSE TO BE ISSUED AS OF THE DATE HEREOF, A DOMA TITLE INSURANCE, INC. POLICY OR POLICIES OF TITLE INSURANCE DESCRIBING THE LAND AND THE ESTATE OR INTEREST THEREIN HEREINAFTER SET FORTH, INSURING AGAINST LOSS WHICH MAY BE SUSTAINED BY REASON OF ANY DEFECT, LIEN OR ENCUMBRANCE NOT SHOWN OR REFERRED TO AS AN EXCEPTION IN SCHEDULE B OR NOT EXCLUDED FROM COVERAGE PURSUANT TO THE PRINTED SCHEDULES, CONDITIONS AND STIPULATIONS OF SAID POLICY FORMS.

THE PRINTED EXCEPTIONS AND EXCLUSION FROM THE COVERAGE OF SAID POLICY OR POLICIES ARE SET FORTH IN SCHEDULE B ATTACHED. COPIES OF THE POLICY FORMS SHOULD BE READ. THEY ARE AVAILABLE FROM THE OFFICE WHICH ISSUED THIS REPORT. *PLEASE READ THE EXCEPTIONS SHOWN OR REFERRED TO BELOW AND THE EXCEPTIONS AND EXCLUSIONS SET FORTH IN SCHEDULE B OF THIS REPORT CAREFULLY. THE EXCEPTIONS AND EXCLUSIONS ARE MEANT TO PROVIDE YOU WITH NOTICE OF MATTERS WHICH ARE NOT COVERED UNDER THE TERMS OF THE TITLE INSURANCE POLICY AND SHOULD BE CAREFULLY CONSIDERED.*

IT IS IMPORTANT TO NOTE THAT THIS PRELIMINARY REPORT IS NOT A WRITTEN REPRESENTATION AS TO THE CONDITION OF TITLE AND MAY NOT LIST ALL LIENS, DEFECTS, AND ENCUMBRANCES AFFECTING TITLE TO THE LAND.

THIS REPORT (AND ANY SUPPLEMENTS OR AMENDMENTS HERETO) IS ISSUED SOLELY FOR THE PURPOSE OF FACILITATING THE ISSUANCE OF A POLICY OF TITLE INSURANCE AND NO LIABILITY IS ASSUMED HEREBY. IF IT IS DESIRED THAT LIABILITY BE ASSUMED PRIOR TO THE ISSUANCE OF A POLICY OF TITLE INSURANCE, A BINDER OR COMMITMENT SHOULD BE REQUESTED.

STEVE POSS/ JULIE SCHAAL
TITLE OFFICER

THE FORM OF POLICY OF TITLE INSURANCE CONTEMPLATED BY THIS REPORT IS:

CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE POLICY (1990)

ISSUED BY PROVIDENT TITLE COMPANY AS AGENT FOR:
DOMA TITLE INSURANCE, INC.

SCHEDULE A

1. THE ESTATE OR INTEREST IN THE LAND HEREINAFTER DESCRIBED OR REFERRED TO COVERED BY THIS REPORT IS:

A FEE

2. TITLE TO SAID ESTATE OR INTEREST AT THE DATE HEREOF IS VESTED IN:

CDC MAR EAST CAMPUS 2 LLC, A CALIFORNIA LIMITED LIABILITY COMPANY

3. THE LAND REFERRED TO HEREIN IS SITUATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

LOTS 22, 23 AND 24 OF TRACT NO. 71551, IN THE CITY OF EL SEGUNDO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1418 PAGE(S) 45 THROUGH 55 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

ALSO EXCEPT THEREFROM, ALL OIL, GAS AND OTHER HYDROCARBONS, GEOTHERMAL RESOURCES AS DEFINED IN SECTION 6903 OF THE CALIFORNIA PUBLIC RESOURCES CODE AND ALL OTHER MINERALS, WHETHER SIMILAR TO THOSE HEREIN SPECIFIED OR NOT, WITHIN OR THAT MAY BE PRODUCED FROM THE PROPERTY BELOW A DEPTH OF FIVE HUNDRED (500) FEET, AS RESERVED BY DEED EXECUTED BY CHEVRON U.S.A. INC., A CORPORATION, RECORDED ON NOVEMBER 28, 1978 AS INSTRUMENT NO. 78-1317577, OF OFFICIAL RECORDS, WHICH ALSO RECITES, "PROVIDED, HOWEVER, THAT ALL RIGHTS AND INTEREST IN THE SURFACE OF THE PROPERTY AND THE LAND MASS OF THE PROPERTY TO A DEPTH OF FIVE HUNDRED (500) FEET ARE HEREBY CONVEYED TO GRANTEE, NO RIGHT OF INTEREST OF ANY KIND THEREIN, EXPRESS OR IMPLIED, BEING OR RESERVED TO GRANTOR EXCEPT AS HEREINAFTER EXPRESSLY SET FORTH."

ASSESSOR'S PARCEL NUMBER: 4138-032-022, 023 AND 024

SCHEDULE B

AT THE DATE HEREOF EXCEPTIONS TO COVERAGE IN ADDITION TO THE PRINTED EXCEPTIONS AND EXCLUSIONS IN THE POLICY FORM DESIGNATED ON THE FACE PAGE OF THIS REPORT WOULD BE AS FOLLOWS:

A. PROPERTY TAXES, INCLUDING ANY ASSESSMENTS COLLECTED WITH TAXES, TO BE LEVIED FOR THE FISCAL YEAR 2023-2024, WHICH ARE A LIEN NOT YET PAYABLE.

B. PROPERTY TAXES, INCLUDING ANY PERSONAL PROPERTY TAXES AND ANY ASSESSMENTS COLLECTED WITH TAXES, FOR THE FISCAL YEAR 2022-2023

1ST INSTALLMENT: \$ 2,163.3 PAID
 2ND INSTALLMENT: \$ 2,163.37 OPEN
 PENALTY: \$ 226.33
 CODE NO.: 09888
 TAX PARCEL NO.: 4138-032-022

SAID MATTER AFFECTS: LOT 22

C. PROPERTY TAXES, INCLUDING ANY PERSONAL PROPERTY TAXES AND ANY ASSESSMENTS COLLECTED WITH TAXES, FOR THE FISCAL YEAR 2022-2023

1ST INSTALLMENT: \$ 2,975.02 PAID
 2ND INSTALLMENT: \$ 2,975.01 OPEN
 PENALTY: \$ 307.50
 CODE NO.: 09888
 TAX PARCEL NO.: 4138-032-023

SAID MATTER AFFECTS: LOT 23

D. PROPERTY TAXES, INCLUDING ANY PERSONAL PROPERTY TAXES AND ANY ASSESSMENTS COLLECTED WITH TAXES, FOR THE FISCAL YEAR 2022-2023

1ST INSTALLMENT: \$ 16,912.23 PAID
 2ND INSTALLMENT: \$ 16,912.22 OPEN
 PENALTY: \$ 1,701.22
 CODE NO.: 09888
 TAX PARCEL NO.: 4138-032-024

SAID MATTER AFFECTS: LOT 24

E. SUPPLEMENTAL ASSESSMENTS OF PROPERTY TAXES, IF ANY, MADE PURSUANT TO THE PROVISIONS OF PART 0.5, CHAPTER 3.5 (COMMENCING WITH SECTION 75) OF THE CALIFORNIA REVENUE AND TAXATION CODE AS A RESULT OF THE TRANSFER OF TITLE TO THE VESTEE NAMED IN SCHEDULE A.

SUPPLEMENTAL OR ESCAPED ASSESSMENTS OF PROPERTY TAXES, IF ANY, MADE PURSUANT TO PART 0.5, CHAPTER 3.5 OR PART 2, CHAPTER 3, ARTICLES 3 AND 4, RESPECTIVELY, OF THE CALIFORNIA REVENUE AND TAXATION CODE AS A RESULT OF CHANGES IN OWNERSHIP OR NEW CONSTRUCTION OCCURRING PRIOR TO DATE OF POLICY.

ASSESSMENTS, IF ANY, FOR COMMUNITY FACILITY DISTRICTS AFFECTING SAID LAND WHICH MAY EXIST BY VIRTUE OF ASSESSMENT MAPS OR NOTICES FILED BY SAID DISTRICTS.

NOTE: THE MAP ATTACHED HERETO IS NEITHER A PLAT NOR A SURVEY, IT IS FURNISHED AS A CONVENIENCE TO LOCATE THE LAND INDICATED HEREON WITH REFERENCE TO STREETS AND OTHER LAND. NO LIABILITY IS ASSUMED BY REASON OF RELIANCE HEREIN.

1. WATER RIGHTS, CLAIMS OR TITLE TO WATER, WHETHER OR NOT SHOWN BY THE PUBLIC RECORDS.
2. ANY AND ALL OFFERS OF DEDICATION, CONDITIONS, RESTRICTIONS, EASEMENTS, FENCE LINE/BOUNDARY DISCREPANCIES, NOTES AND/OR PROVISIONS SHOWN OR DISCLOSED BY [THE FILED OR RECORDED MAP](#) REFERRED TO IN THE LEGAL DESCRIPTION.
3. AN EASEMENT FOR THE PURPOSE SHOWN BELOW AND RIGHTS INCIDENTAL THERETO AS SET FORTH IN A DOCUMENT
PURPOSE: PIPELINES, UNDERGROUND WIRES, CABLES AND CONDUITS
AFFECTS: A PORTION OF SAID LAND
RECORDED: [OCTOBER 26, 1978 AS INSTRUMENT NO. 78-1193524](#)
4. COVENANTS, CONDITIONS AND RESTRICTIONS, BUT OMITTING ANY COVENANT, CONDITION AND RESTRICTION, IF ANY, BASED ON RACE, COLOR, RELIGION, SEX, HANDICAP, FAMILIAL STATUS OR NATIONAL ORIGIN UNLESS AND ONLY TO THE EXTENT THAT THE COVENANT, CONDITION OR RESTRICTION (A) IS EXEMPT UNDER TITLE 42 OF THE UNITED STATES CODE, OR (B) RELATES TO HANDICAP, BUT DOES NOT DISCRIMINATE AGAINST HANDICAPPED PERSONS" AS SET FORTH IN THE DOCUMENT RECORDED: [NOVEMBER 28, 1978 AS INSTRUMENT NO. 78-1317577](#)

NOTE: SECTION 12956.1 OF THE GOVERNMENT CODE PROVIDES THE FOLLOWING: IF THIS DOCUMENT CONTAINS ANY RESTRICTIONS BASED ON RACE, COLOR, RELIGION, SEX, FAMILIAL STATUS, MARITAL STATUS, DISABILITY, NATIONAL ORIGIN, OR ANCESTRY, THAT RESTRICTION VIOLATES STATE AND FEDERAL FAIR HOUSING LAWS AND IS VOID. ANY PERSON HOLDING AN INTEREST IN THIS PROPERTY MAY REQUEST THAT THE COUNTY RECORDER REMOVE THE RESTRICTIVE LANGUAGE PURSUANT TO SUBDIVISION (C) OF SECTION 12956.1 OF THE GOVERNMENT CODE.

SAID COVENANTS, CONDITIONS AND RESTRICTIONS PROVIDE THAT A VIOLATION THEREOF SHALL NOT DEFEAT THE LIEN OF ANY MORTGAGE OR DEED OF TRUST MADE IN GOOD FAITH AND FOR VALUE.

5. THE RESERVATION IN THE DEED LAST ABOVE MENTIONED, AS FOLLOWS:

ALSO EXCEPTING AND RESERVING TO GRANTOR, ITS SUCCESSORS AND ASSIGNS, THE SOLE AND EXCLUSIVE RIGHT FROM TIME TO TIME TO DRILL AND MAINTAIN WELLS OR OTHER WORKS INTO OR THROUGH THE PROPERTY BELOW A DEPTH OF FIVE HUNDRED (500) FEET AND TO PRODUCE, INJECT, STORE AND REMOVE FROM OR THROUGH SUCH WELLS OR WORKS, OIL, GAS AND OTHER SUBSTANCES OF WHATEVER NATURE, INCLUDING THE RIGHT TO PERFORM ANY AND ALL OPERATIONS DEEMED BY GRANTOR OR CONVENIENT FOR THE EXERCISE F SUCH RIGHTS; PROVIDED, HOWEVER, THAT, IN THE EXERCISE OF SUCH RIGHTS, GRANTOR SHALL NOT PERFORM ANY OPERATION THAT CAUSES AN ADVERSE EFFECT TO THE LANDS MASS OF THE PROPERTY ABOVE A DEPTH OF FIVE HUNDRED (500) FEET OR TO ANY IMPROVEMENTS AND/OR PERSONAL PROPERTY LOCATED ON OR UNDER THE SURFACE OF THE PROPERTY TO A DEPTH OF FIVE HUNDRED (500) FEET.

6. AN EASEMENT AS RESERVED IN SAID ABOVE MENTIONED DEED, AS FOLLOWS:

A PERPETUAL EASEMENT TO DISCHARGED NOISE, LIGHT, HEAT AND GASEOUS AND PARTICULATE MATTER UPON AN DOVER THE PROPERTY, AND TO CAUSE REASONABLE VIBRATIONS OF THE PROPERTY, ORIGINATING FROM GRANTOR'S REFINERY AND RELATED BUSINESSES AND FACILITIES LOCATED ON REAL PROPERTY NOW OR HEREAFTER OWNED BY GRANTOR IN SECTIONS 13 AND 14, TOWNSHIP 3 NORTH, RANGE 15 WEST, (HEREIN CALLED "GRANTOR'S OTHER LANDS"), INCLUDING, WITHOUT LIMITATION, ALL THE REAL PROPERTY PARTICULARLY DESCRIBED IN EXHIBIT II ATTACHED HERETO AND INCORPORATED HEREIN BY THIS REFERENCE, AS SUCH BUSINESSES AND FACILITIES ARE CONDUCTED, MAINTAINED, REPAIR, REPLACE, RENEWED, ADDED TO, AND OTHERWISE OPERATED FROM TIME TO TIME; PROVIDED, HOWEVER, THAT ANY SUCH DISCHARGED OR VIBRATION SHALL NOT EXCEED THE LIMITS PERMITTED BY APPLICABLE LAWS AND REGULATIONS, AS THE SAME BE FROM TIME TO TIME AMENDED, EXCEPTING INFREQUENT INCIDENTS OF EXCESSIVE DISCHARGE OR VIBRATIONS THAT MAY OCCUR FROM TIME TO TIME IN THE COURSE OF OPERATING SUCH BUSINESSES AND FACILITIES AND WITHOUT REGARD TO THE CAUSE THEREOF.

IN CONNECTION WITH AND WITHOUT LIMITING THE SCOPE OF THE FOREGOING EASEMENTS, BY ITS ACCEPTANCE AND RECORDATION OF THIS DEED, GRANTEE AGREES THAT, NOTWITHSTANDING ANY USE TO WHICH PROPERTY MAY HEREAFTER BE, OR BE INTENDED TO BE, BUT, GRANTOR SHALL HAVE THE RIGHT TO USE ALL OR ANY PART OF GRANTOR'S OTHER LANDS, AND, EXCEPT AS EXPRESSLY LIMITED BY THE COVENANT OF GRANTOR SET FORTH HEREIN, ALL OR ANY PART OF THE REAL PROPERTY DESCRIBED IN EXHIBIT III ATTACHED HERETO AND INCORPORATED HEREIN BY THIS REFERENCE (HEREIN CALLED THE "NEIGHBORING PARCEL"), FOR:

I) THE STORAGE OF PETROLEUM PRODUCTS, INCLUDING, IN PARTICULARS, THE STORAGE OF LIQUID PETROLEUM GAS IN UNDERGROUND RESERVOIRS; AND

II) ANY OTHER PURPOSE WHATSOEVER IN CONNECTION WITH THE EXPLORATION, PRODUCTION, REFINING AND/OR TRANSPORTATION OF OIL, GAS AND OTHER MINERALS, INCLUDING THE RIGHT TO CONDUCT ALL METHODS DISCOVERY AND REMOVAL OF SUCH MINERALS, DRILL WELLS, INCLUDING SLANT DRILLING INTO OTHER PROPERTY, AND OT ERECT AND CONSTRUCT ALL TYPES OF OIL AND GAS WELLS AND FOR THE PRODUCTION OR RECOVERY OF OIL, GAS AND OTHER MINERALS THEREFROM OR THEREBY.

BY ITS ACCEPTANCE AND RECORDATION OF THIS DEED, GRANTEE ALSO AGREES AND COVENANTS, FOR ITSELF, ITS SUCCESSORS AND ASSIGNS, THAT IT SHALL FOREVER OLD THE PROPERTY UPON AND SUBJECT TO SAID EASEMENT AND HEREBY WAIVES, RELEASES, ACQUITS AND FOREVER DISCHARGES GRANTOR OF ANY AND FROM ANY AND ALL CLAIMS, ACTIONS, CAUSES OF ACTION, DEMANDS, RIGHTS, DAMAGES, COSTS, EXPENSES OR COMPENSATION WHATSOEVER, DIRECT OR FUTURE ON ACCOUNT OF OR IN ANY WAY GROWING OUT OF OR CONNECTED WITH GRANTOR'S USE OF GRANTOR'S OTHER LANDS AND/OR THE NEIGHBORING PARCELS, AS DESCRIBED IN THE FOREGOING EASEMENT.

THE FOREGOING COVENANT AND WAIVER OF GRANTOR SHALL RUN WITH THE LAND, AND THE BURDENS THEREOF SHALL BE BINDING UPON GRANTEE, ITS SUCCESSORS AND ASSIGNS, WITH RESPECT TO EACH AND EVERY PART OF THE PROPERTY, FOR THE BENEFIT OF GRANTOR'S OTHER LANDS AND THE NEIGHBORING PARCEL AND EACH AND EVERY PART THEREOF. SAID COVENANT AND WAIVER SHALL INSURE TO THE BENEFIT OF AND BE ENFORCEABLE BY GRANTORS, ITS SUCCESSORS AND ASSIGNS, WITH RESPECT TO EACH AND EVERY PART OF GRANTOR'S OTHER LANDS AND THE NEIGHBORING PARCEL.

- 7. COVENANTS, CONDITIONS AND RESTRICTIONS, BUT OMITTING ANY COVENANT, CONDITION AND RESTRICTION, IF ANY, BASED ON RACE, COLOR, RELIGION, SEX, HANDICAP, FAMILIAL STATUS OR NATIONAL ORIGIN UNLESS AND ONLY TO THE EXTENT THAT THE COVENANT, CONDITION OR RESTRICTION (A) IS EXEMPT UNDER TITLE 42 OF THE UNITED STATES CODE, OR (B) RELATES TO HANDICAP, BUT DOES NOT DISCRIMINATE AGAINST HANDICAPPED PERSONS" AS SET FORTH IN THE DOCUMENT RECORDED: [NOVEMBER 28, 1978 AS INSTRUMENT NO. 78-1317579](#)

NOTE: SECTION 12956.1 OF THE GOVERNMENT CODE PROVIDES THE FOLLOWING: IF THIS DOCUMENT CONTAINS ANY RESTRICTIONS BASED ON RACE, COLOR, RELIGION, SEX, FAMILIAL STATUS, MARITAL STATUS, DISABILITY, NATIONAL ORIGIN, OR ANCESTRY, THAT RESTRICTION VIOLATES STATE AND FEDERAL FAIR HOUSING LAWS AND IS VOID. ANY PERSON HOLDING AN INTEREST IN THIS PROPERTY MAY REQUEST THAT THE COUNTY RECORDER REMOVE THE RESTRICTIVE LANGUAGE PURSUANT TO SUBDIVISION (C) OF SECTION 12956.1 OF THE GOVERNMENT CODE.

SAID COVENANTS, CONDITIONS AND RESTRICTIONS PROVIDE THAT A VIOLATION THEREOF SHALL NOT DEFEAT THE LIEN OF ANY MORTGAGE OR DEED OF TRUST MADE IN GOOD FAITH AND FOR VALUE.

THE PROVISIONS OF AN INSTRUMENT EXECUTED BY AND BETWEEN THE PARTIES NAMED THEREIN, UPON THE TERMS, PROVISIONS AND CONDITIONS THEREIN PROVIDED.

ENTITLED: "AGREEMENT WAS MODIFIED BY AN AMENDMENT TO STREET EASEMENT AGREEMENT"

RECORDED: [MAY 21, 1979 AS INSTRUMENT NO. 79-546231](#)

REFERENCE IS MADE TO SAID DOCUMENT FOR FULL PARTICULARS.

THE PROVISIONS OF AN INSTRUMENT EXECUTED BY AND BETWEEN THE PARTIES NAMED THEREIN, UPON THE TERMS, PROVISIONS AND CONDITIONS THEREIN PROVIDED.

ENTITLED: "DESIGNATION OF EASEMENT PARCEL"

RECORDED: [NOVEMBER 18, 1981 AS INSTRUMENT NO. 81-1140869](#)

REFERENCE IS MADE TO SAID DOCUMENT FOR FULL PARTICULARS.

- 8. AN EASEMENT FOR THE PURPOSE SHOWN BELOW AND RIGHTS INCIDENTAL THERETO AS SET FORTH IN A DOCUMENT

PURPOSE: A BELOW SURFACE GRADE BURIED WATERLINE

AFFECTS: A PORTION OF SAID LAND

RECORDED: [JULY 25, 1979 AS INSTRUMENT NO. 79-817589](#)

- 9. AN EASEMENT FOR THE PURPOSE SHOWN BELOW AND RIGHTS INCIDENTAL THERETO AS SET FORTH IN A DOCUMENT

PURPOSE: UNDERGROUND COMMUNICATION FACILITIES

AFFECTS: A PORTION OF SAID LAND

RECORDED: [AUGUST 14, 1979 AS INSTRUMENT NO. 79-895746](#)

- 10. AN EASEMENT FOR THE PURPOSE SHOWN BELOW AND RIGHTS INCIDENTAL THERETO AS SET FORTH IN A DOCUMENT

PURPOSE: BELOW SURFACE GRADE WATER SERVICE VAULTS AND

BELOW SURFACE GRADE BURIED WATERLINES

AFFECTS: A PORTION OF SAID LAND

RECORDED: [NOVEMBER 26, 1980 AS INSTRUMENT NO. 80-1197785](#)

11. AN EASEMENT FOR THE PURPOSE SHOWN BELOW AND RIGHTS INCIDENTAL THERETO AS SET FORTH IN A DOCUMENT
 PURPOSE: BELOW SURFACE GRADE, BURIED STORM DRAINS
 AFFECTS: A PORTION OF SAID LAND
 RECORDED: [NOVEMBER 26, 1980 AS INSTRUMENT NO. 80-1197786](#)
12. AN EASEMENT FOR THE PURPOSE SHOWN BELOW AND RIGHTS INCIDENTAL THERETO AS SET FORTH IN A DOCUMENT
 PURPOSE: BELOW SURFACE GRADE BURIED STORM DRAINS
 AFFECTS: A PORTION OF SAID LAND
 RECORDED: [NOVEMBER 26, 1980 AS INSTRUMENT NO. 80-1197787](#)
13. AN EASEMENT FOR THE PURPOSE SHOWN BELOW AND RIGHTS INCIDENTAL THERETO AS SET FORTH IN A DOCUMENT
 PURPOSE: BURIED WATERLINE
 AFFECTS: A PORTION OF SAID LAND
 RECORDED: [MARCH 20, 1981 AS INSTRUMENT NO. 81-285968](#)
14. AN EASEMENT FOR THE PURPOSE SHOWN BELOW AND RIGHTS INCIDENTAL THERETO AS SET FORTH IN A DOCUMENT
 PURPOSE: OVERHEAD AND UNDERGROUND ELECTRICAL SUPPLY SYSTEMS AND COMMUNICATION SYSTEMS
 AFFECTS: A PORTION OF SAID LAND AS DESCRIBED THEREIN
 RECORDED: [APRIL 15, 1982 AS INSTRUMENT NO. 82-390912](#)
15. AN EASEMENT FOR THE PURPOSE SHOWN BELOW AND RIGHTS INCIDENTAL THERETO AS SET FORTH IN A DOCUMENT
 PURPOSE: INGRESS AND EGRESS
 AFFECTS: A PORTION OF SAID LAND
 RECORDED: [OCTOBER 4, 2006 AS INSTRUMENT NO. 06-2216963](#)
16. AN EASEMENT FOR THE PURPOSE SHOWN BELOW AND RIGHTS INCIDENTAL THERETO AS SET FORTH IN A DOCUMENT
 PURPOSE: UNDERGROUND COMMUNICATION SYSTEM
 AFFECTS: THAT PORTION OF SAID LAND AS DESCRIBED IN THE ATTACHED HERETO
 RECORDED: [FEBRUARY 25, 2008 AS INSTRUMENT NO. 08-316665](#)
17. THE PROVISIONS OF AN INSTRUMENT EXECUTED BY AND BETWEEN THE PARTIES NAMED THEREIN, UPON THE TERMS, PROVISIONS AND CONDITIONS THEREIN PROVIDED.
 ENTITLED: "DEVELOPMENT AGREEMENT"
 RECORDED: [DECEMBER 13, 2016 AS INSTRUMENT NO. 16-1579230](#)

REFERENCE IS MADE TO SAID DOCUMENT FOR FULL PARTICULARS.

THE PROVISIONS OF AN INSTRUMENT EXECUTED BY AND BETWEEN THE PARTIES NAMED THEREIN, UPON THE TERMS, PROVISIONS AND CONDITIONS THEREIN PROVIDED.
 ENTITLED: "ASSIGNMENT AND ASSUMPTION AGREEMENT"
 RECORDED: [MAY 3, 2017 AS INSTRUMENT NO. 17-489962](#)

REFERENCE IS MADE TO SAID DOCUMENT FOR FULL PARTICULARS.

THE PROVISIONS OF AN INSTRUMENT EXECUTED BY AND BETWEEN THE PARTIES NAMED THEREIN, UPON THE TERMS, PROVISIONS AND CONDITIONS THEREIN PROVIDED.

ENTITLED: "OPERATION MEMORANDUM NO. 1 EL SEGUNDO SOUTH CAMPUS DEVELOPMENT AGREEMENT (RAYTHEON)"

RECORDED: [OCTOBER 9, 2019 AS INSTRUMENT NO. 19-72116](#)

REFERENCE IS MADE TO SAID DOCUMENT FOR FULL PARTICULARS.

