



CITY OF GRAND TERRACE

CITY COUNCIL

AGENDA • August 13, 2024

Council Chambers

Regular Meeting

6:00 PM

Grand Terrace Civic Center • 22795 Barton Road

COMMENTS FROM THE PUBLIC

The public is encouraged to address the City Council on any matter posted on the agenda or on any other matter within its jurisdiction. If you wish to address the City Council, please complete a Request to Speak card located at the front entrance and provide it to the City Clerk. Speakers will be called upon by the Mayor at the appropriate time and each person is allowed three (3) minutes speaking time.

If you would like to participate telephonically and speak on an agenda item, you can access the meeting by dialing the following telephone number and you will be placed in the waiting room, muted until it is your turn to speak:

***67 1-669-900-9128**
Meeting ID: 897 9293 1977
Passcode: 927314

The City wants you to know that you can also submit your comments by email to ccpubliccomment@grandterrace-ca.gov. To give the City Clerk adequate time to print out your comments for consideration at the meeting, please submit your written comments prior to 5:00 p.m.; or if you are unable to email, please call the City Clerk's Office at (909) 954-5207 by 5:00 p.m.

If you wish to have your comments read to the City Council during the appropriate Public Comment period, please indicate in the Subject Line "FOR PUBLIC COMMENT" and list the item number you wish to comment on. Comments that you want read to the City Council will be subject to the three (3) minute time limitation (approximately 350 words).

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

PLEASE NOTE: Copies of staff reports and supporting documentation pertaining to each item on this agenda are available for public viewing and inspection at City Hall, 1st Floor Lobby Area and 2nd Floor Reception Area during regular business hours and on the City's website www.grandterrace-ca.gov. For further information regarding agenda items, please contact the office of the City Clerk at (909) 954-5207, or via e-mail at dthomas@grandterrace-ca.gov.

Any documents provided to a majority of the City Council regarding any item on this agenda will be made available for public inspection in the City Clerk's office at City Hall located at 22795 Barton Road during normal business hours. In addition, such documents will be posted on the City's website at www.grandterrace-ca.gov.

AMERICANS WITH DISABILITIES ACT

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office, (909) 954-5207 at least 48 hours prior to the advertised starting time of the meeting. This will enable the City to make reasonable arrangements to ensure accessibility to this meeting. Later requests will be accommodated to the extent feasible [28 CFR 34.102.104 ADA Title II].

CALL TO ORDER

Convene City Council.

Invocation

Pledge of Allegiance

AB 2449 Disclosures

Remote participation by a member of the legislative body for just cause or emergency circumstances.

Roll Call

Attendee Name	Present	Absent	Late	Arrived
Mayor Bill Hussey	☐	☐	☐	
Mayor Pro Tem Doug Wilson	☐	☐	☐	
Council Member Jeff Allen	☐	☐	☐	
Council Member Kenneth J. Henderson	☐	☐	☐	
Council Member Michelle Sabino	☐	☐	☐	

A. REORDERING OF, ADDITIONS TO, OR REMOVAL OF ITEMS FROM THE AGENDA

B. PUBLIC COMMENT

This is the opportunity for members of the public to comment on any items not appearing on the regular agenda. Because of restrictions contained in California Law, the City Council may not discuss or act on any item not on the agenda, but may briefly respond to statements made or ask a question for clarification. The Mayor may also request a brief response from staff to questions raised during public comment or may request a matter be agendized for a future meeting.

C. SPECIAL PRESENTATIONS

Dr. Sigdasted on the Occasion of his Retirement

D. CONSENT CALENDAR

The following Consent Calendar items are expected to be routine and noncontroversial. They will be acted upon by the City Council at one time without discussion. Any Council Member, Staff Member, or Citizen may request removal of an item from the Consent calendar for discussion.

1. Waive Full Reading of Ordinances on Agenda

DEPARTMENT: CITY CLERK

2. Approval of Minutes – Regular Meeting – 07/23/2024

DEPARTMENT: CITY CLERK

3. Approval of Cost Reimbursement Agreement between the City of Grand Terrace and Condor Energy Storage, LLC, a Delaware limited liability company (“Condor”) to reimburse the City for certain costs and expenses to design and complete certain improvements along Taylor Street and the undergrounding of certain utilities along Taylor Street and Main Street within the City’s jurisdiction

RECOMMENDATION:

Approve the Content of the Cost Reimbursement Agreement provided as *Attachment 1* and authorize the City Manager to (1) finalize the terms of the agreement, consistent with the content and terms set forth in attached Agreement and subject to written approval as to form by the City Attorney; and (2) execute the final negotiated agreement on behalf of the City.

DEPARTMENT: PLANNING AND COMMUNITY DEVELOPMENT

4. Second reading by Title Only, with Further Reading Waived, an Ordinance adopting Specific Plan (SP 17-01) for The Gateway at Grand Terrace Specific Plan

RECOMMENDATION:

Direct the City Attorney to read by title only, waive further reading, and adopt the Ordinance.

DEPARTMENT: PLANNING & COMMUNITY DEVELOPMENT

5. Second Reading by Title Only, with Further Reading Waived, an Ordinance adopting Zone Change (ZC) 17-02) and Zone Change Amendment (ZCA 24-01) for the Gateway at Grand Terrace Specific Plan, and repealing and replacing Chapter 18.09 (Districts and Map) and Chapter 18.02 (Specific Plan Districts) of Title 18 (Zoning) of the Grand Terrace Municipal Code in their entirety

RECOMMENDATION:

Direct the City Attorney to read by title only, waive further reading, and adopt the Ordinance.

DEPARTMENT: PLANNING & COMMUNITY DEVELOPMENT

6. Second Reading by Title Only, with Further Reading Waived, an Ordinance approving the Development Agreement by and between the City of Grand Terrace and Lewis Land Developers, LLC a Delaware Limited Liability Company pursuant to Article 2.5 of Chapter 4 of Division 1 of Title 7. Sections 65864 through 65869.5 of the Government Code and Article XI, Section 2 of the California Constitution for the Gateway at Grand Terrace Specific Plan

RECOMMENDATION:

Direct the City Attorney to read by title only, waive further reading, and adopt the Ordinance.

DEPARTMENT: PLANNING & COMMUNITY DEVELOPMENT

7. Second Reading by Title Only, with Further Reading Waived, an Ordinance approving Zone Change Amendment (ZCA) 24-03 to amend the Grand Terrace Municipal Code Title 18 (Zoning) to add new residential land uses called “Congregate Living Health Facilities” and “Electric Vehicle Charging Stations”, to the allowable residential land uses listed in Chapter 18.10 (Residential Districts); to add nonresidential hours of operation and to consolidate all nonresidential land uses identified under Section 18.06.032 and Chapters 18.30 - AP Administrative Professional District, 18.33 - C2 General Business District, 18.36 - CM Commercial Manufacturing District, 18.39 - MR Restricted Manufacturing District, 18.40 - M2 Industrial District, 18.43 - PUB Public Facilities District into a table format under a new Chapter 18.27 (Nonresidential Districts); to add new nonresidential land uses called “Heavy Equipment Rentals (Indoor and Outdoor)”, “Electric Vehicle Charging Stations”, “Restaurants with a cocktail lounge, bar, entertainment or dancing”, and “Establishments with on-site alcohol beverage sales and consumption that are not bona fide eating establishments (bars, taverns, cocktail lounges, breweries, distilleries and/or wine making facilities with sales for on-site and off-site consumption)”

RECOMMENDATION:

Direct the City Attorney to read by title only, waive further reading, and adopt the Ordinance .

DEPARTMENT: PLANNING & COMMUNITY DEVELOPMENT

8. Approval of Agreements by and between the City of Grand Terrace and Lewis Land Developers of:
- a. 5th Amendment to the Disposition and Development Agreement to Remove Right of Repurchase
 - b. Development and Exchange Agreement – 2.5 acres of City-owned real property located northwest of Veterans Freedom Park (APN 1167-151-75 for 4.97 acres of Developer-owned real property located northeast of the terminus of Taylor Street (APN 1167-151-71); both properties located within the Gateway at Grand Terrace Specific Plan

RECOMMENDATION:

Adopt a Resolution approving the 5th Amendment to the Disposition and Development Agreement (“5th Amendment”) and an Exchange Agreement (“Exchange Agreement”) each by and between the City of Grand Terrace and Lewis Land Developers (“Lewis”), **subject to** the condition that both the 5th DDA Amendment and Exchange Agreement are only to be executed and delivered to Lewis provided that the City Council, in its sole discretion, adopts the ordinances initially proposed at the July 23, 2024 City Council meeting for the adoption of that certain Development Agreement between the City and Lewis.

DEPARTMENT: PLANNING & COMMUNITY DEVELOPMENT

9. Approval of a First Amendment to the Professional Service Agreement between the City of Grand Terrace and Moore, Iacofano, Goltsman, Inc. (MIG) for On-Call Planning and Environmental Services

RECOMMENDATION:

1. Amendment to Professional Services Agreement Between the City of Grand Terrace and Moore, Iacofano, Goltsman, Inc. (MIG) - for on Call Planning and Environmental Services; and
2. Authorize the City Manager to Execute the Agreement subject to the City Attorney's approval as to form.

DEPARTMENT: PLANNING AND COMMUNITY DEVELOPMENT

10. Accept an Easement Deed of Right-of-Way Dedication for public street, road, and public utility purposes on Michigan Street from Steven Michael Richardson (APN 1167-171-10)

RECOMMENDATION:

Accept the 11-foot-wide Easement Deed of Right-of-Way on APN 1167-171-10 and authorize recordation

DEPARTMENT: PUBLIC WORKS/ENGINEERING

11. Approval of Amendment No. 2 to the Agreement Between the City of Grand Terrace and St. Francis Electric, which extends the Agreement until June 30, 2026, and increases the compensation

RECOMMENDATION:

1. Approve Amendment No. 2 to the Agreement for Traffic Signal Maintenance and On-Call Services with St. Francis Electric (dated May 24, 2022), extending the agreement until June 30, 2026, utilizing the first one-year extension.
2. Increase the agreement by \$12,521.37 for FY 24/25 and \$22,000 for FY 25/26, bringing the total contract amount to \$95,000 over four years.
3. Authorize the City Manager to execute the aforementioned amendments, subject to the City Attorney's approval as to form.

DEPARTMENT – PUBLIC WORKS

12. Approval of Amendment No. 1 to Agreement with EZ Sunnyday Landscape for Citywide Landscape Maintenance Services not to exceed \$86,420 per year, expiring June 30, 2027, and authorize the City Manager to use his purchasing authority for changes up to \$25,000 through Change Orders during the agreement's duration

RECOMMENDATION:

1. Award Amendment No. 1 to the Contractor Agreement with EZ Sunnyday Landscape for citywide landscape maintenance services in an amount not to exceed \$86,420 per year, with a term expiring on June 30, 2027, subject to approval by the City Attorney as to form.

2. Approve an increase in the contract contingency up to the City Manager's purchasing authority of \$25,000, for any necessary changes to the Agreement through a change order during the agreement's duration.

DEPARTMENT – PUBLIC WORKS

13. Third Amendment to City Manager Employment Agreement

RECOMMENDATION:

Adopt a Resolution Approving Third Amendment to City Manager's Employment Agreement.

DEPARTMENT: CITY ATTORNEY

E. PUBLIC HEARINGS – None

F. UNFINISHED BUSINESS - None

G. NEW BUSINESS

14. Community Benefit Fund Grant Award to the Grand Terrace Tribe Baseball Club in the Amount of \$2,000

RECOMMENDATION:

Approve the Community Benefit Fund grant application from the Grand Terrace Tribe Baseball Club in the amount of \$2,000.

DEPARTMENT: FINANCE

15. Community Benefit Fund Grant Award to the Grand Terrace Chamber of Commerce in the Amount of \$2,000

RECOMMENDATION:

Approve the Community Benefit Fund grant application from the Grand Terrace Chamber of Commerce in the amount of \$2,000.

DEPARTMENT: FINANCE

16. Community Benefit Fund Grant Award to the Grand Terrace High School Titan Wrestling Booster Club in the amount of \$2,000

RECOMMENDATION:

Approve the Community Benefit Fund grant application from the Grand Terrace High School Titan Wrestling Booster Club in the amount of \$2,000.

DEPARTMENT: FINANCE

H. FUTURE AGENDA ITEMS

At this time, the City Council may propose items for discussion and/or action at a future duly agendized City Council meeting. A consensus of a majority of the quorum is required to place an item on a future agenda.

I. CITY COUNCIL COMMUNICATIONS

Council Member Michelle Sabino

Council Member Kenneth J. Henderson

Council Member Jeff Allen

Mayor Pro Tempore Doug Wilson

Mayor Bill Hussey

J. CITY MANAGER COMMUNICATIONS

17. Fire Department Presentation re Defensible Spaces

K. CLOSED SESSION

L. ADJOURN

The Next Regular City Council Meeting will be held on Tuesday, August 27, 2024 at 6:00 PM. Any request to have an item placed on a future agenda must be made in writing and submitted to the City Clerk's office.

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CITY OF GRAND TERRACE

CITY COUNCIL

MINUTES • JULY 23, 2024

Council Chambers

Regular Meeting

6:00 PM

Grand Terrace Civic Center • 22795 Barton Road

CALL TO ORDER

Mayor Bill Hussey convened the Regular Meeting of the City Council for Tuesday, July 23, 2024, at 6:00 p.m.

Invocation

The Invocation was given by Pastor Leroy Rodriguez from New City Church.

Pledge of Allegiance

The Pledge of Allegiance was led by Mayor Hussey.

AB 2449 Disclosures

None.

Attendee Name	Title	Status	Arrived
Bill Hussey	Mayor	Present	
Doug Wilson	Mayor Pro Tem	Present	
Jeff Allen	Council Member	Present	
Kenneth J. Henderson	Council Member	Present	
Michelle Sabino	Council Member	Present	
Konrad Bolowich	City Manager	Present	
Adrian Guerra	City Attorney	Present	
Barbara Nicholson	Interim City Clerk	Present	
Christine Clayton	Finance Director	Present	

A. REORDERING OF, ADDITIONS TO, OR REMOVAL OF ITEMS FROM THE AGENDA

None.

B. PUBLIC COMMENT

Chuck Machado spoke regarding his non-profit, Machado Family Giving currently based in Jurupa Valley. The organization is looking for new distribution locations.

C. SPECIAL PRESENTATIONS - NONE

None.

Item 2

D. CONSENT CALENDAR

Council Member Allen pulled Item No. 5 for further discussion.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Jeff Allen, Council Member
SECONDER:	Michelle Sabino, Council Member
AYES:	Hussey, Wilson, Allen, Henderson, Sabino

1. Waive Full Reading of Ordinances on Agenda
2. Approval of Minutes – Regular Meeting – 07/09/2024
3. Historical & Cultural Activities Committee Member Resignation and Authorization

ACCEPT THE RESIGNATION OF HISTORICAL & CULTURAL ACTIVITIES COMMITTEE MEMBER LOUISE LUNSTRUM, DIRECT THE CITY CLERK TO PREPARE AND SEND A LETTER OF APPRECIATION ON BEHALF OF THE CITY COUNCIL

4. Acceptance of Street Rehabilitation Project 2023-24
 1. **ACCEPT THE STREET REHABILITATION PROJECT 2023-24 IN THE AMOUNT OF \$1,123,458.96 AND APPROVE THE FINAL PAYMENT OF \$114,062.43 TO HARDY & HARPER, INC.**
 2. **DIRECT STAFF TO FILE AND RECORD THE NOTICE OF COMPLETION FOR THE STREET REHABILITATION PROJECT 2023-24**

5. Approval of Additional National Opioid Settlement with Kroger Co.

Council Member Allen pulled Agenda Item No.5 for further discussion.

ADOPT A RESOLUTION APPROVING THE SETTLEMENT AGREEMENT AND PARTICIPATION FORMS FOR THE CITY'S PARTICIPATION IN THE NATIONAL OPIOID SETTLEMENT AGREEMENT WITH KROGER CO., APPROVING THE CALIFORNIA STATE-SUBDIVISION AGREEMENT REGARDING DISTRIBUTION AND USE OF SETTLEMENT FUNDS, AND AUTHORIZING THE CITY MANAGER TO CARRY OUT ALL NECESSARY ACTS SUCH THAT THE CITY CAN PARTICIPATE IN THE NATIONAL OPIOID SETTLEMENT WITH KROGER CO., INCLUDING SIGNING NECESSARY DOCUMENTS AND TRANSMITTAL THEREOF AS NECESSARY.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Jeff Allen, Council Member
SECONDER:	Doug Wilson, Mayor pro tempore
AYES:	Hussey, Wilson, Allen, Henderson, Sabino

E. PUBLIC HEARINGS

6. Public Hearing, Adoption of Resolution Ordering the Levy and Collection of Assessments, and Approval of Agreements with the County for the Collection of Assessments for the 2024-25 Fiscal Year, Landscape & Lighting Assessment District 89-1

Shanita Tillman, Senior Management Analyst presented the staff report and [PowerPoint](#) presentation for this item.

Mayor Hussey opened the Public Hearing at 6:16 p.m.

NO PUBLIC COMMENT

Mayor Hussey closed the public hearing at 6:17 p.m.

1. CONDUCT THE PUBLIC HEARING; AND
2. ADOPT A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRAND TERRACE APPROVING THE ENGINEER'S ANNUAL REPORT, AND CONFIRMING THE DIAGRAM AND ASSESSMENT, AND ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS WITHIN THE CITY OF GRAND TERRACE LANDSCAPING AND STREET LIGHTING DISTRICT NO. 89-1 FOR FISCAL YEAR 2024-25.
3. APPROVE THE "AUDITOR-CONTROLLER/TREASURER/TAX COLLECTOR AGREEMENTS FOR COLLECTION OF SPECIAL TAXES, FEES, AND ASSESSMENTS FOR FISCAL YEAR 2024-25" FOR THE CITY AND THE DISTRICT.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Doug Wilson, Mayor Pro Tem
SECONDER:	Michelle Sabino, Council Member
AYES:	Hussey, Wilson, Allen, Henderson, Sabino

7. Public Hearing Regarding Objections to Collecting Delinquent Refuse and Sewer Fees on the Tax Rolls for Affected Properties; Adoption of Resolutions to Collect Said Delinquent Fees on the Tax Roll and for the Placement of Assessments for Delinquent Fees on Properties Located in the City for Fiscal Year 2024-25

Shanita Tillman, Senior Management Analyst presented the staff report and [PowerPoint](#) presentation for this item.

Mayor Hussey opened the Public Hearing at 6:20 p.m.

NO PUBLIC COMMENT

Mayor Hussey closed the public hearing at 6:20 p.m.

1. CONDUCT A PUBLIC HEARING TO HEAR OBJECTIONS OR PROTESTS REGARDING DELINQUENT FEES PROPOSED FOR ADOPTION AND ASSESSMENT ON THE TAX ROLLS OF THE COUNTY TAX ASSESSOR FOR FY 2024-25.