THE PROVISIONS OF AN INSTRUMENT EXECUTED BY AND BETWEEN THE PARTIES NAMED THEREIN, UPON THE TERMS, PROVISIONS AND CONDITIONS THEREIN PROVIDED.

ENTITLED: "FIRST AMENDMENT DEVELOPMENT AGREEMENT"

RECORDED: [NV 13, 2019 AS INSTRUMENT NO. 19-1228494](#)

REFERENCE IS MADE TO SAID DOCUMENT FOR FULL PARTICULARS.

THE PROVISIONS OF AN INSTRUMENT EXECUTED BY AND BETWEEN THE PARTIES NAMED THEREIN, UPON THE TERMS, PROVISIONS AND CONDITIONS THEREIN PROVIDED.

ENTITLED: "ASSIGNMENT AND ASSUMPTION AGREEMENT"

RECORDED: [APRIL 7, 2021 AS INSTRUMENT NO. 21-545516](#)

REFERENCE IS MADE TO SAID DOCUMENT FOR FULL PARTICULARS.

THE PROVISIONS OF AN INSTRUMENT EXECUTED BY AND BETWEEN THE PARTIES NAMED THEREIN, UPON THE TERMS, PROVISIONS AND CONDITIONS THEREIN PROVIDED.

ENTITLED: "SECOND AMENDMENT TO DEVELOPMENT AGREEMENT"

RECORDED: [JANUARY 27, 2022 AS INSTRUMENT NO. 22-108132](#)

REFERENCE IS MADE TO SAID DOCUMENT FOR FULL PARTICULARS.

THE PROVISIONS OF AN INSTRUMENT EXECUTED BY AND BETWEEN THE PARTIES NAMED THEREIN, UPON THE TERMS, PROVISIONS AND CONDITIONS THEREIN PROVIDED.

ENTITLED: "ASSIGNMENT AND ASSUMPTION AGREEMENT"

RECORDED: [MARCH 11, 2022 AS INSTRUMENT NO. 22-285156](#)

REFERENCE IS MADE TO SAID DOCUMENT FOR FULL PARTICULARS.

THE PROVISIONS OF AN INSTRUMENT EXECUTED BY AND BETWEEN THE PARTIES NAMED THEREIN, UPON THE TERMS, PROVISIONS AND CONDITIONS THEREIN PROVIDED.

ENTITLED: "ASSIGNMENT AND ASSUMPTION AGREEMENT"

RECORDED: [MARCH 11, 2022 AS INSTRUMENT NO. 22-285160](#)

REFERENCE IS MADE TO SAID DOCUMENT FOR FULL PARTICULARS.

18. THE PROVISIONS OF AN INSTRUMENT EXECUTED BY AND BETWEEN THE PARTIES NAMED THEREIN, UPON THE TERMS, PROVISIONS AND CONDITIONS THEREIN PROVIDED.

ENTITLED: "A CONDITIONAL CERTIFICATE OF COMPLIANCE"

RECORDED: [DECEMBER 19, 2016 AS INSTRUMENT NO. 16-1609377](#)

REFERENCE IS MADE TO SAID DOCUMENT FOR FULL PARTICULARS.

19. COVENANTS, CONDITIONS AND RESTRICTIONS, BUT OMITTING ANY COVENANT, CONDITION AND RESTRICTION, IF ANY, BASED ON RACE, COLOR, RELIGION, SEX, HANDICAP, FAMILIAL STATUS OR NATIONAL ORIGIN UNLESS AND ONLY TO THE EXTENT THAT THE COVENANT, CONDITION OR RESTRICTION (A) IS EXEMPT UNDER TITLE 42 OF THE UNITED STATES CODE, OR (B) RELATES TO HANDICAP, BUT DOES NOT DISCRIMINATE AGAINST HANDICAPPED PERSONS" AS SET FORTH IN THE DOCUMENT RECORDED: [MAY 3, 2017 AS INSTRUMENT NO. 17-489957](#)

NOTE: SECTION 12956.1 OF THE GOVERNMENT CODE PROVIDES THE FOLLOWING: IF THIS DOCUMENT CONTAINS ANY RESTRICTIONS BASED ON RACE, COLOR, RELIGION, SEX, FAMILIAL STATUS, MARITAL STATUS, DISABILITY, NATIONAL ORIGIN, OR ANCESTRY, THAT RESTRICTION VIOLATES STATE AND FEDERAL FAIR HOUSING LAWS AND IS VOID. ANY PERSON HOLDING AN INTEREST IN THIS PROPERTY MAY REQUEST THAT THE COUNTY RECORDER REMOVE THE RESTRICTIVE LANGUAGE PURSUANT TO SUBDIVISION (C) OF SECTION 12956.1 OF THE GOVERNMENT CODE.

SAID COVENANTS, CONDITIONS AND RESTRICTIONS PROVIDE THAT A VIOLATION THEREOF SHALL NOT DEFEAT THE LIEN OF ANY MORTGAGE OR DEED OF TRUST MADE IN GOOD FAITH AND FOR VALUE.

MODIFICATION(S) OF SAID COVENANTS, CONDITIONS AND RESTRICTIONS RECORDED: [MARCH 18, 2020 AS INSTRUMENT NO. 20-378566](#), [APRIL 2, 2020 AS INSTRUMENT NO. 20-378567](#), [APRIL 7, 2021 AS INSTRUMENT NO. 21-545513](#) AND [MARCH 11, 2022 AS INSTRUMENT NO. 22-28548](#)

20. THE PROVISIONS OF AN INSTRUMENT EXECUTED BY AND BETWEEN THE PARTIES NAMED THEREIN, UPON THE TERMS, PROVISIONS AND CONDITIONS THEREIN PROVIDED.
ENTITLED: "DECLARATION OF SPECIAL LAND SUE RESTRICTION"
RECORDED: [MAY 3, 2017 AS INSTRUMENT NO. 17-489958](#)

REFERENCE IS MADE TO SAID DOCUMENT FOR FULL PARTICULARS.

21. THE PROVISIONS OF AN INSTRUMENT EXECUTED BY AND BETWEEN THE PARTIES NAMED THEREIN, UPON THE TERMS, PROVISIONS AND CONDITIONS THEREIN PROVIDED.
ENTITLED: "EASEMENT AGREEMENT"
RECORDED: [MAY 3, 2017 AS INSTRUMENT NO. 17-489960](#)

REFERENCE IS MADE TO SAID DOCUMENT FOR FULL PARTICULARS.

FIRST AMENDMENT TO EASEMENT AGREEMENT, RECORDED [APRIL 2, 2020 AS INSTRUMENT NO. 20-378569](#)

22. THE PROVISIONS OF AN INSTRUMENT EXECUTED BY AND BETWEEN THE PARTIES NAMED THEREIN, UPON THE TERMS, PROVISIONS AND CONDITIONS THEREIN PROVIDED.
ENTITLED: "AGREEMENT FOR PERFORMANCE OF DESIGNATED WORK"
RECORDED: [MAY 3, 2017 AS INSTRUMENT NO. 17-489961](#)

REFERENCE IS MADE TO SAID DOCUMENT FOR FULL PARTICULARS.

23. AN EASEMENT FOR THE PURPOSE SHOWN BELOW AND RIGHTS INCIDENTAL THERETO AS SET FORTH IN A DOCUMENT
 PURPOSE: INGRESS AND EGRESS, SANITARY SEWER, DRAINAGE, STORM DRAIN, PUBLIC UTILITIES, EMERGENCY ACCESS, FIRE HYDRANT, WATER METER, WATER LINE, TRAFFIC SIGNAL AND SIDEWALK PURPOSES
 AFFECTS: AS SHOWN ON SAID MAP
 RECORDED: AS INSTRUMENT NO. [19-1313306](#)

24. THE PROVISIONS OF AN INSTRUMENT EXECUTED BY AND BETWEEN THE PARTIES NAMED THEREIN, UPON THE TERMS, PROVISIONS AND CONDITIONS THEREIN PROVIDED.
 ENTITLED: "DECLARATION OF SPECIAL LAND USE RESTRICTIONS"
 RECORDED: [DECEMBER 31, 2019 AS INSTRUMENT NO. 19-1466051](#)

REFERENCE IS MADE TO SAID DOCUMENT FOR FULL PARTICULARS.

THE PROVISIONS OF AN INSTRUMENT EXECUTED BY AND BETWEEN THE PARTIES NAMED THEREIN, UPON THE TERMS, PROVISIONS AND CONDITIONS THEREIN PROVIDED.
 ENTITLED: "FIRST AMENDMENT TO DECLARATION OF SPECIAL LAND USE RESTRICTIONS"
 RECORDED: [MARCH 11, 2022 AS INSTRUMENT NO. 22-285149](#)

REFERENCE IS MADE TO SAID DOCUMENT FOR FULL PARTICULARS.

25. AN EASEMENT FOR THE PURPOSE SHOWN BELOW AND RIGHTS INCIDENTAL THERETO AS SET FORTH IN A DOCUMENT
 PURPOSE: VEHICULAR AND PEDESTRIAN INGRESS AND EGRESS AND TRAFFIC CIRCULATION
 AFFECTS: PORTIONS OF THE LAND AS DESCRIBED THEREIN
 RECORDED: [JANUARY 3, 2020 AS INSTRUMENT NO. 20-6369](#)

26. THE PROVISIONS OF AN INSTRUMENT EXECUTED BY AND BETWEEN THE PARTIES NAMED THEREIN, UPON THE TERMS, PROVISIONS AND CONDITIONS THEREIN PROVIDED.
 ENTITLED: "LAND USE COVENANT AND AGREEMENT ENVIRONMENTAL RESTRICTIONS"
 RECORDED: [OCTOBER 20, 2020 AS INSTRUMENT NO. 20-1306546](#)

REFERENCE IS MADE TO SAID DOCUMENT FOR FULL PARTICULARS.

27. ANY RIGHTS, CLAIMS OR INTERESTS THAT MAY EXISTS OR ARISE BY REASON OF THE FOLLOWING FACTS DISCLOSED BY A MAP DATED FEBRUARY 8, 2021 LAST REVISED MARCH 8, 2021 OF AN ALTA/NSPS LAND TITLE SURVEY COMPLETED APRIL 7, 2020 PREPARED BY OR UNDER THE RESPONSIBLE CHARGE OF ROBERT S. ROGERS LOS ANGELES 8348, OF/FOR KPFF, PROJECT/JOB NO. 2000081.

A . A CHAIN LINK FENCE CROSSES THE SOUTHWEST LINE OF LOT 7 IN MULTIPLE LOCATIONS.

B . A CHAN LINK FENCE CROSSES THE SOUTHEAST LINE OF LOT 8 IN MULTIPLE LOCATIONS.

C . A BUILDING ON THE EASTERLY ADJOINING PROPERTY LIES ON THE EAST LINE OF LOT 8.

D. A CHAN LINK FENCE CROSS THE NORTH LINE OF LOT 22.

E . CURBS AND GUTTER EXTEND ACROSS THE NORTHWEST LINE OF SURVEYED PROPERTY IN MULTIPLE LOCATIONS.

F . CHAIN LINK FENCING CROSSES THE NORTHWEST LINE OF SURVEYED PROPERTY.

G . PARKING IMPROVEMENTS EXTEND ACROSS THE NORTHERLY AND NORTHWEST LY LINES OF SURVEYED PROPERTY.

H . CURBS AND GUTTERS EXTEND ACROSS THE NORTH AND NORTHWEST LINES OF LOT 7.

I . THERE IS A BILLBOARD ON THE SOUTH SIDE OF LOT 8.

J . THE FACT TAT THE SURVEY IS NOT BASED ON THE CURRENT TITLE REPORT.

K . THE FACT THAT THE FOLLOWING MATTERS SET FORTH IN THE "MINIMUM STANDARD DETAIL REQUIREMENTS FOR ALTA/NSPS LAND TITLE SURVEYS" JOINTLY ESTABLISHED AND ADOPTED BY ALTA AND NSPS IN 2016, HAVE NOT BEEN ADDRESSED OR COMPLIED WITH BY THE SURVEY IN ITS PRESENT FORM. THE NUMBERS IN PARENTHESES REFER TO THE SPECIFIC STANDARD IN THE REQUIREMENTS.

(7.) SURVEYOR'S SIGNATURE IS NOT ON THE SURVEY.

28. THE PROVISIONS OF AN INSTRUMENT EXECUTED BY AND BETWEEN THE PARTIES NAMED THEREIN, UPON THE TERMS, PROVISIONS AND CONDITIONS THEREIN PROVIDED.
ENTITLED: "DECLARATION OF SPECIAL LAND USE RESTRICTION"
RECORDED: [APRIL 7, 2021 AS INSTRUMENT NO. 21-545514](#)

REFERENCE IS MADE TO SAID DOCUMENT FOR FULL PARTICULARS.

THE PROVISIONS OF AN INSTRUMENT EXECUTED BY AND BETWEEN THE PARTIES NAMED THEREIN, UPON THE TERMS, PROVISIONS AND CONDITIONS THEREIN PROVIDED.
ENTITLED: "FIRST AMENDMENT TO DECLARATION OF SPECIAL LAND USE RESTRICTIONS"
RECORDED: [MARCH 11, 2022 AS INSTRUMENT NO. 22-285150](#)

REFERENCE IS MADE TO SAID DOCUMENT FOR FULL PARTICULARS.

29. THE PROVISIONS OF AN INSTRUMENT EXECUTED BY AND BETWEEN THE PARTIES NAMED THEREIN, UPON THE TERMS, PROVISIONS AND CONDITIONS THEREIN PROVIDED.
ENTITLED: "GRANT DEED AND ENVIRONMENTAL RESTRICTIONS"
RECORDED: [APRIL 7, 2021 AS INSTRUMENT NO. 21-545515](#)

REFERENCE IS MADE TO SAID DOCUMENT FOR FULL PARTICULARS.

30. THE PROVISIONS OF AN INSTRUMENT EXECUTED BY AND BETWEEN THE PARTIES NAMED THEREIN, UPON THE TERMS, PROVISIONS AND CONDITIONS THEREIN PROVIDED.
ENTITLED: "EASEMENT AGREEMENT (USE)"
RECORDED: [APRIL 7, 2021 AS INSTRUMENT NO. 21-545517](#)

REFERENCE IS MADE TO SAID DOCUMENT FOR FULL PARTICULARS.

31. THE PROVISIONS OF AN INSTRUMENT EXECUTED BY AND BETWEEN THE PARTIES NAMED THEREIN, UPON THE TERMS, PROVISIONS AND CONDITIONS THEREIN PROVIDED.
ENTITLED: "ACCESS EASEMENT AGREEMENT"
RECORDED: [APRIL 7, 2021 AS INSTRUMENT NO. 21-545518](#)

REFERENCE IS MADE TO SAID DOCUMENT FOR FULL PARTICULARS.

THE PROVISIONS OF AN INSTRUMENT EXECUTED BY AND BETWEEN THE PARTIES NAMED THEREIN, UPON THE TERMS, PROVISIONS AND CONDITIONS THEREIN PROVIDED.
ENTITLED: "FIRST AMENDMENT TO ACCESS EASEMENT AGREEMENT"
RECORDED: [MARCH 11, 2022 AS INSTRUMENT NO. 22-285157](#)

REFERENCE IS MADE TO SAID DOCUMENT FOR FULL PARTICULARS.

32. THE PROVISIONS OF AN INSTRUMENT EXECUTED BY AND BETWEEN THE PARTIES NAMED THEREIN, UPON THE TERMS, PROVISIONS AND CONDITIONS THEREIN PROVIDED.
ENTITLED: "QUITCLAIM AGREEMENT"
RECORDED: [JANUARY 03, 2023 AS INSTRUMENT NO. 23-489](#)

REFERENCE IS MADE TO SAID DOCUMENT FOR FULL PARTICULARS.

33. A DEED OF TRUST TO SECURE AN INDEBTEDNESS IN THE AMOUNT SHOWN BELOW, AND ANY OTHER OBLIGATIONS SECURED THEREBY
AMOUNT: \$ 50,000,000.00
DATED: APRIL 5, 2021
TRUSTOR: CDC MAR EAST CAMPUS 1 LLC, A CALIFORNIA LIMITED LIABILITY COMPANY
TRUSTEE: CHICAGO TITLE COMPANY
BENEFICIARY: CITY NATIONAL BANK, A NATIONAL BANKING ASSOCIATION
RECORDED: [APRIL 07, 2021 AS INSTRUMENT NO. 21-10545520](#)
202
AFFECTS: THE HEREIN DESCRIBED LAND AND OTHER LAND.

AN AGREEMENT TO MODIFY THE TERMS AND PROVISIONS OF SAID DEED OF TRUST AS THEREIN PROVIDED

EXECUTED BY: CDC MAR EAST CAMPUS 1 LLC ,CDC MAR EAST CAMPUS 2 LLC AND CITY NATIONAL BANK
RECORDED: [MARCH 11, 2022 AS INSTRUMENT NO. 22-285259](#)

A SUBSTITUTION OF TRUSTEE UNDER SAID DEED OF TRUST WHICH SUBSTITUTED THE TRUSTEE
RECORDED: [JUNE 17, 2022 AS INSTRUMENT NO. 22-645864](#)

34. ANY RIGHTS OF THE PARTIES IN POSSESSION OF SAID LAND, BASED ON AN UNRECORDED AGREEMENT, CONTRACT OR LEASE, AS DISCLOSED BY INSPECTION AND INVESTIGATION.

THIS COMPANY WILL REQUIRE THAT A FULL COPY OF ANY UNRECORDED AGREEMENT, CONTRACT OR LEASE BE SUBMITTED TO US, TOGETHER WITH ALL SUPPLEMENTS, ASSIGNMENTS AND AMENDMENTS, BEFORE ISSUING ANY POLICY OF TITLE INSURANCE.

END OF SCHEDULE B

NOTES AND REQUIREMENTS

FOR OUR WIRING INSTRUCTIONS PLEASE CONTACT THE TITLE UNIT

SPECIAL NOTE: THE POLICY TO BE ISSUED MAY CONTAIN AN ARBITRATION CLAUSE. WHEN THE AMOUNT OF INSURANCE IS LESS THAN THE AMOUNT, IF ANY SET FORTH IN THE ARBITRATION CLAUSE, ALL ARBITRABLE MATTERS SHALL BE ARBITRATED AT THE OPTION OF EITHER THE COMPANY OR THE INSURED AS THE EXCLUSIVE REMEDY BY THE PARTIES.

SPECIAL NOTE: IF A COUNTY RECORDER, TITLE INSURANCE COMPANY, ESCROW COMPANY, REAL ESTATE BROKER, REAL ESTATE AGENT OR ASSOCIATION PROVIDES A COPY OF A DECLARATION, GOVERNING DOCUMENT OR DEED TO ANY PERSON, CALIFORNIA LAW REQUIRES THAT THE DOCUMENT PROVIDED SHALL INCLUDE A STATEMENT REGARDING ANY UNLAWFUL RESTRICTIONS. SAID STATEMENT IS TO BE IN AT LEAST 14-POINT BOLD FACER TYPE AND MAY BE STAMPED ON THE FIRST PAGE OF ANY DOCUMENT PROVIDED OR INCLUDED AS A COVER PAGE ATTACHED TO THE REQUESTED DOCUMENT. SHOULD A PARTY TO THIS TRANSACTION REQUEST A COPY OF ANY DOCUMENT REPORTED HEREIN THAT FITS THIS CATEGORY, THE STATEMENT IS TO BE INCLUDED IN THE MANNER DESCRIBED.

SPECIAL NOTE: CALIFORNIA REVENUE AND TAXATION CODE SECTION 18662, EFFECTIVE JANUARY 1, 1994 AND BY AMENDMENT EFFECTIVE JANUARY 1, 2003, PROVIDES THAT THE SELLER IN ALL SALES OF CALIFORNIA REAL ESTATE MAY BE REQUIRED TO WITHHOLD 3 AND 1/3RD % OF THE TOTAL SALES PRICE A CALIFORNIA STATE INCOME TAX, SUBJECT TO THE VARIOUS PROVISIONS OF THE LAW AS THEREIN CONTAINED.

SPECIAL NOTE: UNLESS OTHERWISE DIRECTED IN WRITING, PROVIDENT TITLE COMPANY AUTOMATICALLY ISSUES **THE ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE (2-03-10)** ON ALL QUALIFIED RESIDENTIAL PROPERTY SALE TRANSACTIONS.

SPECIAL NOTE: THE ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE (1-1-08) CONTAINS EXCEPTIONS AS TO OFF RECORD MATTERS IN ADDITION TO SPECIFIC DEDUCTIBLE AMOUNTS AND SPECIFIC LIABILITY MAXIMUMS FOR COVERED RISKS OF SAID POLICY THAT HAVE BEEN FILED AND APPROVED BY THE VARIOUS DEPARTMENTS OF INSURANCE WHERE THE FORMS HAVE BEEN FILED. PLEASE CONSULT WITH YOUR ESCROW OR TITLE OFFICER IF YOU HAVE QUESTIONS REGARDING THE POLICY.

Note No. 1: YOUR ORDER FOR TITLE WORK CALLS FOR A SEARCH OF PROPERTY THAT IS IDENTIFIED BY A STREET ADDRESS ONLY OR BY SUCH OTHER UNCONFIRMED DATA. BASED ON OUR RECORDS, WE BELIEVE THAT THE LAND DESCRIPTION AND ITS OWNERSHIP IN THIS REPORT REPRESENTS THE PARCEL THAT YOU REQUESTED.

IN ORDER TO PREVENT COSTLY ERRORS AND TO BE CERTAIN THAT THE CORRECT PARCEL OF LAND IS BEING CONSIDERED, WE REQUIRE THAT WRITTEN APPROVAL OF THE LEGAL DESCRIPTION AND THE VESTING IN THIS REPORT BE SENT TO US. IF WE DO NOT RECEIVE SUCH CONFIRMATION BEFORE CLOSE OF ESCROW, WE WILL CONSIDER THIS DEEMED APPROVAL OF THE DESCRIPTION AND OWNERSHIP OF SAID LAND AS SHOWN IN OUR REPORT.

Note No. 2: WE WILL REQUIRE A STATEMENT OF INFORMATION FROM THE PARTIES NAMED BELOW IN ORDER TO COMPLETE THIS REPORT, BASED ON THE EFFECT OF DOCUMENTS, PROCEEDINGS, LIENS, DECREES, OR OTHER MATTERS WHICH DO NOT SPECIFICALLY DESCRIBE SAID LAND, BUT WHICH, IF ANY DO EXIST, MAY AFFECT THE TITLE OR IMPOSE LIENS OR ENCUMBRANCES THEREON.

PARTIES: ALL PARTIES

Note No. 3: THE REQUIREMENT THAT THIS COMPANY BE PROVIDED THE FOLLOWING FOR THE BELOW NAMED LIMITED LIABILITY COMPANY BEFORE ISSUING ANY POLICY OF TITLE INSURANCE,

(1) A COPY OF ITS OPERATING AGREEMENT AND ANY AMENDMENTS THERETO MUST BE SUBMITTED TO THE COMPANY FOR REVIEW.

(2) A CERTIFIED COPY OF ITS ARTICLES OF ORGANIZATION (LLC-1), ANY CERTIFICATE OF CORRECTION (LLC-11), CERTIFICATE OF AMENDMENT (LLC-2), OR RESTATEMENT OF ARTICLES OF ORGANIZATION (LLC-10) MUST BE SUBMITTED TO COMPANY FOR REVIEW.

(3) WITH RESPECT TO ANY DEED, DEED OF TRUST, LEASE SUBORDINATION AGREEMENT OR OTHER DOCUMENT OR INSTRUMENT EXECUTED BY SUCH LIMITED LIABILITY COMPANY AND PRESENTED TO THE COMPANY FOR RECORDING OR UPON WHICH THE COMPANY IS ASKED TO RELY, SUCH DOCUMENT OR INSTRUMENT MUST BE EXECUTED IN ACCORDANCE WITH THE FOLLOWING:

A. IF THE LIMITED LIABILITY COMPANY PROPERLY OPERATES THROUGH OFFICERS APPOINTED OR ELECTED PURSUANT TO THE TERMS OF THE WRITTEN OPERATING AGREEMENT, SUCH DOCUMENT OR INSTRUMENT MUST BE EXECUTED BY AT LEAST TWO DULY ELECTED OR APPOINTED OFFICERS AS FOLLOWS: THE CHAIRMAN OF THE BOARD, THE PRESIDENT, VICE PRESIDENT, AND ANY SECRETARY, ASSISTANT SECRETARY, THE CHIEF FINANCIAL OFFICER OR ANY ASSISTANT TREASURER.

B. IF THE LIMITED LIABILITY COMPANY PROPERLY OPERATES THROUGH A MANAGER OR MANAGERS IDENTIFIED IN THE ARTICLES OF ORGANIZATION AND/OR DULY ELECTED PURSUANT TO THE TERMS OF A WRITTEN OPERATING AGREEMENT, SUCH DOCUMENT OR INSTRUMENT MUST BE EXECUTED BY AT LEAST TWO SUCH MANAGERS OR BY ONE MANAGER IF THE LIMITED LIABILITY COMPANY PROPERLY OPERATES WITH THE EXISTENCE OF ONLY ONE MANAGER.

(4) OTHER REQUIREMENTS WHICH THE COMPANY MAY IMPOSE FOLLOWING ITS REVIEW OF THE MATERIAL REQUIRED HEREIN AND OTHER INFORMATION WHICH THE COMPANY MAY REQUIRE.