2. ADOPT A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRAND TERRACE, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, ADOPTING A REPORT OF DELINQUENT REFUSE AND SEWER USER FEES FOR FY 2024-25 AND DIRECTING THAT SUCH DELINQUENT FEES BE COLLECTED ON THE TAX ROLL AND BE IMPOSED AS AN ASSESSMENT UPON PROPERTY WITHIN THE CITY OF GRAND TERRACE.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Doug Wilson, Mayor Pro Tem
SECONDER:	Kenneth J. Henderson, Council Member
AYES:	Hussey, Wilson, Allen, Henderson, Sabino

8. The Gateway at Grand Terrace Specific Plan Project - Final Environmental Impact Report (State Clearinghouse No. 2021020110), Findings of Fact and Statement of Overriding Considerations, and Mitigation Monitoring and Reporting Program (ENV 17-10), General Plan Amendment (17-01), Specific Plan (17-01), Zone Change (17-02), Zone Change Amendment (24-01), Development Agreement (Agmt), Tentative Tract Map 20501 (18-01)

Scott Hutter, Planning and Development Director presented the staff report and [PowerPoint](#) presentation for this item.

Natalie Patty, CEQA/EIR consultant gave a brief presentation on the item.

Mayor Hussey opened the public hearing at 7:00 p.m.

PUBLIC COMMENT

- David Mlynarsky, on behalf of Georgia Capital, LLC wanted to thank city staff and express their full support on the project.
- Julie Luu, Western States Regional Council of Carpenters expressed her concerns regarding the environmental impacts.
- Eddie Campos, Western States Regional Council of Carpenters expressed his concerns regarding environmental impacts.
- Philip Behrman, resident and representative of Dover Pump Solutions Group (PSG CA) expressed his concerns for the operation and the safety of his employees.
- Adam Collier, Vice President of Planned Communities, Lewis Land Developers, LLC representing the Applicant spoke and presented a [PowerPoint](#) presentation.
- Randall Lewis, Lewis Land Developers, LLC wanted to thank the city for all the feedback they have received.

Mayor Hussey closed the public hearing at 7:31 p.m.

CONDUCT A PUBLIC HEARING FOR THE GATEWAY AT GRAND TERRACE SPECIFIC PLAN PROJECT AND TAKE THE FOLLOWING ACTIONS:

A. ADOPT A RESOLUTION CERTIFYING THE FINAL EIR AND MAKING FINDINGS FOR THE STATEMENT OF OVERRIDING CONSIDERATIONS AND MAKING FINDINGS FOR AND ADOPTING THE MMRP (ATTACHMENT 1).

RESULT: APPROVED [UNANIMOUS]
MOVER: Jeff Allen, Council Member
SECONDER: Doug Wilson, Mayor pro tempore
AYES: Hussey, Wilson, Allen, Henderson, Sabino

B. ADOPT A RESOLUTION MAKING FINDINGS FOR AND ADOPTING THE GENERAL PLAN AMENDMENT 17-01 (ATTACHMENT 2).

RESULT: APPROVED [UNANIMOUS]
MOVER: Jeff Allen, Council Member
SECONDER: Doug Wilson, Mayor pro tempore
AYES: Hussey, Wilson, Allen, Henderson, Sabino

C. INTRODUCTION AND 1ST READING BY TITLE ONLY WITH FURTHER READING WAIVED AN ORDINANCE ADOPTING THE GATEWAY AT GRAND TERRACE SPECIFIC PLAN 17-01 (ATTACHMENT 3).

RESULT: APPROVED [UNANIMOUS]
MOVER: Jeff Allen, Council Member
SECONDER: Doug Wilson, Mayor pro tempore
AYES: Hussey, Wilson, Allen, Henderson, Sabino

D. INTRODUCTION AND 1ST READING BY TITLE ONLY WITH FURTHER READING WAIVED AN ORDINANCE MAKING FINDINGS FOR AND ADOPTING THE ZONE CHANGE 17-02 AND ZONE CHANGE AMENDMENT 24-01 (ATTACHMENT 4).

RESULT: APPROVED [UNANIMOUS]
MOVER: Jeff Allen, Council Member
SECONDER: Doug Wilson, Mayor pro tempore
AYES: Hussey, Wilson, Allen, Henderson, Sabino

E. INTRODUCTION AND 1ST READING BY TITLE ONLY WITH FURTHER READING WAIVED AN ORDINANCE ADOPTING THE DEVELOPMENT AGREEMENT (ATTACHMENT 5).

RESULT: APPROVED [UNANIMOUS]
MOVER: Jeff Allen, Council Member
SECONDER: Doug Wilson, Mayor pro tempore
AYES: Hussey, Wilson, Allen, Henderson, Sabino

F. ADOPT A RESOLUTION MAKING FINDINGS FOR AND APPROVING THE TENTATIVE TRACT MAP 20501 18-01 (ATTACHMENT 6).

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Jeff Allen, Council Member
SECONDER:	Doug Wilson, Mayor Pro Tem
AYES:	Hussey, Wilson, Allen, Henderson, Sabino

F. UNFINISHED BUSINESS

9. Introduction and First Reading of an Ordinance Approving Zone Change Amendment (ZCA) 24-03 Amending City of Grand Terrace Municipal Code Title 18 (Zoning) to Add New Residential Land Uses Called “Congregate Living Health Facilities” and “Electric Vehicle Charging Stations”, to the Allowable Residential Land Uses Listed in Chapter 18.10 (Residential Districts); to Add Nonresidential Hours of Operation and to Consolidate All Nonresidential Land Uses Identified Under Section 18.06.032 and Chapters 18.30 – AP Administrative Professional District, 18.33 – C2 General Business District, 18.36 – CM Commercial Manufacturing District, 18.39 – MR Restricted Manufacturing District, 18.40 – M2 Industrial District, 18.43 – PUB Public Facilities District into a Table Format Under a New Chapter 18.27 (Nonresidential Districts); to Add New Nonresidential Land Uses Called “Heavy Equipment Rentals (Indoor and Outdoor)”, “Electric Vehicle Charging Stations”, “Restaurants with a Cocktail Lounge, Bar, Entertainment or Dancing”, and “Establishments with On-Site Alcohol Beverage Sales and Consumption that Are Not Bona Fide Eating Establishments (Bars, Taverns, Cocktail Lounges, Breweries, Distilleries And/Or Wine Making Facilities with Sales for On-Site and Off-Site Consumption)” CEQA: the Adoption of the Proposed Ordinance is Not a “Project” that is Subject to CEQA Review Because it Will Not Result in Direct Physical Change in the Environment, or a Reasonably Foreseeable Indirect Physical Change in the Environment. (See, §15061(B)(3) – Common Sense Exemption.)

Scott Hutter, Planning and Development Director presented the staff report and [PowerPoint](#) presentation for this item.

Mayor Hussey opened the public hearing at 7:52 p.m.

PUBLIC COMMENT

- Cynthia Bidney – ready by Bobbie Forbes expressed her concerns on the item.
- Bobbie Forbes expressed her concerns on the item.

Mayor Hussey closed the public hearing at 7:59 p.m.

IT IS RECOMMENDED THAT THE CITY COUNCIL TAKE THE FOLLOWING ACTIONS:

1) CONDUCT A PUBLIC HEARING; AND

2) INTRODUCE AN ORDINANCE APPROVING ZONE CHANGE AMENDMENT (ZCA) 24-03 TO AMEND THE GRAND TERRACE MUNICIPAL CODE TITLE 18 (ZONING) TO ADD NEW RESIDENTIAL LAND USES CALLED “CONGREGATE LIVING HEALTH FACILITIES” AND “ELECTRIC VEHICLE CHARGING STATIONS”, TO THE ALLOWABLE RESIDENTIAL LAND USES LISTED IN CHAPTER 18.10

(RESIDENTIAL DISTRICTS); TO ADD NONRESIDENTIAL HOURS OF OPERATION AND TO CONSOLIDATE ALL NONRESIDENTIAL LAND USES IDENTIFIED UNDER SECTION 18.06.032 AND CHAPTERS 18.30 - AP ADMINISTRATIVE PROFESSIONAL DISTRICT, 18.33 - C2 GENERAL BUSINESS DISTRICT, 18.36 - CM COMMERCIAL MANUFACTURING DISTRICT, 18.39 - MR RESTRICTED MANUFACTURING DISTRICT, 18.40 - M2 INDUSTRIAL DISTRICT, 18.43 - PUB PUBLIC FACILITIES DISTRICT INTO A TABLE FORMAT UNDER A NEW CHAPTER 18.27 (NONRESIDENTIAL DISTRICTS); TO ADD NEW NONRESIDENTIAL LAND USES CALLED "HEAVY EQUIPMENT RENTALS (INDOOR AND OUTDOOR)", "ELECTRIC VEHICLE CHARGING STATIONS", "RESTAURANTS WITH A COCKTAIL LOUNGE, BAR, ENTERTAINMENT OR DANCING", AND "ESTABLISHMENTS WITH ON-SITE ALCOHOL BEVERAGE SALES AND CONSUMPTION THAT ARE NOT BONA FIDE EATING ESTABLISHMENTS (BARS, TAVERNS, COCKTAIL LOUNGES, BREWERIES, DISTILLERIES AND/OR WINE MAKING FACILITIES WITH SALES FOR ON-SITE AND OFF-SITE CONSUMPTION)" AND FIND AN ENVIRONMENTAL EXEMPTION PURSUANT TO SECTION 15061(B)(3) OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) GUIDELINES; AND

- 3) DIRECT PLANNING & DEVELOPMENT SERVICES DIRECTOR TO BRING BACK DIRECTLY TO THE CITY COUNCIL WITHIN NINETY (90) DAYS AN ORDINANCE FOR A ZONE CHANGE AMENDMENT MAKING MUNICIPAL CODE MODIFICATIONS TO BRING CONSISTENCY BETWEEN ALL MUNICIPAL CODE SECTIONS PERTAINING TO HOURS OF OPERATION FOR BUSINESS ACTIVITIES AND HOURS APPLICABLE TO NOISE RELATED ACTIVITIES.

Adrian Guerra, City Attorney recommended that, as part of the motion, the maker of the motion include the following language to be added as a new section 18 of the proposed ordinance for introduction:

"SECTION 18. TO THE EXTENT THAT ANY CODE AMENDMENT HEREIN DOES NOT REFLECT THE CODE PROVISIONS ADOPTED BY ORDINANCE NO. 352 ON MARCH 26, 2024, WHICH AMENDED SECTIONS 18.10.090, 18.33.050, 18.36.060, 18.39.060, 18.40.060, AND 18.56.080 OF TITLE 18 (ZONING) OF THE GRAND TERRACE MUNICIPAL CODE, WHICH HAVE NOT YET BEEN UPDATED AND REFLECTED IN THE ON-LINE MUNICIPAL CODE AS OF THE DATE OF THIS ORDINANCE, THE PROVISIONS AMENDED IN ORDINANCE NO. 352 SHALL SUPERSEDE THIS ORDINANCE AND BE REFLECTED IN THE ZONING CODE."

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Kenneth J. Henderson, Council Member
SECONDER:	Jeff Allen, Council Member
AYES:	Hussey, Wilson, Allen, Henderson, Sabino

G. NEW BUSINESS

None.

H. FUTURE AGENDA ITEMS

None.

I. CITY COUNCIL COMMUNICATIONS**Council Member Michelle Sabino**

Council Member Sabino:

- Commented on the Community Benefit Fund Grant Awards presented at the July 9 meeting.
- Thanked the Sheriff's Department for their response on a recent call.
- Commented on the Grand Re-Opening of Loud Burger on July 16.

Council Member Kenneth J. Henderson

Council Member Henderson congratulated Loud Burger on their July 16, 2024, Grand Re-Opening.

Council Member Jeff Allen

Council Member Allen reported on his recent tour of the Big Creek Hydroelectric Project, owned and operated by Southern California Edison. He also thanked City management and staff for keeping the weeds under control and their overall fiscally prudent management of the city.

Mayor Pro Tempore Doug Wilson

Mayor pro tempore Doug Wilson commented on the Loud Burger Grand Re-Opening and asked about delays that Baskin Robbins was experiencing with the County Health Department.

Mayor Bill Hussey

Mayor Hussey thanked CalFire for their response to the recent local fires.

J. CITY MANAGER COMMUNICATIONS

Konrad Bolowich, City Manager commented on the Baskin-Robbins delays mentioned by Mayor pro tempore Wilson.

FIRE DEPARTMENT REPORT

Battalion Chief Westfall introduced himself, noted he was recently assigned to Grand Terrace and was filling in for Chief Jaeger, who was on strike team assignment in Northern California.

SHERIFF REPORT

Lieutenant Bryan Lane announced the National Night Out, scheduled for August 28, 2024, at Loma Linda Citrus Trails Park.

K. RECESS TO CLOSED SESSION

Mayor Hussey recessed the regular meeting of the City Council to closed session at 8:48 p.m.

CLOSED SESSION

1. PUBLIC EMPLOYEE PERFORMANCE EVALUATION, pursuant to Section 54957(b)(1)

Title: City Manager

2. PUBLIC EMPLOYEE PERFORMANCE EVALUATION, pursuant to Section 54957(b)(1)

Title: City Attorney

RECONVENE TO OPEN SESSION

Mayor Hussey reconvened the regular meeting of the City Council from closed session at 10:19 p.m.

REPORT OUT OF CLOSED SESSION

Adrian Guerra, City Attorney announced that there were two (2) closed session items, performance evaluations for the city manager and city attorney. Discussion was held on both items and direction was provided by the City Council, however, there was no reportable action.

L. ADJOURN

Mayor Hussey adjourned the Regular Meeting of the City Council at 10:20 p.m. The next Regular City Council meeting will be held on Tuesday, August 13, 2024. at 6:00 p.m.

Bill Hussey, Mayor

Barbara Nicholson, Interim City Clerk

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AGENDA REPORT

MEETING DATE: August 13, 2024 *City Council Item*

TITLE: Consideration of Approval of Cost Reimbursement Agreement between the City of Grand Terrace and Condor Energy Storage, LLC, a Delaware limited liability company ("Condor") to reimburse the City for certain costs and expenses to design and complete certain improvements along Taylor Street and the undergrounding of certain utilities along Taylor Street and Main Street within the City's jurisdiction.

TO: City Council

FROM: Scott Hutter, Director of Planning & Development Services

RECOMMENDATION: Approve the Content of the Cost Reimbursement Agreement provided as *Attachment 1* and authorize the City Manager to (1) finalize the terms of the agreement, consistent with the content and terms set forth in attached Agreement and subject to written approval as to form by the City Attorney; and (2) execute the final negotiated agreement on behalf of the City. *SAH GA*

BACKGROUND:

Condor developed a 200 MW battery energy storage facility ("Project") at an approximately 10-acre parcel near the intersection of Main and Taylor Streets within the City of Grand Terrace, and the land use has been approved by the City under Conditional Use Permit #20-03, dated December 2, 2021 ("CUP").

Condition of Approval ("COA") 14 of the CUP obligates Condor to comply with requirements of the City Public Works Director ("Director"), including the conditions of approval ("COA") provided in the Director's memorandum dated December 1, 2021, attached as Exhibit 2 to the CUP. Specifically, COA 2(a) of the Director's COAs requires Condor to make the following improvements along Taylor Street within the City ("Taylor Street Improvements"), and outside of the Project site:

- a. Taylor Street:
 - i. Demolish existing AC paving
 - ii. Construct 44' half width with 5" over 1' of Aggregate base, confirmed with a geotechnical report provided to the City
 - iii. Construct 8" monolithic curb and gutter per County Standard Number 115
 - iv. Construct 4" thick PCC sidewalk (3250 psi concrete) per County Standard 109
 - v. Construct roadway drainage as required to pursuant to Hydrology Report
 - vi. Install LED streetlights at a height of 24', and spaced every 200' along property frontage

- vii. Install parkway landscaping and street trees. Applicant to provide landscaping and street tree plan for review and approval by City.

Furthermore, COA 10 requires Condor to provide for the underground placement of utilities along Taylor Street and Main Street property frontages ("Utility Improvements", and collectively with the Taylor Street Improvements, the "Improvements"). The City plans to enter, into an agreement with Lewis Management Corporation or an alternative contractor selected by the City ("Contractor") pursuant to which Contractor (i) will complete various road and utility improvements on behalf of the City, including the Improvements, (ii) has prepared a scope of work and final design and engineering plans for the Improvements, which has been reviewed and approved by the City, a copy of which is incorporated into this Agreement as **Exhibit A ("Plans")**, and (iii) has prepared a final cost schedule for completion of the Improvements in accordance with the Contractor Plans that has been approved by the City ("Cost of Improvements"), a copy of which is incorporated into this Agreement as **Exhibit B**;

If the Lewis Management Corporation is the contractor, it will complete the Improvements in conjunction with its completion of street and utility improvements for its proposed Gateway Project. The total estimated cost of these improvements, including a contingency amount is \$1,838,328. Pursuant to the terms of the Agreement, to satisfy its obligations pursuant to Director's conditions 2(a) and 10, Condor would be required to deposit this amount with the City prior to the City issuing a Final Certificate of Occupancy for its BESS project. The City will use these funds to pay for the Improvements. If after the Improvements have been completed and accepted by the City it is determined that the cost of the Improvements exceeded the amount of the deposit, Condor is required to reimburse the City for the Excess Costs up to an additional twenty (20) percent over the estimated Cost of Improvements set forth in **Exhibit B** to the Agreement.

RECOMMENDATION:

Approve the Content of the Cost Reimbursement Agreement provided as *Attachment 1* and authorize the City Manager to (1) finalize the terms of the agreement, consistent with the content and terms set forth in attached Agreement and subject to written approval as to form by the City Attorney; and (2) execute the final negotiated agreement on behalf of the City.

COST REIMBURSEMENT AGREEMENT

This Cost Reimbursement Agreement (“Agreement”), dated August 1, 2024 (“Effective Date”), is entered into between Condor Energy Storage, LLC, a Delaware limited liability company (“Condor”), and the City of Grand Terrace, California (“City”), to confirm the terms and conditions pursuant to which Condor will reimburse the City for certain costs and expenses to design, procure and construct certain improvements along Taylor Street and to underground certain utilities along Taylor Street and Main Street within the City’s jurisdiction, as further described in this Agreement. Condor and the City may be referred to in this Agreement individually as a “Party” and collectively as the “Parties.”

RECITALS

WHEREAS, Condor is developing a 200 megawatt (“MW”) battery energy storage facility at an approximately 10-acre parcel near the intersection of Main and Taylor Streets within the City of Grand Terrace (“Project”), and the proposed use has been approved by the City under Conditional Use Permit #20-03, dated December 2, 2021 (“CUP”);

WHEREAS, Condition of Approval (“COA”) 14 of the CUP obligates Condor to comply with requirements of the City Public Works Director (“Director”), including the COAs provided in the Director’s memorandum dated December 1, 2021, attached as Exhibit 2 to the CUP. Specifically, COA 2(a) of the Director’s COAs requires Condor to make certain improvements along Taylor Street within the City of Grand Terrace (“Taylor Street Improvements”)¹, and outside of the Project site, and COA 10 of the Director’s COAs requires Condor to provide for the underground placement of utilities along Taylor Street and Main Street property frontages (“Utility Improvements”, and collectively with the Taylor Street Improvements, the “Improvements”)²;

¹ COA 2(a) of the Director’s COAs states:

“2. Dedicate full right of way and construct half width roadway improvements for the following streets below consisting of the following to the satisfaction of the City Engineer in coordination with the master plan roadway design:

- a. Taylor Street:
 - i. Demolish existing AC paving
 - ii. Construct 44’ half width with 5” over 1’ of Aggregate base, confirmed with a geotechnical report provided to the City
 - iii. Construct 8” monolithic curb and gutter per County Standard Number 115
 - iv. Construct 4” thick PCC sidewalk (3250 psi concrete) per County Standard 109
 - v. Construct roadway drainage as required to pursuant to Hydrology Report
 - vi. Install LED street lights at a height of 24’, and spaced every 200’ along property frontage
 - vii. Install parkway landscaping and street trees. Applicant to provide landscaping and street tree plan for review and approval by City.”