NAME OF LLC: CDC MAR EAST CAMPUS 2 LLC, A CALIFORNIA LIMITED LIABILITY COMPANY

EXHIBIT "A"

LOTS 22, 23 AND 24 OF TRACT NO. 71551, IN THE CITY OF EL SEGUNDO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1418 PAGE(S) 45 THROUGH 55 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

ALSO EXCEPT THEREFROM, ALL OIL, GAS AND OTHER HYDROCARBONS, GEOTHERMAL RESOURCES AS DEFINED IN SECTION 6903 OF THE CALIFORNIA PUBLIC RESOURCES CODE AND ALL OTHER MINERALS, WHETHER SIMILAR TO THOSE HEREIN SPECIFIED OR NOT, WITHIN OR THAT MAY BE PRODUCED FROM THE PROPERTY BELOW A DEPTH OF FIVE HUNDRED (500) FEET, AS RESERVED BY DEED EXECUTED BY CHEVRON U.S.A. INC., A CORPORATION, RECORDED ON NOVEMBER 28, 1978 AS INSTRUMENT NO. 78-1317577, OF OFFICIAL RECORDS, WHICH ALSO RECITES, "PROVIDED, HOWEVER, THAT ALL RIGHTS AND INTEREST IN THE SURFACE OF THE PROPERTY AND THE LAND MASS OF THE PROPERTY TO A DEPTH OF FIVE HUNDRED (500) FEET ARE HEREBY CONVEYED TO GRANTEE, NO RIGHT OF INTEREST OF ANY KIND THEREIN, EXPRESS OR IMPLIED, BEING OR RESERVED TO GRANTOR EXCEPT AS HEREINAFTER EXPRESSLY SET FORTH."

ASSESSOR'S PARCEL NUMBER: 4138-032-022, 023 AND 024

**PROVIDENT TITLE COMPANY
GLBA PRIVACY NOTICE**

This GLBA Privacy Notice explains how Provident Title Company (“Provident”) collects, uses, and protects personal information, when and to whom Provident discloses such information, and the choices you have about the use and disclosure of your information. Pursuant to Title V of the Gramm-Leach Bliley Act (“GLBA”) and other Federal and state laws and regulations applicable to financial institutions, consumers have the right to limit some, but not all, sharing of their personal information. Please read this GLBA Privacy Notice carefully to understand how Provident uses your personal information.

The types of personal information Provident collects and shares depends on the product or service you have requested.

Provident may collect the following categories of personal and financial information from you throughout your transaction:

1. Identifiers: Real name, alias, online Internet Protocol (IP) address if accessing company websites, email address, account name, unique online identifier, Social Security number, driver’s license number, passport number, or other similar identifiers.
2. Demographic Information: Marital status, gender, date of birth.
3. Personal Information and Personal Financial Information: Name, signature, Social Security number, physical characteristics or description, address, telephone number, insurance policy number, education, employment, employment history, bank account number, credit card number, debit card number, credit reports, or any other information necessary to complete the transaction.

Provident may collect personal information about you from:

1. Publicly available information from government records;
2. Information Provident receives directly from you or your agent(s), such as your lender or real estate broker;
3. Information about your transactions with Provident; and
4. Information Provident receives from consumer reporting agencies and/or governmental entities, either directly from these entities or through others.

Provident may use your personal information for the following purposes:

1. To provide products and services to you or in connection with a transaction.
2. To improve our products and services.
3. To communicate with you about our products and services.

Provident may use or disclose the personal information Provident collects for one or more of the following purposes:

- a. To fulfill or meet the reason for which the information is provided;
- b. To provide, support, personalize, and develop our website, products, and services;
- c. To create, maintain, customize, and secure your account with Provident;
- d. To process your requests, purchases, transactions, and payments and prevent transactional fraud;

- e. To prevent and/or process claims;
- f. To assist third party vendors/service providers who complete transactions or perform services on Provident's behalf pursuant to valid service provider agreements;
- g. As necessary or appropriate to protect the rights, property, or safety of Provident, our customers or others;
- h. To provide you with support and to respond to your inquiries, including to investigate and address your concerns and monitor and improve our responses;
- i. To help maintain the safety, security, and integrity of our website, products and services, databases and other technology-based assets, and business;
- j. To respond to law enforcement or regulator requests as required by applicable law, court order, or governmental regulations;
- k. Auditing for compliance with federal and state laws, rules, and regulations; and
- l. Performing services including maintaining or servicing accounts, providing customer service, processing, or fulfilling orders and transactions, verifying customer information, and processing payments.

Provident will not collect additional categories of personal information or use the personal information Provident collected for materially different, unrelated, or incompatible purposes without providing you notice.

Disclosure of Personal Information to Non-Affiliated Third Parties

Provident does not sell your personal information to non-affiliated third parties. Provident may share your information with those you have designated as your agent throughout the course of your transaction (for example, a realtor, broker, or a lender). Provident does not disclose your personal information to a non-affiliated third party for a business purpose.

Link to Privacy Notice

Provident's GLBA Privacy Notice can be found on our website at <https://providenttitle.com/privacy-notice-glba/>.

**PROVIDENT TITLE COMPANY
CCPA & CPRA PRIVACY NOTICE**

Pursuant to the California Consumer Privacy Act of 2018 (“CCPA”) and the California Privacy Rights Act of 2020, effective January 1, 2023 (“CPRA”), Provident Title Company (“Provident”) is providing this Privacy Notice at Collection for California Residents (“CCPA & CPRA Notice”). This CCPA & CPRA Notice supplements the information contained in Provident’s existing GLBA Privacy Notice and applies solely to all visitors, users, and consumers and others who reside in the State of California or are considered California Residents as defined in the CCPA & CPRA. All terms defined in the CCPA & CPRA have the same meaning when used in this CCPA & CPRA Notice.

Personal and Sensitive Personal Information Provident Collects

Specifically, Provident has collected the following categories of personal and sensitive personal information from consumers within the last twelve (12) months:

Category	Examples	Collected
A. Identifiers.	A real name, alias, postal address, unique personal identifier, online identifier, Internet Protocol address, email address, account name, Social Security number, driver’s license number, passport number, or other similar identifiers.	YES
B. Personal information categories listed in the California Customer Records statute (Cal. Civ. Code A§ 1798.80(e)).	A name, signature, Social Security number, physical characteristics or description, address, telephone number, passport number, driver’s license or state identification card number, insurance policy number, education, employment, employment history, bank account number, credit card number, debit card number, or any other financial information, medical information, or health insurance information. Some personal information included in this category may overlap with other categories.	YES
C. Protected classification characteristics under California or federal law.	Age (40 years or older), race, color, ancestry, national origin, citizenship, religion or creed, marital status, medical condition, physical or mental disability, sex (including gender, gender identity, gender expression, pregnancy or childbirth and related medical conditions), sexual orientation, veteran or military status, genetic information (including familial genetic information).	NO
D. Commercial information.	Records of personal property, products or services purchased, obtained, or considered, or other purchasing or consuming histories or tendencies.	NO
E. Biometric information.	Genetic, physiological, behavioral, and biological characteristics, or activity patterns used to extract a template or other identifier or identifying information, such as: fingerprints, faceprints, and voiceprints, iris or retina scans, keystroke, gait, or other physical patterns, and sleep, health, or exercise data.	NO
F. Internet or other similar network activity.	Browsing history, search history, information on a consumer’s interaction with a website, application, or advertisement.	NO
G. Geolocation data.	Physical location or movements.	NO
H. Sensory data.	Audio, electronic, visual, thermal, olfactory, or similar information.	NO

I. Professional or employment-related information.	Current or past job history or performance evaluations.	NO
J. Non-public education information (per the Family Educational Rights and Privacy Act (20 U.S.C. Section 1232g, 34 C.F.R. Part 99)).	Education records directly related to a student maintained by an educational institution or party acting on its behalf, such as: grades, transcripts, class lists, student schedules, student identification codes, student financial information, or student disciplinary records.	NO
K. Inferences drawn from other personal information.	Profile reflecting a person's preferences, characteristics, psychological trends, predispositions, behavior, attitudes, intelligence, abilities, and aptitudes.	NO

Provident obtains the categories of personal and sensitive information listed above from the following categories of sources:

- Directly and indirectly from customers, their designees, or their agents (For example, realtors, lenders, attorneys, brokers, etc.)
- Directly and indirectly from activity on Provident's website or other applications.
- From third parties that interact with Provident in connection with the services Provident provides.

Personal and Sensitive Personal Information Provident May Collect That Is Excluded from Protection

The following types of information may have been collected by Provident and is not subject to protection under this CCPA & CPRA Notice:

- Publicly available information from government records;
- Deidentified or aggregated consumer information;
- Health or medical information covered by the Health Insurance Portability and Accountability Act of 1996 (HIIPA) and the California Confidentiality of Medical Information Act (CMIA) or clinical trial data; or
- Certain personal information protected by other sector-specific federal or California laws, including but not limited to the Fair Credit Reporting Act (FCRA), Gramm Leach Bliley Act (GLBA) and California Financial Information Privacy Act (FIPA).

Use of Personal and Sensitive Personal Information

Provident may use or disclose the personal or sensitive information Provident collects for one or more of the following purposes:

- a. To fulfill or meet the reason for which the information is provided;
- b. To provide, support, personalize, and develop our website, products, and services;
- c. To create, maintain, customize, and secure your account with Provident;
- d. To process your requests, purchases, transactions, and payments and prevent transactional fraud;
- e. To prevent and/or process claims;

- f. To assist third party vendors/service providers who complete transactions or perform services on Provident's behalf pursuant to valid service provider agreements;
- g. As necessary or appropriate to protect the rights, property, or safety of Provident, our customers or others;
- h. To provide you with support and to respond to your inquiries, including to investigate and address your concerns and monitor and improve our responses;
- i. To help maintain the safety, security, and integrity of our website, products and services, databases and other technology-based assets, and business;
- j. To respond to law enforcement or regulator requests as required by applicable law, court order, or governmental regulations;
- k. Auditing for compliance with federal and state laws, rules, and regulations; or
- l. Performing services including maintaining or servicing accounts, providing customer service, processing, or fulfilling orders and transactions, verifying customer information, and processing payments.

Provident will not collect additional categories of personal or sensitive information or use the personal or sensitive information Provident collected for materially different, unrelated, or incompatible purposes without providing you notice.

Disclosure of Personal Information to Non-Affiliated Third Parties

Provident does not sell your personal information to non-affiliated third parties. Provident may share your information with those you have designated as your agent throughout the course of your transaction (for example, a realtor, broker, or a lender). Provident does not disclose your personal information to a non-affiliated third party for a business purpose.

Your Rights Under CCPA

The CCPA provides consumers (California residents as defined in the CCPA) with specific rights regarding their personal information. This section describes your CCPA rights and explains how to exercise those rights.

Access to Specific Information and Data Portability Rights

You have the right to request that Provident disclose certain information to you about our collection and use of your personal information over the past twelve (12) months. Once Provident receives and confirms your verifiable consumer request, Provident will disclose to you:

- The categories of personal information Provident collected about you;
- The categories of sources for the personal information Provident collected about you;
- Provident's business or commercial purpose for collecting that personal information;
- The categories of third parties with whom Provident shares that personal information;
- The specific pieces of personal information Provident collected about you (also called a data portability request); and
- If Provident disclosed your personal data for a business purpose, a listing identifying the personal information categories that each category of recipient obtained.

Deletion Request Rights

You have the right to request that Provident delete any of your personal information Provident collected from you and retained, subject to certain exceptions. Once Provident receives and confirms your verifiable consumer request, Provident will delete (and direct our service providers to delete) your personal information from our records, unless an exception applies.

Provident may deny your deletion request if retaining the information is necessary for us or our service providers to:

1. Complete the transaction for which Provident collected the personal information, provide a good or service that you requested, take actions reasonably anticipated within the context of our ongoing business relationship with you, or otherwise perform our contract with you;
2. Detect security incidents, protect against malicious, deceptive, fraudulent, or illegal activity, or prosecute those responsible for such activities;
3. Debug products to identify and repair errors that impair existing intended functionality;
4. Exercise free speech, ensure the right of another consumer to exercise their free speech rights, or exercise another right provided for by law;
5. Comply with the California Electronic Communications Privacy Act (Cal. Penal Code A§ 1546 *seq.*);
6. Enable solely internal uses that are reasonably aligned with consumer expectations based on your relationship with us;
7. Comply with a legal obligation; or
8. Make other internal and lawful uses of that information that are compatible with the context in which you provided it.

Your Rights Under CPRA

CPRA expands upon your consumer rights and protections offered by the CCPA. This section describes your CPRA rights and explains how to exercise those rights.

Opt-Out of Information Sharing and Selling

Provident does not share or sell information to third parties as the terms are defined under the CCPA and CPRA. Provident only shares your personal information as commercially necessary and in accordance with this CCPA & CPRA Notice.

Correction of Inaccurate Information

You have the right to request that Provident correct any inaccurate information maintained about you.

Limit the Use of Sensitive Personal Information

You have the right to limit how your sensitive personal information, as defined in the CCPA and CPRA, is disclosed or shared with third parties.

Exercising Your Rights Under CCPA and CPRA

To exercise the access, data portability, deletion, opt-out, correction, or limitation rights described above, please submit a verifiable consumer request to us by the available means provided below:

Phone: Toll Free at (800) 794-8094

Website: <https://providenttitle.com/contact-us/>

Email: info@providenttitle.com

Only you, or someone legally authorized to act on your behalf, may make a verifiable consumer request related to your personal information. You may also make a verifiable consumer request on behalf of your minor child, if applicable.

To designate an authorized agent, please contact Provident through one of the methods mentioned above.

You may only make a verifiable consumer request for access or data portability twice within a twelve (12) month period. The verifiable consumer request must:

- Provide sufficient information that allows us to reasonably verify you are the person about whom Provident collected personal information or an authorized representative; and
- Describe your request with sufficient detail that allows us to properly understand, evaluate, and respond to it.

Provident cannot respond to your request or provide you with personal information if Provident cannot verify your identity or authority to make the request and confirm the personal information relates to you.

Making a verifiable consumer request does not require you to create an account with Provident.

Response Timing and Format

Provident endeavors to respond to a verifiable consumer request within forty-five (45) days of its receipt. If Provident requires more time (up to an additional forty-five (45) days), Provident will inform you of the reason and extension period in writing.

A written response will be delivered by mail or electronically, at your option.

Any disclosures Provident provides will only cover the twelve (12) month period preceding the verifiable consumer request's receipt. The response Provident provides will also explain the reasons Provident cannot comply with a request, if applicable. For data portability requests, Provident will select a format to provide your personal information that is readily useable and should allow you to transmit the information from one entity to another entity without hindrance.

Provident does not charge a fee to process or respond to your verifiable consumer request unless it is excessive, repetitive, or manifestly unfounded. If Provident determine that the request warrants a fee, Provident will tell you why Provident made that decision and provide you with a cost estimate before completing your request.

Non-Discrimination

Provident will not discriminate against you for exercising any of your CCPA and CPRA rights. Unless permitted by the CCPA or CPRA, Provident will not:

- Deny you goods or services;
- Charge you a different prices or rates for goods or services, including through granting discounts or other benefits, or imposing penalties;
- Provide you a different level or quality of goods or services; or
- Suggest that you may receive a different price or rate for goods or services or a different level or quality of goods or services.

Record Retention

Your personal information will not be kept for longer than is necessary for the business purpose for which it is collected and processed. Provident will retain your personal information and records based on established record retention policies pursuant to California law and in compliance with all federal and state retention obligations. Additionally, Provident will retain your personal information to comply with applicable laws, regulations, and legal processes (such as responding to subpoenas or court orders), and to respond to legal claims, resolve disputes, and comply with legal or regulatory recordkeeping requirements.

Changes to This CCPA & CPRA Notice

Provident reserves the right to amend this CCPA & CPRA Notice at our discretion and at any time. When Provident makes changes to this CCPA & CPRA Notice, Provident will post the updated Notice on Provident's website and update the Notice's effective date.

Link to Privacy Notice

Provident's CCPA & CPRA Privacy Notice can be found on our website at <https://providenttitle.com/privacy-notice-ccpa/>.

Contact Information

If you have questions or comments about this notice, the ways in which Provident collects and uses your information described herein, your choices and rights regarding such use, or wish to exercise your rights under California law, please do not hesitate to contact us at:

Phone: Toll Free at (800) 794-8094

Website: <https://providenttitle.com/contact-us/>

Email: info@providenttitle.com

Privacy Notice

The Doma Family of Companies

FACTS	What does the Doma family of companies do with your personal information?	
Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some, but not all, sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.	
What?	The types of personal information we collect and share depend on the product or service you have with us. This information can include: <ul style="list-style-type: none"> • Social Security number, date of birth and income • Transaction history and payment history • Purchase history and account balances 	
How?	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information, the reasons the Doma Family of Companies chooses to share, and whether you can limit this sharing.	
Reasons we can share your personal information		Does Doma share?
For our everyday business purposes Such as to process our transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus		Yes
For our marketing purposes To offer our products and services to you		Yes
For joint marketing with other financial companies		No
For our affiliates' everyday business purposes Information about your transactions and experiences		Yes
For our affiliates' everyday business purposes Information about your creditworthiness		No
For our affiliates to market to you		No
For our nonaffiliates to market you		No
To limit our sharing	<ul style="list-style-type: none"> • Call 1-866-929-7437 – our menu will prompt you through your choice(s) or • Visit us online: www.doma.com <p>Please note:</p> <p>If you are new customer, we can begin sharing your information 30 days from the date we sent this notice. When you are no longer our customer, we continue to share your information as described in this notice.</p> <p>However, you can contact us at any time to limit our sharing.</p>	
Questions?	Call 1 (866) 929-7437 or go to www.doma.com	

Privacy Notice

The Doma Family of Companies

Who we are	
Who is providing this notice?	The Doma Family of Companies (identified below), which offers title insurance and settlement services.
What we do	
How does Doma protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secure files and buildings.
How does Doma collect my personal information?	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> • Apply for insurance; • Apply for financing; • Give us your contact information • Provide your mortgage information • Show your government-issued ID <p>We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.</p>
Why can't I limit all sharing?	<p>Federal law gives you the right to limit only</p> <ul style="list-style-type: none"> • Sharing for affiliates' everyday business purposes – information about your creditworthiness • Affiliates from using your information to market to you • Sharing for nonaffiliates to market to you <p>State laws and individual companies may give you additional rights to limit sharing.</p>
What happens when I limit sharing for an account I hold jointly with someone else?	Your choices will apply to everyone on your account – unless you tell us otherwise.
Definitions	
Affiliates	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> • Our affiliates are the entities comprising the Doma Family of Companies (listed below) and include companies with a Doma name; financial companies such as Doma Insurance Agency, Inc. and Doma Home Insurance Services, LLC; and nonfinancial companies such as Title Agency Holdco, LLC.
Nonaffiliates	<p>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> • Nonaffiliates we share with can include collection agencies, our service providers, companies that perform marketing and advertising services on our behalf, and consumer reporting agencies.
Joint marketing	<p>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> • Doma doesn't jointly market.
Other important information	
*For California residents: you may have additional rights under the California Consumer Privacy Act. For a description of those rights, please see our Doma Family of Companies' privacy policy located here: www.doma.com	

Privacy Notice

The Doma Family of Companies

The Doma Family of Companies consists of the following entities:

Doma Holdings, Inc. Doma Corporate, LLC Doma Customer Financing LLC Doma Home Insurance Services, LLC Doma Insurance Agency, Inc. Doma Insurance Agency of Arizona, Inc. North American Title Company of Colorado Doma Insurance Agency of Florida, Inc. Doma Insurance Agency of Colorado, Inc. Doma Insurance Agency of Florida, Inc. Doma Insurance Agency of Illinois, Inc. Doma Insurance Agency of Indiana, LLC Doma Insurance Agency of Louisiana, LLC Doma Insurance Agency of Minnesota, Inc. Doma Title Insurance Company of New York Doma Title Agency of Nevada, Inc. Doma Insurance Agency of New Jersey, Inc.	Doma Insurance Agency of Texas, Inc. Doma Insurance Agency of Utah, LLC Doma Title Insurance, Inc. Doma Trustee Services, LLC Doma Title of California, Inc. Cura Home, Inc. NASSA LLC North American Title Company North American Title Insurance Company North American Asset Development, LLC North American Services, LLC Spear Agency Acquisition Inc. States Title Holding, Inc. States Title, LLC Title Agency Holdco, LLC
---	---

CONDITIONS AND STIPULATIONS

CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE POLICY – 1990

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building or zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien, or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
 - (a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;
 - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
 - (c) resulting in no loss or damage to the insured claimant;
 - (d) attaching or created subsequent to Date of Policy; or
 - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable doing business laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any claim, which arises out of the transaction vesting in the insured the estate of interest insured by this policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

EXCEPTIONS FROM COVERAGE - SCHEDULE B, PART I

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.
6. Any lien or right to a lien for services, labor or material not shown by the public records.

LEGEND

ITEM No.	DESCRIPTION	HOLDER/GRANTEE
3	AN EASEMENT FOR PIPELINES, UNDERGROUND WIRES, CABLES AND CONDUITS RECORDED OCTOBER 26, 1978 AS INSTRUMENT No. 78-1193524.	HAGEE LEWIS PETROLEUM
8	AN EASEMENT FOR A BELOW SURFACE GRADE BURIED WATERLINE RECORDED JULY 25, 1979 AS INSTRUMENT No. 79-817589.	CITY OF EL SEGUNDO
9	AN EASEMENT FOR A UNDERGROUND COMMUNICATION FACILITIES RECORDED AUGUST 14, 1979 AS INSTRUMENT No. 79-895746.	PACIFIC TELEPHONE & TELEGRAPH
11	AN EASEMENT FOR A BELOW SURFACE GRADE BURIED STORM DRAINS RECORDED NOVEMBER 26, 1980 AS INSTRUMENT No. 80-1197786.	CITY OF EL SEGUNDO
13	AN EASEMENT FOR A BURIED WATERLINE RECORDED MARCH 20, 1981 AS INSTRUMENT No. 81-285968.	LACFCO
15	PARCEL 2. AN EASEMENT INGRESS AND EGRESS RECORDED OCTOBER 4, 2006 AS INSTRUMENT No. 06-2216963.	LACMTA
15	PARCEL 3. LIMITS OF AIR RIGHTS RECORDED OCTOBER 4, 2006 AS INSTRUMENT No. 06-2216963.	LACMTA
21	AN EASEMENT FOR A SEWER LINE RECORDED MAY 3, 2017 AS INSTRUMENT No. 17-489960.	CDC DEL MAR



201 N. Calle Cesar Chavez, Suite 300,
 Santa Barbara, CA 93103
 805-692-6921
 www.mnsengineers.com



1 inch = 150 ft.

EXHIBIT MAP
 Showing Existing Easements in
 Relation to APNs 4138-032-022,
 4138-032-023 and 4138-032-024

April 2023

Environmental Summary

Proposed Dedication Parcels to City of El Segundo, California

CDC MAR East Campus 2, LLC, a California limited liability company (“CDC-MAR”) owns approximately 3.25 acres of land, consisting of portions of two separate parcels (Lot 23 and Lot 24), located south of El Segundo Boulevard and west of Coral Circle in El Segundo, California (“Dedication Property”). The location of the Dedication Property is shown on Figure 1, and the proposed dedication area is shown on Figure 2.

Historically, the Dedication Property was a portion of a larger property owned by Raytheon Corporation (“Raytheon Facility”). Hughes Aircraft Company (“Hughes”) purchased the larger property, including the Dedicated Property, in 1978. Raytheon merged with Hughes and CDC-MAR subsequently purchased the Dedication Property along with several other parcels (Parcels 13, 14, 19, 23 and 24) on December 31, 2019. The Dedication Property has been vacant throughout the period that Hughes, Raytheon and CDC-Mar has owned it.

CDC-MAR has prepared this Environmental Summary to assist the City of El Segundo (“City”) staff evaluate the CDC-Mar’s irrevocable offer to dedicate the Dedication Property to the City of El Segundo, pursuant to the Second Amendment to Development Agreement by and between CDC Mar East Campus 1 LLC and Raytheon Company. However, City is advised to conduct its own, independent due diligence to evaluate the potential for environmental impacts associated with the Dedication Property.

Some of the information provided is based on publicly available environmental reports found at the files of the California Department of Toxic Substances Control (“DTSC”), which has been the lead agency overseeing the remediation and closure of the RCRA permitted “Raytheon Facility” and associated post-closure soil management activities. Copies of many of the applicable documents are available at the DTSC online EnviroStor database at:

https://www.envirostor.dtsc.ca.gov/public/hwmp_profile_report?global_id=CAD000633230&starttab=; and

https://www.envirostor.dtsc.ca.gov/public/profile_report?global_id=80001335.

In addition, CDC-Mar performed an additional investigation in 2023 in portions of the Raytheon Facility that encompassed the Dedication Property and some of the nearby parcels owned by CDC-Mar. A copy of that report is available at:

<https://spaces.hightail.com/space/skPykGigYQ>

A brief summary of the data within these reports with respect the Raytheon Facility and the Dedication Property is provided in the following.

Property Description and Background

Available historical records indicate that the Raytheon Facility was vacant through the 1920s and was likely utilized periodically for agricultural purposes. Based on a review of historical aerial photographs, a series of oil wells and associated holding ponds and aboveground storage tanks were located on the area comprising the Raytheon Facility from the late 1930s until the 1970s. As an example, Figure 3 shows the location of oil field operations at the Raytheon Facility in 1938.

Hughes and Raytheon used the Dedication Property as a landscaped boundary to the overall Raytheon Facility, with some limited surface parking. For the most part, the Raytheon Facility has been used as office space and for research and development. Some low-volume production of technically sophisticated electronic and optical devices took place historically at the Raytheon Facility but most of the production-related activities were discontinued in the early 1990s. None of this production-related work of research and development was done on the Dedication Property.

Between June 1995 and late 2020, Hughes and Raytheon maintained a Resources Conservation and Recovery Act Hazardous Waste Facility Permit (“RCRA Permit”) issued by the DTSC. This permit was associated with hazardous waste storage and consolidation activities that were conducted in the southern portion of the Raytheon Facility. However, because none of these activities were conducted on the Dedication Property, the DTSC granted a permit modification on February 20, 2020 that separated the Dedication Property and several other parcels from the RCRA Permit. A copy of the permit modification is attached.

Post Acquisition Environmental Investigations

Following the acquisition of land partially comprising the former Raytheon Facility by CDC-Mar (Parcels 13, 14, 19, 23 and 24 on December 31, 2019) several environmental sampling activities were performed at or in the vicinity of the Dedication Property. Among these activities, CDC-Mar performed environmental monitoring and the removal and consolidation of arsenic impacted soil in 2022 pursuant to the DTSC approved Soil Removal and Consolidation Plan (June 7, 2022). This work was primarily performed on parcels located south of the Dedication Property (portions of the area used for the development of the new Chargers headquarters and practice fields). These activities removed soil containing greater than 12 milligrams per kilogram (mg/kg) of arsenic from the upper 5 feet of soil (deemed to be background levels) per the Soil Removal and Consolidation Plan under the oversight of the DTSC and replaced that soil with a soil cap that met regulatory

standards for arsenic ("Soil Cap"). Based on confirmation sampling conducted following the removal and consolidation action, no arsenic in excess of background levels was observed within the upper 5.0 foot Soil Cap within the future Chargers parcels. Some of the work associated with the Soil Removal and Consolidation Plan occurred very close to the southern portion of the Dedication Property as shown on Figure 4.