² COA 10 of the Director’s COAs states:

“10. Provide that all utilities shall be placed underground if not already provided as required. All existing utilities on Taylor Street and Main Street shall be placed underground along property frontages, and applicant shall coordinate with affected utility companies.”

WHEREAS, the City has entered, or plans to enter, into an agreement with Lewis Management Corporation or an alternative contractor selected by the City (“Contractor”) pursuant to which Contractor (i) will complete various road and utility improvements on behalf of the City, including the Improvements, (ii) has prepared a scope of work and final design and engineering plans for the Improvements that has been reviewed and approved by the City, a copy of which is incorporated into this Agreement as Exhibit A (“Plans”), and (iii) has prepared a cost schedule for completion of the Improvements in accordance with the Contractor Plans that has been approved by the City (“Cost of Improvements”), a copy of which is incorporated into this Agreement as Exhibit B;

WHEREAS, City anticipates that Contractor will complete the Improvements after the Project is scheduled to be placed in service, and the Parties desire to avoid delays to the Project construction and operation schedule to ensure that the safety, reliability and other benefits of the Project are realized in a timely manner. Accordingly, Condor and the City have agreed that in lieu of Condor completing the Plans and Improvements directly, the City will engage Contractor to prepare the Plans and complete the Improvements, the City will assume the obligation to pay Contractor for the Plans and Improvements under a separate agreement between the City and Contractor (“Contractor Agreement”), and Condor will reimburse the City for the Cost of Improvements, including Excess Costs (defined below), according to the process and schedule set forth in this Agreement;

WHEREAS, the City agrees and has determined that the payment in lieu of arrangement contemplated by this Agreement is consistent with all applicable terms and conditions of the Project CUP and the City’s ordinances.

NOW, THEREFORE, in consideration of the foregoing premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to the following terms and conditions.

AGREEMENT

1. Recitals. The Recitals are hereby incorporated in full as terms and conditions of this Agreement.

2. Cost of Improvements; Final Occupancy Permit.

A. Prior to the City Building and Safety Division issuing a final Occupancy Permit for the Project, Condor shall make an initial payment to the City in the amount of the Cost of Improvements, which includes a contingency amount, set forth in Exhibit B (“Payment”). The Payment shall be made in accordance with Section 5 (Payment) of this Agreement.

B. City shall issue a final Occupancy Permit for the Project within ten (10) days after receipt of the Payment, provided that Condor is in compliance with all CUP COAs required to be satisfied by Condor as of such date, excluding CUP COA 14 and Director’s COAs 2(a) and 10 which for purposes of issuing the final Occupancy Permit shall be deemed satisfied by City’s receipt of the Payment.

3. Cost Cap; Excess Costs; Final Accounting.

A. The Cost of Improvements set forth in Exhibit B is a good faith estimate of all actual costs to design, obtain all approvals for, procure and construct the Improvements. Condor shall be liable to the City and responsible under this Agreement for all costs incurred by the City, Contractor or any other person to complete all activities necessary to design, obtain all approvals for, procure and construct the Improvements up to a total amount not to exceed 120 percent (120%) of the Cost of Improvements set forth in Exhibit B (“Cost Cap”), provided that the City provides Condor with a written estimate and justification for the additional costs, approved by the City Engineer, prior to incurring any costs that exceed the Cost of Improvements in Exhibit B. (“Excess Costs”).

B. Condor shall pay the City for Excess Costs in accordance with Section 5 (Payment) of this Agreement, and Condor shall have no obligation to pay Contractor or any other person for the Cost of Improvements, Excess Costs or any other costs for the Plans and Improvements, except where City assigns its right to receive payment under this Agreement to Contractor or such other person in accordance with Section 12 (Assignment).

i. Within ninety (90) days after the date on which the City formally accepts the Improvements, which is the date on which City submits notice of its acceptance of the Improvements to San Bernardino County, City shall provide Condor with an accounting in reasonable scope and detail to describe the final Cost of Improvements, including any Excess Costs approved by Condor in accordance with Section 3(A) (“Final Accounting”). Subject to the dispute provisions in this Section 3(C), (a) if the amount set forth in the Final Accounting is less than the Payment to City under Section 2(A), City shall pay Condor the amount equal to the Payment minus the Final Accounting amount, or (b) if the amount set forth in the Final Accounting is greater than the Payment to City under Section 2(A), Condor shall pay City the amount equal to the Final Accounting amount minus the Payment (“Balance”), and payment under this Section 3(C)(i) shall be made to the Party to whom payment is due within thirty (30) days after Condor’s receipt of the Final Accounting.

ii. If Condor disputes any portion of the Final Accounting amount in writing within thirty (30) days after receipt of the Final Accounting, the Parties agree to confer promptly in good faith in an attempt to resolve the dispute. If the Parties are not able to resolve the dispute within fifteen (15) days after City’s receipt of written notice of the dispute, the Parties shall follow the procedures in Section 11 (Arbitration) of this Agreement.

iii. Condor shall pay the City interest on any portion of the Balance that remains unpaid after expiration of the applicable payment period at the rate of five (5) percent (5.0%) per annum, commencing on the day following expiration of the applicable payment period.

iv. Condor’s failure to pay the City when due shall constitute noncompliance with the applicable CUP and Director’s COAs, subject to all rights and remedies available under the applicable CUP provisions.

v. Condor's payment of all amounts due to City under this Agreement shall constitute full satisfaction by Condor of the specific CUP and Director's COAs referenced in the Recitals and, except as expressly set forth under CUP COA 6, Condor shall be released from any and all claims of City, whether direct or third party claims, for any Losses that pertain to any aspect of the Plans, Improvements or other subject matter of this Agreement.

4. Liability for Plans and Improvements. City shall require Contractor to indemnify, defend and hold harmless the City, its officials, employees, agents and officers for any injury or damage to personal property, personal injury, natural resource damages, or any other costs, fees, fines, penalties, expenses or damages of any type, or for any equitable or injunctive relief, to the extent arising from or pertaining to the Plans and Improvements, including without limitation the design, siting, procurement, construction, operation, maintenance, repair or removal of, and approvals for, the Improvements (collectively, "Losses"). This Agreement shall not supersede or extinguish any express obligation of Condor to indemnify the City pursuant to CUP COA 6.

This Agreement does not require Condor to perform work on behalf of City or City's Contractor related to the Plans and Improvements. However, if Condor or its affiliate retains any consultants or contractors to perform any work on behalf of City or its Contractor related to the Plans and Improvements, including without limitation the design, siting, procurement, construction, operation, maintenance, repair or removal of, and approvals for the Improvements, Condor shall indemnify, defend and hold harmless the City, its officials, employees, agents and officers, for any Losses incurred by the City, to the extent arising from or pertaining to such work performed by any consultants or contractors retained by Condor or any of its affiliates. This Agreement shall not supersede or extinguish any express obligation of Condor to indemnify the City pursuant to CUP COA 6.

5. Payment. All payments due to a Party under this Agreement, including payment to the City for the Payment and the Balance or any refund due to Condor, shall be made by wire transfer of immediately available funds to applicable account listed below or, if applicable, such other account directed by the applicable Party from time to time pursuant to reasonable advance written notice to the other Party:

CITY'S ACCOUNT

Name of Financial Institution:

Address of Financial Institution:

Beneficiary Name:

Beneficiary Account:

ABA/Routing Number:

Swift Code:

CONDOR'S ACCOUNT

Name of Financial Institution:

Address of Financial Institution:

Beneficiary Name:
Beneficiary Account:
ABA/Routing Number:
Swift Code:

6. Default. A Party's failure to perform any material obligation under this Agreement shall constitute an event of default ("Default") if not cured to the reasonable satisfaction of the non-defaulting Party within ten (10) days after receipt of written notice by the defaulting Party ("Cure Period"), except that no Cure Period shall apply to a Default due to failure to make payment when due. If a Default continues following expiration of the Cure Period, the non-defaulting Party shall be entitled to pursue any and all equitable remedies available under Governing Law.

7. Entire Agreement. This Agreement constitutes the entire agreement and understanding of the Parties and supersedes all prior agreements and understandings between the Parties, with respect to the Plans, Improvements or other subject matter of this Agreement.

8. Authority. Each Party to this Agreement represents and warrants to the other Party that its representative has the requisite corporate authority to bind the Party to all of the binding commitments embodied in this Agreement.

9. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California, without regard to its conflict of laws provisions.

10. Notices. All notices or other communications required or permitted to be given under this Agreement (each, a "Notice") shall be in writing and delivered to the receiving Party by overnight mail, overnight courier or by electronic mail transmittal, subject to return confirmation of receipt, at the respective addresses for the Parties set forth below. All Notices shall be deemed to have been given and received upon written confirmation of receipt by the receiving Party.

If to Condor: Condor Energy Storage, LLC
c/o Contract Notices
8800 N Gainey Center Dr
Scottsdale, AZ 85258
(480) 653-8450
contractnotices@arevonenergy.com

If to the City: Kamran Dadbeh
City Engineer
Development Services Department
City of Grand Terrace
22795 Barton Road
Grand Terrace, CA 92313
kdadbeh@grandterrace-ca.gov

11. Arbitration. Except as set forth in Section 6 (Default) of this Agreement, any controversy arising from or related to a Party's performance under or interpretation of this Agreement, including the Final Accounting, shall be subject to arbitration. The Parties are bound, each to the other, by this arbitration clause.

A. Disputes shall be resolved by binding arbitration between the Parties conducted in the County of San Bernardino or such other location mutually agreeable to the Parties, and in accordance with the Commercial Arbitration Rules of the American Arbitration Association in effect on the date that a Party gives Notice of its demand for arbitration. Judgment upon any award may be entered in any court having jurisdiction.

B. If either Party refuses or neglects to appear at or to participate in arbitration proceedings after reasonable notice, the Arbitrator may decide the controversy in accordance with whatever evidence is presented by the participating Party. The Arbitrator shall award costs and reasonable attorneys' fees to the prevailing Party; provided, the Arbitrator may only impose equitable remedies and may not award damages of any kind or nature to either Party. Notwithstanding anything in this Agreement to the contrary, nothing in this Agreement is intended to, nor shall it, prevent the Parties from seeking injunctive relief at any time as may be available under law or in equity.

12. Assignment. Condor must obtain the prior written consent of the City (such consent not to be unreasonably withheld, conditioned or delayed) to assign, transfer or convey Condor's rights and obligations under this Agreement (A) to any affiliate of Condor or to a purchaser of all or substantially all of the Project or Condor's assets, or (B) as a pledge of collateral or otherwise in connection with any financing arrangement of Condor or for the Project; provided, that City's consent to assignment shall not be required after City's receipt of the Payment and reimbursement of any Excess Costs pursuant to Section 3. However, Condor's assignment, transfer or conveyance of its rights and obligations under this Agreement shall not relieve it of its indemnity and defense obligations set forth in Section 4. City may assign, transfer or convey its rights and obligations under this Agreement without Condor's consent, provided, that the assignee agrees in writing to be bound by the applicable terms and conditions of this Agreement and City provides Condor prompt written notice of assignment. Any assignment in violation of this Agreement shall be considered null and void when made.

13. Term; Termination. This Agreement shall remain in effect until all obligations of the Parties hereunder have been satisfied; provided, that Condor may terminate this Agreement at any time and for any reason prior to receipt of a final Occupancy Permit for the Project, upon ten (10) days advance written notice to the City and without further obligation of either Party under this Agreement.

14. Amendments; Counterparts. This Agreement may be amended by subsequent written agreement of the Parties. This Agreement may be executed in any number of separate counterparts and delivered by electronic means, each of which when so executed shall be deemed an original, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

[Signature page follows]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the Effective Date by their duly authorized representatives listed below.

Condor Energy Storage, LLC

By: _____

Name: _____

Title:

The City of Grand Terrace

By: _____

Name: _____

Title:

APPROVED AS TO FORM

By: _____

Name: _____

Title: Grand Terrace City Attorney

Exhibit A

Improvements Plans

(See Attached.)

CONDOR BESS IMPROVEMENTS

Improvements by Measure - I

Updated 1/22/2024

Grand Terrace Improvements by Measure - I (City In-Lieu) CTC Exhibit

Storm Drain by Measure - I (City In-Lieu)

	Description	Quantity	Unit
	10' Inlet	2	Count
	18" RCP	197	ft
	SD Manhole	1	Count

Street by Measure - I (City In-Lieu)

	Description	Quantity	Unit
	8" Curb & Gutter	734	ft
	A.C.	20,902	sf
	Commercial Driveway	231	sf
	HC Ramp	3	Count
	Sidewalk	4,254	sf

Dry Utilities by Measure - I (City In-Lieu)

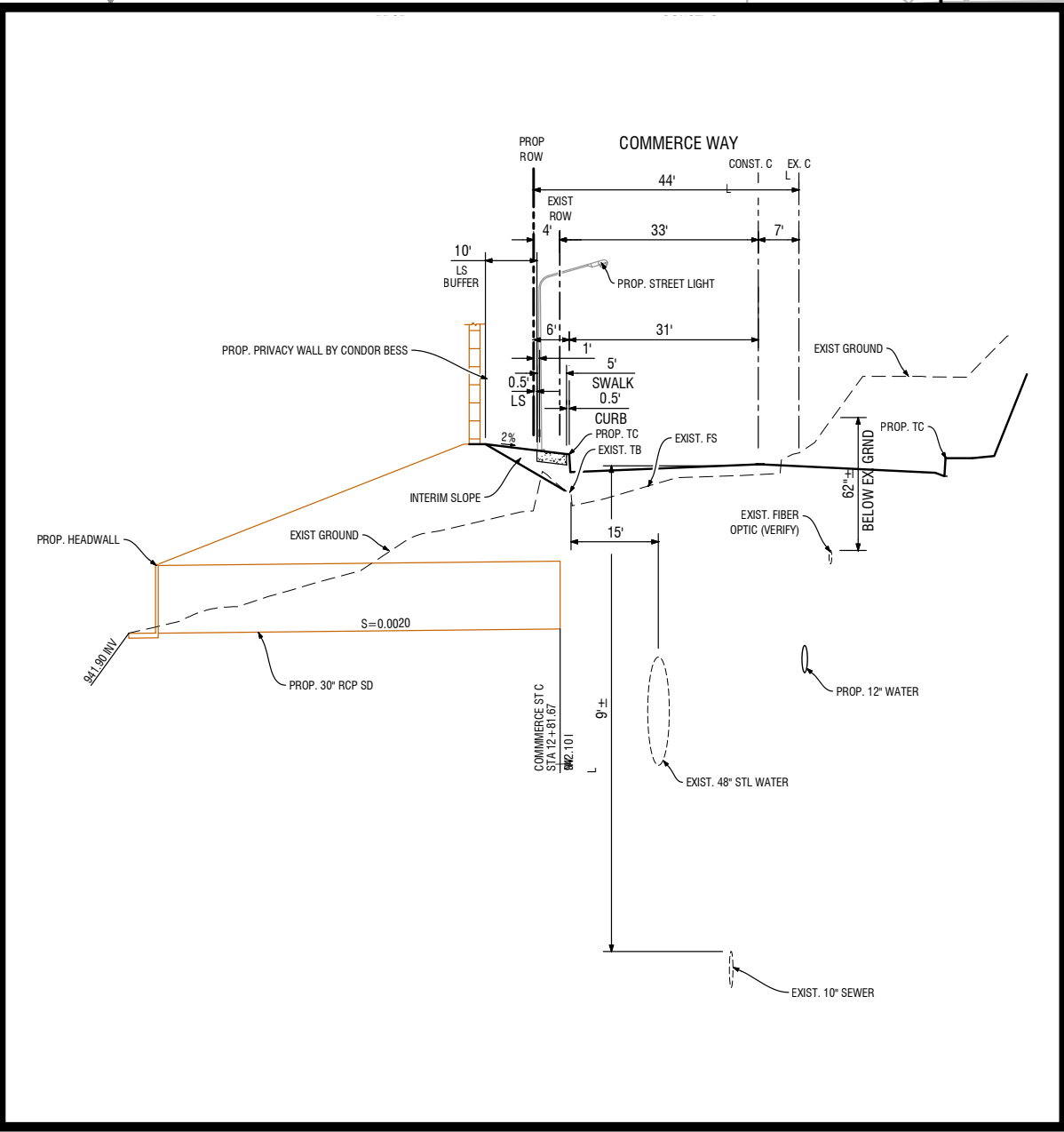
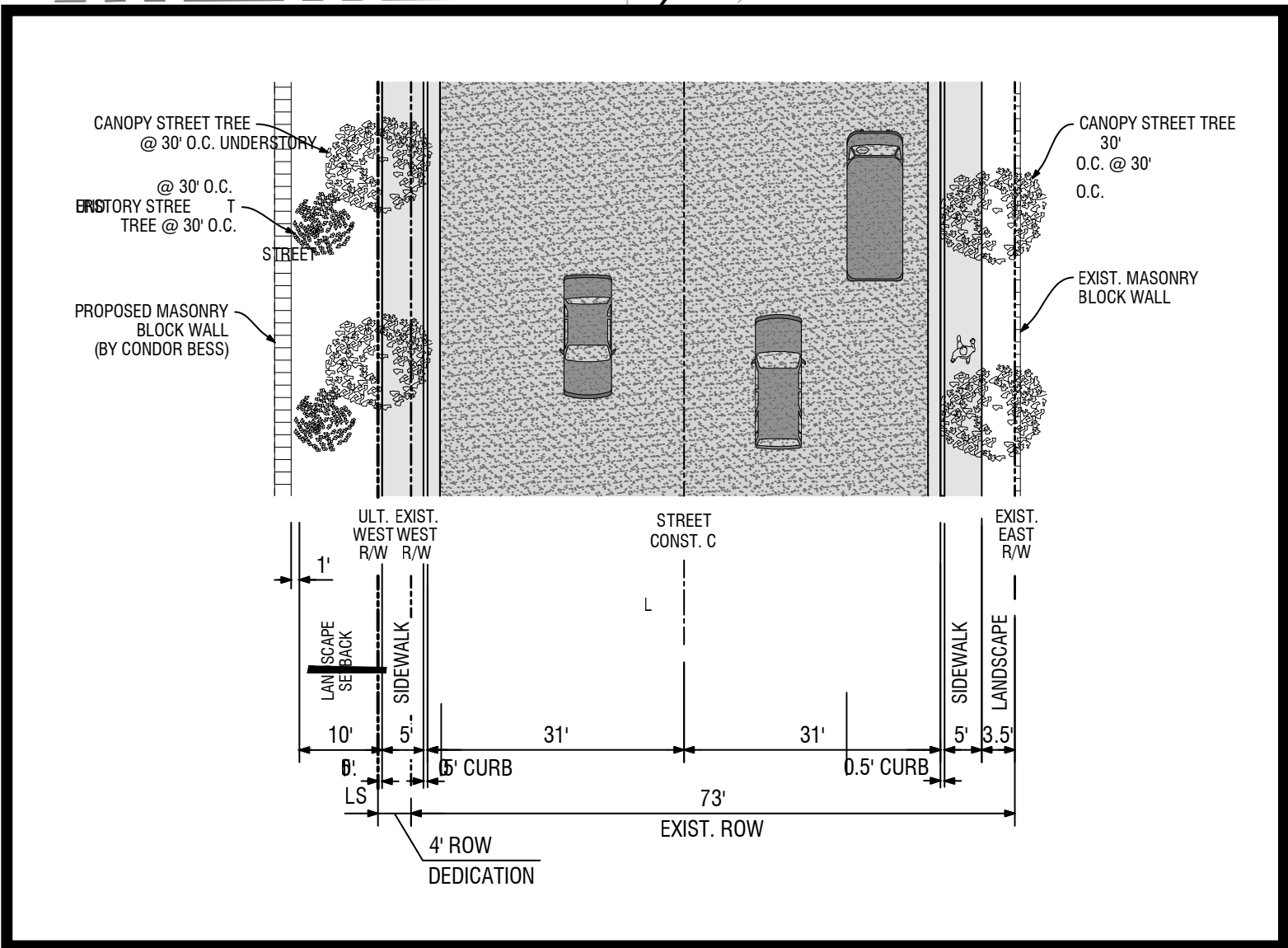
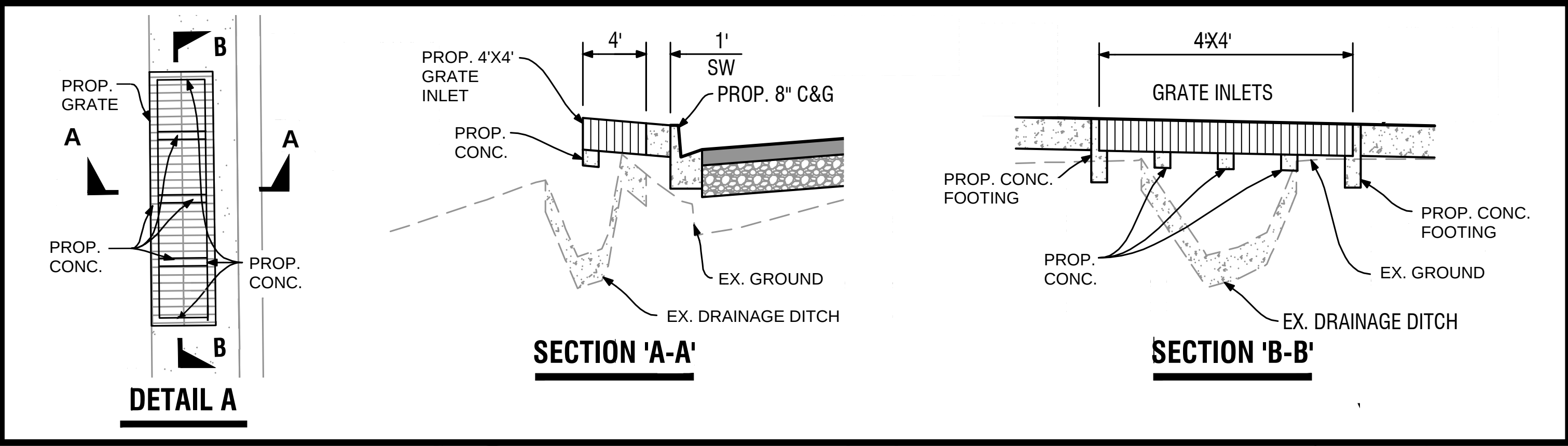
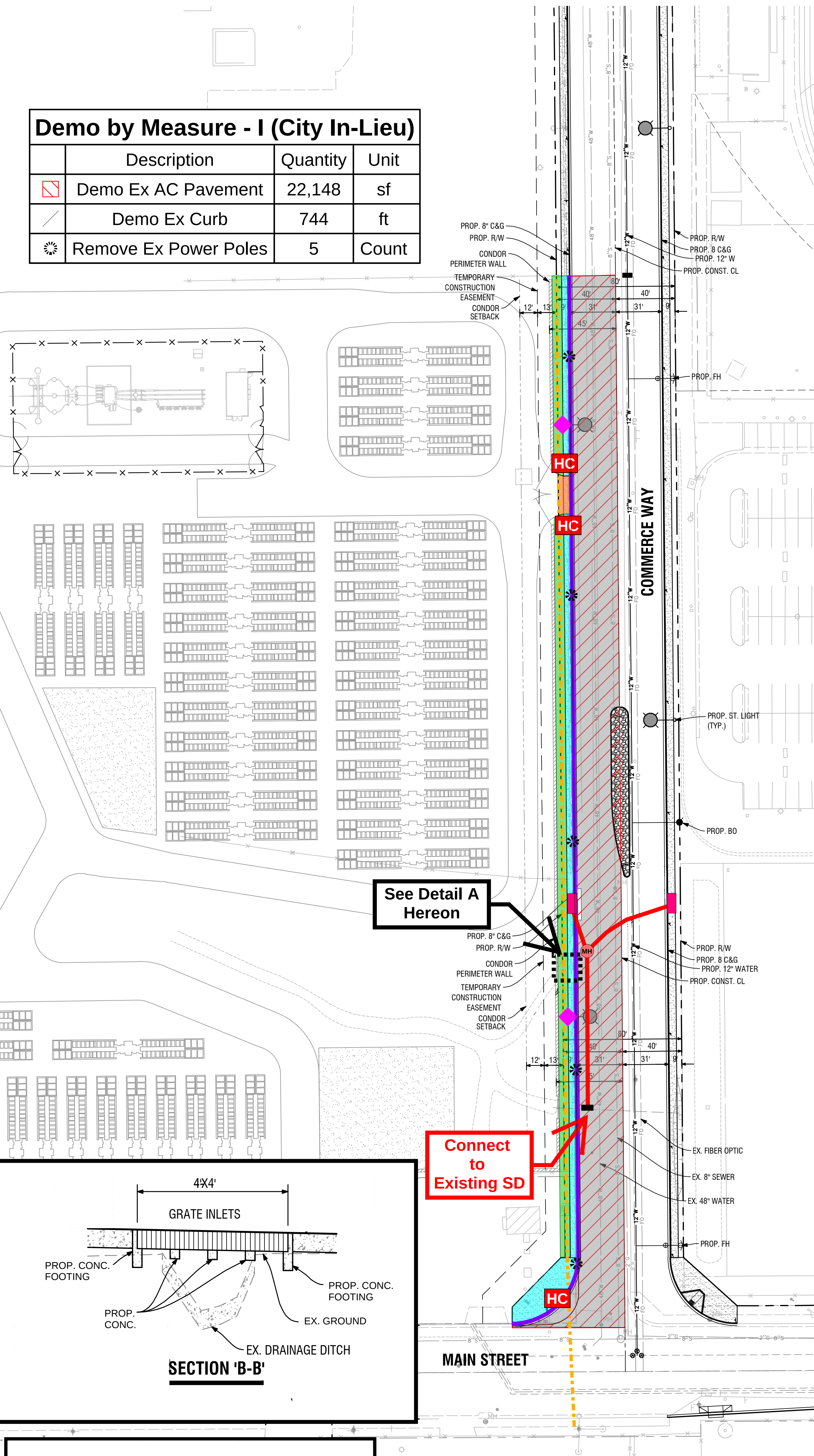
	Description	Quantity	Unit
	Joint Trench	779	ft
	Street Lights	2	Count

Landscape by Measure - I (City In-Lieu)

	Description	Quantity	Unit
	Landscape	4,145	sf

Demo by Measure - I (City In-Lieu)

	Description	Quantity	Unit
	Demo Ex AC Pavement	22,148	sf
	Demo Ex Curb	744	ft
	Remove Ex Power Poles	5	Count



COMMERCE WAY/CONDOR BESS
CONDOR IMPROVEMENTS EXHIBIT

GRAND TERRACE, COUNTY OF SAN BERNARDINO, CALIFORNIA

Exhibit B
Cost of Improvements

(See Attached.)

Preliminary Opinion of Probable Cost

Condor Bess (Commerce Way Measure - I City In-Lieu) - Grand Terrace, CA

Based on Commerce Way street alignment by KWC (4-13-2023)

Based on On-Site layout by Condor Bess (4-13-2023)

Based CTC Exhibits dated (1-21-2024)

Estimate date: 4-20-2023

Estimate Updated: 1-22-2024

c

OFF-SITE IMPROVEMENTS

Commerce Way (Assume Public Bid/Prevailing Wage)

ASSUMPTIONS:

- Assume Condor Bess is responsible for 1/2 width improvements
- Assume Prevailing Wage

Demo / Sub Grade Prep

	Quantity	Unit	Unit Cost	Total
Mobilization (Public Contract General Conditions/Mob)	1	(Allow)	\$12,400	\$12,400
Demo/Remove existing AC Pavement	22,148	S.F.	\$6	\$123,586
Demo/Remove existing Curb	744	L.F.	\$6	\$4,613
Remove existing Power Poles (see dry utility estimate)	0	EA	\$0.00	\$0
Demo/Remove existing chain link fence	744	L.F.	\$10	\$7,380
Remove existing trees within proposed right-of-way	1	(Allow)	\$12,400	\$12,400
O/X for sub grade prep (assume 2' O/X)	1,900	CY	\$11	\$21,204
Export Dirt (Loaded onto trucks - Contractor responsibility to dispose)	1,000	CY	\$19	\$18,600
Traffic Control	1	(Allow)	\$9,920	\$9,920
Sub-total				\$210,103

Storm Improvements

Mobilization (Public Contract General Conditions/Mob)	1	(Allow)	\$12,400	\$12,400
18" RCP	197	L.F.	\$174	\$34,199
10' Inlet	2	EA	\$22,320	\$44,640
Dirt Spoil Haul off (Loaded onto trucks - Contractor responsibility to dispose)	100	CY	\$19	\$1,860
Tie into existing	1	(Allow)	\$8,060	\$8,060
Sub-total				\$101,159

Street Improvements

Mobilization (Public Contract General Conditions/Mob)	1	LS	\$37,200	\$37,200
Traffic Control	1	LS	\$6,200	\$6,200
Fine Grade Streets	20,903	S.F.	\$0.62	\$12,960
Curb & Gutter				
6" Median Curb	320	L.F.	\$37	\$11,904
8" Curb & Gutter	734	L.F.	\$43	\$31,856
Pavement				
5" AC on 13" AB	20,903	S.F.	\$7.56	\$158,110
Sidewalks, Approaches & Cobble Median				
Steel Grate Sidewalk Crossing	1	LS	\$19,220	\$19,220
4" PCC Sidewalk	4,254	S.F.	\$7.44	\$31,650
Commercial Driveway Approach	231	S.F.	\$25	\$5,729
Handicap Ramp	3	EA	\$4,960	\$14,880
Grouted Cobble Median	1,200	SF	\$32	\$38,688
Signing & Striping				
Signing & Striping	1	LS	\$9,300	\$9,300
Sub-total				\$377,696

Dry Utility

Dry Utility - Contractor Charges	1	LS	\$374,356	\$374,356
Dry Utility - Utility Fees	1	LS	\$345,958	\$345,958
Street Lights	2	EA	\$12,400	\$24,800
Sub-total				\$745,114

Per Morrow Management CE

Per Morrow Management CE

Landscape

Parkway Landscaping (from face of proposed wall to back of walk)	4,154	S.F.	\$24	\$97,868
Sub-total				\$97,868

TOTAL	\$1,531,940
20% contingency	\$306,388

COMMERCE WAY - ESTIMATED COST OF IMPROVEMENTS

\$1,838,328

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AGENDA REPORT

MEETING DATE: August 13, 2024 *City Council Item*

TITLE: Second Reading and Adoption of An Ordinance Approving Specific Plan (17-01) For The Gateway At Grand Terrace Specific Plan Project

CEQA: Pursuant to the California Environmental Quality Act the Development Agreement, Specific Plan, Zone Change and Zone Change Amendment have been considered in the Environmental Impact Report (SCH No. 2021020110) that was certified for the Project on July 23 by City Council Resolution No. 2024-27, and the approval of the Development Agreement is consistent with the analysis contained therein.

TO: CITY COUNCIL

FROM: Scott Hutter, Planning & Development Services Director

RECOMMENDATION: It is recommended that the City Council conduct second reading and direct the City Attorney to read the ordinance by title only, waive reading of, and adopt, "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GRAND TERRACE, CALIFORNIA, ADOPTING SPECIFIC PLAN (SP 17-01) FOR THE GATEWAY AT GRAND TERRACE SPECIFIC PLAN."

2030 VISION STATEMENT:

This project supports Goal 3 to Promote Economic Development:

- *Develop proactive economic development plan to attract new businesses,*
- *Invest in infrastructure needed to support businesses and residents,*
- *Allow design flexibility to attain superior quality and excellence in design, sustainability, architecture, and site amenities.*

SUMMARY:

The City Council conducted a duly noticed Public Hearing on July 23, 2024, for the aforementioned Ordinance, which is provided as Attachment 1 to this agenda staff report. For the Ordinance to become effective, the City Council needs to conduct the second reading of the Ordinance to adopt it. Once the Ordinance is adopted, it will become effective in thirty (30) days.

BACKGROUND INFORMATION:

At their July 23, 2024, meeting, the City Council acted to approve The Gateway at Grand Terrace Specific Plan project which included a 1st Reading of an Ordinance for Specific Plan 17-01. The Project area consists of 32 parcels on approximately 112 acres and is located in the southwest portion of the City and bounded by Commerce Way and an existing commercial parking lot to the

north; the northern portion of Grand Terrace High School to the south; commercial and residential uses to the east; and I-215 to the west. The southern boundary of the Project area is also approximately 0.27 mile north of Main Street.

The Project encompasses the future development of residential, commercial, public utilities, and public park and open space uses, including associated on- and off-site infrastructure improvements (detention basin, roadway improvements, sewer, water, storm drain, dry utilities), under the guidance of the Gateway Specific Plan.

- Approximately 39 net developable acres of residential development (up to 695 Dwelling Units)
- Approximately 25 acres of general commercial development (up to 335,700 square feet)
- Development and/or improvement of drainage facilities, utilities, and public streets with enhanced landscaping
- A newly constructed park that includes a lighted baseball field with a tot-lot/playground.
- A detention basin with open space overlay.

The Project includes a request for the following Ordinance approval:

Ordinance No. 356 Adopting Specific Plan No. 17-01 (*Attachment 1*) is the adoption of The Gateway at Grand Terrace Specific Plan document that establishes the necessary plans, development standards, regulations, zoning, infrastructure requirements, design guidelines and implementation programs on which subsequent project-related development activities (i.e., future implementing development projects) are to be founded. It is intended that Site and Architectural Review, grading permits and building permits, or any other permitting actions applicable to this area be consistent with the Specific Plan.

ENVIRONMENTAL REVIEW:

At their July 23, 2024, meeting, the City Council certified a Final Environmental Impact Report (FEIR) (State Clearinghouse No. 2021020110) that was prepared for the Project in accordance with CEQA Guidelines Section 15064 and addressed the buildout of the Specific Plan area and its related actions in compliance with CEQA Guidelines §15168. All future activities that relate to and follow the Specific Plan must be examined for consistency with the EIR to determine if additional environmental analysis is warranted. Later activities which have been adequately analyzed under the EIR may not require additional environmental documentation. If an activity may result in additional effects, or new mitigation measures are needed, a subsequent or supplemental EIR, or mitigated negative declaration must be prepared (CEQA Guidelines §15162 and 15163).

All subsequent approvals to develop the Project area shall be consistent with the Specific Plan and associated environmental documents. Additional environmental documentation will be required in the future if significant changes are found to have occurred pursuant to Sections 15162 and 15182 of the CEQA guidelines.

CONCLUSION:

Adoption of the Ordinance approves The Gateway at Grand Terrace Specific Plan project.

FISCAL IMPACT:

None.

ATTACHMENTS:

- 1) Ordinance No. 356 Specific Plan (SP 17-01)

ORDINANCE NO. 356

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GRAND TERRACE, CALIFORNIA, ADOPTING SPECIFIC PLAN (SP 17-01) FOR THE GATEWAY AT GRAND TERRACE SPECIFIC PLAN

WHEREAS, Lewis Land Developers, LLC (“Applicant”), has filed an application for General Plan Amendment (GPA 17-01), Zone Change (ZC 17-02), Zone Change Amendment (ZCA 24-01), Specific Plan (SP 17-01), Tentative Tract Map No. 20501 (18-01) Development and Exchange Agreements (AGMT), and Environmental Impact Report for The Gateway at Grand Terrace Specific Plan (ENV 17-10) including the Findings of Fact and Statement of Overriding Considerations, and the Mitigation and Monitoring and Reporting Program (MMRP) for approval to establish The Gateway at Grand Terrace Specific Plan Project; and

WHEREAS, General Plan Amendment (GPA 17-01), Zone Change (ZC 17-02), Zone Change Amendment (ZCA 24-01), Specific Plan (SP 17-01), Tentative Tract Map No. 20501 (TTM 18-01), Development and Exchange Agreements, and Environmental Impact Report (ENV 17-10) including the Findings of Fact and Statement of Overriding Considerations, and the MMRP are collectively referred to as “Project”; and

WHEREAS, the 112-acre project site for the Gateway at Grand Terrace Specific Plan is to be rezoned “The Gateway at Grand Terrace Specific Plan (GSP)” on the Zoning Map and designated “The Gateway at Grand Terrace Specific Plan (GSP)” on the General Plan Land Use Map, generally located east of Interstate 215 (I-215) and is bounded by Commerce Way and an existing commercial parking lot to the north, the northern portion of Grand Terrace High School to the south, commercial and residential uses to the east, and I-215 to the west identified as Assessor’s Parcel Numbers 1167-151-78, 1167-151-79, 1167-161-33, 1167-161-02, 1167-161-03, 1167-161-04, 1167-161-05, 1167-151-09, 1167-151-12, 1167-151-13, 1167-171-11, 1167-171-12, 1167-151-20, 1167-151-22, 1167-181-12, 1167-181-13, 1167-151-21, 1167-151-23, 1167-181-01, 1167-151-18, 1167-151-68, 1167-151-65, 1167-151-74, 1167-151-75, 1167-151-64, 1167-151-73, 1167-151-71, 1167-151-11, 1167-151-14, 1167-151-24, 1167-151-17, 1167-151-10; and

WHEREAS, the application for Specific Plan 17-01 will carry out the goals and objectives of the community’s General Plan, with respect to commercial, office industrial and residential development within the 112-acre project site known as The Gateway at Grand Terrace Specific Plan (GSP), which is a comprehensive plan for land use, development regulations, design guidelines, development incentives and other related actions; and

WHEREAS, on June 6, 2024, the Planning Commission/Site and Architectural Review Board conducted a duly noticed public hearing on the Project at the Grand Terrace Council Chambers located at 22795 Barton Road, Grand Terrace, California 92313; and adopted Resolution No. 2024-04 recommending the following actions to the City Council: a. Recommend the City Council certify the Final Environmental Impact Report (Final EIR) (SCH #2021020110); b. Recommend the City Council adopt the Findings of Fact and Statement of Overriding Considerations; c. Recommend the City Council adopt the Mitigation Monitoring and Reporting Program; and d. Recommend the City Council approve The Gateway at Grand Terrace Specific Plan (1701); General Plan Amendment (17-01), Zone Change (17-02), Zone Change Amendment (24-01), Tentative Tract Map 20501 (18-01); and

WHEREAS, also on June 6, 2024, the Planning Commission adjourned the public hearing to a date certain, June 20, 2024, and continued the consideration of the development agreement to the same date; and

WHEREAS, on June 20, 2024, the Planning Commission re-opened the adjourned duly noticed public hearing, received all of the information presented by staff, Developer, heard public testimony and considered all of the background information, and closed the public hearing; concluded the hearing on said date by adopting Resolution No. 2024-05 recommending the City Council approve a Development Agreement by and between the City of Grand Terrace and Lewis Land Developers, LLC A Delaware Limited Liability Company Pursuant to Article 2.5 of Chapter 4 of Division 1 of Title 7, Sections 65864 through 65869.5 of the Government Code and Article XI, Section 2 of the California Constitution; and

WHEREAS, on July 23, 2024, the City Council held a duly noticed public hearing to consider The Gateway at Grand Terrace Specific Plan "Project", and during the public hearing on the Project the City Council adopted Resolution No. 2024-__ certifying the Final Environmental Impact Report, adopted Environmental Findings of Fact and Statement of Overriding Considerations, and adopted a Mitigation Monitoring and Reporting Program (ENV 17-10); and

WHEREAS, notice of the City Council Public Hearing concerning this Ordinance was duly published in a local newspaper at least ten (10) days prior to the Public Hearing and posted by the City Clerk in compliance with the City's Zoning Code and City Council Resolution No. 2019-24, Expanded Public Noticing and Outreach Policy for Public Hearings and Public Workshops; and

WHEREAS, on July 23, 2024, the City Council of the City of Grand Terrace introduced and conducted a first reading of this Ordinance, held a duly noticed Public Hearing with respect thereto, and considered testimony and evidence at the Public Hearing; and

WHEREAS, on August 13, 2024, the City Council of the City of Grand Terrace conducted a second reading and adoption of this Ordinance; and

WHEREAS, pursuant to the California Environmental Quality Act (CEQA) the Specific Plan 17-01 has been considered in the Environmental Impact Report (SCH No. 2021020110) prepared for the Project, and the approval of the Specific Plan 17-01 is consistent with the analysis contained therein; and

WHEREAS, all legal prerequisites to the adoption of this Ordinance have occurred.