In addition, between November 16, 2022, and November 18, 2022, a total of five (5) soil borings (NSV-9, NSV-12, NSV13, NSV-24 and NSV-25) were drilled and sampled at the Property. An additional (3) additional borings (NSV-17, NSV-20 and NSV-22) were located very close the Dedication Property boundary. This self-directed work was performed to evaluate soil conditions prior to grading. The location of these borings is shown on Figure 3.

During the self-directed work, soil samples were collected from depths of between 0.5 and 15 feet below ground surface (bgs) in the installed soil borings and the samples were analyzed for a range of organic and inorganic compounds including metals, volatile organic compounds (VOCs), total petroleum hydrocarbons (TPHs), polycyclic aromatic hydrocarbons (PAHs), polychlorinated bisphenols (PCBs) and pesticides. In addition, when possible, vapor samples were collected at depths of approximately 5.0 and 15.0 feet bgs at each locations. The vapor samples were tested for VOCs and fixed gases (including methane).

Based on this investigation, the following conclusions were drawn:

- None of the soil samples exceeded regional background levels for arsenic of 12 mg/kg. In addition, with the exception of petroleum hydrocarbons discussed below, all other compounds were either not detected or were observed at levels that did not exceed screening criteria in the analyzed soil samples.
- Petroleum hydrocarbons were not observed in excess of commercial/industrial DTSC screening levels in the analyzed soil samples. However, one (1) soil sample (NSV-24 at 4.5 feet bgs) contained high-carbon range (C₁₀ – C₃₂) aromatics in excess of commercial/industrial EPA Regional Screening Level (RSL).
- A total of sixteen (16) VOCs, as well as gasoline range organics (GRO), were detected in soil vapor at the Property. The maximum detected compound was GRO, observed at a concentration of 356,000 micrograms per cubic meter (ug/m³) in NSV-25-4.5'. These concentrations do not exceed regulatory standards if the Dedication Property were to be used for a park or other open space type of use. However, if the Dedication parcels were to be used for commercial/industrial purposes, a different standard applies. As set forth in the recent *Vapor Intrusion Advisory* (DTSC, August 2023), five compounds (GRO, benzene, PCE, chloroform, and

bromodichloromethane) exceed the soil vapor above screening criteria for the protection indoor air quality at commercial/industrial property.

- Methane gas was observed at three (3) locations (NSV-12 at 5.0 feet bgs, VSV-12 at 15 feet bgs and NSV-22 at 4.5 feet bgs) at low concentrations (between 0.1% and 1.1% v/v). Vacuum readings were observed at up to 0.16 inch of water at the Property. Based on ASTM E2993-16 guidance for evaluating methane hazards, no further action is required with respect to methane at the Property.

Attachment
DTSC Correspondence



Department of Toxic Substances Control

Jared Blumenfeld
Secretary for
Environmental Protection

Meredith Williams, Ph.D., Director
8800 Cal Center Drive
Sacramento, California 95826-3200

Gavin Newsom
Governor

February 20, 2020

Ms. Nitelle Levers
EHSS Manager
Raytheon Space & Airborne Systems
2000 East El Segundo Boulevard (EO/E4/N169)
El Segundo, California 90245

APPROVAL OF CLASS 1* PERMIT MODIFICATION REQUEST-REMOVAL OF PARCELS 13, 14, 19, 23, & 24 FROM THE RESOURCE CONSERVATION AND RECOVERY ACT (RCRA) FACILITY PERMIT, RAYTHEON SPACE & AIRBORNE SYSTEMS, EL SEGUNDO, CALIFORNIA (ENVIRONMENTAL PROTECTION AGENCY IDENTIFICATION NUMBER CAD000633230)

Dear Ms. Levers:

The Department of Toxic Substances Control (DTSC) received a Permit Modification request letter from Raytheon Space and Air Borne Systems (Raytheon) dated December 4, 2019. The letter requests removal of Parcels 13, 14, 19, 23, and 24 (APN#'s 4138-032-013, 4138-032-014, 4138-032-019, 4138-032-023, and 4138-032-024, respectively) from the Resource Conservation and Recovery Act (RCRA) Facility Permit (Permit # 07-GLN-11) for the site located at 2000 East El Segundo Boulevard, El Segundo, California (the Facility). Raytheon comprises of approximately 134-acres of RCRA permitted land zoned for commercial/manufacturing use. The RCRA permitted unit, Hazardous Waste Storage Area – E-21a, is located at the south end of the facility.

In the request letter, Raytheon informed DTSC of the proposed sale of the parcels and requests removal of the five parcels (Parcels 13, 14, 19, 23, and 24) from the RCRA Facility Permit to facilitate their sale. The parcels cover approximately 18.32 acres (see Figure 1 attached). Parcels 13, 14, and 24 are located between 1,500 to 1,800 feet north of the permitted unit. Parcels 23 is a long, narrow strip of lightly landscaped land and road located along the eastern facility boundary underlying the elevated rail line. Parcel 19 is entitled to the City of El Segundo for the future location of Nash Street. The parcels have been used for parking, travel, and/or as landscaped areas since the Facility's development in approximately 1983.

The five parcels are not designated as Solid Waste Management Units (SWMUs) or Areas of Concern (AOCs) and there is no evidence of a release, storage, treatment, or

Ms. Nitelle Levers
February 20, 2020
Page 2

disposal of hazardous waste or constituents, in accordance with the January 13, 2020 DTSC Corrective Action determination memorandum from the Site Mitigation and Restoration Program to the Permitting Division.

Pursuant to California Code of Regulations (CCR), title 22, section 66270.42(d)(2)(A), this is a Class 1 Permit Modification requiring prior approval from the Department, designating it as a Class 1* Permit Modification. DTSC approves this Class 1* Permit Modification request to remove Parcels 13, 14, 19, 23, and 24 from the RCRA Facility Permit. This approval is contingent on the understanding that Parcels 13, 14, 19, 23, and 24 are restricted to commercial/industrial land use only, to be consistent with the existing Land Use Covenant on the property. Any changes to the parcels' land use will require modification of the existing Land Use Covenant. In addition, if previously unidentified contamination at the facility is discovered, additional investigation and remediation may be required. DTSC reserves the right to take or require action at Raytheon if new or different information becomes known or available.

After reviewing the permit modification and its supporting documents, DTSC finds that the changes meet the standards of CCR, title 22, chapter 14 and has filed a Notice of Exemption because the activity, with certainty, will have no possibility of a significant effect to the environment.

If you have any questions, you can reach me by phone at (916)-255-6413 or via email at Parampreet.Bhatti@dtsc.ca.gov.

Sincerely,



Parampreet Bhatti
Hazardous Substances Engineer
Permitting Division-Sacramento
Department of Toxic Substances Control

Enclosure (1)

cc: see next page

Ms. Nitelle Levers
February 20, 2020
Page 3

cc: (via email)

Ms. Safaa Dergham, PG
Senior Manager
Ramboll Environ U.S. Corporation
18100 Von Karman Avenue, Suite 600
Irvine, California 2612
SDergham@ramboll.com

Ms. Muzhda Ferouz, PE
Unit Chief
Permitting Division
Department of Toxic Substances Control
Muzhda.Ferouz@dtsc.ca.gov

Mr. Andy Cano, PG
Engineering Geologist
Geological Services Unit
Department of Toxic Substances Control
Andy.Cano@dtsc.ca.gov

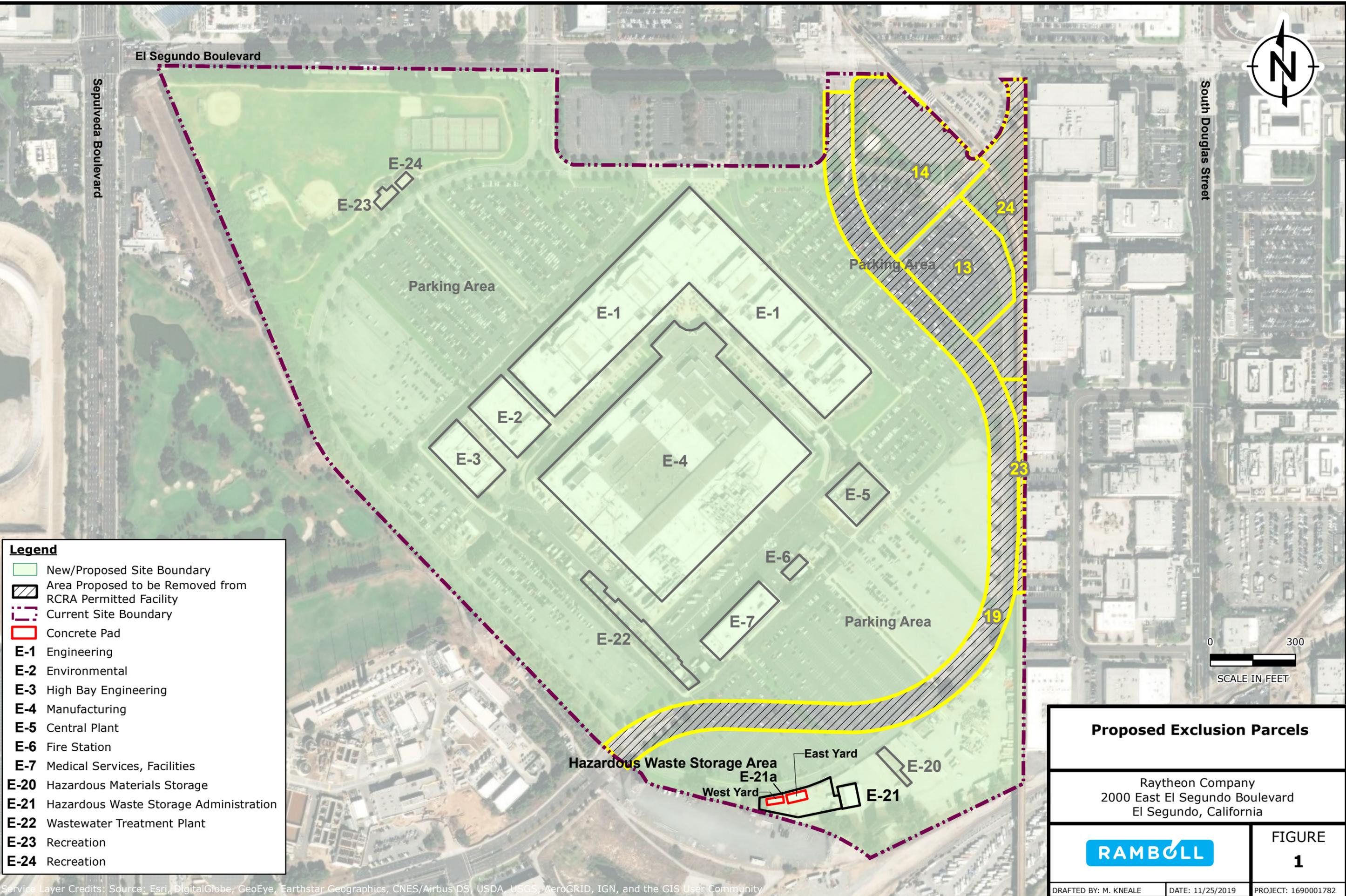
Dr. Debra Taylor, DVM, MPVM, PhD
Staff Toxicologist (Specialist)
Human and Ecological Risk Office
Department of Toxic Substances Control
Debra.Taylor@dtsc.ca.gov



El Segundo Boulevard

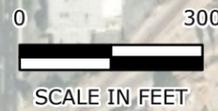
Sepulveda Boulevard

South Douglas Street



Legend

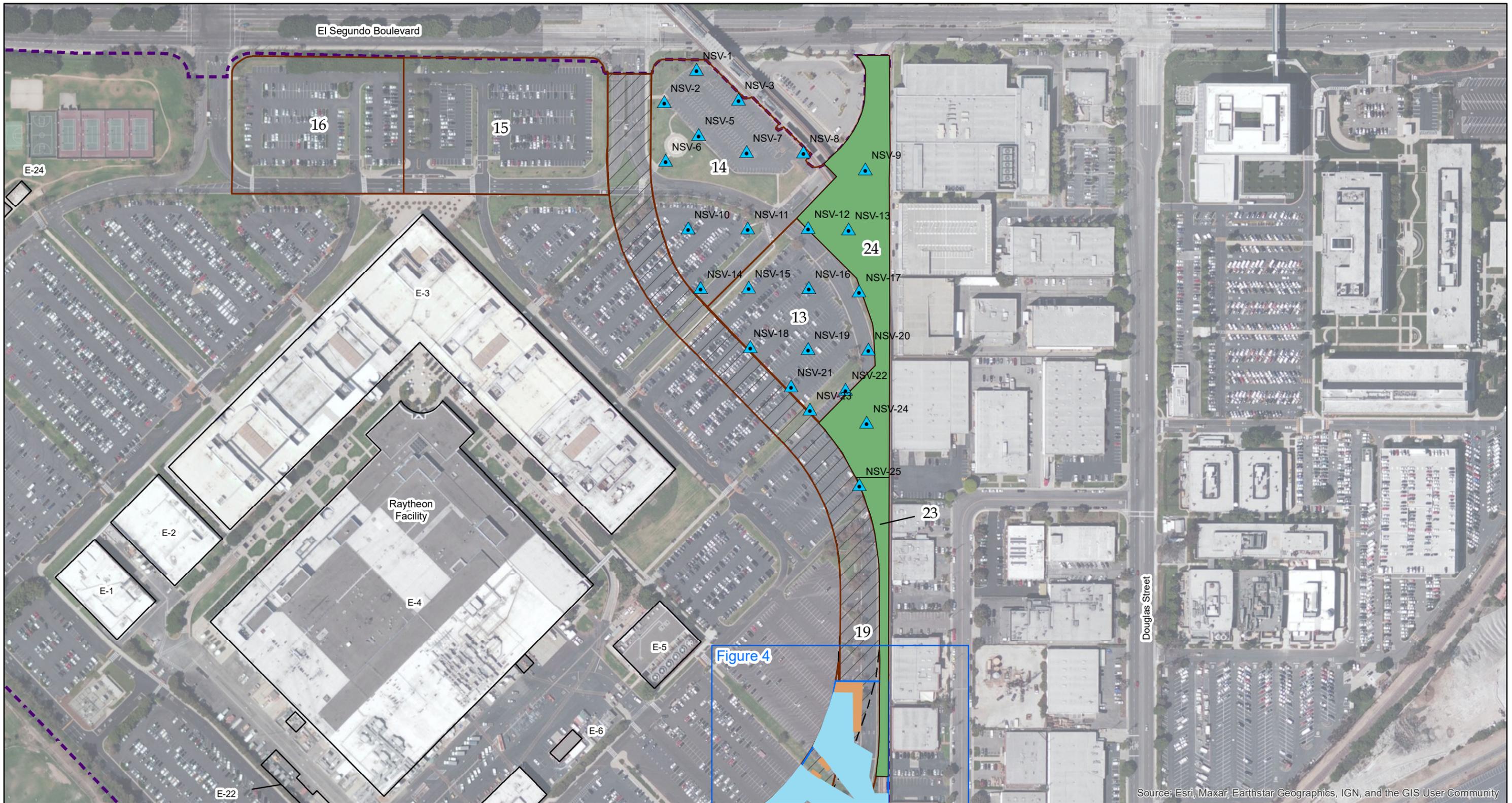
-  New/Proposed Site Boundary
-  Area Proposed to be Removed from RCRA Permitted Facility
-  Current Site Boundary
-  Concrete Pad
- E-1** Engineering
- E-2** Environmental
- E-3** High Bay Engineering
- E-4** Manufacturing
- E-5** Central Plant
- E-6** Fire Station
- E-7** Medical Services, Facilities
- E-20** Hazardous Materials Storage
- E-21** Hazardous Waste Storage Administration
- E-22** Wastewater Treatment Plant
- E-23** Recreation
- E-24** Recreation



Proposed Exclusion Parcels	
Raytheon Company 2000 East El Segundo Boulevard El Segundo, California	
	FIGURE 1
DRAFTED BY: M. KNEALE	DATE: 11/25/2019
PROJECT: 1690001782	

Z:\01_Projects\Raytheon\03_GIS\20191122_ExcludedParcels\Current and Proposed Fac Boundary.mxd

Figures



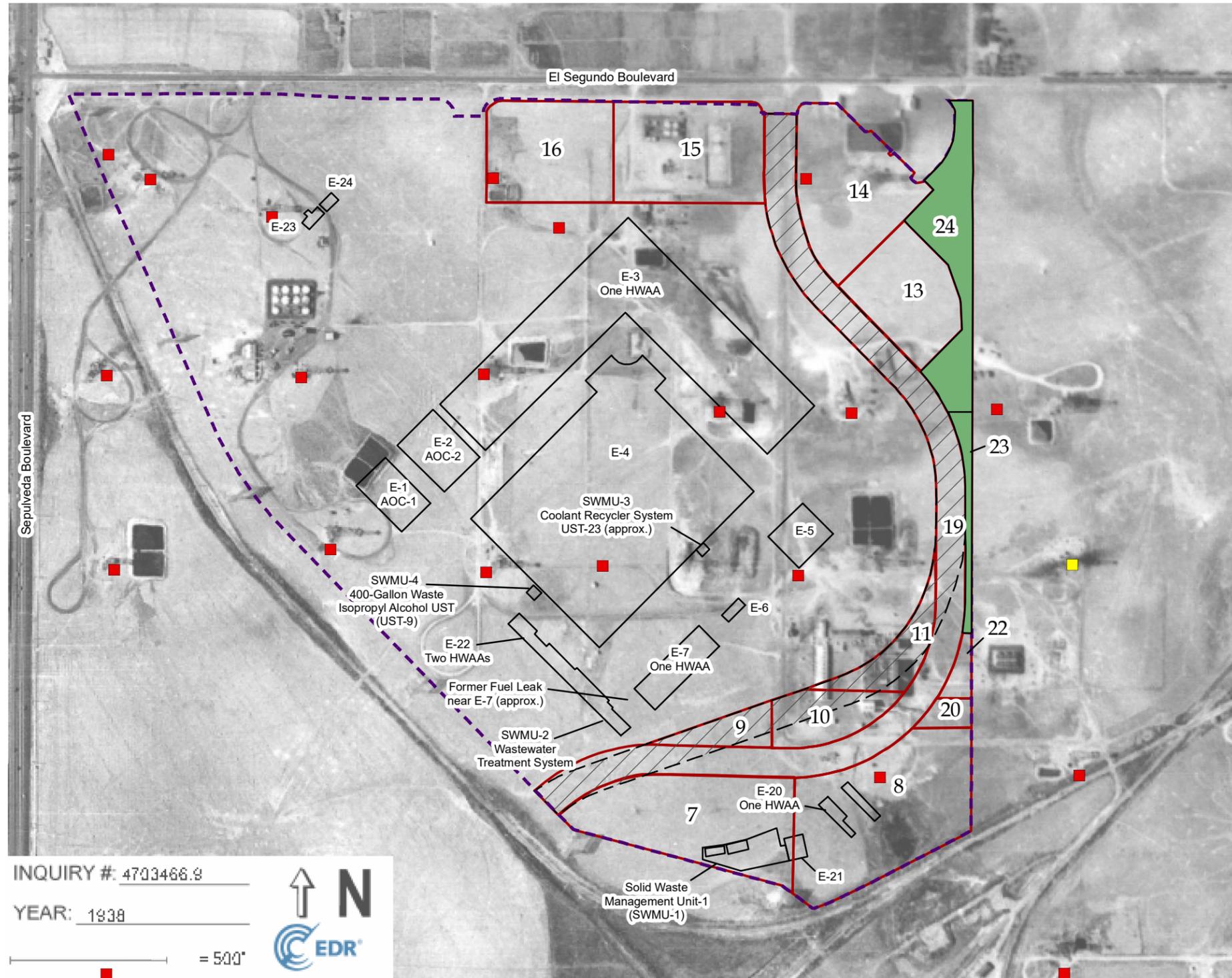
Legend

- Former Raytheon Site Boundary
- 16.4-Acre Property Boundry
- CDC/MAR Owned
- Nash Street Extension Boundary
- Park Area Boundary
- Arsenic-Impacted Excavation to Minimum of 5.0-Feet Below Final Grade
- Step-Out Excavation to Minimum of 5.0-Feet Below Final Grade
- ▲ Soil and Soil Vapor Sampling Location

BEC

BEC
17011 Beach Boulevard, Suite 900
Huntington Beach, CA 92647
Tel. (877) 232-4620
Fax (714) 494-1912

<p>PARK AREA AND SAMPLING LOCATIONS</p> <p>3.25-Acre Property 2000 East El Segundo Boulevard, El Segundo, California</p>	<p>Project No. 080070024C</p>	<p>Figure 2</p>
---	-----------------------------------	---------------------



INQUIRY #: 4703466.9

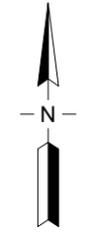
YEAR: 1938

—■— = 500'



Legend

- Park Area Boundary
- CDC/MAR Parcel Boundaries
- Potential Boundary of Hughes Way-Nash St Extension
- Raytheon Facility Boundary
- Structure Outlines
- Active Oil/Gas Wells
- Inactive Oil/Gas Wells



BEC
 17011 Beach Boulevard, Suite 900
 Huntington Beach, CA 92647
 Tel. (877) 232-4620
 Fax (714) 494-1912

**AERIAL PHOTOGRAPH - 1938
 WITH MODERN FEATURES**
 3.25-Acre Property
 2000 East El Segundo Boulevard, El Segundo, California

Project No.
 080070024C

Figure
 3



Source: Esri, Maxar, Earthstar Geographics, IGN, and the GIS User Community

Legend

- 16.4 - Acre Property Boundary
- Nash Street Extension Boundary
- Park Area Boundary
- Arsenic-Impacted Excavation to Minimum of 5.0-Feet Below Final Grade
- Step-Out Excavation to Minimum of 5.0-Feet Below Final Grade
- No Excavation - Minimum 2.0-Feet of Compliant Soil Below Final Grade
- Ramped Excavation - Minimum of Between 2.0 and 3.0-Feet of Compliant
- Arsenic-Impacted Excavation to Minimum 3.0-Feet of Compliant Soil Below Final Grade
- Confirmation Sample Location (5.0-Feet Below Final Grade) w/ Arsenic Concentration < 12mg/kg
- Confirmation Sample Location (5.0-Feet Below Final Grade) w/ Arsenic Concentration > 12mg/kg
- ⊕ Samples Collected at depths of 1.0 to 2.5-Feet Below Final Grade



BEC
 17011 Beach Boulevard, Suite 900
 Huntington Beach, CA 92647
 Tel. (877) 232-4620
 Fax (714) 494-1912

PARK AREA AND ARSENIC-IMPACTED SOIL EXCAVATIONS
 3.25-Acre Property
 2000 East El Segundo Boulevard, El Segundo, California

Project No. 080070024C	Figure 4
---------------------------	-------------

Recording requested by:
City of El Segundo
350 Main Street
El Segundo, CA 90245

When recorded, mail to:

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

No fee per Government Code § 6103

IRREVOCABLE OFFER TO DEDICATE
(To the City of El Segundo)

No Documentary Transfer Tax per Revenue Taxation Code § 11922

This Irrevocable Offer to Dedicate (“Offer”) is made by CDC MAR East Campus 2 LLC, a California limited liability company (“Grantor”) to the City of El Segundo, a general law city and municipal corporation (“City”).

1. **Recitals.** This Offer is made with the following understandings and objectives:
- A. Pursuant to that certain Assignment and Assumption Agreement, dated March 8, 2022 (Recorded as Doc. No. 2022-0285160), CDC MAR East Campus 1 LLC, a California limited liability company (the “assignor”), has assigned all of its rights, title and interest to the Development Agreement and the Project Approvals with respect to the Transferred Property to CDC MAR East Campus 2 LLC, a California limited liability company (the “Assignee” and “Grantor” herein) who has assumed all of the term. Conditions, covenants and obligations under the Development Agreement and the Project Approvals allocated to the Transferred Property.
 - B. Grantor is the owner of certain real property situated in the City of El Segundo, County of Los Angeles, State of California, described and depicted in attached Exhibit “A”, which is incorporated by reference (“Grantor’s Property”);
 - C. Grantor’s Property will be redeveloped in accordance with the entitlements approved by the City Council on December 21, 2021, as memorialized by the Project Approvals set forth in the Second Amendment to the Development Agreement, which is incorporated by reference (“Development Agreement”);
 - D. Grantor is the owner of certain real property to be irrevocably offered to the City

as depicted in attached Exhibit “B”

2. **Irrevocable Offer to Dedicate.** Grantor irrevocably offers to dedicate to City up to an approximately 2 acre site (as identified by meets and bounds) on Grantor’s Property, as described and depicted in Exhibits “A” and “B” for City open space or recreation only (the “Offered Property”).

3. **Limitations.** City shall accept the Offered Property subject to all non-monetary encumbrances, in its “as is”, “where is” and “with all faults” condition, and City acknowledges and agrees that there are no representations and/or warranties, express or implied, made by Grantor in connection with the Offered Property or the dedication contemplated in this Offer. After acceptance, City agrees that it shall grant Grantor any easements, licenses or other related instruments reasonably required in order to implement the Project Approvals and any future approvals given to Grantor by the City.

4. **Duration and Acceptance.** This irrevocable offer of dedication is binding upon the owner and the heirs, assigns or successor in interest to the Offered Property described above for a period of twenty (20) years. This Offer may be accepted by City. Such acceptance must be effectuated by recordation of City of an acceptance of this Offer in the form attached as Exhibit “C”. Upon such recordation of acceptance, this Offer and terms, conditions and restrictions have the effect of a grant of property in gross and perpetuity that runs with the land and is binding on the heirs, assigns, and successors of Grantor.