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

SECTION 1. The City Council hereby specifically finds that all the facts set forth in the above Recitals are true and correct and incorporated herein by this reference and made a part hereof.

SECTION 2. The City Council hereby finds that the Environmental Impact Report (EIR) for The Gateway at Grand Terrace Specific Plan (State Clearinghouse (SCH) NO. 2021020110), including the Mitigation Monitoring and Reporting Program and Findings of Fact and Statement of Overriding Considerations (ENV 17-10) adequately describes the Project and its potential

impacts, as well as the impacts potentially resulting from the approval of Specific Plan 17-01 for the purposes of CEQA review, and Specific Plan 17-01 is consistent with the analysis of the Project within the City Council certified Final Environmental Impact Report, adopted Mitigation Monitoring and Reporting Program, adopted Findings of Fact, and adopted Statement of Overriding Considerations.

SECTION 3. Based upon the forgoing and all oral and written testimony by members of the public and City staff (including, but not limited to, staff reports and attachments) made at the Public Hearing, the City Council makes the following findings pursuant to Grand Terrace M:

- 1) **Finding:** The Specific Plan will carry out the goals and objectives of the community's General Plan, with respect to commercial, office industrial and residential development.

Facts in Support of Finding: The Gateway at Grand Terrace Specific Plan is consistent with the City's General Plan and would provide detailed policies, standards, and criteria for future development or redevelopment of the 112-acre area. The Gateway at Grand Terrace Specific Plan would establish a policy environment that would promote the infill and comprehensive development of the area with locally serving businesses, amenities, and urban living opportunities while eliminating the under-utilized parcels. The Gateway at Grand Terrace Specific Plan is found to be consistent with the City's General Plan including the following General Plan goals:

- Goal 2.1. Provide for balanced growth which seeks to provide a wide range of employment and housing opportunities and maintenance of a healthy, diversified community.
- Goal 2.3 Provide a wide range of retail and service commercial opportunities designed to meet the needs of the City's residents, businesses, and visitors while also providing employment opportunities.

- 2) **Finding:** The Specific Plan will provide comprehensive plans for land use, development regulations, design guidelines, development incentives and other related actions.

Facts in Support of Finding: Consistent with Government Code section 65451, the Gateway at Grand Terrace Specific Plan includes a comprehensive plan for land use, development, infrastructure, essential facilities, financing, and a program of implementation measures within the Specific Plan area. The Gateway at Grand Terrace Specific Plan is consistent with the City of Grand Terrace Municipal Code and the Objective Design Standards contained within. The Project site would be designated Specific Plan on the General Plan Land Use Map. Specific Plans are used to provide more detailed regulatory guidance for special areas or large developments within the City. The Gateway at Grand Terrace Specific Plan was determined to be consistent with the Municipal Code. The Specific Plan would promote strategic growth throughout the Specific Plan area through the inclusion of mixed-use development along the I-215 corridor and the streamlining of environmental review for implementing projects.

- 3) **Finding:** In the event a conflict exists between the specific plan and any previous technical master plan or any portion of Title 18 - ZONING of the Grand Terrace Municipal Code as it may relate to properties within the specific plan area, the applicable specific plan for the

planning area shall supersede. If a specific issue is not addressed in the applicable specific plan, the regulations as specified in this title shall apply.

Facts in Support of Finding: The Gateway at Grand Terrace Specific Plan will not be detrimental to the health, safety, morals, comfort, or general welfare of the persons residing or working within the neighborhood of the amendment or injurious to property or improvements in the neighborhood or within the City because the Specific Plan is at a program level and no specific project is being processed concurrently at this time. Future implementing projects will be reviewed on a case-by-case basis in order to determine any potential impacts to the environment or the community as a whole. The Gateway at Grand Terrace Specific Plan is applicable to the planning area and shall supersede any previous technical master plan or any portion of Title 18 -Zoning of the Grand Terrace Municipal Code.

SECTION 4. If any section, subsection, subdivision, paragraph, sentence, clause, or phrase contained approved by this Ordinance, or any part thereof, is for any reason held to be unconstitutional or invalid or ineffective by any court of competent jurisdiction, such decision shall not affect the validity of effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council of Grand Terrace hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause, or phrase thereof irrespective of the fact that any one or more subsections, subdivisions, paragraphs, sentences, clauses, or phrases are declared unconstitutional, invalid, or ineffective.

SECTION 5. First read at a regular meeting of the City Council held on the 23rd day of July 2024, and adopted the Ordinance after the second reading at a regular meeting held on the 13th day of August 2024.

SECTION 6. Based upon the forgoing and all oral and written communications from members of the public and City staff (including, but not limited to, all oral and written staff reports and attachments) presented at the July 23, 2024, Public Hearing, the City Council hereby approves Specific Plan 17-01 for The Gateway at Grand Terrace Specific Plan (GSP) shown on **Exhibit A**, attached hereto.

SECTION 7. The Mayor shall sign, and the City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same to be published and posted pursuant to the provisions of law in that regard and this Ordinance shall take effect thirty (30) days after its final passage.

APPROVED AND ADOPTED by the City Council of the City of Grand Terrace, California, at a regular meeting held on the 13th day of August 2024.

Signatures on Following Page

Mayor Bill Hussey

ATTEST:

Debra L. Thomas
City Clerk

APPROVED AS TO FORM:

Adrian R. Guerra
City Attorney

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO) SS.
CITY OF GRAND TERRACE)

I Debra Thomas, City Clerk of the CITY OF GRAND TERRACE, CALIFORNIA, DO
HEREBY CERTIFY that the foregoing Ordinance was duly passed, approved and adopted by the
City Council at a regular meeting of said City Council held on the 13th day of August 2024, and
that and that it was adopted by the called vote as follows:

AYES:

NOES:

ABSENT:

ABSTAIN:

RECUSE:

Executed this 13th day of August 2024, at Grand Terrace, California.

Debra L. Thomas
City Clerk



THE GATEWAY AT GRAND TERRACE SPECIFIC PLAN PROJECT

(Click on Attachment to open)

[Attachment 1](#) – The Gateway at Grand Terrace Specific Plan Project



AGENDA REPORT

MEETING DATE:

August 13, 2024

City Council Item

TITLE:

Second Reading And Adoption Of An Ordinance Approving Zone Change (17-02) and Zone Change Amendment (24-01) For The Gateway At Grand Terrace Specific Plan Project.

CEQA: Pursuant to the California Environmental Quality Act the Development Agreement, Specific Plan, Zone Change and Zone Change Amendment have been considered in the Environmental Impact Report (SCH No. 2021020110) that was certified for the Project on July 23 by City Council Resolution No. 2024-27, and the approval of the Development Agreement is consistent with the analysis contained therein.

TO:

CITY COUNCIL

FROM:

Scott Hutter, Planning & Development Services Director

RECOMMENDATION:

It is recommended that the City Council conduct second reading and direct the City Attorney to read the ordinance by title only, waive reading of, and adopt, **"AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GRAND TERRACE, CALIFORNIA ADOPTING ZONE CHANGE (ZC 17-02) AND ZONE CHANGE AMENDMENT (ZCA 24-01) FOR THE GATEWAY AT GRAND TERRACE SPECIFIC PLAN, AND REPEALING AND REPLACING CHAPTER 18.09 (DISTRICTS AND MAP) AND CHAPTER 18.20 (SPECIFIC PLAN DISTRICTS) OF TITLE 18 (ZONING) OF THE GRAND TERRACE MUNICIPAL CODE IN THEIR ENTIRETY."**

2030 VISION STATEMENT:

This project supports Goal 3 to Promote Economic Development:

- *Develop proactive economic development plan to attract new businesses,*
- *Invest in infrastructure needed to support businesses and residents,*
- *Allow design flexibility to attain superior quality and excellence in design, sustainability, architecture, and site amenities.*

SUMMARY:

The City Council conducted a duly noticed Public Hearing on July 23, 2024, for the aforementioned Ordinance, which is provided as *Attachment 1* to this agenda staff report. For the Ordinance to become effective, the City Council needs to conduct the second reading of the Ordinance to adopt it. Once the Ordinance is adopted, it will become effective in thirty (30) days.

BACKGROUND INFORMATION:

At their July 23, 2024, meeting, the City Council acted to approve The Gateway at Grand Terrace Specific Plan project which included a 1st Reading of an Ordinance for Zone Change (17-02) and Zone Change Amendment (24-01). The Project area consists of 32 parcels on approximately 112 acres and is located in the southwest portion of the City and bounded by Commerce Way and an existing commercial parking lot to the north; the northern portion of Grand Terrace High School to the south; commercial and residential uses to the east; and I-215 to the west. The southern boundary of the Project area is also approximately 0.27 mile north of Main Street.

The Project encompasses the future development of residential, commercial, public utilities, and public park and open space uses, including associated on- and off-site infrastructure improvements (detention basin, roadway improvements, sewer, water, storm drain, dry utilities), under the guidance of the Gateway Specific Plan.

- Approximately 39 net developable acres of residential development (up to 695 Dwelling Units)
- Approximately 25 acres of general commercial development (up to 335,700 square feet)
- Development and/or improvement of drainage facilities, utilities, and public streets with enhanced landscaping
- A newly constructed park that includes a lighted baseball field with a tot-lot/playground.
- A detention basin with open space overlay.

The Project includes a request for the following Ordinance approval:

Ordinance Adopting Zone Change No. 17-02 / Zone Change Amendment 24-01 (Attachment 1) changes the existing zones from CM – Commercial Manufacturing, M2 – Industrial, and MR – Restricted Manufacturing to The Gateway at Grand Terrace Specific Plan (GSP) in the Zoning Code and on the Zoning Map.

ENVIRONMENTAL REVIEW:

At their July 23, 2024, meeting, the City Council certified a Final Environmental Impact Report (FEIR) (State Clearinghouse No. 2021020110) that was prepared for the Project in accordance with CEQA Guidelines Section 15064 and addressed the buildout of the Specific Plan area and its related actions in compliance with CEQA Guidelines §15168. All future activities that relate to and follow the Specific Plan must be examined for consistency with the EIR to determine if additional environmental analysis is warranted. Later activities which have been adequately analyzed under the EIR may not require additional environmental documentation. If an activity may result in additional effects, or new mitigation measures are needed, a subsequent or supplemental EIR, or mitigated negative declaration must be prepared (CEQA Guidelines §15162 and 15163).

All subsequent approvals to develop the Project area shall be consistent with the Specific Plan and associated environmental documents. Additional environmental documentation will be required in the future if significant changes are found to have occurred pursuant to Sections 15162 and 15182 of the CEQA guidelines.

CONCLUSION:

Adoption of the Ordinance approves Zone Change No. 17-02 / Zone Change Amendment 24-01 to add The Gateway at Grand Terrace Specific Plan (GSP) in the Zoning Code and on the Zoning Map.

FISCAL IMPACT:

None.

ATTACHMENTS:

- 1) Ordinance No. 357 Zone Change No. 17-02 / Zone Change Amendment 24-01

ORDINANCE NO. 357

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GRAND TERRACE, CALIFORNIA, ADOPTING ZONE CHANGE (ZC 17-02) AND ZONE CHANGE AMENDMENT (ZCA 24-01) FOR THE GATEWAY AT GRAND TERRACE SPECIFIC PLAN, AND REPEALING AND REPLACING CHAPTER 18.09 (DISTRICTS AND MAP) AND CHAPTER 18.20 (SPECIFIC PLAN DISTRICTS) OF TITLE 18 (ZONING) OF THE GRAND TERRACE MUNICIPAL CODE IN THEIR ENTIRETY

WHEREAS, Lewis Land Developers, LLC (“Applicant”), has filed an application for General Plan Amendment (GPA 17-01), Zone Change (ZC 17-02), Zone Change Amendment (ZCA 24-01), Specific Plan (SP 17-01), Tentative Tract Map No. 20501 (18-01) Development and Exchange Agreements (AGMT), and Environmental Impact Report for The Gateway at Grand Terrace Specific Plan (ENV 17-10) including the Findings of Fact and Statement of Overriding Considerations, and the Mitigation and Monitoring and Reporting Program (MMRP) for approval to establish The Gateway at Grand Terrace Specific Plan Project; and

WHEREAS, General Plan Amendment (GPA 17-01), Zone Change (ZC 17-02), Zone Change Amendment (ZCA 24-01), Specific Plan (SP 17-01), Tentative Tract Map No. 20501 (TTM 18-01), Development and Exchange Agreements, and Environmental Impact Report (ENV 17-10) including the Findings of Fact and Statement of Overriding Considerations, and the MMRP are collectively referred to as “Project”; and

WHEREAS, the 112-acre project site for the Gateway at Grand Terrace Specific Plan is to be rezoned “The Gateway at Grand Terrace Specific Plan (GSP)” on the Zoning Map and designated “The Gateway at Grand Terrace Specific Plan (GSP)” on the General Plan Land Use Map, generally located east of Interstate 215 (I-215) and is bounded by Commerce Way and an existing commercial parking lot to the north, the northern portion of Grand Terrace High School to the south, commercial and residential uses to the east, and I-215 to the west identified as Assessor’s Parcel Numbers 1167-151-78, 1167-151-79, 1167-161-33, 1167-161-02, 1167-161-03, 1167-161-04, 1167-161-05, 1167-151-09, 1167-151-12, 1167-151-13, 1167-171-11, 1167-171-12, 1167-151-20, 1167-151-22, 1167-181-12, 1167-181-13, 1167-151-21, 1167-151-23, 1167-181-01, 1167-151-18, 1167-151-68, 1167-151-65, 1167-151-74, 1167-151-75, 1167-151-64, 1167-151-73, 1167-151-71, 1167-151-11, 1167-151-14, 1167-151-24, 1167-151-17, 1167-151-10; and

WHEREAS, the adoption of The Gateway at Grand Terrace Specific Plan requires amendments to be made to City’s Title 18 Zoning Code and Zoning Map; and

WHEREAS, the application for Zone Change 17-02 amends the Zoning Ordinance to describe and identify the new zoning designation of the 112-acre project site known as The Gateway at Grand Terrace Specific Plan (GSP) for consistency purposes; and

WHEREAS, the application for Zone Change Amendment 24-01 amends the Zoning Map to identify the new zoning designation of the 112-acre project site known as The Gateway at Grand Terrace Specific Plan (GSP) for consistency purposes; and

WHEREAS, on June 6, 2024, the Planning Commission/Site and Architectural Review

Board conducted a duly noticed public hearing on the Project at the Grand Terrace Council Chambers located at 22795 Barton Road, Grand Terrace, California 92313; and adopted Resolution No. 2024-04 recommending the following actions to the City Council: a. Recommend the City Council certify the Final Environmental Impact Report (Final EIR) (SCH #2021020110); b. Recommend the City Council adopt the Findings of Fact and Statement of Overriding Considerations; c. Recommend the City Council adopt the Mitigation Monitoring and Reporting Program; and d. Recommend the City Council approve The Gateway at Grand Terrace Specific Plan (1701); General Plan Amendment (17-01), Zone Change (17-02), Zone Change Amendment (24-01), Tentative Tract Map 20501 (18-01); and

WHEREAS, also on June 6, 2024, the Planning Commission adjourned the public hearing to a date certain, June 20, 2024, and continued the consideration of the development agreement to the same date; and

WHEREAS, on June 20, 2024, the Planning Commission re-opened the adjourned duly noticed public hearing, received all of the information presented by staff, Developer, heard public testimony and considered all of the background information, and closed the public hearing; and concluded the hearing on said date by adopting Resolution No. 2024-05 recommending the City Council approve a Development Agreement by and between the City of Grand Terrace and Lewis Land Developers, LLC A Delaware Limited Liability Company Pursuant to Article 2.5 of Chapter 4 of Division 1 of Title 7, Sections 65864 through 65869.5 of the Government Code and Article XI, Section 2 of the California Constitution; and

WHEREAS, on July 23, 2024, the City Council held a duly noticed public hearing to consider The Gateway at Grand Terrace Specific Plan "Project", and during the public hearing on the Project the City Council adopted Resolution No. 2024-27 certifying the Final Environmental Impact Report, adopted Environmental Findings of Fact and Statement of Overriding Considerations, and adopted a Mitigation Monitoring and Reporting Program (ENV 17-10); and

WHEREAS, notice of the City Council Public Hearing concerning this Ordinance was duly published in a local newspaper at least ten (10) days prior to the Public Hearing and posted by the City Clerk in compliance with the City's Zoning Code and City Council Resolution No. 2019-24, Expanded Public Noticing and Outreach Policy for Public Hearings and Public Workshops; and

WHEREAS, on July 23, 2024, the City Council of the City of Grand Terrace introduced and conducted a first reading of this Ordinance, held a duly noticed Public Hearing with respect thereto, and considered testimony and evidence at the Public Hearing; and

WHEREAS, on August 13, 2024, the City Council of the City of Grand Terrace conducted a second reading and adoption of this Ordinance; and

WHEREAS, pursuant to the California Environmental Quality Act (CEQA) the Zone Change 17-02 and Zone Change Amendment 24-01 have been considered in the Environmental Impact Report (SCH No. 2021020110) prepared for the Project, and the approval of the Zone Change 17-02 and Zone Change Amendment 24-01 are consistent with the analysis contained therein; and

WHEREAS, all legal prerequisites to the adoption of this Ordinance have occurred.