5. **Remedies.** Any act, conveyance, contract, or authorization by Grantor, whether written or oral, which uses or would cause to be used, or would permit use of the Offered Property contrary to the terms of this Offer, is a violation and a breach of this Offer. Grantor and City may pursue any and all available legal and/or equitable remedies to enforce the terms and conditions of the Offer and their respective interest in the Offered Property. In the event of a breach, any forbearance on the part of any such party to enforce the terms and provisions this Offer cannot be deemed a waiver of enforcement rights regarding any subsequent breach.

6. **Taxes and Assessments.** Grantor agrees to pay or cause to be paid all real property taxes and assessments levied or assessed against the Offered Property until accepted by City. It is intended that this irrevocable Offer constitutes enforceable restrictions within the meaning of (a) Article XIII, § 8, of the California Constitution; and (b) Revenue and Taxation Code § 402.1, or successor statute. Furthermore, this Offer constitutes a servitude upon the burden to the Offered Property within the meaning of Revenue and Taxation Code § 3712(d), or successor statute, which survives a sale or tax-deeded property.

7. **Service of Notice.** All notices to be served by one party to the other pursuant to this agreement are deemed to have been served when made in writing and deposited in the U.S. mail, registered and postage prepaid, addressed as follows:

- a. To Grantor: CDC MAR East Campus 2 LLC
c/o Continental Development Corporation
2041 Rosecrans Avenue, Suite 200
El Segundo, CA 90245

Attention: Alex Rose

b. To Grantee: City Manager
City of El Segundo
350 Main Street
El Segundo, CA 90245

8. **Binding upon Successors.** All terms and conditions in this Easement will be binding upon the parties, their successors, and assigns. The benefits and burdens herein are intended to and will run with the land. This is the entire agreement between the parties and will not be modified except by written instrument signed by all the parties.

9. **Authority.** Grantor expressly warrant and represent that it has the power to grant this Offered Property in accordance with its terms.

10. **Governing Law.** This document was drafted in and will be construed in accordance with the laws of the State of California and exclusive venue for any action involving this document will be in Los Angeles County.

11. **Severability.** If any provision of this Offer is held to be invalid, or for any reason becomes unenforceable, no other provision will be affected or impaired.

12. **Counterparts.** This document may be executed in any number or counterparts, each of which will be an original, but all of which together will constitute one instrument executed on the same date.

Executed this ___th day of _____, 2022.

GRANTOR:

CDC MAR EAST CAMPUS 2 LLC,
a California limited liability company

By: CDC East Campus 2 LLC,
a California limited liability company
Its: Managing Member

By: Continental Development Corporation,
a California corporation
Its: Managing Member

By: _____
Name: Alex J. Rose
Title: Executive Vice President, Development

EXHIBIT A
LEGAL DESCRIPTION OF PROPOSED DEDICATION

[to be inserted]

EXHIBIT B
DEPICTION OF PROPOSED DEDICATION

[to be inserted]

EXHIBIT C

ACCEPTANCE OF IRREVOCABLE OFFER TO DEDICATE

By
CITY OF EL SEGUNDO

This is to certify that the interest in real property offered in the Irrevocable Offer to Dedicate dated _____, from CDC MAR East Campus 2 LLC to the City of El Segundo, a general law city and municipal corporation, is accepted by the undersigned officer on behalf of the City pursuant to authority conferred by City Council Resolution No. _____ adopted on _____, and the City consents to recordation thereof by its duly authorized officer for City open space for passive and active recreation only.

Darrel George
Interim City Manager

Date

ATTEST:

City Clerk

APPROVED AS TO FORM:

Mark D. Hensley
City Attorney

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 Los Angeles)

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

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

WITNESS my hand and official seal.

(Signature)



City Council Agenda Statement

Meeting Date: December 19, 2023

Agenda Heading: Staff Presentations

Item Number: D.13

TITLE:

El Segundo Affordable Housing Strategic Plan to Further Implement Housing Element Program Four

RECOMMENDATION:

1. Adopt the proposed resolution to adopt the El Segundo Affordable Housing Strategic Plan to further implement Housing Element Cycle 6 Program Four regarding inclusionary housing and affordable housing strategies and find that such action is exempt from further environmental review pursuant to California Environmental Quality Act ("CEQA") Guidelines § 15061(b)(3).
2. Alternatively, discuss and take other action related to this item.

FISCAL IMPACT:

There is no fiscal impact in developing or adopting the City's Affordable Housing Strategic Plan.

BACKGROUND:

In 2016, the City Council approved a residential development (24 single-family units and 34 multi-family units) at the former Imperial Street School located at 540 East Imperial Avenue. After this approval, there were several meetings to discuss the number of multi-family units that might be dedicated as "affordable units." On March 17, 2020, the City Council amended the project's Specific Plan to allow the developer (DR Horton) to pay an "in-lieu" fee of \$5.3 million to the City in place of dedicating and/or producing future affordable housing units. Before allocating any use of the \$5.3 million, the City established an Affordable Housing Fund, and the money was formally encumbered by this fund with the adoption of the FY 2020-2021 Citywide Budget.

On February 1, 2022, the City Council initially adopted El Segundo's 6th Cycle Housing Element, which articulated the City's commitment to adopting an Affordable Housing Strategic Plan ("AHSP") through Program Four of the Housing Element. A public

Adoption of El Segundo Affordable Housing Strategic Plan

December 19, 2023

Page 2 of 6

workshop and study session with the City's Planning Commission was held on March 24, 2022, to provide an opportunity for the Commission and the public to provide input on the draft AHSP. On June 21, 2022, the City Council reviewed the draft AHSP and provided feedback to staff on existing and proposed affordable housing programs. Feedback was incorporated into the final AHSP and is now before the City Council for formal adoption.

DISCUSSION:

The AHSP outlines a total of ten opportunities categorized by policy, program, and funding to assist in the production of affordable housing units. Each City Council member was asked to indicate their respective priority interest, intended to better guide the short-term implementation of the AHSP.

The following displays each council member's selection. Priority areas were selected as follows: Live/Work policy Preference, an Affordable Housing Focus Area Program, Downtown Homes for Young Professionals program, and a Local Trust Fund for Affordable Housing funding strategy.

The following details of the opportunities are categorized by policy, program, and funding. The strategies highlighted in bold were selected as the Council Member's Affordable Housing Strategies prioritization.

<u>Policy</u>					
Live/Work Preference	•	•	•	•	•
Long-lasting Affordable Housing					
Waiver or Deferment of Fees for Affordable Housing					

<u>Program</u>					
Helping Affordable Housing Grow					
Restructuring Park Vista for Housing Credits		•			
Affordable Housing Focus Area	•	•	•	•	•
Downtown Homes for Young Professionals	•		•		•

<u>Funding</u>					
Charge Fees and Other In-Lieu Fees for New Developments	•				
Enhanced Infrastructure Financing Districts					

Adoption of El Segundo Affordable Housing Strategic Plan

December 19, 2023

Page 3 of 6

Local Trust Fund for Affordable Housing					
---	--	--	--	--	--

• • • •

Further descriptions of each strategy are outlined below:

Policy

Live/Work Preference Policy

- Codify that part of the affordable housing agreement (including, but not limited to, a Development Agreement, or Density Bonus Agreement) includes a local priority preference for people who live or work in El Segundo when applying for new affordable housing rental units
- Remedy or mitigate the displacement and gentrification impacts that may result from development activities

Long-lasting Affordable Homes

- Currently, most affordability restrictions are placed for 30 or 55 years, after which time those units return to market rate.
- It is recommended that any new pro-housing policies or development agreements include language restricting affordable units in perpetuity.

Waiver or Deferment of Fees for Affordable Homes

- Alleviate cost burden for affordable housing developers
- Improve the competitiveness of certain affordable housing funding sources

Program

- Helping Affordable Housing Grow:

- Give money to developers building affordable homes
- Buy land and encourage developers to build affordable homes there
- Pay developers or homeowners to keep homes affordable

- Restructuring Park Vista for Housing Credits:

- Refinance using a government funding source that will deed-restrict the property

Adoption of El Segundo Affordable Housing Strategic Plan

December 19, 2023

Page 4 of 6

as low-income housing

- Park Vista will be subject to a Land Use Regulatory Agreement (LURA) that is recorded against the property and establishes the affordability for RHNA credit
- Keep current residents, no rent increase

- Affordable Housing Focus Area:

- Community survey shows residents want affordable housing in high-resource areas:
 - Smoky Hollow District
 - West side of PCH between Imperial and El Segundo Blvd
 - E. Imperial Avenue
 - Downtown El Segundo
- These areas are competitive for tax-exempt bonds and low-income tax credits to build affordable housing because of the proximity to amenities
- Workforce Housing in Smoky Hollow

- Downtown Homes for Young Professionals to Work, Live, and Play:

- Integrate work/life in the downtown area by developing more housing opportunities and cooperating with El Segundo Development Corporation and the City's Economic Development staff to attract younger professionals

Funding

- Charge fees and other in-lieu fees for new developments:

- Commercial Linkage Fees may be charged to developers of new, non-residential buildings including office, retail, industrial, and manufacturing facilities to generate revenue for the City's Affordable Housing Fund.
- In-lieu fees, such as the in-lieu fee of \$5.3 million charged by the City in 2017 to the developer of a former school site who ultimately did not provide 6 affordable units in accordance with the permits issued for the project

- Enhanced Infrastructure Financing Districts (EIFDs):

- Financed through increased property tax within designated boundaries
 - Freeze the property tax revenues that flow from a designated project

Adoption of El Segundo Affordable Housing Strategic Plan

December 19, 2023

Page 5 of 6

area to the city at the “base level”

- Additional tax revenue in future years will be diverted into a separate pool of money for affordable housing.

- All housing that is developed must be affordable.

- Local Trust Fund for Affordable Housing:

- Apply to the State’s Local Housing Trust Fund Program
- Match funds to local housing trust funds dedicated to the creation of affordable housing

Adoption of the proposed Resolution is exempt from further review under the CEQA, pursuant to CEQA Guidelines § 15061(b)(3), since it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

CITY STRATEGIC PLAN COMPLIANCE:

Goal 4: Develop and Maintain Quality Infrastructure and Technology

Objective 4A: El Segundo’s physical infrastructure supports an inviting and safe community.

Goal 5: Champion Economic Development and Fiscal Sustainability

Objective 5A: El Segundo promotes economic growth and vitality for businesses and the community.

Objective 5B: El Segundo approaches its work in a financially strategic and responsible way.

PREPARED BY:

Michael Allen, AICP, Development Services Director

REVIEWED BY:

Michael Allen, AICP, Development Services Director

APPROVED BY:

Barbara Voss, Deputy City Manager

ATTACHED SUPPORTING DOCUMENTS:

1. Draft Affordable Housing Strategic Plan
2. Resolution(2) Clean

City of El Segundo Affordable Housing Strategic Plan

Table of Contents

Summary	2
Background	2
Overview of Affordable Housing	3
Benefits of Affordable Housing	3
Housing-Related Public Outreach and Engagement	4
Community Housing Survey.....	5
Business Community Input	6
Housing Efforts in Progress	6
Affordable Housing Opportunities	6
Affordable Housing Priorities	7
Policy	8
Program	8
Funding	9
Appendix	13
Result	13

Summary

The City of El Segundo ("City") is committed to achieving a State-mandated objective of constructing affordable housing for low- and moderate-income residents, with an estimated 40% of the population eligible for this housing. On November 15, 2022, the City Council officially endorsed the Housing Element Update for El Segundo, ultimately accepted by the State Department of Housing and Community Development (HCD) in January 2023. This document delineates specific actions that the City may undertake to fulfill these State-imposed housing targets. The Affordable Housing Strategic Plan ("AHSP") outlines several strategic opportunities in alignment with the Housing Element, all geared towards advancing the creation of affordable housing within the City.

Background

The Southern California Association of Governments (SCAG) conducts a comprehensive assessment of anticipated housing requirements for each city and county in the Southern California region, a process referred to as the Regional Housing Needs Assessment (RHNA). For the 6th cycle Housing Element, the City has been assigned a total RHNA obligation of 521 units. Among these, 207 units are designated for extremely/very low-income households (earning less than 30%/50% of the Area Median Income or AMI, respectively), and an additional 99 units are allocated for low-income households (earning less than 80% of the AMI). It's important to note that these figures also include a carryover of 29 lower-income units (18 very low and 11 low-income units) from the 5th cycle Housing Element.

Income Category	5 th Cycle Carryover	6 th Cycle RHNA	Total RHNA	Percent
Extremely/Very Low Income*	18	189	207	39.7%
Low Income*	11	88	99	19.0%
Moderate Income	0	84	84	16.1%
Above Moderate Income	0	131	131	25.1%
Total	29	492	521	100.0%
<p>Note: The City has a RHNA allocation of 207 very low income units (inclusive of extremely low income units). Pursuant to State law (AB 2634), the City must project the number of extremely low income housing needs based on Census income distribution or assume 50% of the very low income units as extremely low. Assuming an even split, the City's RHNA allocation of 207 very low income units may be divided into 104 very low and 103 extremely low income units. However, for purposes of identifying adequate sites for the RHNA allocation, State law does not mandate the separate accounting for the extremely low income category.</p> <p>* Includes the 5th Cycle Housing Element shortfall of 18 extremely/very low and 11 low income units.</p> <p>Source: Southern California Association of Governments (SCAG), 6th Cycle Final RHNA Allocation Plan, 2021.</p>				

Meeting RHNA goals presents a formidable challenge for the City. Currently, there are no deed-restricted affordable housing units within the City, as defined by Gov. Code § 65583 (A) (8).

Progressing significantly towards achieving RHNA goals is of paramount importance for several reasons. Firstly, in 2021, HCD established a Housing Accountability Unit (HAU) with the authority

to take escalating enforcement measures to ensure municipalities comply with their RHNA goals if persistent noncompliance is observed. This may involve imposing fines and further revoking local control over housing decisions.

Additionally, the City's desire to create more affordable housing is driven by the fact that approximately forty percent of households in the City earn moderate incomes (less than 120% of the Area Median Income or AMI), with twenty-five percent of households earning lower incomes (less than 80% of the AMI). Furthermore, 7.8% (1,306) of the City's residents live in poverty, and 7.8% (1,306) are disabled. Yet, housing options for this significant portion of El Segundo's population are severely limited.

The median sale price of condos, single-family homes, and new homes in El Segundo stands at approximately \$1,466,000, well exceeding the maximum affordable purchase price of \$359,325 for households qualifying as moderate income. Naturally occurring affordable housing is scarce and unreliable, often falling victim to issues such as dilapidation, overcrowding, or market forces. These circumstances underscore the need for a thoughtful, coordinated, and a strategic approach beyond the Housing Element to foster an environment conducive to increasing the supply of decent, safe, and high-quality affordable housing for all City residents.

Overview of Affordable Housing

Affordable housing is typically defined by the U.S. Department of Housing and Urban Development as housing in which occupants pay no more than 30 percent of their gross income for housing costs, including utilities.

The development of affordable housing caters to several "special needs groups" as recognized in the 2021 – 2029 Housing Element of the City's General Plan. These groups encompass:

- Seniors
- Large households
- The Homeless
- Military veterans
- Farmworkers
- Persons with disabilities

Affordable housing units frequently accommodate a diverse range of occupants, including essential workers, vulnerable young adults, and survivors of domestic violence and human trafficking.

Benefits of Affordable Housing

The advantages of affordable housing extend to:

- Enabling lower-income individuals, seniors, and children to remain in the communities where they have roots
- Enhancing educational outcomes for lower-income adults and children
- Improving overall health by alleviating overcrowding, enhancing living conditions, and allowing more disposable income to be allocated to healthcare expenses
- Stimulating local economic activity by creating construction-related employment and increasing disposable income spent on goods and services
- Enhancing employers' capacity to attract and retain employees, thus maintaining competitiveness in the global economy
- Reduction in the homeless population results in significant cost savings within public health and safety systems, such as police and fire departments.

Moreover, affordable housing developments frequently provide a range of on-site services to residents at no cost. These services may encompass:

- Children's homework tutoring programs
- Children's summer camps
- Life skills workshops covering topics such as financial management, nutrition, and healthcare
- Job skills workshops
- Supportive services for homeless residents, including case management, mental health services, and substance abuse treatment services

These services can be offered by the developer and/or partnering organizations, offering residents opportunities to acquire the knowledge and skills necessary for independent living.

Housing-Related Public Outreach and Engagement

City staff and consultants have implemented multiple outreach initiatives to date with the goal of gathering community input to shape its housing initiatives. The following is a summary of outreach activities:

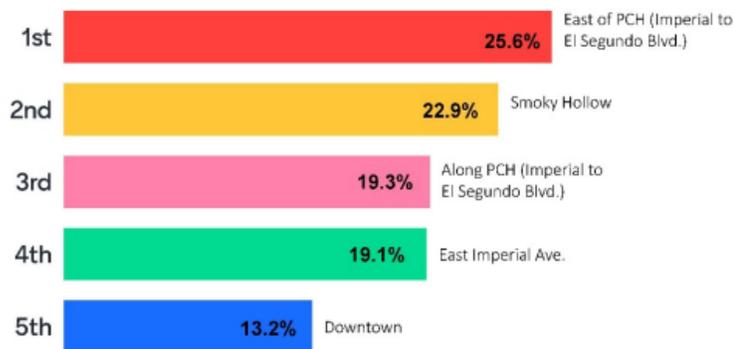
- Community meeting on April 13, 2021
- Development of a City webpage for the Housing Element Update
- Community survey
- YouTube video regarding Housing Element Update
- Social media (Facebook, Twitter, City's website, etc.)
- Postcards to agencies, local businesses, non-profits, & religious facilities
- Notices published in El Segundo Herald on April 8, May 13, & June 10, 2021

- Joint Planning Commission/City Council meeting on June 14, 2021
- Planning Commission review of the Housing Element on September 30, 2021 & January 13, 2022
- City Council review & adoption of the Housing Element on February 1, 2022
- The Housing Element was reviewed and adopted by the City Council on February 1, 2022.
- On March 24, 2022, the Planning Commission held a study session on the Affordable Housing Strategic Plan.

Community Housing Survey

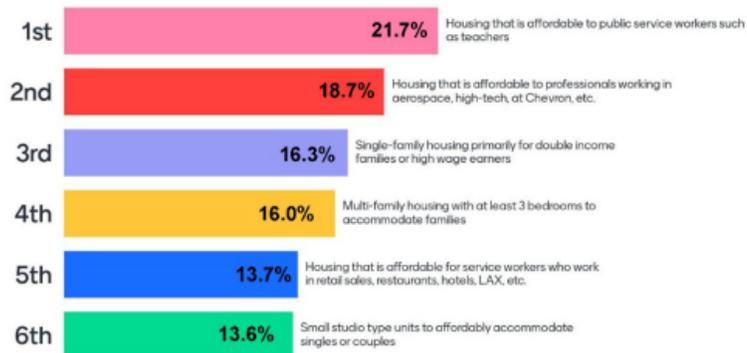
Findings from the Community Housing Survey, which garnered responses from over 1,000 participants and was administered by CSG Consultants between April 1 and May 17, 2021, revealed the following:

Please rank from 1-5, with 1 being your first choice, in what area of El Segundo should new housing be built?



- A preference for new housing development east of Pacific Coast Highway (25.6%), in Smoky Hollow (22.9%), along Pacific Coast Highway (19.3%), or on East Imperial Ave. (19.1%).
- A desire for more diverse housing types in the City, including repurposing office and commercial spaces for mixed-use purposes (28%), converting office and commercial sites into residential units (22%), and introducing workforce housing in the Smoky Hollow area (19%).

**Please rank from 1 to 6, with one being your first choice,
What type of housing you feel is most needed in El Segundo:**



Business Community Input

The El Segundo Economic Development Corporation (ESEDC) emphasized the need for increased housing opportunities, enabling younger professionals to reside within the City. They recognized that integrating work and life aspects, such as housing, in the same city fosters employee well-being. The consensus was that more housing is essential for the thriving of the business community in the City.

Housing Efforts in Progress

The Housing Programs outlined in the El Segundo Housing Element for the 6th Cycle represent a commendable initial step in addressing the City's unmet housing needs. Notably, three of these Programs (Programs 3, 5, and 8) have the potential to contribute to the City's affordable housing production significantly. However, additional efforts are imperative to stimulate the development of affordable housing, as the Programs outlined in the Housing Element are unlikely to yield a sufficient number of units to fulfill the City's RHNA goals. Specifically:

- The properties identified in the Housing Element's Site Inventory are privately owned, and their owners may not be inclined to sell at a viable price point during this housing cycle.
- The City is predominantly developed, and many existing parcels are too diminutive, even when combined, to be considered viable. This is due to various factors such as rising land costs, escalating construction expenses, increasing interest rates, and governmental funding criteria that favor large-scale projects. Building more than 30 units, and ideally 50 or more units, is imperative for the feasibility of an affordable housing development.
- It is highly improbable that market-rate developments will be capable of meeting the City's RHNA goals on their own, especially regarding very low-income units. To illustrate, despite being the first apartment project approved in over 30 years and exceeding the

capacity of all other rezoning sites in size, density, and height (e.g., 90 units per acre compared to the 30/50 units per acre for the rezoning sites), the Pacific Coast Commons (PCC) project is expected to create 32 affordable housing units of the total 263, including 3 designated for very low-income individuals. Consequently, it would take 3.41 PCC projects to satisfy the City's low-income RHNA goals and a staggering 69 PCC projects to meet the very low-income goals.

Affordable Housing Opportunities

The initiatives outlined in this AHSP to promote affordable housing align with, complement, and execute the Housing Programs outlined in the City's Housing Element Update, originally adopted on February 1, 2022, by the City Council. This AHSP also aligns with the Housing Goals and Policies articulated in the Housing Element to fulfill the City's RHNA affordable housing production goals. The following are five strategic goals that guide the 2021-2029 Housing Element:

Goal 1: Preserve and protect the existing housing stock by encouraging the rehabilitation of deteriorating dwelling units and the conservation of the currently sound housing stock.

Goal 2: Provide sufficient new, affordable housing opportunities in the City to meet the needs of groups with special requirements, including the needs of lower and moderate-income households.

Goal 3: Provide opportunities for new housing construction in a variety of locations and a variety of densities.

Goal 4: Remove Governmental constraints on housing development.

Goal 5: Provide housing opportunities including ownership and rental, fair-market and assisted, in conformance with open housing policies and free of discriminatory practices.

Affordable Housing Priorities

While all policy, program, and funding strategies will be studied for future implementation to spearhead affordable housing developments, the City has selected four primary strategies (in **bold** below) to prioritize efforts toward meeting RHNA goals.

Research Design

The following methodology was used to select the affordable housing strategies prioritization:

- A total of ten policies, programs, and funding strategies were created to encourage the creation of affordable housing within the City of El Segundo and further implement housing element goals.
- All council members were given a list with a description of all the strategies and then asked to independently recommend one policy, two programs, and one funding strategy to prioritize.
- Council members' preferences are shown anonymously as provided in the Appendix.
- Strategies with the highest choice are given preference for implementation.

The proposed services and programs support the core vision of what the Housing Element hopes to accomplish by reducing the displacement of lower-income households, expanding affordable housing opportunities, and conserving existing housing stock affordable to lower-income households. These opportunities are categorized by policy, program, and funding. The strategies highlighted in bold were selected as the Council Member's Affordable Housing Strategies prioritization.

Policy Strategies

Live/Work Preference Policy

- Codify that part of the affordable housing agreement (including, but not limited to, a Development Agreement, or Density Bonus Agreement) includes a local priority preference for people who live or work in El Segundo when applying for new affordable housing rental units
- Remedy or mitigate the displacement and gentrification impacts that may result from development activities

Long-lasting Affordable Homes Policy

- Currently, most affordability restrictions are placed for 30 or 55 years, after which time those units return to market rate
- It is recommended that any new pro-housing policies or development agreements include language restricting the affordable units in perpetuity.

Waiver or Deferment of Fees for Affordable Homes Policy

- Alleviate cost burden for affordable housing developers
- Improve the competitiveness of certain affordable housing funding sources

Program Strategies

Helping Affordable Housing Grow Program

- Give money to developers building affordable homes
- Buy land and encourage developers to build affordable homes there
- Pay developers or homeowners to keep homes affordable

Restructuring Park Vista for Housing Credits Program

- Refinance using a government funding source that will deed-restrict the property as low-income housing
- Park Vista will be subject to a Land Use Regulatory Agreement (LURA) that is recorded against the property and establishes the affordability for RHNA credit
- Keep current residents, no rent increase

Affordable Housing Focus Area Program

- Community survey shows residents want affordable housing in high-resource areas:
 - Smoky Hollow
 - West side of PCH between Imperial and El Segundo Blvd
 - E. Imperial Ave.
 - Downtown El Segundo
- These areas are competitive for tax-exempt bonds and low-income tax credits to build affordable housing because of the proximity to amenities
- Workforce Housing in Smoky Hollow

Downtown Homes for Young Professionals to Work, Live, and Play Program

- Integrate work/life in the downtown area by developing more housing opportunities and cooperating with El Segundo Development Corporation and the City's Economic Development staff to attract younger professionals

Funding Strategies

Charge fees and other in-lieu fees for new developments

- Commercial Linkage Fees may be charged to developers of new, non-residential buildings including office, retail, industrial, and manufacturing facilities to generate revenue for the City's Affordable Housing Fund
- In-lieu fees, such as the in-lieu fee of \$5.3 million charged by the City in 2017 to the developer of a former school site who ultimately did not provide 6 affordable units in accordance with the permits issued for the project

Enhanced Infrastructure Financing Districts (EIFDs)

- Financed through increased property tax within designated boundaries
 - I. Freeze the property tax revenues that flow from a designated project area to the city at the "base level"

- II. Additional tax revenue in future years is diverted into a separate pool of money for affordable housing
 - All housing that is developed must be affordable

Local Trust Fund for Affordable Housing

- Apply to State’s Local Housing Trust Fund Program
- Match funds to local housing trust funds dedicated to the creation of affordable housing

These opportunities are categorized by policy, program, and funding. To guide plan implementation, the strategies highlighted in bold were identified as the short-term priorities.

PROGRAM			OUTCOME	PRIORITY
Category	TASK/PROJECT	DESCRIPTION	MILESTONES	Timeframe
Policy	Live/Work Preference	<ul style="list-style-type: none"> •Codify that part of the affordable housing agreement (including, but not limited to, a Development Agreement, or Density Bonus Agreement) includes a local priority preference for people who live or work in El Segundo when applying for new affordable housing rental units 	1. City attorney deems policy legal 2. Text Amendment	1-5 years
Policy	Long-lasting Affordable Homes	<ul style="list-style-type: none"> •Currently, most affordability restrictions are placed for 30 or 55 years, after which time those units return to market rate •It is recommended that any new pro-housing policies or development agreements include language restricting the affordable units in perpetuity. 	1. Text Amendment	5-10 years
Policy	Waiver or Deferment of Fees for Affordable Homes	<ul style="list-style-type: none"> •Alleviate cost burden for affordable housing developers •Improve the competitiveness of certain affordable housing funding sources 	1. City Council approval 2. Create a "No Fee" Permit Ordinance	5-10 years

Program	Affordable Housing Focus Area	<ul style="list-style-type: none"> •Community survey shows residents want affordable housing in high-resource areas: <ul style="list-style-type: none"> o Smoky Hollow o West side of PCH between Imperial and El Segundo Blvd o E. Imperial Ave. o Downtown El Segundo •These areas are competitive for tax-exempt bonds and low-income tax credits to build affordable housing because of the proximity to amenities •Workforce Housing in Smoky Hollow 	1. Rezone any necessary sites to allow for housing	1-5 years
Program	Downtown Homes for Young Professionals to Work, Live, and Play	<ul style="list-style-type: none"> •Integrate work/life in the downtown area by developing more housing opportunities and cooperating with El Segundo Development Corporation and the City's Economic Development staff to attract younger professionals 	1. Adopt the Downtown Specific Plan	1-5 years
Program	Helping Affordable Housing Grow	<ul style="list-style-type: none"> •Give money to developers building affordable homes •Buy land and encourage developers to build affordable homes there •Pay developers or homeowners to keep homes affordable 	<ol style="list-style-type: none"> 1. The adopted city budget includes matching funds for affordable housing 2. Submit grant application(s) 3. Receive funding 	5-10 years
Program	Restructuring Park Vista for Housing Credits	<ul style="list-style-type: none"> •Refinance using a government funding source that will deed-restrict the property as low-income housing •Park Vista will be subject to a Land Use Regulatory Agreement (LURA) that is recorded against the property and establishes the affordability for RHNA credit •Keep current residents, no rent increase 	1. Refinance PV	5-10 years

Funding	Local Trust Fund for Affordable Housing	<ul style="list-style-type: none"> •Apply to State’s Local Housing Trust Fund Program •Match funds to local housing trust funds dedicated to the creation of affordable housing 	1. Budget Housing Fund	1-5 years
Funding	Charge fees and other in-lieu fees for new developments	<ul style="list-style-type: none"> •Commercial Linkage Fees may be charged to developers of new, non-residential buildings including office, retail, industrial, and manufacturing facilities to generate revenue for the City’s Affordable Housing Fund •In-lieu fees, such as the in-lieu fee of \$5.3 million charged by the City in 2017 to the developer of a former school site who ultimately did not provide 6 affordable units in accordance with the permits issued for the project 	<ol style="list-style-type: none"> 1. Adopt text amendment 2. Update fee schedule 	5-10 years
Funding	Enhanced Infrastructure Financing Districts (EIFDs)	<ul style="list-style-type: none"> •Financed through increased property tax within designated boundaries I. Freeze the property tax revenues that flow from a designated project area to the city at the “base level” II. Additional tax revenue in future years is diverted into a separate pool of money for affordable housing •All housing that is developed must be affordable 	1. Establish EIFD	5-10 years

Appendix

Prioritization Result

The below displays each council member's selection. The results are as follows: Live/Work Preference, an Affordable Housing Focus Area, Downtown Homes for Young Professionals, and a Local Trust Fund for Affordable Housing strategy.

Policy					
Live/Work Preference	•	•	•	•	•
Long-lasting Affordable Housing					
Waiver or Deferment of Fees for Affordable Housing					

Program					
Helping Affordable Housing Grow					
Restructuring Park Vista for Housing Credits		•			
Affordable Housing Focus Area	•	•	•	•	•
Downtown Homes for Young Professionals	•		•		•

Funding					
Charge Fees and Other In-Lieu Fees for New Developments	•				
Enhanced Infrastructure Financing Districts					
Local Trust Fund for Affordable Housing		•	•	•	•

RESOLUTION NO. ____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL SEGUNDO ADOPTING AN AFFORDABLE HOUSING STRATEGIC PLAN AFFIRMING THAT AFFORDABLE HOUSING IS A PRIORITY IN THE CITY OF EL SEGUNDO

The City Council of the City of El Segundo does resolve as follows:

SECTION 1: The City Council finds and declares that:

- A. In 2016, the City Council approved a residential development (24 single-family units and 34 multi-family units) at the former Imperial Street School located at 540 East Imperial Avenue. After this approval, there were several meetings to discuss the number of multi-family units that might be dedicated as "affordable units." On March 17, 2020, the City Council amended the project's Specific Plan to allow the developer, DR Horton, to pay an "in-lieu" fee of \$5.3 million to the City in place of dedicating and/or producing future affordable housing units. Before looking to spend any of the \$5.3 million, the City established an Affordable Housing Fund, and the money was formally established with the adoption of the FY 2020-2021 Citywide Budget and became effective on October 1, 2020.
- B. In accordance with California law, the City is required to prepare a Housing Element for its General Plan every 8 years. The current planning cycle runs from October 15, 2021, through October 15, 2029, for jurisdictions within the Southern California Association of Governments ("SCAG") region.
- C. The Regional Housing Needs Allocation ("RHNA") for the City of El Segundo for the period of 2021-2029 indicates that the City has a total housing need of 521 units. From this allocation, the RHNA designates:
 - 1. Among these, 207 units are designated for extremely/very low-income households (earning less than 30%/50% of the Area Median Income or "AMI," respectively),
 - 2. 99 units are allocated for low-income households (earning less than 80% of the AMI)
 - 3. 84 units for moderate-income families with an AMI ranging from 81% to 120%, not to exceed \$105,600; and
 - 4. 131 units for above moderate-income families with an AMI above 120%
- D. On February 1, 2022, the City Council initially adopted El Segundo's 6th Cycle Housing Element, which articulated the City's commitment to adopting an Affordable Housing Strategic Plan ("AHSP").
 - 1. A public workshop and study session with the City's Planning Commission was held on March 24, 2022, to provide an opportunity for the Commission and the public to provide input on the draft AHSP.

2. On June 21, 2022, the City Council was asked to review the draft AHSP and provide feedback to staff on existing and proposed affordable housing programs. Feedback was incorporated into the final AHSP

SECTION 2: Findings and Conclusions. The City Council finds as follows regarding the Affordable Housing Strategic Plan:

- A. The Affordable Housing Strategic Plan aligns with the Housing Element of El Segundo's General to preserve and enhance the community's residential character, expand housing opportunities for all economic segments, and provide guidance and direction for local government decision-making in all matters relating to housing.
- B. The policies, programs, and funding opportunities have the potential to contribute to the City's affordable housing production.
- C. The proposed Affordable Housing Strategic Plan clarifies the direction and prioritization to accelerate affordable housing production in El Segundo.

SECTION 3: Environmental Assessment. Based on the facts set forth in Section 2, and on the evidence in the record as a whole, the City Council finds and determines that as a policy document, there is no substantial evidence that the proposed project will have a significant effect on the environment, cumulative or otherwise. The AHSP provides direction on facilitating affordable housing by outlining several opportunities categorized by policy, program, and funding; it does not modify or affect any allowable use or development standard within the City. Future development will require independent environmental assessment at time of implementation. Accordingly, adoption of this Resolution is exempt from further review under the California Environmental Quality Act ("CEQA"), pursuant to CEQA Guidelines § 15061(b)(3), since 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 4: Approval. The City Council adopts and approves the AHSP attached as Exhibit "A" and incorporated by reference.

SECTION 5: Severability. If any part of this Resolution or its application is deemed invalid by a court of competent jurisdiction, the City Council intends that such invalidity will not affect the effectiveness of the remaining provisions or applications and, to this end, the provisions of this Resolution are severable.

SECTION 6: Signature Authority. The Mayor, or presiding officer, is hereby authorized to affix his signature to this Resolution signifying its adoption by the City Council of the City of El Segundo, and the City Clerk, or her duly appointed deputy, is directed to attest thereto.

SECTION 7: Effective Date. This Resolution will take effect immediately upon adoption and will remain effective unless repealed or superseded.

SECTION 8: City Clerk Direction. The City Clerk will certify to the passage and adoption of this Resolution, enter it in the City's book of original Resolutions, and make a record of this action in the meeting's minutes.

PASSED, APPROVED AND ADOPTED this ____ day of _____ 2023.

Drew Boyles, Mayor

APPROVED AS TO FORM:

Mark D. Hensley, City Attorney

ATTEST:

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS
CITY OF EL SEGUNDO)

I, Tracy Weaver, City Clerk of the City of El Segundo, California, do hereby certify that the whole number of members of the City Council of said City is five; that the foregoing Resolution No. _____ was duly passed, approved, and adopted by said City Council, at a regular meeting of said Council held on the ____ day of _____, 2023, approved and signed by the Mayor, and attested to by the City Clerk, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Tracy Weaver, City Clerk



City Council Agenda Statement

Meeting Date: December 19, 2023

Agenda Heading: Staff Presentations

Item Number: D.14

TITLE:

Update on the City of El Segundo and the El Segundo Unified School District Public Recreation Facilities Joint Use Agreement

RECOMMENDATION:

1. Receive and file the update.
2. Alternatively, discuss and take other action related to this item.

FISCAL IMPACT:

None.

BACKGROUND:

At the City Council meeting of September 19, 2023, staff presented proposed amendments to the Joint Use Agreement ("JUA") for Public Recreation Facilities between the City of El Segundo and the El Segundo Unified School District ("ESUSD" or "District"). The following three changes to the amendment were agreed upon by both the City and the District:

1. Terms of Contract:

The term of the amended agreement is seven years, beginning September 2023 and ending September 2030, with an optional four-year reopen in September 2027. With this said, the agreement can be terminated at any time by either party, so this change is not substantive.

2. Biannual Meetings:

To ensure continued communication, the City and the District management personnel will meet twice annually to discuss field and facility allocation.

3. Pro-Rata Cost Share:

The District agrees to consider potential pro rata share of improvements to City fields

Joint Use Agreement

December 19, 2023

Page 2 of 3

that benefit ESUSD students based on the amount of time that ESUSD students will benefit from improvements.

DISCUSSION:

At a special meeting of the City Council on October 30, 2023, staff presented an amended JUA for Council approval. The City Council discussed three other items within the amendment: the scheduling and maintenance of Richmond Street and Center Street school fields, the City's use of the El Segundo Middle School gymnasium, basketball courts and fields, and the prioritization of providing field space for non-profit organizations over for-profit programs.

Following discussion, the City Council unanimously approved the attached, revised JUA which adds back recitals K and L, which pertain to documentation of in-kind services. The Council's approval also called for the City and District to exchange updated exhibits regarding field schedules and allocation policies within 45 days of approval. Director Mancini requested the field use schedules from Mrs. Linz in early November. On December 13, City Manager Darrell George received a Memo from District Superintendent, Melissa Moore, indicating the status of the District's efforts toward this exchange (Attached). Dr. Moore also submitted a copy of the District's field allocation policy (Attached). Director Mancini expects to return to Council on January 16, 2024 with the documents requested by the City Council.

CITY STRATEGIC PLAN COMPLIANCE:

Goal 1: Enhance Customer Service, Diversity, Equity, Inclusion and Communication

Objective 1A: El Segundo provides unparalleled service to all customers.

Objective 1B: El Segundo's engagement with the community ensures excellence.

Goal 5: Champion Economic Development and Fiscal Sustainability

Objective 5A: El Segundo promotes economic growth and vitality for businesses and the community.

Objective 5B: El Segundo approaches its work in a financially strategic and responsible way.

PREPARED BY:

Brandee Thornton, Sr. Admin Specialist

REVIEWED BY:

Aly Mancini, Recreation, Parks and Library Director

APPROVED BY:

Barbara Voss, Deputy City Manager

Joint Use Agreement

December 19, 2023

Page 3 of 3

ATTACHED SUPPORTING DOCUMENTS:

1. City/ESUSD Facilities Joint Use Agreement 12-06-2023
2. ESUSD Board Policy 1330
3. Memo to Darrell George 12.13.23

AMENDED AND RESTATED JOINT USE AGREEMENT FOR PUBLIC RECREATION
FACILITIES BETWEEN THE CITY OF EL SEGUNDO AND EL SEGUNDO UNIFIED
SCHOOL DISTRICT OF LOS ANGELES COUNTY

This AGREEMENT is made and executed this 1st day of September 2023, between the CITY OF EL SEGUNDO, a municipal corporation ("City"), and the EL SEGUNDO UNIFIED SCHOOL DISTRICT OF LOS ANGELES COUNTY, a California public school district ("District"), each, individually, a "party" and, collectively, the "Parties."

RECITALS

This Agreement is made with reference to the following facts and objectives:

- A. Chapter 10, Part 7 of Division I (Section 10900, *et seq.*) of the Education Code of the State of California authorizes and empowers school districts and cities to organize, promote and conduct programs of community recreation to establish systems of playgrounds and recreation, and acquire, improve, maintain, and operate centers within or without the territorial limits of the city.
- B. On September 19, 2012, the City and the District entered into that certain Amended and Restated Joint Use Agreement which established the Parties' respective rights and agreement to jointly use specific properties owned by each party (the "Original Agreement"). The Original Agreement was for a term of ten years terminating on September 20, 2022. The Original Agreement was extended by the Parties on September 21, 2022, and is scheduled to terminate on September 1, 2023.
- C. The Parties wish to continue the Joint Use agreement pursuant to the terms set forth herein.
- D. City owns, operates and maintains certain public recreation facilities known as El Segundo Recreation Park (401 Sheldon Street); El Segundo Library Park (600 Block Main Street); El Segundo Hilltop Park (Maryland Street and Grand Avenue); Urho Saari Swim Stadium (219 West Mariposa); Acacia Park (623-25 West Acacia Avenue); Washington Park (Washington Street at Palm Avenue); Constitution Park (Washington Street between Palm and Maple Avenue); Sycamore Park (Sycamore Avenue and California Street); Kansas Park (Holly Avenue and Kansas Street); Candy Cane Parkette (100 Block Whiting Street); Campus El Segundo Athletic Fields (2201 East Mariposa Avenue); Freedom Park (Illinois Street between Mariposa Avenue and Holly Avenue); Independence Park (Washington Street between Walnut Avenue and Sycamore Avenue); Camp Eucalyptus (641 California Street); El Segundo Teen Center and Skatepark (405 East Grand Avenue); and lighting at the Richmond Street School (collectively, the "City Owned Facilities"). The City also operates and maintains lighting on the property adjacent to the Richmond Street School located at 615 Richmond Street (the "615 Richmond Street Improvements"). The City also owns the Lakes at El Segundo Golf Course (the "Golf Course"). The Golf Course is managed by a third party pursuant to a Management Agreement with the City and consistent with that certain Lease

Agreement regarding adjacent City-owned property and on which the “Topgolf” entertainment venue has been constructed and is operating. The Golf Course, [615 Richmond Street Improvements](#), –and City Owned Facilities shall be collectively defined as the "City Facilities."

- E. District owns, operates and maintains certain school facilities known as El Segundo High School (640 Main Street); Center Street School (700 Center Street) El Segundo Middle School (332 Center Street); School District Offices (641 Sheldon Street); Richmond Street School (615 Richmond Street); and Eagles' Nest Preschool (641 Sheldon Street). The foregoing properties shall be defined as the “District Facilities.” District also operates and maintains ~~certain improvements, including~~ a ball field, turf areas, landscaping utilities and other fixtures known as the Center Street School, located at 700 Center Street, and Richmond Street School, located at 615 Richmond Street, both fields will be subject to City use pursuant to this Agreement. The City’s Recreation and Parks staff will be in charge of scheduling and benefit from revenue responsibilities for the fields adjacent to the Center Street School and Richmond Street School.
- F. The aforementioned facilities are available for such uses as described in Recital A, when such use will not interfere with the owning party’s use of the facilities.
- G. City and District have found that it will be in the public interest, economically and practically, to cooperate with each other in regard to the recreational use of the aforementioned facilities and, therefore, desire to enter into an agreement pursuant to the provisions of said Chapter 10 of the Education Code.
- H. City is concerned with the continued quality of education, recreation and extracurricular activities that its residents, particularly its minor residents, receive and desires to provide support and collaboration to District for purposes of maintaining and enhancing the availability of these services.
- I. Such services benefit the youth of El Segundo by providing such youth with vital services that will lessen the need for City services such as police and park and recreation services and will result in better educated and healthier youth in the City.
- J. City believes that District’s educational services play a critical role in providing the City with future citizens that will dedicate their time and knowledge to the community and thereby increase the quality of life in the City of El Segundo.
- K. The benefits provided to the District herein shall be in addition to in-kind and other contributions provided to the District by the City, which are anticipated to total approximately \$897,401 for fiscal year 2023-24. These in-kind services include, but are not limited to, the services approximately described on Exhibit A.
- L. The benefits provided to the City herein shall be in addition to in-kind and other contributions provided to the City by the District, which are anticipated to total approximately \$871,859 for fiscal year 2023-24. These in-kind services include, but are not limited to, the services approximately described on Exhibit B.

M. City and District hereby seek to amend and restate the September 19, 2021~~12~~, Amended and Restated Agreement and to add additional properties and in-kind services subject to the terms provided herein.

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

1. Term. This Agreement is for the term of ~~seven~~ (7) years, retroactively commencing on September 21, 2023, and terminating September 20, 2030 August 31, 2030, with an ~~the~~ opportunity for either party to re-open the Agreement in 2027. This Agreement may be renewed or extended upon mutual written agreement of the Parties. In the event either Party has any concerns or desires to amend the Agreement, including, but not limited to, adding or changing the respective responsibilities of the Parties, the Parties agree to meet in good faith to consider amending this Agreement as necessary to address the stated concern(s). Nothing herein shall be construed as requiring or obligating the Parties to accept any amendment. Instead, the Parties hereby agree to meet and discuss any potential amendments in good faith to determine if any such amendment is necessary and in the best interest of both Parties.

2. District's Use of City Facilities. City agrees to allow District to utilize the City Facilities for educational programs, events or uses, under the direction and supervision of District in accordance with a schedule acceptable to City and District, provided, however, that such scheduled use cannot at any time interfere with the use of the City Facilities or equipment for the regular conduct of City-authorized recreation programs, events or uses. District will have priority over non-City authorized recreation programs, events or uses in the scheduling of City Facilities. District's use of the Golf Course is subject to the terms of the Management Agreement and the Lease Agreement.

3. City Use of District Facilities. District agrees to allow City to utilize the District Facilities for programs, events or uses, under the direction and supervision of City in accordance with a schedule acceptable to City and District; provided, however, that such scheduled use cannot at any time interfere with the use of the District Facilities or equipment for the regular conduct of school programs, events or uses. City will have priority over non-~~school~~District programs, events or uses in the scheduling of District Facilities during periods when they are not used for school purposes. District will add the high school practice field, the new middle school gym, outdoor basketball courts and the field to the City's scheduling software system for use by the City to the extent those facilities are not otherwise being used for District purposes. District also agrees its facilities can be used by the City for emergency shelter upon a mutually acceptable written agreement. Both entities agree to schedule fields according to their respective policies.

4. Equipment and Personnel. Each party hereto agrees to conduct and supervise their respective programs, events and uses on the other party's facilities in conformance with their respective policies and budget limitations. It is agreed further in this regard, that the Parties must provide all expendable supplies and materials and must furnish and compensate all personnel necessary to conduct their respective programs and activities, except as may be mutually agreed upon by City and District from time to time

during the terms of this Agreement and as provided by law. In the event any of the Facilities subject to this Agreement include the one-time purchase of equipment upgrades (such as scoreboards or lighting), the Parties may negotiate a pro-rata payment based on both parties' use of the new equipment through separate agreements between the District and the City.

5. Rules and Regulations. During the conduct of such programs and activities, each party may formulate and enforce such rules and regulations as are acceptable to the other party, and necessary to maintain proper standards of conduct and safety on said facilities for all age groups.

6. Duty to Repair. Each party agrees to comply with all existing rules regulating their respective properties including, without limitation, cleanup after using the property. Each party must repair, cause to be repaired, or reimburse the other for the cost of repairing damage to said facilities occurring during the period of use by that party, except where such damage may be attributed to ordinary or reasonable use of such facility. Except as otherwise provided for in this Agreement, each party will be responsible for normal operation, maintenance and repair of its own buildings and facilities. It is understood that both Parties have the right in their respective sole and absolute discretion to make one or more of their facilities unavailable for use by the other party for purposes of repairing or making alterations to the facilities or because the facility is unfit for public use. In the event either party has concerns or requests regarding the repair or maintenance of any facilities subject to this Agreement, all such concerns or requests shall be addressed to, and resolved through, the District Contact and the City Contact as set forth in Section 19 below.

7. Alterations. Neither party may make, or cause to be made, any alterations to the other's property, or any part thereof, without the other's prior written consent. This section shall not apply to the 615 Richmond Street Improvements.

8. Indemnification.

A. District's Indemnification. District must defend and hold City, its city council, officials, officers, agents and employees, free and harmless from any liability for loss, damage, injury or death to persons, or damage to or loss of property, including City property, arising out of District's use of the City Facilities or any building, facility or equipment located thereon.

B. City's Indemnification. City must defend and hold District, its Board of Education, officials, officers, agents and employees free and harmless from any liability for loss, damage, injury or death to persons, or damage to or loss of property, including District property, arising out of City's use of the District Facilities or any building, facility or equipment located thereon.

9. Hazardous/Toxic Waste. Neither party has nor, to their knowledge, has any third party used, generated, stored or disposed of or permitted the use, generation, storage or disposal of, any Hazardous Material (as defined below) on, under, about or within the District Facilities or City Facilities in violation of any law or regulation. The Parties agree

that they will not use, generate, store or dispose of any Hazardous Material (as defined below) on, under, about or within their properties in violation of any law or regulation. As used in this section, "Hazardous Material" means any substance, chemical or waste that is identified as hazardous, toxic or dangerous in any applicable federal, state or local law or regulation (including petroleum and asbestos).

10. Signs. Neither party may place any sign upon the other's property without the owner's prior written consent. The requesting party must pay for all costs of any approved signage and comply with all applicable sign codes and ordinances.

11. Insurance.

A. District's Duty to Insure. District must keep in full force and effect during the term of this Agreement public liability insurance, insuring and protecting City and District from and against any and all liability of City for damages arising out of or connected with use by District, its agents, employees, permittees, and students of the City Facilities or any building, facility or equipment located thereon. All public liability insurance required hereunder must be in the minimum amount of Ten Million Dollars (\$10,000,000) and a certificate of such insurance showing City as additional insured must be provided to City. Said certificate must provide that City will receive thirty (30) days' notice of cancellation of said policy.

B. City's Duty to Insure. City must keep in full force and effect during the term of this Agreement public liability insurance insuring and protecting City and District from and against any and all liability of District for damages arising out of or connected with use by City, its agents, employees, and permittees of the District Facilities or any building, facility or equipment located thereon. All public liability insurance required hereunder must be in the minimum amount of Ten Million Dollars (\$10,000,000) and a certificate of such insurance showing District as additional insured must be provided to District. Said certificate must provide that District will receive thirty (30) days' notice of cancellation of said policy.

12. Limitations on Use. Neither party may permit any person or organization to use any of the facilities, buildings or accessories thereto where such use is inconsistent with the provisions of federal, state or local laws, including without limitation, Section 10900 through 10916 of the Education Code of the State of California, the El Segundo Municipal Code, or adopted City or District policies.

13. Use Schedules. The Superintendent of the School District and the City Manager of the City, or their designees, are hereby authorized and directed by their respective parties to develop necessary schedules and/or details in connection with the operation of the facilities pursuant to this Agreement which are consistent with the above-stated purposes. The parties agree to meet twice a year to schedule fields and facilities for the Fall/Winter and Spring/Summer seasons to accommodate school and city programming.

14. Termination. Either party may terminate this Agreement at any time with or without cause upon written notification. By executing this Agreement, the Parties waive any and all claims for damages that may otherwise arise from early termination under this section.

15. Successors and Assigns. This Agreement is binding on the assigns, transferees and successors in interest of City and District whether said successor in interest is a unified school district or other political entity.

16. Employees. For purposes of this Agreement, all persons employed in the performance of services and functions for the City shall be deemed City employees and no City employee shall be considered as an employee of the District under the jurisdiction of the District, nor shall such City employees have any District pension, civil service, or other status while an employee of the City. For purposes of this Agreement, all persons employed in the performance of services and functions for the District shall be deemed District employees and no District employee shall be considered as an employee of the City under jurisdiction of the City, nor shall such District employees have any City pension, civil service, or other status while an employee of the District.

17. Entire Agreement. This Agreement represents the entire understanding of the Parties with respect to the subject matter herein and all prior written and oral agreements regarding the subject matter herein are superseded by this Agreement.

18. Assignment. Neither party may assign this Agreement or its interest herein. Any such attempted assignment will be void.

19. Notices. Except as otherwise expressly provided by law, all notices or other communications required or permitted by this Agreement or by law to be served on or given to either party by the other party will be in writing and will be deemed served when personally delivered to the party to whom they are directed, or in lieu of the personal service, upon deposit in the United States Mail, certified or registered mail, return receipt requested, postage prepaid, addressed to:

District Contact

El Segundo Unified School District
641 Sheldon Avenue
El Segundo, CA 90245
Attn: Melissa Moore, Ed.D. Superintendent

City Contact

City of El Segundo
350 Main Street
El Segundo, CA 90245
Attn: Darrell George, City Manager

Either party may change its address for the purpose of this section by giving written notice of the change to the other party.

20. Acceptance of Electronic Signatures. The Parties agree that agreements ancillary to this Agreement and related documents to be entered into in connection with this Agreement will be considered signed when the signature of a party is delivered by electronic transmission. Such electronic signature will be treated in all respects as having the same effect as an original signature.