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

SECTION 1. The City Council hereby specifically finds that all the facts set forth in the above Recitals, are true and correct and incorporated herein by this reference and made a part hereof.

SECTION 2. The City Council hereby finds that the Environmental Impact Report (EIR) for The Gateway at Grand Terrace Specific Plan (State Clearinghouse (SCH) NO. 2021020110), including the Mitigation Monitoring and Reporting Program and Findings of Fact and Statement of Overriding Considerations (ENV 17-10) adequately describes the Project and its potential impacts, as well as the impacts potentially resulting from the approval of Zone Change 17-02 and Zone Change Amendment 24-01 for the purposes of CEQA review, and Zone Change 17-02 and Zone Change Amendment 24-01 are consistent with the analysis of the Project within the City Council certified Final Environmental Impact Report, adopted Mitigation Monitoring and Reporting Program, adopted Findings of Fact, and adopted Statement of Overriding Considerations.

SECTION 3. Based upon the forgoing and all oral and written testimony by members of the public and City staff (including, but not limited to, staff reports and attachments) made at the Public Hearing, the City Council determines the findings for Zone Change (ZC) 17-02 and Zone Change Amendment (ZCA) 24-01 pursuant to Grand Terrace Municipal Code Section §18.90.040, which can be made supporting the project application as follows:

- 1) **Finding:** The amendment will not be detrimental to the health, safety, morals, comfort or general welfare of the persons residing or working within the neighborhood of the amendment or within the City.

Facts in Support of Finding: The zone change to add The Gateway at Grand Terrace Specific Plan (GSP) Zone to the Grand Terrace Zoning Code and Grand Terrace Zoning Map will not be detrimental to the health, safety, morals, comfort or general welfare of the persons residing or working within the area of the amendment for the GSP or injurious to property or improvements in the area of the GSP or within the City because they promote a variety of planned residential and commercial development within the City. The Gateway at Grand Terrace Specific Plan is consistent with the City of Grand Terrace Municipal Code and the Objective Design Standards contained within. The Gateway at Grand Terrace Specific Plan was determined to be consistent with the Municipal Code. The Specific Plan would promote strategic growth throughout the Specific Plan area through the inclusion of mixed-use development along the I-215 corridor and the streamlining of environmental review for implementing projects.

- 2) **Finding:** The amendment will not be: Injurious to property or improvements in the neighborhood or within the City.

Facts in Support of Finding: The Zone Change Amendment (ZCA) 24-01 to amend the City's Municipal Code will not be injurious to property improvements within neighborhoods in the City because ZCA 24-01 is clarifying the municipal code for all who reference it so no confusion exists with respect to the identification of The Gateway at Grand Terrace Specific Plan with the City of Grand Terrace. The Gateway at Grand Terrace Specific Plan designation would provide detailed policies, standards, and criteria for future development or redevelopment of the 112-acre area. The Gateway at Grand Terrace

Specific Plan would establish a policy environment that would promote the infill and comprehensive development of the area with locally serving businesses, amenities, and urban living opportunities while eliminating the under-utilized parcels.

3) **Finding:** The amendment will be consistent with the latest adopted general plan.

Facts in Support of Finding: The Zone Change Amendment to establish the GSP Zone in the Grand Terrace Zoning Code and on the Grand Terrace Zoning Map will be consistent with the latest adopted General Plan as General Plan Amendment 17-01 is being processed concurrently to revise the General Plan Land Use Element to ensure the GSP Zone is consistent between the General Plan and Zoning Code. The Gateway at Grand Terrace Specific Plan is found to be consistent with the City's General Plan including the following General Plan goals:

- Goal 2.1. Provide for balanced growth which seeks to provide a wide range of employment and housing opportunities and maintenance of a healthy, diversified community.
- Goal 2.3 Provide a wide range of retail and service commercial opportunities designed to meet the needs of the City's residents, businesses, and visitors while also providing employment opportunities.

SECTION 4. Title 18 (Zoning) Chapter 18.09 (Districts and Map) of the Grand Terrace Municipal Code is hereby repealed and replaced to read in its entirety as follows:

“Chapter 18.09 DISTRICTS AND MAP

Sections:

18.09.010 Purpose.

The purpose of this Chapter is to establish the various zoning districts within the City.

(Ord. 126 § 2, Exh. A(part), 1990)

18.09.020 Districts established.

The following zoning districts are established:

RH	Hillside Residential District
R1-20	Very Low Density Single Family Residential District
R1-10	Low Density Single Family Residential District
R1-7.2	Single Family Residential District
R2	Low Medium Density Residential District
R3	Medium Density Residential District
R3-S	Multiple Family Senior Citizen
R3-20	Medium High Density Residential District
R3-24	High Density Residential District
BRSP	Barton Road Specific Plan District
AP	Administrative Professional Office District
C2	General Business District

CM	Commercial Manufacturing District
MR	Restricted Manufacturing District
M2	Industrial District
PUB	Public Facilities District
FP	Floodplain Overlay District
AG	Agricultural Overlay District
R3-24	High Density Residential Overlay District
GSP	The Gateway at Grand Terrace Specific Plan

(Ord. No. 298 , § 7, 10-11-2016; Ord. No. 264, § 10, 6-12-2012 ; Ord. 126 § 2, Exh. A(part), 1990; (Ord. 357, 8-13-2024)

18.09.030 Designation on map and adoption of map.

The designations, locations and boundaries of the districts established are delineated upon the official zoning map on file with the Planning Department. This map and all notations and information thereon, which may be amended from time to time, are made a part of this Title by reference.

(Ord. 126 § 2, Exh. A(part), 1990)

18.09.040 Applicability of regulations.

The uses described in this Title will be allowed and the regulations set out in this Title shall apply in the districts established in this Chapter.

(Ord. 126 § 2, Exh. A(part), 1990)

18.09.050 Boundary uncertainties.

Where uncertainty exists as to the boundaries of any districts shown on the zoning map, the following rules shall apply:

- A. Where such boundaries are indicated as approximately following street and alley lines, such lines shall be construed to be such boundaries.
- B. Where an uncertainty exists, the Planning Commission shall determine the location of boundaries.
- C. Where a public street or alley is officially vacated or abandoned, the regulations applicable to the parcel to which it reverts shall apply to such vacated or abandoned street or alley.

(Ord. 126 § 2, Exh. A(part), 1990)”

SECTION 5. Title 18 (Zoning) Chapter 18.20 (Specific Plan District) of the Grand Terrace Municipal Code is hereby repealed and replaced to read in its entirety as follows:

“Chapter 18.20 SPECIFIC PLAN DISTRICTS

Sections:

18.20.010 Purpose.

The specific plans as referenced in this chapter are intended to carry out the goals and objectives of the community's general plan, with respect to commercial, office industrial and residential development. To achieve this purpose the specific plans provide comprehensive plans for land use, development regulations, design guidelines, development incentives and other related actions. In the event a conflict exists between the specific plans and any previous technical master plan or any portion of this Title 18 of the Grand Terrace Municipal Code as it may relate to properties within the specific plan area, the applicable specific plan for the planning area shall supersede. If a specific issue is not addressed in the applicable specific plan, the regulations as specified in this title shall apply.

(Ord. 148 § 1(part), 1994; Ord. 134 § 1, Exhs. A, C, 1991; Ord. 126 § 2, Exh. A(part), 1990)

18.20.020 Barton Road specific plan.

The Barton Road specific plan as referenced is located along Barton Road. It contains guidelines for commercial and office development within three subareas of the specific plan: General Commercial (GC), Village Commercial (VC) and Office/Professional (AP).

The Barton Road specific plan, as adopted on January 11, 1990 and as may be amended thereafter, is made a part of this title in its entirety.

(Ord. 148 § 1(part), 1994; Ord. 126 § 2, Exh. A(part), 1990)

18.20.030 Forest City Dillon specific plans (Phase I and Phase II).

The Forest City Dillon specific plans as referenced are located along Mt. Vernon Avenue. They contain guidelines for multiple density residential development. The project consists of two specific plans for the two phased development. Phase I contains two hundred forty-eight units and Phase II three hundred eight units. The Forest City Dillon Phase I specific plan (SP-84-02) was approved in 1985 and Phase II specific plan (SP-87-01) was approved in 1988 and as may be amended, thereafter, is made a part of this title in its entirety.

(Ord. 148 § 1(part), 1994)

18.20.040 Kruse specific plan.

The Kruse specific plan as referenced is located on the top of Blue Mountain, end of Blue Mountain Road. It contains guidelines for residential development on the hillside as required. The guidelines specifically address accessory structures as they pertain to residential districts. The project contains microwave tower and satellite dishes with two accessory structures. The Kruse specific plan as adopted on December 10, 1992 and as may be amended, thereafter, is made a part of this title in its entirety.

(Ord. 148 § 1(part), 1994)

18.20.040 The Gateway at Grand Terrace Specific Plan

The Gateway at Grand Terrace Specific Plan is an approximately 112-acre site that is generally located east of Interstate 215 and is bounded by Commerce Way and an existing commercial parking lot to the north, the northern portion of Grand Terrace High School to the south, commercial and residential uses to the east, and I-215 to the west. The Specific Plan guidelines provide the general framework for future development of a mixed-use development that would consist of the following: Approximately 43 acres of residential development (up to 695 dwelling units); approximately 25 acres of general commercial development (up to 335,700 square feet); development and/or improvement of drainage facilities, utilities, and public streets with enhanced landscaping; a park that includes a lighted baseball field with a tot-lot / playground; and a detention basin with open space overlay. The Gateway at Grand Terrace Specific Plan (SP 17-01) as adopted on August 13, 2024 and as may be amended, thereafter, is made a part of this title in its entirety.

(Ord. 357 , 8-13-2024)”

SECTION 6. If any section, subsection, subdivision, paragraph, sentence, clause, or phrase contained approved by this Ordinance, or any part thereof, is for any reason held to be unconstitutional or invalid or ineffective by any court of competent jurisdiction, such decision shall not affect the validity of effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council of Grand Terrace hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause, or phrase thereof irrespective of the fact that any one or more subsections, subdivisions, paragraphs, sentences, clauses, or phrases are declared unconstitutional, invalid, or ineffective.

SECTION 7. First read at a regular meeting of the City Council held on the 23rd day of July 2024, and adopted the Ordinance after the second reading at a regular meeting held on the 13th day of August 2024.

SECTION 8. Based upon the forgoing and all oral and written communications from members of the public and City staff (including, but not limited to, all oral and written staff reports and attachments) presented at the July 23, 2024, Public Hearing, the City Council hereby adopts Ordinance No. 357 approving Zone Change (ZC 17-02) and Zone Change Amendment (ZCA 24-01) to add The Gateway at Grand Terrace Specific Plan (GSP) to Title 18 of the Municipal Code as outlines in the redlined Zoning Code Chapters attached as **Exhibit A** and the revised Zoning Map in **Exhibit B**, attached hereto.

SECTION 9. The Mayor shall sign, and the City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same to be published and posted pursuant to the provisions of law in that regard and this Ordinance shall take effect thirty (30) days after its final passage.

APPROVED AND ADOPTED by the City Council of the City of Grand Terrace, California, at a regular meeting held on the 13th day of August 2024.

Signatures on Following Page

Mayor Bill Hussey

ATTEST:

Debra L. Thomas
City Clerk

APPROVED AS TO FORM:

Adrian R. Guerra
City Attorney

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO) SS.
CITY OF GRAND TERRACE)

I Debra Thomas, City Clerk of the CITY OF GRAND TERRACE, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Ordinance was duly passed, approved and adopted by the City Council at a regular meeting of said City Council held on the 13th day of August 2024, and that and that it was adopted by the called vote as follows:

AYES:

NOES:

ABSENT:

ABSTAIN:

RECUSE:

Executed this 13th day of August 2024, at Grand Terrace, California.

Debra L. Thomas
City Clerk

Chapter 18.09 DISTRICTS AND MAP

Sections:

18.09.010 Purpose.

The purpose of this Chapter is to establish the various zoning districts within the City.

(Ord. 126 § 2, Exh. A(part), 1990)

18.09.020 Districts established.

The following zoning districts are established:

RH	Hillside Residential District
R1-20	Very Low Density Single Family Residential District
R1-10	Low Density Single Family Residential District
R1-7.2	Single Family Residential District
R2	Low Medium Density Residential District
R3	Medium Density Residential District
R3-S	Multiple Family Senior Citizen
R3-20	Medium High Density Residential District
R3-24	High Density Residential District
BRSP	Barton Road Specific Plan District
AP	Administrative Professional Office District
C2	General Business District
CM	Commercial Manufacturing District
MR	Restricted Manufacturing District
M2	Industrial District
PUB	Public Facilities District
FP	Floodplain Overlay District
AG	Agricultural Overlay District
R3-24	High Density Residential Overlay District
GSP	The Gateway at Grand Terrace Specific Plan

(Ord. No. 298 , § 7, 10-11-2016; Ord. No. 264, § 10, 6-12-2012 ; Ord. 126 § 2, Exh. A(part), 1990; (Ord. 357 , 8-13-2024)

18.09.030 Designation on map and adoption of map.

The designations, locations and boundaries of the districts established are delineated upon the official zoning map on file with the Planning Department. This map and all notations and information thereon, which may be amended from time to time, are made a part of this Title by reference.

(Ord. 126 § 2, Exh. A(part), 1990)

18.09.040 Applicability of regulations.

The uses described in this Title will be allowed and the regulations set out in this Title shall apply in the districts established in this Chapter.

(Ord. 126 § 2, Exh. A(part), 1990)

18.09.050 Boundary uncertainties.

Where uncertainty exists as to the boundaries of any districts shown on the zoning map, the following rules shall apply:

- A. Where such boundaries are indicated as approximately following street and alley lines, such lines shall be construed to be such boundaries.
- B. Where an uncertainty exists, the Planning Commission shall determine the location of boundaries.
- C. Where a public street or alley is officially vacated or abandoned, the regulations applicable to the parcel to which it reverts shall apply to such vacated or abandoned street or alley.

(Ord. 126 § 2, Exh. A(part), 1990)

Chapter 18.20 SPECIFIC PLAN DISTRICTS

Sections:

18.20.010 Purpose.

The specific plans as referenced in this chapter are intended to carry out the goals and objectives of the community's general plan, with respect to commercial, office industrial and residential development. To achieve this purpose the specific plans provide comprehensive plans for land use, development regulations, design guidelines, development incentives and other related actions. In the event a conflict exists between the specific plans and any previous technical master plan or any portion of this Title 18 of the Grand Terrace Municipal Code as it may relate to properties within the specific plan area, the applicable specific plan for the planning area shall supersede. If a specific issue is not addressed in the applicable specific plan, the regulations as specified in this title shall apply.

(Ord. 148 § 1(part), 1994: Ord. 134 § 1, Exhs. A, C, 1991; Ord. 126 § 2, Exh. A(part), 1990)

18.20.020 Barton Road specific plan.

The Barton Road specific plan as referenced is located along Barton Road. It contains guidelines for commercial and office development within three subareas of the specific plan: General Commercial (GC), Village Commercial (VC) and Office/Professional (AP).

The Barton Road specific plan, as adopted on January 11, 1990 and as may be amended thereafter, is made a part of this title in its entirety.

(Ord. 148 § 1(part), 1994: Ord. 126 § 2, Exh. A(part), 1990)

18.20.030 Forest City Dillon specific plans (Phase I and Phase II).

The Forest City Dillon specific plans as referenced are located along Mt. Vernon Avenue. They contain guidelines for multiple density residential development. The project consists of two specific plans for the two phased development. Phase I contains two hundred forty-eight units and Phase II three hundred eight units. The Forest City Dillon Phase I specific plan (SP-84-02) was approved in 1985 and Phase II specific plan (SP-87-01) was approved in 1988 and as may be amended, thereafter, is made a part of this title in its entirety.

(Ord. 148 § 1(part), 1994)

18.20.040 Kruse specific plan.

The Kruse specific plan as referenced is located on the top of Blue Mountain, end of Blue Mountain Road. It contains guidelines for residential development on the hillside as required. The guidelines specifically address accessory structures as they pertain to residential districts. The project contains microwave tower and satellite dishes with two accessory structures. The Kruse specific plan as adopted on December 10, 1992 and as may be amended, thereafter, is made a part of this title in its entirety.

(Ord. 148 § 1(part), 1994)

18.20.040 The Gateway at Grand Terrace Specific Plan

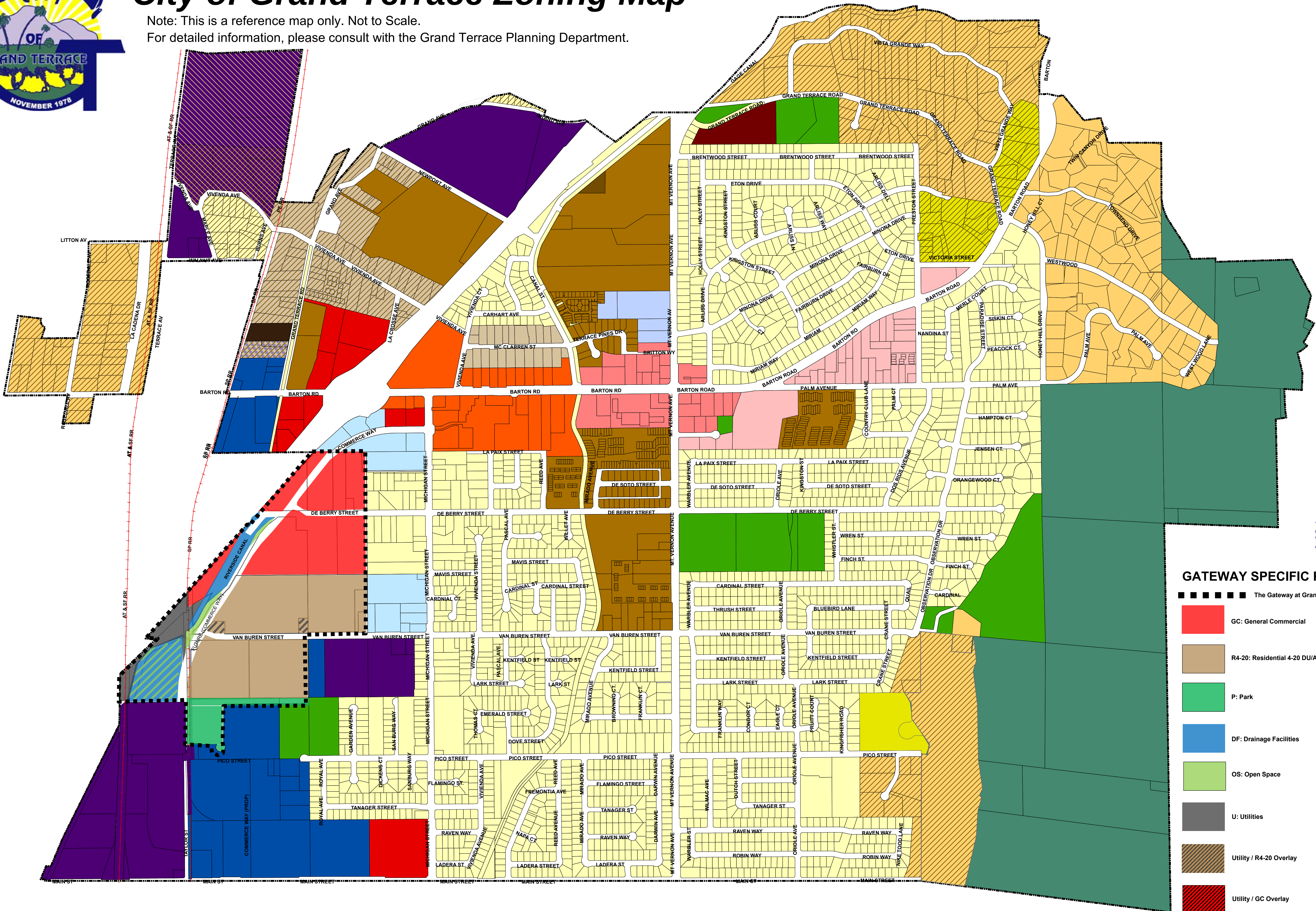
The Gateway at Grand Terrace Specific Plan is approximately 112-acre site that is generally located east of Interstate 215 and is bounded by Commerce Way and an existing commercial parking lot to the north, the northern portion of Grand Terrace High School to the south, commercial and residential uses to the east, and I-215 to the west. The Specific Plan guidelines provide the general framework for future development of a mixed-use development that would consist of the following: Approximately 43 acres of residential development (up to 695 dwelling units); approximately 25 acres of general commercial development (up to 335,700 square feet); development and/or improvement of drainage facilities, utilities, and public streets with enhanced landscaping; a park that includes a lighted baseball field with a tot-lot/playground; and a detention basin with open space overlay. The Gateway at Grand Terrace Specific Plan (SP 17-01) as adopted on August 13, 2024, and as may be amended, thereafter, is made a part of this title in its entirety.

(Ord. 357, 8-13-2024)



City of Grand Terrace Zoning Map

Note: This is a reference map only. Not to Scale.
For detailed information, please consult with the Grand Terrace Planning Department.

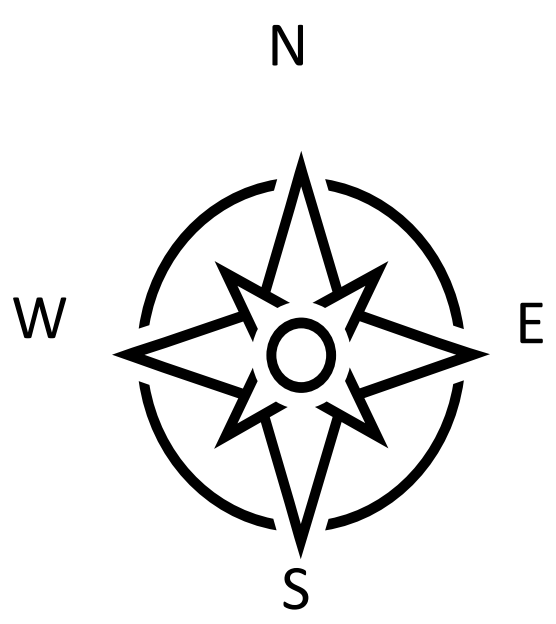


ZONING DISTRICTS

- RH: Hillside Residential District
- R1-20: Very Low Density Single Family Residential District
- R1-10: Low Density Single Family Residential District
- R1-7.2: Single Family Residential District
- R2: Low Medium Density Residential District
- R3: Medium Density Residential District
- R3-S: Multiple Family Senior Citizen
- R3-20: Medium High Density Residential District
- R3-24 High Density Residential District
- AP: Administrative Professional Office District
- C2: General Business District
- CM: Commercial Manufacturing District
- MR: Restricted Manufacturing District
- M2: Industrial District
- PUB: Public Facilities District
- FP: Floodplain Overlay District
- AG: Agricultural Overlay District
- R3-24: High Density Residential Overlay District

GATEWAY SPECIFIC PLAN ZONING DISTRICTS

- ■ ■ ■ ■ The Gateway at Grand Terrace Specific Plan District Specific Plan (GSP)
- GC: General Commercial
 - R4-20: Residential 4-20 DU/AC
 - P: Park
 - DF: Drainage Facilities
 - OS: Open Space
 - U: Utilities
 - Utility / R4-20 Overlay
 - Utility / GC Overlay
 - Open Space Overlay



Map prepared by Planning Director Scott Hutter August 13, 2024

Amended: July 13, 2010, Ord. No. 251; August 9, 2011, Ord. No. 258; June 12, 2012, Ord. No. 264; October 11, 2016, Ord. No. 298; August 13, 2024, Ord. No.357



AGENDA REPORT

MEETING DATE: August 13, 2024 *City Council Item*

TITLE: Second Reading and Adoption of An Ordinance Approving The Development Agreement (Agmt) For The Gateway At Grand Terrace Specific Plan Project

CEQA: Pursuant to the California Environmental Quality Act the Development Agreement, Specific Plan, Zone Change and Zone Change Amendment have been considered in the Environmental Impact Report (SCH No. 2021020110) that was certified for the Project on July 23 by City Council Resolution No. 2024-27, and the approval of the Development Agreement is consistent with the analysis contained therein.

TO: CITY COUNCIL

FROM: Scott Hutter, Planning & Development Services Director *SAH GA*

RECOMMENDATION: It is recommended that the City Council conduct second reading and direct the City Attorney to read the ordinance by title only, waive reading of, and adopt, **"AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GRAND TERRACE, CALIFORNIA, APPROVING THE DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF GRAND TERRACE AND LEWIS LAND DEVELOPERS, LLC A DELAWARE LIMITED LIABILITY COMPANY PURSUANT TO ARTICLE 2.5 OF CHAPTER 4 OF DIVISION 1 OF TITLE 7, SECTIONS 65864 THROUGH 65869.5 OF THE GOVERNMENT CODE AND ARTICLE XI, SECTION 2 OF THE CALIFORNIA CONSTITUTION FOR THE GATEWAY AT GRAND TERRACE SPECIFIC PLAN."**

2030 VISION STATEMENT:

This project supports Goal 3 to Promote Economic Development:

- *Develop proactive economic development plan to attract new businesses,*
- *Invest in infrastructure needed to support businesses and residents,*
- *Allow design flexibility to attain superior quality and excellence in design, sustainability, architecture, and site amenities.*

SUMMARY:

The City Council conducted a duly noticed Public Hearing on July 23, 2024, for the aforementioned Ordinance, which is provided as Attachment 1 to this agenda staff report. For the Ordinance to become effective, the City Council needs to conduct the second reading of the Ordinance to adopt it. Once the Ordinance is adopted, it will become effective in thirty (30) days.

BACKGROUND INFORMATION:

At their July 23, 2024, meeting, the City Council acted to approve The Gateway at Grand Terrace Specific Plan project which included a 1st Reading of an Ordinance for the Development Agreement between the City and Lewis Land Developers, LLC. The Project area consists of 32 parcels on approximately 112 acres and is located in the southwest portion of the City and bounded by Commerce Way and an existing commercial parking lot to the north; the northern portion of Grand Terrace High School to the south; commercial and residential uses to the east; and I-215 to the west. The southern boundary of the Project area is also approximately 0.27 mile north of Main Street.

The Project encompasses the future development of residential, commercial, public utilities, and public park and open space uses, including associated on- and off-site infrastructure improvements (detention basin, roadway improvements, sewer, water, storm drain, dry utilities), under the guidance of the Gateway Specific Plan.

- Approximately 39 net developable acres of residential development (up to 695 Dwelling Units)
- Approximately 25 acres of general commercial development (up to 335,700 square feet)
- Development and/or improvement of drainage facilities, utilities, and public streets with enhanced landscaping
- A newly constructed park that includes a lighted baseball field with a tot-lot/playground.
- A detention basin with open space overlay.

The Project includes a request for the following Ordinance approval:

Ordinance No. 358 Adopting Development Agreement (Attachment 1) identifies parties responsible for the construction of major infrastructure improvements, phasing schedule of development and infrastructure improvements, financial commitments for the construction of the infrastructure improvements, vesting of applicable codes and standards, vesting of development impact fees for a specified term and appropriate extension metrics, and the terms and conditions for the exchange of developer owned land for city property.

ENVIRONMENTAL REVIEW:

At their July 23, 2024, meeting, the City Council certified a Final Environmental Impact Report (FEIR) (State Clearinghouse No. 2021020110) that was prepared for the Project in accordance with CEQA Guidelines Section 15064 and addressed the buildout of the Specific Plan area and its related actions in compliance with CEQA Guidelines §15168. All future activities that relate to and follow the Specific Plan must be examined for consistency with the EIR to determine if additional environmental analysis is warranted. Later activities which have been adequately analyzed under the EIR may not require additional environmental documentation. If an activity may result in additional effects, or new mitigation measures are needed, a subsequent or supplemental EIR, or mitigated negative declaration must be prepared (CEQA Guidelines §15162 and 15163).

All subsequent approvals to develop the Project area shall be consistent with the Specific Plan and associated environmental documents. Additional environmental documentation will be required in the future if significant changes are found to have occurred pursuant to Sections 15162 and 15182 of the CEQA guidelines.

CONCLUSION:

Adoption of the Ordinance approves the Development Agreement between the City and Lewis Land Developers, LLC for The Gateway at Grand Terrace Specific Plan project.

FISCAL IMPACT:

None.

ATTACHMENTS:

- 1) Ordinance No. 358 Development Agreement (City and Lewis)

ORDINANCE NO. 358

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GRAND TERRACE, CALIFORNIA, APPROVING THE DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF GRAND TERRACE AND LEWIS LAND DEVELOPERS, LLC A DELAWARE LIMITED LIABILITY COMPANY PURSUANT TO ARTICLE 2.5 OF CHAPTER 4 OF DIVISION 1 OF TITLE 7, SECTIONS 65864 THROUGH 65869.5 OF THE GOVERNMENT CODE AND ARTICLE XI, SECTION 2 OF THE CALIFORNIA CONSTITUTION FOR THE GATEWAY AT GRAND TERRACE SPECIFIC PLAN

WHEREAS, Lewis Land Developers, LLC (“Developer”) applied for a General Plan Amendment No. 17-01, Zone Change (ZC 17-02), Zone Change Amendment (ZCA 24-01), Specific Plan 17-01, Tentative Tract Map No. 20501 (18-01), and the City has conducted an Environmental Impact Report for the Gateway at Grand Terrace Specific Plan (SCH No. 2021020110) (Env 17-10), for purposes of the development of residential, commercial/retail, parks, and supporting infrastructure (“Project”) for an approximately 112-acre Project area, identified as Assessor’s Parcel Numbers 1167-151-78, 1167-151-79, 1167-161-33, 1167-161-02, 1167-161-03, 1167-161-04, 1167-161-05, 1167-151-09, 1167-151-12, 1167-151-13, 1167-171-11, 1167-171-12, 1167-151-20, 1167-151-22, 1167-181-12, 1167-181-13, 1167-151-21, 1167-151-23, 1167-181-01, 1167-151-18, 1167-151-68, 1167-151-65, 1167-151-74, 1167-151-75, 1167-151-64, 1167-151-73, 1167-151-71, 1167-151-11, 1167-151-14, 1167-151-24, 1167-151-17, 1167-151-10 (“Property”); and

WHEREAS, on June 6, 2024, the Planning Commission conducted a duly noticed hearing for the Project and adopted Resolution No. 2024-04 Recommending that the City Council adopt General Plan Amendment No. 17-01, Zone Change (ZC 17-02), Zone Change Amendment 24-01, Specific Plan 17-01, Tentative Tract Map No. 20501 (18-01), and certify the Environmental Impact Report for the Gateway at Grand Terrace Specific Plan (SCH No. 2021020110), including adoption of a mitigation monitoring and reporting program, findings of fact and statement of overriding considerations (Env. 17-10), with additional recommendations to the City Council regarding the Specific Plan; and

WHEREAS, also on June 6, 2024, the Planning Commission adjourned the public hearing to a date certain, June 20, 2024, and continued the consideration of the development agreement to the same date; and

WHEREAS, on June 20, 2024, the Planning Commission re-opened the adjourned duly noticed public hearing, received all of the information presented by staff, Developer, heard public testimony and considered all of the background information, and closed the public hearing; and concluded the hearing on said date by adopting Resolution No. 2024-05 recommending the City Council approve a Development Agreement by and between the City of Grand Terrace and Lewis Land Developers, LLC A Delaware Limited Liability Company Pursuant to Article 2.5 of Chapter 4 of Division 1 of Title 7, Sections 65864 through 65869.5 of the Government Code and Article XI, Section 2 of the California Constitution; and

WHEREAS, on July 23, 2024, the City Council held a duly noticed public hearing to consider The Gateway at Grand Terrace Specific Plan “Project”, and during the public hearing on the Project the City Council adopted Resolution No. 2024-27 certifying the Final Environmental Impact Report, adopted Environmental Findings of Fact and Statement of Overriding Considerations, and adopted a Mitigation Monitoring and Reporting Program (ENV 17-10); and

WHEREAS, sections 65864-65869.5 of the California Government Code authorize the City to enter into development agreements and requires the planning agency of the City, which is the Planning Commission/Site and Architectural Review Board for the City of Grand Terrace, to find the development agreement to be consistent with the policies and programs of the General Plan and any applicable specific plan; and

WHEREAS, Government Code Section 65865 authorizes the City to enter into development agreements with any person having a legal or equitable interest in real property, which interest Developer has in the affected property; and

WHEREAS, on July 23, 2024, the City Council of the City of Grand Terrace introduced and conducted a first reading of this Ordinance, held a duly noticed Public Hearing with respect thereto, and considered testimony and evidence at the Public Hearing; and

WHEREAS, on August 13, 2024, the City Council of the City of Grand Terrace conducted a second reading and adoption of this Ordinance; and

WHEREAS, pursuant to the California Environmental Quality Act (CEQA) the development agreement has been considered in the Environmental Impact Report (SCH No. 2021020110) prepared for the Project, and the approval of the Development Agreement is consistent with the analysis contained therein; and

WHEREAS, all legal prerequisites to the adoption of this Ordinance have occurred.

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

SECTION 1. The City Council hereby specifically finds that all the facts set forth in the above Recitals, are true and correct and incorporated herein by this reference and made a part hereof.

SECTION 2. The City Council hereby finds that the Environmental Impact Report (EIR) for The Gateway at Grand Terrace Specific Plan (State Clearinghouse (SCH) NO. 2021020110), including the Mitigation Monitoring and Reporting Program and Findings of Fact and Statement of Overriding Considerations (ENV 17-10) adequately describes the Project and its potential impacts, as well as the impacts potentially resulting from the approval of the Development Agreement for the purposes of CEQA review, and the Development Agreement is consistent with the analysis of the Project within in the City Council certified Final Environmental Impact Report, adopted Mitigation Monitoring and Reporting Program, adopted Findings of Fact, and adopted Statement of Overriding Considerations.

SECTION 3. Pursuant to the Government Section Code 65867.5 and in light of the record before it including the staff report (and all attachments), and all evidence and testimony heard at the public hearing for this item, and in light of all evidence and testimony provided in connection Project and Development Agreement, the City Council makes the following findings pertaining to the Development Agreement:

- a. The Development Agreement is consistent with the goals and policies of the General Plan, its purposes and applicable Specific Plan(s).

1. The Development Agreement promotes the City's General Plan Land Use Goal 2.1 to provide for balanced growth within the City, which seeks to provide a wide range of employment and housing opportunities and maintenance of a healthy, diversified community. The Development Agreement promotes Land Use Goal 2.3 to provide a wide range of retail and service commercial opportunities designed to meet the needs of the City's residents, businesses, and visitors while also providing employment opportunities. The Project will also include improvements and contribute fees to improvements that will implement the Circulation Element of the General Plan.

Further, the Development Agreement provides for the development of the Property consistent with The Gateway at Grand Terrace Specific Plan, which will be consistent with the City's General Plan, Zoning Code, and Zoning Map, as amended via General Plan Amendment No. 17-01, Zone Change (ZC 17-02), Zone Change Amendment 24-01. The Development Agreement is consistent with the Gateway at Grand Terrace Specific Plan because the Specific Plan shall be the primary document governing the Development of the Property. The Development Agreement provides the parameters within which the obligations of the Developer, or its successors and assigns, will meet the development requirements for infrastructure and public improvements and facilities for the Property consistent with the Gateway at Grand Terrace Specific Plan, in order to assist in attaining the most effective utilization of resources within the City.

SECTION 4. If any section, subsection, subdivision, paragraph, sentence, clause, or phrase contained approved by this Ordinance, or any part thereof, is for any reason held to be unconstitutional or invalid or ineffective by any court of competent jurisdiction, such decision shall not affect the validity of effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council of Grand Terrace hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause, or phrase thereof irrespective of the fact that any one or more subsections, subdivisions, paragraphs, sentences, clauses, or phrases are declared unconstitutional, invalid, or ineffective.

SECTION 5. First read at a regular meeting of the City Council held on the 23rd day of July 2024, and adopted the Ordinance after the second reading at a regular meeting held on the 13th day of August 2024.

SECTION 6. Based upon the forgoing and all oral and written communications from members of the public and City staff (including, but not limited to, all oral and written staff reports and attachments) presented at the July 23, 2024, Public Hearing, the City Council hereby adopts Ordinance No. 358 and approves the Development Agreement by and between the City of Grand Terrace and Lewis Land Developers, LLC a Delaware Limited Liability Company pursuant to Article 2.5 of Chapter 4 of Division 1 of Title 7, Sections 65864 through 65869.5 of the Government Code and Article XI, Section 2 of the California Constitution for The Gateway at Grand Terrace Specific Plan as shown in **Exhibit A**, attached hereto.

SECTION 7. The Mayor shall sign, and the City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same to be published and posted pursuant to the provisions of law in that regard and this Ordinance shall take effect thirty (30) days after its final passage.

APPROVED AND ADOPTED by the City Council of the City of Grand Terrace, California,
at a regular meeting held on the 13th day of August 2024.

Signatures on Following Page

Mayor Bill Hussey

ATTEST:

Debra L. Thomas
City Clerk

APPROVED AS TO FORM:

Adrian R. Guerra
City Attorney

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO) SS.
CITY OF GRAND TERRACE)

I Debra Thomas, City Clerk of the CITY OF GRAND TERRACE, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Ordinance was duly passed, approved and adopted by the City Council at a regular meeting of said City Council held on the 13th day of August 2024, and that and that it was adopted by the called vote as follows:

AYES:

NOES:

ABSENT:

ABSTAIN:

RECUSE:

Executed this 13th day of August 2024, at Grand Terrace, California.

Debra L. Thomas
City Clerk

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

CITY CLERK
City of Grand Terrace
22795 Barton Road
Grand Terrace, CA 92313

No Recording Fee Required – Government Code § 27383 and Government Code § 6183

DEVELOPMENT AGREEMENT

between

THE CITY OF GRAND TERRACE

(“City”)

and

LEWIS LAND DEVELOPERS, LLC,

a Delaware limited liability company

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (this “Agreement”) is entered into on _____, 2024, between the CITY OF GRAND TERRACE (the “City”), a municipal corporation, and LEWIS LAND DEVELOPERS, LLC, a Delaware limited liability company (the “Developer”), pursuant to Article 2.5 of Chapter 4 of Division 1 of Title 7, §§ 65864 through 65869.5 of the Government Code and Article XI, Section 2 of the California Constitution. The City and the Developer (defined below) shall be referred to within this Agreement jointly as the “Parties” and individually as a “Party.”