21. Governing Law. This Agreement has been made in and will be construed in accordance with the laws of the State of California and exclusive venue for any action involving this Agreement will be in Los Angeles County.

22. Partial Invalidity. Should any provision of this Agreement be held by a court of competent jurisdiction to be either invalid or unenforceable, the remaining provisions will remain in effect, unimpaired by the holding.

23. Construction. No provision of this Agreement shall be construed by any court or other judicial authority against either party hereto by reason of such party's being deemed to have drafted or structured such provision.

24. Authority/Modification. The Parties represent and warrant that all necessary action has been taken by the Parties to authorize the undersigned to execute this Agreement and to engage in the actions described herein. This Agreement may be modified by written agreement. City's City Manager, or designee, may execute such amendment on behalf of City.

25. Counterparts. This Agreement may be executed in any number of counterparts, each of which will be an original, but all of which taken together will constitute one instrument executed on the same date.

IN WITNESS WHEREOF, the parties hereunto have executed this Agreement by their officers duly authorized.

EL SEGUNDO UNIFIED SCHOOL DISTRICT

_____ [Signature]

_____ [Name]

_____ [Date]

CITY OF EL SEGUNDO

_____ [Signature]

_____ [Name]

_____ [Date]



Book	A. Board Policies
Section	1000 Community Relations
Title	Use of School Facilities
Code	BP 1330
Status	Active
Legal	EDUCATION CODE 10900-10914.5 Community recreation programs 32282 School safety plan 37220 School holidays 38130-38138 Civic Center Act, use of school property for public purposes BUSINESS AND PROFESSIONS CODE 25608 Alcoholic beverages on school premises GOVERNMENT CODE 54950-54963 the Ralph M. Brown Act MILITARY AND VETERANS CODE 1800 Definitions CODE OF REGULATIONS, TITLE 5 14037-14042 Proportionate direct costs for use of school facilities and grounds UNITED STATES CODE, TITLE 20 7905 Equal access to public school facilities COURT DECISIONS Good News Club v. Milford Central School, (2001) 533 U.S. 98 Lamb's Chapel v. Center Moriches Union Free School District, (1993) 508 U.S. 384 Cole v. Richardson, (1972) 405 U.S. 676 Connell v. Higginbotham, (1971) 403 U.S. 207 ACLU v. Board of Education of Los Angeles, (1961) 55 Cal .2d 167 Ellis v. Board of Education, (1945) 27 Cal.2d 322 ATTORNEY GENERAL OPINIONS 82 Ops.Cal.Atty.Gen. 90 (1999) 79 Ops.Cal.Atty.Gen. 248 (1996)
Cross References	CSBA PUBLICATIONS Maximizing Opportunities for Physical Activity Through Joint Use of Facilities, Policy Brief, February 2010 Building Healthy Communities: A School Leader's Guide to Collaboration and Community Engagement, 2009 WEB SITES CSBA: http://www.csba.org California Department of Education: http://www.cde.ca.gov
Adopted	June 13, 2017
Last Revised	June 13, 2017
Last Reviewed	June 13, 2017

The Governing Board recognizes that school facilities and grounds are a vital community resource which should be used to foster community involvement and development. Therefore, the Board authorizes the use of school facilities by district residents and community groups for purposes specified in accordance with Education Code 38133 et seq. (Civic Center Act), to the extent that such use does not interfere with school activities or other school-related uses. The District shall allow the use of its facilities in accordance with other provisions of the law as well. The District shall retain sole discretion to determine which of its facilities shall be made available for use.

(cf. 6145.5 - Student Organizations and Equal Access)

The purpose of this policy is to provide a framework that the site administrator/designee at all district facilities will follow in order to ensure consistent application of the policy and regulation. For the effective management and control of school facilities and grounds, the Superintendent or designee shall maintain procedures and regulations that: (Education Code 38133)

1. Aid, encourage, and assist groups desiring to use school facilities for approved activities
2. Preserve order in school facilities and on school grounds and protect school facilities, designating a person to supervise this task, if necessary

(cf. 0450 - Comprehensive School Safety Plan)

(cf. 3516 - Emergencies and Disaster Preparedness Plan)

3. Ensure that the use of school facilities or grounds is not inconsistent with their use for school purposes and does not interfere with the regular conduct of school work

Subject to prior approval by the Board, the Superintendent or designee may grant the use of school facilities or grounds on those days on which district schools are closed. (Education Code 37220)

(cf. 6115 - Ceremonies and Observances)

As necessary to ensure efficient use of school facilities, the Superintendent or designee may, with the Board's approval, enter into an agreement for the joint use of any school facilities or grounds. The Board shall approve any such agreement only if it determines that it is in the best interest of the district and the community. Such joint agreements have been reached between the City of El Segundo and the school district.

(cf. 1330.1 - Joint Use Agreements)

The Superintendent shall adopt an administrative regulation specifying priority order where competing requests are received for the same school facilities or grounds. Site facility requests are decentralized and field allocation or facility use requests are processed and assigned by the Administrative Designee at each school site location.

FEES:

The Board believes that the use of school facilities or grounds should not result in costs to the district. The Superintendent or designee shall charge all groups granted the use of school facilities or grounds under the Civic Center Act an amount not exceeding direct costs determined in accordance with 5 CCR 14037-14041. (Education Code 38134)

The Board shall adopt a comprehensive schedule of fees to be charged for community use of school facilities and grounds, including, but not limited to, the multipurpose room(s), playing or athletic field(s), track and field venue(s), tennis court(s), and outdoor basketball court(s). The schedule of fees shall be prepared in accordance with 5 CCR 14037-14041. (5 CCR 14041)

Fee schedule may vary based upon site specific features which contribute to additional direct costs. All costs associated with the use of the facility will be embedded into a single hourly rate of usage.

(cf. 9320 - Meetings and Notices)

CATEGORY 1:

Free Use Groups

When an alternative location is not available, the Board authorizes the use of school facilities or grounds without charge by nonprofit organizations, clubs, or associations organized to promote youth and school activities. As specified in Education Code 38134(a), these groups include, but are not limited to, Girl Scouts, Boy Scouts, El Segundo Education Foundation, American Youth Soccer, parent-teacher associations, and school-community advisory councils. However, free use groups will be charged for direct costs for salaries of employees for any request that requires services beyond the normal duties of the employees or the standard hours of operation for the site. The District retains the right to designate or specify free use groups in its sole discretion, consistent with the Civic Center Act and any other applicable law. (\$10.00 per participant and direct charges for each six month field allocation period)

CATEGORY 2:

Direct Cost Groups

The Board authorizes the use of school facilities or grounds at a cost not to exceed direct costs by other groups, including nonprofit groups not organized to promote youth and school activities or for-profit groups that request the use of the school facilities under the Civic Center Act. Additionally, when any use of school facilities or grounds is for religious services,

the district shall charge an amount at least equal to the district's direct costs. (Education Code 38134) (See Fee Schedule)

CATEGORY 3:

Fair Rental Value Groups

The Board shall grant the use of school facilities or grounds at fair rental value by groups using school facilities or grounds for entertainment or meetings where admission is charged or contributions solicited and net receipts are not to be expended for charitable purposes or for the welfare of the district's students. (Education Code 38134)

(See Fee Schedule)

CATEGORY 4:

Internal School-Related Organizations

The Board shall grant the use of school facilities or grounds without charge to school-related organizations whose activities are directly related to or for the benefit of district schools.

Direct Costs

In determining direct costs to be charged for community use of each, or each type of, school facility or grounds, the Superintendent or designee shall calculate, in accordance with 5 CCR 14038, the community's proportionate share of the following costs: (Education Code 38134; 5 CCR 14038-14041)

1. Capital direct costs calculated in accordance with 5 CCR 14039, including the estimated costs of maintenance, repair, restoration, and refurbishment of non-classroom space school facilities or grounds

However, capital direct costs shall not be charged to organizations retained by the district or school to provide instruction or instructional activities to students during school hours or for classroom-based programs that operate after school hours, including, but not limited to, after-school, tutoring, and child care programs. (5 CCR 14037)

(cf. 5148 - Child Care and Development)

(cf. 5148.2 - Before/After School Programs)

2. Operational direct costs calculated in accordance with 5 CCR 14040, including estimated costs of supplies, utilities, janitorial services, other services of district employees and/or contracted workers, and salaries and benefits paid to district employees directly associated with the administration of the Civic Center Act to operate and maintain school facilities and grounds

Direct cost fees shall not be discounted to any group or organization except when the discount is specifically authorized in the adopted fee schedule. (5 CCR 14041)

Expending Funds Collected as Capital Direct Costs

Any funds collected as capital direct costs shall be deposited into a special fund to be used only for capital maintenance, repair, restoration, and refurbishment of school facilities and grounds. (5 CCR 14042)

Use of School Facility as Polling Place

The Board may authorize the use of school buildings as polling places on any election day, and may also authorize the use of school buildings, without cost, for the storage of voting machines and other vote-tabulating devices. However, if a city or county elections official specifically requests the use of a school building as a polling place, the Board shall allow its use for such purpose. If school will be in session, the Superintendent or designee shall identify to elections officials the specific areas of the school buildings not occupied by school activities that will be allowed for use as polling places. (Elections Code 12283)

(cf. 6111 - School Calendar)

When a school is used as a polling place, the Superintendent or designee shall provide the elections official a site with an adequate amount of space that will allow the precinct board to perform its duties in a manner that will not impede, interfere, or interrupt the normal process of voting and shall make a telephone line for Internet access available for use by local elections officials if so requested. He/she shall make a reasonable effort to ensure that the site is accessible to persons with disabilities. (Elections Code 12283)

The Superintendent or designee shall establish procedures to ensure student safety and minimize disruptions whenever school is in session while the facilities are being used as a polling place.

(cf. 3515.2 - Disruptions)



December 13, 2023

TO: Darrell George
City Manager, City of El Segundo

FROM: Melissa Moore, Ed.D.
Superintendent

RE: ESUSD Update Regarding City Inquiry

On November 14, 2023, ESUSD Board of Education approved the Joint Use Agreement with the City of El Segundo. Per our phone conversation on December 12, 2023, I am providing you an update regarding specific actions ESUSD has taken towards good faith implementation of the Joint Use Agreement between the City of El Segundo and ESUSD.

I. Assumption of Grounds Maintenance of Richmond Street School Field

Chief Business Official Kimberlie Linz has worked with ESUSD landscape service provider, Bright View to assume grounds services for RSS beginning January 2024. A contract amendment was approved by the Board at the December 12, 2023, Board meeting. Kim Linz has confirmed with Elias Sasson that the City may discontinue grounds services as of December 31, 2023. **This action results in a cost savings to the City of \$17K.**

Board Agenda Item for December 12, 2023

Meeting	Dec 12, 2023 - El Segundo Unified School District Board of Education Organizational Meeting at 5 p.m. District Administrative Office Board Room - 641 Sheldon Street, El Segundo, CA 90245 Tuesday, December 12, 2023
Category	Consent Agenda
Subject	Approval to Enter Into an Agreement With Brightview Landscape Services For Landscape Management for Richmond Street Field
Type	Action (Consent)
Budget Source	Routine Restricted Maintenance

The Director of Maintenance and Operations requests Board of Education approval to enter into an agreement with Brightview Landscape Services to provide landscape

management at the Richmond Street School field. The district awarded Brightview Landscape Services the landscape management contract for the district after a competitive bidding process on March 28, 2023. At that time, the City of El Segundo managed the Richmond Street Field maintenance. As part of the Joint Use Agreement approved on November 14, 2023, the district has agreed to maintain and manage the field at Richmond Street School. The cost for regular maintenance will be \$13,160 annually. This includes a monthly fee of \$730 dollars for general landscape management and an additional monthly fee of \$520 for maintaining and striping the softball field during the girls' softball season from February to May.

- II. Transferring Watering and Billing to ESUSD with West Basin Municipal Water District**
Kimberlie Linz has submitted an online request to the City to transfer watering and billing to ESUSD. She has also been in touch with the West Basin Municipal Water District regarding any protocols the District is required to follow. ESUSD's request to the City has been approved and the District is working with the West Basin Water District to expedite the process to be done as quickly as possible. **This action will result in additional cost savings to the City.**

- III. Purchase of Facility Managing Software**
ESUSD use of school facilities is decentralized. Each school has developed its own system for record keeping and scheduling of fields. As such, no data or schedules are handled at the District. Schools follow ESUSD Administrative Regulation 1330 in the scheduling of fields. Fields are allocated to groups three times per year based on the high school sports seasons: fall, winter, and spring/summer. Groups are to submit requests directly to the school site by each season's deadline for consideration. **No commitments are made to any outside entities until the district schedule is confirmed for the season. At that time fields are assigned according to ESUSD Administrative Regulation 1330.**

With the commitments outlined in the new Joint Agreement, Richmond and Center Street fields will be scheduled by the City. However, with bookkeeping for field use being handled by school sites there were no records readily accessible or in any consistent format. Thus, it became necessary for the District to standardize the schedules in a central location to allow District access for the purpose of monitoring in order to maintain fidelity to the Joint Use Agreement regarding middle and high school field use. In order to address the issue, ESUSD is purchasing a facility managing software to allow middle and high schools' facility scheduling to remain decentralized while also allowing the District an opportunity to view usage. This will allow the ability for the District to identify windows of time fields become available and communicate openings with City personnel so the City or other user groups may schedule field use at the middle or high school.

A contract was approved by the Board at the December 12, 2023, Board meeting. It will take several months for all personnel to be fully trained and achieve full implementation

of the functionality. The District will need this software to be fully operational prior to being able to provide a complete and accurate picture of field use by the district.

Board Agenda Item for December 12, 2023

Meeting	Dec 12, 2023 - El Segundo Unified School District Board of Education Organizational Meeting at 5 p.m. District Administrative Office Board Room - 641 Sheldon Street, El Segundo, CA 90245 Tuesday, December 12, 2023
Category	9. Consent Agenda
Subject	S. Ratification/Approval to Enter Into an Agreement With Facilitron, Inc. for Facility Managing Software
Type	Action (Consent)
Fiscal Impact	Yes
Dollar Amount	45,000.00
Budgeted	Yes
Budget Source	Use of Facilities / Use of Fields

The Chief Business Official requests Board of Education ratification/approval to enter into an agreement with Facilitron, Inc. for facility management software. Facilitron, Inc. is a data-driven facility management platform that streamlines field and facility scheduling and rental requests. Facilitron's software will allow for a one stop online portal for rental requests to collect all necessary data including: required documentation, insurance, staffing needs and fees from user groups. Facilitron will send a monthly allocation to the district for rentals with a report of which facilities were used and by what type of user group. This will assist in reporting and assessing use of fields. School and district needs for field and facility use can be pre-programmed to ensure all school and district activities have the space and facilities needed. Facilitron will photograph each space that can be rented, develop a description including pricing, capacity, and restrictions, and develop and maintain the user interface for the district. Training will be provided to all necessary staff at no additional cost.

IV. Scheduling of Center Street School Fields

In accordance with ESUSD BP/AR 1330, the fields at CSS have been reserved for use with Little League and Beach Cities Baseball. Kim Linz and Aly Mancini will be meeting in January 2024 to discuss processes for City to assume scheduling and will earn revenue for use of fields at CSS. **This action results in additional revenue to the City.**

V. ESUSD Board Policy and Administrative Regulation 1330 Use of School Facilities
A copy of ESUSD Board Policy and Administrative Regulation regarding Use of School Facilities is attached. It is important to note that no user group is permitted to reserve space for a calendar year as ESUSD BP/AR does not permit it.

VI. A Snapshot in Time: Fall Field Use at El Segundo High School
ESUSD use of school facilities is decentralized. Each school has developed its own system for record keeping and scheduling of fields. As such, no data or schedules are handled at the District. The following field schedule is perfectly imperfect. It captures Fall field use at El Segundo High School that was reserved in accordance with BP/AR 1330.

Fall Season 2023:

ES Football: Monday -Friday 8/11-11/1/23 Stadium and Practice Fields 3:00-6:00 pm

Pop Warner: Monday - Friday 7/31-8/11/23 Stadium and Practice Fields 6:00- 8:00 pm

Pop Warner: Monday, Wednesday, Thursday 8/1-11/18/23 Stadium and Practice Fields 6:00-8:00 pm

Beach Soccer: Monday, Wednesday, Thursday 8/1-10/31/23 Stadium and Practice Fields 8:00-9:30 pm

Marching Band: Tuesdays 8/01-10/31/23 Stadium 6:00 – 9:00 p.m.

Pop Warner Sat (6 dates based on scheduling needs) Stadium 8:00 -7:00 pm

Beach Soccer Sat (8 dates based on scheduling needs) Practice Field 9:00-3:00 pm

Beach Soccer Sunday (6 dates based on scheduling needs) Stadium and Practice Fields 9:00-5:00 pm

VII. City/School Sub-Committee Meeting
ESUSD requests a meeting of the City/School Sub-Committee as soon as possible to further discuss and clarify issues related to implementation of the Joint Use Agreement moving forward and look forward to actively troubleshooting issues with City personnel.

Cc. ESUSD Board of Education
Kimberlie Linz



City Council Agenda Statement

Meeting Date: December 19, 2023

Agenda Heading: Staff Presentations

Item Number: D.15

TITLE:

City Co-Sponsored Events and Fee Waivers

RECOMMENDATION:

1. Approve the updated list of fee waivers for events for two years through December 2025.
2. Approve the Fee Waiver Request Form and Fee Waiver Scorecard and the procedure for fee waiver requests.
3. Alternatively, discuss and take other action related to this item.

FISCAL IMPACT:

The fiscal impact will be determined after staff have conducted an analysis of City costs to provide support for approved co-sponsored events. Staff estimates fee waivers to be approximately \$100,000 annually based on the proposed list of co-sponsored events.

BACKGROUND:

In December 2009, the City Council voted to approve fee waiver requests for 15 annual events that the City had been supporting (Attachment 1). The approved events included those hosted by El Segundo Unified School District and other local community service organizations. The estimated waiver of fees for the 15 events was \$45,100 for a two-year waiver term.

In December 2011, the Council voted to continue providing fee waivers for the original 15 events and added three fee waivers for banners (Attachment 2). The estimated fee waiver for the 15 events was \$61,240 for a two-year waiver term.

In December 2013, the Council voted again to provide fee waivers for the original 15 events and three banners (Attachment 3). The estimated fee waiver for the events and banners was \$72,670 for a two-year waiver term. In addition, the Council appointed a

Co-Sponsored Events

December 19, 2023

Page 2 of 5

subcommittee to work toward a recommendation for a new process to assist in the determination of granting fee waivers to special event applicants.

At the June 2014 City Council meeting, the subcommittee presented two documents to be utilized by applicants and City staff while seeking fee waivers from the City. The two documents were the Fee Waiver Request Form (Attachment 4), to be completed by the applicant, and the Fee Waiver Scorecard (Attachment 5), to be completed by City Staff. Staff also recommended that there be a pre-determined application period annually wherein interested applicants could submit requests for consideration and thereafter, the Council would approve the requests annually as a collective package. Any additional events throughout the year could be presented as an individual item. After public comment and Council discussion on the item, Council directed staff to return to the Council with alternative options for fee waivers at a subsequent meeting.

At the July 15, 2014, City Council meeting, staff returned and made the following recommendations:

1. The City of El Segundo officially partner with the Chamber of Commerce as a co-sponsor of the parade, thereby removing the event from the special event permitting process and subsequent responsibility to pay for City services.
2. Only non-profit organizations based within the City of El Segundo shall be considered for full or partial fee waivers.
3. Of the remaining 14 events, eight were characterized as being non-fundraising and free for the public to attend and were recommended to have 100% of fees waived:
 - a. Candy Cane Lane
 - b. Make a Difference Day (Tree Musketeers)
 - c. Opening Day Parade (El Segundo Little League)
 - d. Pancake Breakfast (El Segundo Police and Fire Associations)
 - e. Promotional Dance (El Segundo PTA)
 - f. Soap Box Derby (El Segundo Boy Scouts)
 - g. Tasting Bee (El Segundo Girl Scouts)
 - h. Homecoming Parade (El Segundo High School)
4. The final six events were evaluated using the Fee Waiver scorecard and received partial fee waivers as follows:
 - a. Movie in the Park (75% waiver)
 - b. Arbor Day (75% waiver)
 - c. Main Street Car Show (75% waiver)
 - d. Richmond Street Fair (75% waiver)
 - e. Broadway in the Park (75% waiver)

Co-Sponsored Events

December 19, 2023

Page 3 of 5

f. Run for Education (25% waiver)

The City Council determined that each organization would be allotted only one event per year with waived fees and that City equipment would no longer be loaned to organizations for special events. Each applicant was also responsible for paying the \$60 special event application fee.

In 2019, staff presented an item to the City Council for consideration of increasing the fee waiver for the Run for Education from 50% to 75% based on scorecard changes. At this meeting, the Council re-approved a list of co-sponsored events and fee waivers as shown in Attachment 6.

The El Segundo Municipal Code ("ESMC") addresses fee waivers for certain events in streets, sidewalks, or public rights of way in ESMC § 8-8-7 as follows:

Fee Waivers: Upon an applicant's request, the director may, but is not required to, seek a fee waiver from the city council for an event. Fees may only be waived for the following applicants:

1. Non-profit groups with current internal revenue code 501(c)(3) status of 501(c)(6) status, government agencies, and public schools; or
2. Community service groups or organizations without current internal revenue code 501(c)(3) status or 501(c)(6) status where the city council, by resolution, determines that the proposed event provides services that meet community needs, and it is in the public interest to waive such fees.

Similarly for events in City parks and facilities, ESMC Chapter 9-8 provides certain fee waivers and discounts for certain nonprofit organizations.

Staff proposes to continue evaluating requests for fee waivers utilizing the Fee Waiver Request form and the Fee Waiver Scorecard.

DISCUSSION:

Staff recommends the list of co-sponsored City events, including events under ESMC Chapter 8-8 and ESMC Chapter 9-8, the Fee Waiver Request Form, and the Fee Waiver Scorecard be approved by the City Council, as proposed below. The list of proposed co-sponsored events not incurring any City fees (100% fee waiver) are:

- a. Candy Cane Lane (City of El Segundo and Residents of E. Acacia Avenue)
- b. Holiday Parade (El Segundo Chamber of Commerce)
- c. Opening Day Parade (El Segundo Little League)
- d. Pancake Breakfast (El Segundo Firefighters Association)

Co-Sponsored Events

December 19, 2023

Page 4 of 5

- e. Soapbox Derby (El Segundo Boy Scouts Association)
- f. Homecoming Parade (El Segundo Unified School District)

In addition, the following annual events are recommended for a 75% fee waiver:

- a. Movie in the Park (El Segundo Rotary Club)
- b. Main Street Car Show (El Segundo Chamber of Commerce and El Segundo Police Officers Association)
- c. Main Street Fair (El Segundo Kiwanis Club)
- d. Run for Education (El Segundo PTA)

All other applicants wishing to request a fee waiver for an event must submit a Fee Waiver Request Form (Attachment 4) no later than three months prior to the proposed event date. Staff will evaluate the Fee Waiver Request Form utilizing the Fee Waiver Scorecard (Attachment 5) and bring a recommendation to the City Council for consideration at a regular City Council meeting.

CITY STRATEGIC PLAN COMPLIANCE:

Goal 1: Enhance Customer Service, Diversity, Equity, Inclusion and Communication

Objective 1B: El Segundo's engagement with the community ensures excellence.

Goal 5: Champion Economic Development and Fiscal Sustainability

Objective 5A: El Segundo promotes economic growth and vitality for businesses and the community.

Objective 5B: El Segundo approaches its work in a financially strategic and responsible way.

PREPARED BY:

Brandee Thornton, Sr. Admin Specialist

REVIEWED BY:

Aly Mancini, Recreation, Parks and Library Director

APPROVED BY:

Barbara Voss, Deputy City Manager

ATTACHED SUPPORTING DOCUMENTS:

1. Approved Fee Waivers 2009
2. Approved Fee Waivers 2011
3. Approved Fee Waivers 2013
4. Fee Waiver Request Form

Co-Sponsored Events

December 19, 2023

Page 5 of 5

5. Fee Waiver Scorecard
6. Approved Fee Waivers 2019

CITY OF EL SEGUNDO - RECREATION AND PARKS DEPARTMENT
 " El Segundo's Backyard"

ANNUAL SPECIAL EVENTS SUPPORT MATRIX
 AND FEE WAIVER REQUEST

EVENT	SPONSORED BY	POLICE	FIRE	PUBLIC WORKS	RECREATION & PARKS	TOTAL
1	Opening Day Parade	El Segundo Little League	\$ 2,100	\$ -	\$ -	\$ 2,100
2	Tasting Bee	El Segundo Girl Scouts Neighborhood	\$ -	\$ -	\$ 500	\$ 500
3	Run for Education	El Segundo P.T.A.	\$ 2,800	\$ -	\$ 1,100	\$ 3,900
4	Arbor Day	Tree Musketeers	\$ 1,500	\$ -	\$ 700	\$ 2,200
5	Relay for Life	American Cancer Society	\$ 4,400	\$ -	\$ 900	\$ 5,300
6	Promotional Dance	El Segundo Middle School	\$ -	\$ -	\$ 500	\$ 500
7	Soap Box Derby	El Segundo Boy Scouts Association	\$ 2,100	\$ -	\$ 300	\$ 2,400
8	Movie in the Park	El Segundo Rotary Club	\$ 3,500	\$ -	\$ 300	\$ 3,800
9	Main Street Car Show	El Segundo Police Officers Association	\$ -	\$ -	\$ 1,200	\$ 1,200
10	Richmond Street Fair	El Segundo Kiwanis Club	\$ -	\$ 600	\$ 1,100	\$ 1,700
11	Pancake Breakfast	El Segundo Police & Fire Associations	\$ -	\$ -	\$ 500	\$ 500
12	Homecoming Parade	El Segundo High School	\$ 3,900	\$ -	\$ 300	\$ 4,200
13	Holiday Parade	El Segundo Chamber of Commerce	\$ 5,800	\$ -	\$ 5,100	\$ 10,900
14	Candy Cane Lane	Residents of E. Acacia Avenue	\$ -	\$ -	\$ 300	\$ 300
15	Senior Holiday Craft Fair	El Segundo Senior Citizens Club	\$ -	\$ -	\$ 300	\$ 300
	TOTALS		\$ 26,100	\$ 600	\$ 11,300	\$ 45,100

12/17/2009

ATTACHMENT #2 - Annual Special Events Support Matrix

EVENT	SPONSORED BY	POLICE	FIRE	PUBLIC WORKS	RECREATION & PARKS	TOTALS
1 Opening Day Parade	El Segundo Little League	\$ 2,400	\$ -	\$ -	\$ -	\$ 2,400
2 Tasting Bee	El Segundo Girls Scouts Neighborhood	\$ -	\$ -	\$ -	\$ 500	\$ 500
3 Run for Education	El Segundo PTA	\$ 2,400	\$ -	\$ 1,100	\$ -	\$ 3,500
4 Arbor Day	Tree Musketeers	\$ -	\$ -	\$ 700	\$ 11,500	\$ 12,200
5 Promotional Dance	El Segundo Middle School	\$ -	\$ -	\$ -	\$ 500	\$ 500
6 Soap Box Derby	El Segundo Boys Scouts Association	\$ 1,000	\$ -	\$ 300	\$ -	\$ 1,300
7 Relay for Life	American Cancer Society	\$ -	\$ -	\$ 900	\$ 7,000	\$ 7,900
8 Broadway in the Park	El Segundo Broadway in the Park	\$ -	\$ -	\$ -	\$ 2,200	\$ 2,200
9 Movie in the Park	El Segundo Rotary Club	\$ 6,725	\$ -	\$ 300	\$ -	\$ 7,025
10 Main Street Car Show	El Segundo Police Officers Association	\$ -	\$ -	\$ 1,200	\$ 700	\$ 1,900
11 Richmond Street Fair	El Segundo Kiwanis Club	\$ 1,725	\$ 600	\$ 1,100	\$ 800	\$ 4,225
12 Pancake Breakfast	El Segundo Police & Fire Associations	\$ -	\$ -	\$ -	\$ 500	\$ 500
13 Homecoming Parade	El Segundo High School	\$ 2,850	\$ -	\$ 300	\$ -	\$ 3,150
14 Holiday Parade	El Segundo Chamber of Commerce	\$ 5,400	\$ -	\$ 5,200	\$ 1,100	\$ 11,700
15 Candy Cane Lane	Residents of E. Acacia Avenue	\$ -	\$ -	\$ 300	\$ 500	\$ 800
16 Center Street PTA Ice Cream Social	Center Street School PTA	\$ -	\$ -	\$ 180	\$ -	\$ 180
17 ESHS Band Comedy Night	ESHS	\$ -	\$ -	\$ 180	\$ -	\$ 180
18 Young America Parent Committee	ESUSD	\$ -	\$ -	\$ 180	\$ -	\$ 180
--- Various school-related events (up to 5)	El Segundo Unified School District	\$ -	\$ -	\$ 900	\$ -	\$ 900
		\$ 22,500	\$ 600	\$ 12,840	\$ 25,300	\$ 61,240

per calendar year

Attachment # 2
Annual Special Events Support
Estimated Waived Fees and Rental Values

EVENT	SPONSORED BY	POLICE	FIRE	PLANNING	PUBLIC WORKS	RECREATION & PARKS	TOTALS
1 Opening Day Parade	El Segundo Little League	\$ 4,100	\$ -	\$ -	\$ -	\$ -	\$ 4,100
2 Tasting Bee	El Segundo Girls Scouts Neighborhood	\$ -	\$ -	\$ -	\$ -	\$ 500	\$ 500
3 Run for Education 5k	El Segundo PTA	\$ 2,400	\$ -	\$ 135	\$ 1,100	\$ -	\$ 3,635
4 Arbor Day	Tree Musketeers	\$ -	\$ -	\$ -	\$ 700	\$ 1,500	\$ 2,200
5 Promotional Dance	El Segundo PTA	\$ -	\$ -	\$ -	\$ -	\$ 700	\$ 700
6 Soap Box Derby	El Segundo Boys Scouts Association	\$ 1,200	\$ -	\$ 135	\$ 300	\$ -	\$ 1,635
7 Relay for Life	American Cancer Society	\$ -	\$ -	\$ 135	\$ 900	\$ 6,200	\$ 7,235
8 Broadway in the Park	El Segundo Broadway in the Park	\$ -	\$ -	\$ 135	\$ -	\$ 3,500	\$ 3,635
9 Movie in the Park	El Segundo Rotary Club	\$ 12,800	\$ -	\$ -	\$ 300	\$ -	\$ 13,100
10 Main Street Car Show	El Segundo Police Officers Association	\$ -	\$ -	\$ 135	\$ 1,200	\$ 600	\$ 1,935
11 Richmond Street Fair	El Segundo Kiwanis Club	\$ 1,700	\$ 600	\$ 135	\$ 1,100	\$ 600	\$ 4,135
12 Pancake Breakfast	El Segundo Police & Fire Associations	\$ -	\$ -	\$ 135	\$ -	\$ 400	\$ 535
13 Homecoming Parade	El Segundo High School	\$ 7,300	\$ -	\$ 135	\$ 300	\$ -	\$ 7,735
14 Holiday Parade	El Segundo Chamber of Commerce	\$ 6,800	\$ -	\$ 135	\$ 5,200	\$ 1,700	\$ 13,835
15 Candy Cane Lane	Residents of E. Acacia Avenue	\$ -	\$ -	\$ 135	\$ 300	\$ 600	\$ 1,035
16 Center Street PTA Ice Cream Social	Center Street School PTA	\$ -	\$ -	\$ -	\$ 180	\$ -	\$ 180
17 ESHS Band Comedy Night	ESHS	\$ -	\$ -	\$ -	\$ 180	\$ -	\$ 180
18 Young America Parent Committee	ESUSD	\$ -	\$ -	\$ -	\$ 180	\$ -	\$ 180
19 Various school-related events (up to 5)	El Segundo Unified School District	\$ -	\$ -	\$ -	\$ 900	\$ -	\$ 900
New Requests for FY 13/14				\$ -			
20 Run for Education 10k (Additional)	El Segundo PTA	\$ 2,900	\$ -	\$ -	\$ -	\$ 1,100	\$ 4,000
21 Co-Op Nursery Casino Night	Co-Op Nursery	\$ -	\$ -	\$ -	\$ 180	\$ -	\$ 180
22 Make a Difference Day	Tree Musketeers	\$ -	\$ -	\$ 135	\$ 30	\$ 935	\$ 1,100
TOTAL PER CALENDAR YEAR		\$ 39,200	\$ 600	\$ 1,485	\$ 13,050	\$ 18,335	\$ 72,670

Total Amount for Personnel	\$ 58,630
Total Amount for Non-Personnel	\$ 400
Total Amount for Rental/Fee-Value	\$ 73,640
	\$ 72,670

CITY OF EL SEGUNDO - FEE WAIVER REQUEST FORM

Applicant must complete this form at least 60 days prior to the date of the event.

Applicant must attach a copy of the most recent year's financial statement of the requesting organization.

Name of Organization		Date Submitted	
Organization Address			
Type of Organization	<input type="checkbox"/> Resident Individual/Non Profit (501c # _____) *attach IRS certification <input type="checkbox"/> Non-Resident Non Profit (501c # _____) *attach IRS certification <input type="checkbox"/> Resident Commerical Business <input type="checkbox"/> Non-Resident Commerical Business		
Contact Name, Phone, Email			
Name of Event		Type of Event	
Address/Location of Event			
Event Dates/Times (including set-up & break-down)			
From	Date	___/___/___	Time
			___:___ <input type="radio"/> am / <input type="radio"/> pm
To	Date	___/___/___	Time
			___:___ <input type="radio"/> am / <input type="radio"/> pm
Anticipated Attendance		Has this event previously been held? <input type="radio"/> Yes / <input checked="" type="radio"/> No	
Is there any admission/registration charged? <input type="radio"/> Yes / <input type="radio"/> No		Were City fees previously waived? <input checked="" type="radio"/> Yes / <input type="radio"/> No	

Event Budget

ESTIMATED REVENUE	AMOUNT	ESTIMATED EXPENSES	AMOUNT
Cash Donations		Equipment & Supplies	
Admission/Registration Fees		Advertising	
Vendor Fees		Staff/Security	
Other		Site Services	
TOTAL REVENUE		TOTAL EXPENSES	

Estimated Expenses - City Support Services (to be completed by City Staff)

CITY DEPARTMENT	PERSONNEL	NON-PERSONNEL	TOTAL
Fire Department			
Police Department			
Public Works Department			
Recreation & Parks Department			
Permit Fees (Event, Banner, Sound, Rental)			
Equipment (Tables, Chairs, Canopies)			
Miscellaneous			
TOTAL			

Organization's Financial Summary (to be completed by City Staff)

Salaries / Admin / Advertising	\$	Total Annual Budget	\$
Other Expenses	\$	Direct to Social **	%

** "Direct to Social" represents the percentage of the organization's annual operating budget that is used for social programs.

CITY OF EL SEGUNDO FEE WAIVER SCORECARD

EVENT NAME & DATE: El Segundo Run for Education (E.S. Council of PTAs)

Category	Comments	Score
ORGANIZATION INFORMATION		
<i>This section considers the organization's financial status and the percentage of the organization's funds that are used directly for social programs.</i>		
Type of Organization		
Resident / El Segundo Non-Profit (10)		
El Segundo School Org. (8)		
Non-Resident Non-Profit (6)		
Resident Commercial (4)		
Non-Resident Commercial (2)		
Other (0)		
EVENT/PROGRAM INFORMATION		
<i>This section considers whether or not the event is a fundraiser. It also considers who the event or program is designed for.</i>		
Fundraising Status		
Non-fundraising (4)		
Fundraising for ES Org (3)		
Fundraising for other (1)		
Target Audience (Defined as the population that the event or program is intended to serve.)		
El Segundo Residents (4)		
General Public (3)		
Exclusive Use (0)		
Cost to Participate		
Free to attend (2)		
Fee charged (0)		
CONSIDERATIONS		
<i>This section considers the perceived benefits and the impacts of the event or program to the residents of the City El Segundo.</i>		
Perceived Community Benefit		
Mostly Community (5)		
Considerable Community (4)		
Balanced (3)		
Considerably Individual (2)		
Mostly Individual (0)		
Impact		
Street Closure (-1)		
Property Wear & Tear (-1)		
Sound Impact (-1)		
Other Considerations & Recommendations		
TOTAL SCORE (out of 25)		
Total Amount Requested to be Waived _____		
Total Amount Waived _____		

Annual Special Events
Sample Fee Waiver Scorecard Summary

EVENT	SPONSORED BY	SCORE (out of 25)	Estimated City Fees	Estimated Fees Paid by Organization (If waived according to Sample Score and Proposed Percentage)
Level I: Non-Fundraising/Free to Attend - 100% Fee Waiver				
Candy Cane Lane	Residents of E. Acacia Avenue	N/A	\$ 1,035	\$ -
Holiday Parade	El Segundo Chamber of Commerce	N/A	\$ 13,835	\$ -
Make a Difference Day	Tree Muskeleers	N/A	\$ 1,370	\$ -
Opening Day Parade	El Segundo Little League	N/A	\$ 4,100	\$ -
Pancake Breakfast	El Segundo Police & Fire Associations	N/A	\$ 535	\$ -
Promotional Dance	El Segundo PTA	N/A	\$ 700	\$ -
Soap Box Derby	El Segundo Boys Scouts Association	N/A	\$ 1,671	\$ -
Tasting Bee	El Segundo Girls Scouts	N/A	\$ 500	\$ -
Homecoming Parade	El Segundo High School	N/A	\$ 7,735	\$ -
Level II: 75% Fee Waiver (Scores 20-25)				
Movie in the Park	El Segundo Rotary Club	21	\$ 6,700	\$ 1,675
Arbor Day	Tree Musketeers	20	\$ 2,200	\$ 550
Main Street Car Show	El Segundo Police Officers Association	20	\$ 1,935	\$ 484
Richmond Street Fair	El Segundo Kiwanis Club	20	\$ 4,135	\$ 1,034
Broadway in the Park	El Segundo Broadway in the Park	20	\$ 2,752	\$ 688
Level III: 50% Fee Waiver (Scores 16-19)				
Level IV: 25% Fee Waiver (Scores 11-15)				
Run for Education 5K & 10K	El Segundo PTA	15	\$ 7,635	\$ 5,726
No Fee Waiver (Non-El Segundo Organization)				
Relay for Life	American Cancer Society	N/A	\$ 7,235	\$ 7,235
			TOTALS	\$ 64,073
				\$ 17,392



City Council Agenda Statement

Meeting Date: December 19, 2023

Agenda Heading: Committees, Commissions and Boards
Presentations

Item Number: E.16

TITLE:

Open the Recruitment Process for Positions on the City's Committees, Commissions and Boards that Expire in 2024

RECOMMENDATION:

1. Direct staff to open the recruitment process for the positions on the City's Committees, Commissions and Boards, as listed.
2. Alternatively, discuss and take other action related to this item.

FISCAL IMPACT:

None

BACKGROUND:

Committees, Commissions and Boards (CCBs) are a critical component of the local government in El Segundo. Members provide an important service in advising City Council and City staff on a wide variety of policy matters and making recommendations. Members are appointed by City Council and work hand-in-hand with City staff in fostering new and innovative programs and improved services for our residents and community.

Pursuant to Government Code §54972, attached is the Local Appointments List of the positions on Committee, Commissions and Boards that will expire in the year 2024.

DISCUSSION:

Applications, the anticipated vacancies in the year 2024 and the background information list are available on the City's website at www.elsegundo.org or may be obtained from the Council Office at City Hall or, upon request, will be mailed or emailed to interested persons.

Committees, Commissions and Boards Recruitment Process

December 19, 2023

Page 2 of 2

To apply for a CCB position, potential candidates are asked to apply online at www.elsegundo.org or contact City Hall at 310-524-2302. Candidate interviews are set by the City Council when a sufficient number of candidates have applied to a position.

CITY STRATEGIC PLAN COMPLIANCE:

Goal 1: Enhance Customer Service, Diversity, Equity, Inclusion and Communication

Objective 1A: El Segundo provides unparalleled service to all customers.

Objective 1B: El Segundo's engagement with the community ensures excellence.

PREPARED BY:

Mishia Jennings, Executive Assistant to City Council

REVIEWED BY:

Barbara Voss, Deputy City Manager

APPROVED BY:

Barbara Voss, Deputy City Manager

ATTACHED SUPPORTING DOCUMENTS:

1. 2024 Local Appointments List
2. BACKGROUND INFORMATION ON CITY CCB's - 2023

CITY OF EL SEGUNDO
LOCAL APPOINTMENTS LIST
(COMMISSIONS, COMMITTEES, AND BOARDS)
Positions to Open in Year 2024 Posted pursuant to Govt Code § 54972
TO APPLY, CONTACT CITY HALL ADMINISTRATION, 310-524-2302

TERM EXPIRES/OPENINGS

MAY

RECREATION & PARKS COMMISSION: (4 Yr Term – No Term Limit - All Residents)

Kelly Watson (*apptd 6/15/21 to 1st full 4-yr term*) 5/30/24

JUNE

ARTS AND CULTURE ADVISORY COMMITTEE: (3 Yr Term – No Term Limit – Residents/Vested Members in the Arts)

Neal Von Flue (*re-appt 9/7/21 to full term*) 06/30/24

Tanya Taylor (*appt 9/7/21 to a partial term*) 06/30/24

Robert Goodwin (*appt 7/10/23 to a partial term*) 06/30/24

LIBRARY BOARD OF TRUSTEES: (3Yr Term – No Term Limit - All Residents)

Eric Hoffman (*apptd 6/21/22 to a partial term*) 6/30/24

PLANNING COMMISSION: (4 Yr Term – No Term Limitation) (All Residents)

Brenda Newman (*re-apptd 4/20/21 to 3rd full term*) 6/30/24

Mario Inga (*apptd 3/7/23 to a partial term*) 6/30/24

SENIOR CITIZEN HOUSING CORPORATION BOARD: (4Yr Term – No Term Limit - All Residents)

Timothy Whelan (*apptd 5/18/21 to a partial term*) 6/30/24

Denise Fessenbecker (*apptd 5/18/21 to a partial term*) 6/30/24

OCTOBER

DIVERSITY, EQUITY, AND INCLUSION COMMITTEE: (3 Yr Term - No Term Limit; comprised of 9-members who must be residents, business members or students based in El Segundo)

Emily Atmore (*appt 12/20/22 to a partial term*) 10/31/24

Shad McFadden (*appt 10/6/20 to a full term*) 10/31/24

Christibelle Villena (*appt to a 10/6/20 to a full term*) 10/31/24

(CIPAC) CAPITAL IMPROVEMENT PROGRAM ADVISORY COMMITTEE: (3 Yr Term - No Term Limit; 2 Bus. and/or 3 Residents; Meets: Jan. Thru May, each year, bi-weekly or as needed, 7 pm, City Hall)

Mike Rotolo (*appt 11/14/22 to a partial term*) 10/31/24

Leif Johnson (*appt 11/14/22 to a partial term*) 10/31/24

ENVIRONMENTAL COMMITTEE: (3 Yr Term – No Term Limit – 3 Residents/3 Business Person/1ESUSD)

Kevin Butler (*appt 11/4/22 to a partial term*) 10/31/24

Kevin Atmore (*appt 11/4/22 to a partial term*) 10/31/24

Council Approval:
Posted:

THIS LIST IS TO REMAIN POSTED ALL YEAR -- DO NOT REMOVE

BACKGROUND INFORMATION ON CITY COMMITTEES/COMMISSIONS/BOARDS

- 1. Arts & Culture Advisory Committee: (Recreation, Parks and Library)** is an 11-member committee, of whom must be residents or student based in El Segundo. This committee will act in an advisory capacity to City Council in matters related to arts and culture within the City of El Segundo. This will include making recommendations to Council, potential development of an arts and culture master plan, involvement in selection of public art, event coordination and development of related public art programs. Additionally, this committee will support and advocate for local museums, artists and art while assisting the City with promoting public beautification, education, tourism and economic development. The Arts and Culture Advisory Committee was established by the City Council on August 2, 2016 and was added to the City's Local Appointment List pursuant to the Government Code of the State of California (Sec. 54972). The Arts & Culture Committee updated their bylaws on February 6, 2018 to add four (4) additional members. **The committee meets the 4th Tuesday of the month at 5:30 p.m. at the El Segundo Library in the Rose Garden Room.**
- 2. Capital Improvement Program Advisory Committee: (Public Works)** is a 5-member committee, composed of 3 residents and 2 local Business representatives (no residency requirements for business reps). Members serve without compensation, for 4-year terms, without term limits. The Director of Finance and the Director of Public Works provide staff support to the committee. The committee assists in the development of the 5-year Capital Improvement Program ("CIP"). Each year staff proposes CIP projects for a 5-year period. The committee reviews these projects and makes recommendations to the City Council for funding consideration in conjunction with the City's annual budget process. In addition to the projects proposed by staff, the committee holds a community workshop each year to receive project requests from the general public. **The committee generally meets at 7:00 p.m., on a weekly basis in March, April and May,** with the goal of finalizing its recommendations to the City Council in June.
- 3. Diversity, Equity, and Inclusion Committee: (City Manager/Community Services)** is a 9-member committee, comprised of residents or property owners, business members, two school staff members of schools based in El Segundo, or students of a public or private high school based in El Segundo, DEI was established July 21, 2020, for the purpose of advising the City Council on issues of diversity, equity, and inclusion. This work includes examination of four key City areas to produce a clear picture of the current practices, as well as the El Segundo community's sentiments towards these practices. Upon finding areas for improvement, the DEI Committee shall make recommendations to City Council intended to address any marginalized or underrepresented segment of our community. The Committee is a standing advisory committee that serves at the behest of the City Council. The four initial study topics are as follows: 1) Public Safety (including a review of Police Department policies, practices, training, and future directions), 2) Citywide Organization (including a review of City government policies, practices, training, etc.) 3) Community At-large (including a review of City demographic data, history, trends, etc.) 4) Local Economy

(including a review of private sector diversity policies, training, etc.) **The committee meets the 2nd Wednesday of the month at 6:00pm.**

4. **Investment Advisory Committee: (Treasurer)** was established by Resolution #3764 dated June 2, 1992, for the purpose of advising the City Treasurer and City Council on matters pertaining to the investment of the City's idle funds. This is a 4-member committee; two are automatic appointments – (City Treasurer and Finance Director); the other two members (one of whom must be a resident of El Segundo) serve without compensation, for 4-year terms, without term limits. **The committee meets quarterly at City Hall on the 3rd Tuesday in March, June, September and December.**
5. **Library Board of Trustees: (Community Services)** was established by City Council Resolution #3665 on December 4, 1990, pursuant to Education Code Section 18910 et seq. The Board's 5-members must be 1-year, or more, residents of El Segundo, who serve without compensation. Trustees serve for 3-year terms without term limits. The board acts in an advisory capacity to the City Council in all matters pertaining to the Library and cooperates with other governmental agencies and civic groups in the advancement of sound planning and programming. The board considers, reviews, edits, and issues policy recommendations on library service, recommends the adoption of standards pertaining to library services and programs and makes recommendations for the provision of adequate library services consistent with community needs. The board may administer any trust declared or created for the Library and approves the Library's Annual Report to the State Librarian. The board meets at **7:00 p.m., on the 2nd Tuesday of every other month, beginning in January, in the Friends of the Library Meeting Room.**
6. **Planning Commission: (Development Services)** was established pursuant to the Planning Laws of the State of California (Sec. 65100-65106) on August 20, 1946 by City Ordinance #300. The commission is comprised of 5-members who must be residents of El Segundo, serve with minimal compensation, for 4-year terms, without term limits. The commission makes recommendations to the City Council on the adoption or amendment of the City's General Plan; performs duties with respect to land subdivision, planning and zoning as prescribed by City and State law; and, advises the City Council on those matters falling within its charged responsibilities in a manner reflecting concern for the overall development and environment of the City as a setting for human activities. The Commission meets on the **2nd and 4th Thursday of each month, at 5:30 p.m., in City Hall Council Chambers.**
7. **Recreation & Parks Commission: (Community Services)** was established on March 23, 1938 by Resolution #448. It is comprised of 5-members, who must be residents of El Segundo. Commissioners serve with minimal compensation for 4-year terms, without term limits. The commission advises the City Council on all matters pertaining to recreation, parks, parkways and street trees. It makes recommendations to the City Council regarding level of services, policies and assists in implementing Recreation and Parks Department improvements and programs, including youth counseling, senior outreach, golf operations, city transportation, and in the acquisition and disposal of park property. The commission meets on the **3rd Wednesday of each month, at 6:00 p.m., in City Hall Council Chambers.**

8. **Senior Citizen Housing Corporation Board: (Community Services)** is a non-profit corporation formed in 1984 for the construction of the low-income housing facility for seniors, referred to as “Park Vista.” The Board was established in 1986 to actively oversee the management, operation, maintenance, and finances of Park Vista. The Board enters into an operating agreement with the City Council, and enlists a management company to operate the facility. The Board, comprised of five (5) directors, all El Segundo residents (per revised bylaws July 7, 2015), serve without compensation, for 4-year terms, without term limits. The Board meets on the **4th Wednesday of every month, at 3:30 p.m., at Park Vista, 615 E. Holly Avenue, El Segundo.**

9. **Environmental Committee:** was established on February 6, 2008, for the purpose of reviewing existing City environmental programs and recommending new policies and programs to the City Council that facilitate the goals stated within the Environmental Work Plan. The Environmental Committee is comprised of 6-members, three members from the business community, three members from the residential community, one member from the El Segundo School District to serve four-year terms. One City staff member will serve the committee in an ex-official capacity. **The committee meets on the first Friday of the month 12:00 p.m. in the Executive Conference Room.**



City Council Agenda Statement

Meeting Date: December 19, 2023

Agenda Heading: Mayor Boyles

Item Number: 17

TITLE:

Mr. S. Claus' Annual Request for a Conditional Use Permit, Business License, and Various Waivers

RECOMMENDATION:

1. Approve and immediately issue a Conditional Use Permit to Mr. S. Claus.
2. Approve the use of air rights and waive the Santa Monica Radial 160 R procedure (FAA should be contacted).
3. Grant a free business license to S. Claus Enterprises, a non-profit organization.
4. Waive ESMC 8-4-11B (Driveway Permits Required) and ESMC 8-5-11 (Parking on Grades).
5. Waive the Noise Ordinance (ESMC 7-2-3) to permit the clatter of reindeer hooves, the shouting of reindeer names, and the sound of bells on December 24 and 25, 2023.
6. Waive the Trespass Ordinance (ESMC 7-6-3) to allow Mr. S. Claus to deliver gifts.
7. Waive the Animal Control Ordinance (ESMC 6-2-1) including section 6-2-8 dealing with "Animals at Large" to allow eight reindeer to land on rooftops in El Segundo.
8. Waive of the Pooper-Scooper Regulations (ESMC 7-1-4).

Additionally, Mr. S. Claus has been directed to the Coastal Commission for clearance over the ocean; the DMV for a valid vehicle registration; the Department of Health and Welfare to ensure his elves are receiving minimum wage; and the Air Quality Management District to ensure a safe and clear sleigh ride.

Mr. S. Claus' Annual Request

December 19, 2023

Page 2 of 2

FISCAL IMPACT:

None.

BACKGROUND:

Were Mr. S. Claus required to take the time to obtain all of the necessary permits, he would not be able to start his business until after June 1, 2024.

DISCUSSION:

Since Mr. S. Claus has shown good faith during previous business endeavors, and his business would be welcomed by the community as a whole. Staff recommends City Council waive the fees and permits required.

CITY STRATEGIC PLAN COMPLIANCE:

Goal 1: Enhance Customer Service, Diversity, Equity, Inclusion and Communication

Objective 1A: El Segundo provides unparalleled service to all customers.

Objective 1 B: El Segundo's engagement with the community ensures excellence.

PREPARED BY:

Mishia Jennings, Executive Assistant to City Council

REVIEWED BY:

Barbara Voss, Deputy City Manager

APPROVED BY:

Barbara Voss, Deputy City Manager

ATTACHED SUPPORTING DOCUMENTS:

None