RECITALS

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

B. Development of the Property. Concurrent with the approval of this Agreement, the City has approved a [General Plan Amendment (Resolution No. _____ and Case No. GPA-17-01), the Gateway at Grand Terrace Specific Plan (Ordinance No. _____ and Case No. 00-17), a Zone Change (Ordinance No. _____ and Case No. 17-02), Tentative Subdivision Map Nos. _____] and has certified a Final Environmental Impact Report (Resolution No. _____ and State Clearinghouse No. 2021020110) for the area within the City owned by the Developer described in Exhibit “A” (the “Property”), which permit the development of the Property with residential development, commercial/retail development, parks and supporting infrastructure.

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

D. Intent of the Parties. The Developer and the City have determined that the Project is a development for which a development agreement is appropriate. The Parties desire to define the parameters within which the obligations of the Developer, or its successors and assigns, for infrastructure and public improvements and facilities will be met and to provide for the orderly

development of the Property, assist in attaining the most effective utilization of resources within the City and otherwise achieve the goals of the Development Agreement Statute.

E. Public Benefits of the Project. This Agreement provides assurances that the public benefits identified below in this Recital E will be achieved in accordance with the terms of this Agreement. The Project will provide local and regional public benefits to the City, including, without limitation, the following:

1. Increased Tax Revenues. The Project will result in increased real property and sales taxes and other revenues to the City.

2. Pedestrian Mobility. The Project encourages pedestrian mobility through the provision of walking paths, through signage guiding pedestrians to nearby destinations and through preservation of significant open space to create pleasant environments that will encourage walking.

3. Pedestrian Connection. The Project will include a series of public pedestrian trails throughout the Property.

4. Implement Circulation Element. The Project will include improvements and contribute fees to improvements that will implement the Circulation Element of the General Plan.

5. Regional Storm Drain Improvements. The Project will include substantial regional storm drain improvements and detention basins that will improve flood control protection for both the Project site and numerous other properties in the City.

6. Roadway and Utility Improvements. The project will include roadway improvements to Taylor/Commerce Way and Van Buren Avenue, as well as extending sewer, water, and dry utility infrastructure to the Project site.

F. Public Hearings: Findings. In accordance with the requirements of the California Environmental Quality Act (Public Resources Code § 21000, *et seq.* (“CEQA”)), appropriate studies, analyses, reports and documents were prepared and considered by the Planning Commission and the City Council. The City Council, after making appropriate findings, certified, by Resolution No. _____ adopted on _____, a Final Environmental Impact Report for the Project, more specifically identified as the [Final Environmental Impact Report for the Gateway at Grand Terrace Specific Plan, State Clearinghouse No. _____, as having been prepared in compliance with CEQA]. On _____, the Planning Commission, after giving notice pursuant to Government Code §§ 65090, 65091, 65092 and 65094, held a public hearing on the Developer’s application for this Agreement and, upon the conclusion of the hearing, found on the basis of substantial evidence that this Agreement is consistent with the General Plan, Specific Plan and all other applicable policy plans of the City and recommended the City Council introduce an ordinance to approve this Agreement (DA-_____). On _____, the City Council, after providing the public notice required by law, held a public hearing to consider the Developer’s application for this Agreement and, upon the conclusion of

the public hearing found on the basis of substantial evidence that this Agreement is consistent with the General Plan, Specific Plan and all other applicable policy plans of the City.

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

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

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

1.1 Actual Cost. “Actual Cost” shall have the meaning set forth in the Financing Plan.

1.2 Annual Review. “Annual Review” means the annual review of the Developer’s performance of this Agreement in accordance with Section 12.1 of this Agreement and Government Code § 65865.1.

1.3 Application(s). “Application(s)” means a complete application for the applicable land use approvals meeting all of the current ordinances of the City provided that any additional or alternate requirements in those ordinances enacted after the Effective Date which affect the application shall apply only to the extent permitted by this Agreement.

1.4 Appraisal of Land Value. “Appraisal of Land Value” when referred to herein shall mean the determination by an experienced and independent MAI appraiser retained by City (Developer may veto any appraiser selected by City for good cause), in a written appraisal at fair market value based upon comparable sales of unimproved land, and serviced by the existing infrastructure, and with the development restrictions of the Specific Plan.

1.5 Authorizing Ordinance. “Authorizing Ordinance” means Ordinance No. _____ approving this Agreement.

1.6 Building Permit. “Building Permit,” with respect to any building or structure to be constructed on the Property, means a building permit for not less than the shell and core of such building or structure issued by the City’s Building and Safety Department.

1.7 Certificate of Occupancy. “Certificate of Occupancy,” with respect to a particular building or other work of improvement, means the final certificate of occupancy issued by the City with respect to such building or other work of improvement.

1.8 CFD. “CFD” means a community facilities district formed by the City pursuant to the CFD Act.

1.9 CFD Act. “CFD Act” means the Mello-Roos Community Facilities Act of 1982 (Government Code § 53311 *et seq.*), as it may be amended from time to time, authorizing the imposition of special taxes to fund capital facilities and services.

1.10 CFD Agreement. “CFD Agreement” shall have the meaning set forth in Section 5.2 below.

1.11 City. “City” means the City of Grand Terrace, California.

1.12 City Council. “City Council” means the governing body of the City.

1.13 City Manager. “City Manager” means the City Manager of City.

1.14 City’s Old Ball Field Property. “City’s Old Ball Field Property” means that certain property consisting of approximately 2.5 acres located northwest of Veterans Freedom Park (APN 1167-151-75) which is subject to the Exchange Agreement.

1.15 Claim or Litigation. “Claim or Litigation” means any challenge by any third party (i) to the legality, validity or adequacy of the General Plan, Land Use Regulations, this Agreement, Development Approvals or other actions of the City pertaining to the Project, (ii) seeking damages against the City as a consequence of the foregoing actions, for the taking or diminution in value of their property or for any other reason, or (iii) seeking injunctive or declarative relief against the City as a consequence of the foregoing actions, or due to the action or inaction of the Developer.

1.16 Commencement of Construction. “Commencement of Construction” means that a building or grading permit for any construction on the Property has been issued by the City and the permitted activity has commenced pursuant to the permit.

1.17 DDA. Disposition and Development Agreement dated December 19, 2016 amended by (i) that certain Amendment No. 1 to Disposition and Development Agreement dated February 27, 2017, (ii) that certain Amendment No. 2 to Disposition and Development Agreement dated April 28, 2017; (iii) Amendment No. 3 to Disposition and Development Agreement dated November 27, 2023.; (iv) Amendment No. 4 to Disposition and Development Agreement dated April 23, 2024 and (v) Amendment No. 4 to the Disposition and Development Agreement dated _____, 2024.

1.18 Dedicate or Dedication. “Dedicate” or “Dedication” means to offer fee title, an easement or other equitable interest to the subject land to the City, other governmental agency or a public utility.

1.19 Default. “Default” refers to any material default, breach, or violation of a provision of this Development Agreement as defined in Section 13 below. “City Default” refers to a Default by the City, while “Developer Default” refers to a Default by the Developer and, in each case for both parties, includes any material default, breach or violation of any provision of the DDA, Exchange Agreement, Subdivision Improvement Agreement or Reimbursement Agreement.

1.20 Developer. “Developer” shall mean Lewis Land Developers, LLC or its successors and assigns.

1.21 Developer’s New Ball Park Property. “Developer’s New Ball Park Property” means that certain property owned by Developer consisting of approximately 4.97 acres which is northwest of the terminus of Taylor Street (APN 1167-151-71) which is subject to the Exchange Agreement.

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

1.23 Development Agreement Statute. “Development Agreement Statute” means §§ 65864 through 65869.5 of the Government Code as it exists on the Effective Date.

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

1.25 Development Impact Fees. “Development Impact Fees” or “DIF” means all manner of monetary consideration, other than a tax or assessment, charged by the City in connection with mitigating the Project’s specific impacts and the development of the public facilities related to the Project, including those fees, calculated on the basis of the number of residential units, equivalent dwelling units or square footage of non-residential development to be constructed. Development Impact Fees do not include Processing Fees.

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

1.27 DIF Improvement. “DIF Improvement” means a capital improvement that is authorized to be funded with a DIF.

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

1.29 Effective Date. “Effective Date” means the date this Agreement becomes effective as set forth in Section 3.1.

1.30 Eligible Facilities. “Eligible Facilities” means the Proposed Project Facilities and other public facilities, fees and contributions for public facilities, as described in the Financing Plan.

1.31 Estoppel Certificate. “Estoppel Certificate” means an executed certificate in the form attached hereto as Exhibit “H.”

1.32 Exaction. “Exaction” means a Dedication, payment of Development Impact Fees or other monetary contribution and/or construction of public infrastructure required by the City to serve the Property. Processing Fees are not an Exaction.

1.33 Excess Costs. “Excess Costs” means Actual Costs incurred by the Developer for Proposed Project Facilities, including DIF Improvements, in excess of the corresponding total DIF obligations for the Project or otherwise exceeding the Developer’s obligation for a Proposed Project Facility as further described in Exhibit “D” hereto.

1.34 Exchange Agreement. “Exchange Agreement” means the Agreement for Exchange of Real Property and Joint Escrow Instructions dated ____, 2024 between Developer and City providing for a land swap of the City’s Old Ball Field Property and Developer’s New Ball Field Property.

1.35 Existing Development Approvals. “Existing Development Approvals” means only the Development Approvals listed on Exhibit “B.”

1.36 Existing Land Use Regulations. “Existing Land Use Regulations” means those Land Use Regulations applicable to the Property in effect on the Effective Date.

1.37 Financing and Conveyancing Map. “Financing and Conveyancing Map” means a map within the meaning of the Subdivision Map Act, as further defined in Section 9.5 hereof.

1.38 Financing Plan. “Financing Plan” means Exhibit “G” attached hereto.

1.39 Force Majeure. “Force Majeure” shall have the meaning set forth in Section 19.2 below.

1.40 Future Development Approvals. “Future Development Approvals” means those Development Approvals applicable to the Property that are consistent with this Agreement and approved by the City after the Effective Date such as Subdivision Maps, subdivision improvement agreements and other more detailed planning, engineering or construction approvals.

1.41 General Plan. “General Plan” means the City’s General Plan as it exists on the Effective Date, and as expressly amended by future amendments applicable to the Property, if permitted, by Section 11 below.

1.42 Goals and Policies for Financing. “Goals and Policies for Financing” or “Goals and Policies” means the City’s [Community Facilities District Goals and Policies] in effect as of the Effective Date.

1.43 Grading Permit. “Grading Permit” means a permit issued by the City’s Building and Safety Department, and/or Engineering Department, as applicable, which allows the excavation or filling, or any combination thereof, of earth on the Property.

1.44 Infrastructure Plan. “Infrastructure Plan” means Exhibit “C” attached hereto, which describes the Proposed Project Facilities, the timing of their construction and the respective responsibilities of the Developer, City and other Specific Plan area landowners with respect thereto.

1.45 Innocent Owner. “Innocent Owner” shall have the meaning set forth in Section 13.8 below.

1.46 Land Use Regulations. “Land Use Regulations” means those ordinances, laws, statutes, rules, regulations, initiatives, policies, requirements, guidelines, constraints, codes or other actions of the City and each department of the City which affect, govern, or apply to the Property or the implementation of the Development Plan or this Agreement. Land Use Regulations include the ordinances and regulations adopted by the City which govern permitted uses of land, density and intensity of use and the design of buildings, applicable to the Property, including, but not limited to, the General Plan, the Specific Plan, zoning ordinances, development moratoria, implementing growth management and phased development programs, ordinances establishing development exactions, subdivision and park codes, any other similar or related codes and building and improvements standards, mitigation measures required in order to lessen or compensate for the adverse impacts of a project on the environment and other public interests and concerns or similar matters.

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

1.48 Lot. “Lot” means any of the parcels legally created within the Project as a result of any approved final subdivision, parcel or tract map, pursuant to the Subdivision Map Act or recordation of a condominium plan pursuant to Civil Code § 1352 .

1.49 Master Tract Map. “Master Tract Map” (or “A Map”) means Tract Map No. _____ and any other large scale tract map covering all Planning Areas which may include all infrastructure necessary to Develop the tract and a phasing plan as to the development of the infrastructure and the subsidiary subdivisions within the tract. The Master Tract Map is a subdivision map within the meaning of the Subdivision Map Act and shall meet the requirements of the Act and of this Agreement.

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

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

1.52 Municipal Code. “Municipal Code” means the City’s Municipal Code as it existed on the Effective Date and as it may be amended from time to time consistent with the terms of this Agreement.

1.53 New Ball Field Improvements. “New Ball Field Improvements” means the improvements required to be made by Developer pursuant to Section 3.3.3 of the Exchange Agreement which improvements are detailed on Schedule 2 of the Exchange Agreement.

1.54 Non-Defaulting Party. “Non-Defaulting Party” shall have the meaning set forth in Section 13.1 below.

1.55 Owner. “Owner” means the Developer and/or any successors during the period of time that each such person or entity owns fee title to any portion of the Property and subject to the terms of this Agreement.

1.56 Planning Area. “Planning Area” or “PA” means each of the twenty-two (22) planning areas described in the Specific Plan.

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

1.58 Property. “Property” means the _____ acres of land, more or less, described in Exhibit “A” hereto.

1.59 Processing Fees. “Processing Fees” means the City’s normal fees for processing, environmental assessment/review, tentative tracts/parcel map review, plan checking, site review, site approval, administrative review, building permit (plumbing, mechanical, electrical, building), inspection and similar fees imposed to recover the City’s costs associated with processing, review and inspection of applications, plans, specifications, and construction, etc.

1.60 Project. “Project” means the Development of the Property pursuant to this Agreement and Development Plan.

1.61 Proposed Project Facilities. “Proposed Project Facilities” means those public improvements required for the Development of the Property pursuant to the Existing Development Approvals or as otherwise identified by the City and Developer for construction in conjunction with each Development, as described in the Infrastructure Plan.

1.62 Reimburse or Reimbursement. “Reimburse” or “Reimbursement” means the provision by the City of cash or credit in return for land, improvements, goods or services provided by Developer.

1.63 Reimbursement Agreement. The agreement to reimburse the City for the costs and fees it has incurred related to this Project, approved on November 14, 2023.

1.64 Reservations of Authority. “Reservation of Authority” shall have the meaning set forth in Section 11 below.

1.65 Schedule of Development Performance. “Schedule of Development Performance” means the schedule for the construction of the public facilities attached as Exhibit “J”.

1.66 Specific Plan. “Specific Plan” means the Gateway at Grand Terrace Specific Plan approved by the City Council by Ordinance No. _____, adopted on _____.

1.67 Soccer Field. “Soccer Field” shall mean that certain real property owned by the City commonly known as the Richard Rollins Community Park at 22795 De Berry Street in Grand Terrace (APN 1178-091-01-000) used as a soccer field.

1.68 Soccer Field Improvements. “Soccer Field Improvements” shall mean improvements to be constructed by Developer as set forth on Exhibit “K” within the time specified on Exhibit “K.”

1.69 Specific Mandatory Public Improvements. “Specific Mandatory Public Improvements” means the public improvements to be constructed by Developer as set forth in Exhibit “J.”

1.70 Subdivision Map. “Subdivision Map” (or “B Map”) means the subsidiary subdivision maps for the Development of any Planning Area or portion thereof which shall be consistent with the conditions of the Master Tract Map and shall contain its own phasing plan for the installation of the infrastructure and other improvements within the subdivision. All Subdivision Maps shall meet the applicable requirements of the Subdivision Map Act.

1.71 Subdivision Improvement Agreement. Subdivision Improvement Agreement” means a subdivision improvement agreement as mandated by the Subdivision Map Act for recordation of any final Subdivision Maps.

1.72 Subdivision Map Act. “Subdivision Map Act” means Government Code § 66412 et seq. as implemented by Title 17 of the Municipal Code.

1.73 Taxes. “Taxes” means general or special taxes, including, but not limited to, CFD special taxes, special assessments, ad valorem property taxes, sales taxes, transient occupancy taxes, utility taxes or business taxes of general applicability citywide which do not burden the Property disproportionately to similar types of development in the City and

which are not imposed as a condition of approval of a development project. Taxes do not include Development Impact Fees or Processing Fees.

1.74 Term. “Term” means that period of time during which this Agreement shall be in effect and bind the Parties pursuant to Section 3 below.

1.75 Zoning Code. “Zoning Code” means Title 18 of the Municipal Code as it existed on the Effective Date except (i) as amended by any zone change relating to the Property approved concurrently with the approval of this Agreement, and (ii) as the same may be further amended from time to time consistent with this Agreement.

2. EXHIBITS.

The following are the Exhibits to this Agreement:

Exhibit “A”: Map and Legal Description of the Property

Exhibit “B”: Existing Development Approvals

Exhibit “C”: Infrastructure Plan

Exhibit “D”: Timing and Source of Funding of Proposed Project Facilities

Exhibit “E”: Development Impact Fee/Credits/Reimbursements

Exhibit “F”: Additional Agreements Concerning Development

Exhibit “G”: Financing Plan

Exhibit “H”: Estoppel Certificate

Exhibit “I”: Form of Assignment and Assumption Agreement

Exhibit “J”: Schedule of Development Performance for Specific Mandatory Public Improvements

Exhibit “K”: Soccer Field Improvements

Exhibit “L”: New Ball Field Improvements

3. EFFECTIVE DATE AND TERM.

3.1 Effective Date. The Agreement shall become the effective upon last to occur of: (i) date the Authorizing Ordinance takes effect, and the date this Agreement is fully executed by both Parties.

3.2 Term. The term of this Development Agreement (the “Term”) shall commence on the Effective Date and shall continue for a period of not less than ten (10) years

from the Effective Date. The Developer shall be entitled to one five-year option to extend the Term if the Developer demonstrates to the reasonable satisfaction of the City that it has complied with the terms of this Development Agreement and has constructed the Specific Mandatory Improvements by the deadlines set forth in Exhibit J (Performance Schedule)..

3.3 Termination for Default. This Agreement may be terminated due to the occurrence of any Default in accordance with the procedures in Article 13.

3.4 Extension of the Term: In addition to the five-year extension pursuant to Section 3.2 above, the Term shall be subject to one or more extensions of reasonable duration with the approval of the City Council. If a Claim or Litigation has been filed with respect to this Agreement or the Project the Developer is obligated to diligently contest or defend against the claim or Litigation. If the Claim or Litigation actually causes a delay of more than sixty (60) days in the commencement or completion of the Project and the Developer provides written notice to the City of the delay caused by the claim or Litigation and demonstrates that it is diligently contesting or defending against the claim or Litigation, as determined by the City, then the Term of this Agreement shall be extended by the period of time from such filing until the date that the Claim or Litigation has been settled, dismissed or concluded, and the time for any further judicial review has run. For the avoidance of doubt, Developer shall have the right to delay proceeding with the Project during the claim process or litigation, and such delay shall constitute an “actual delay” under this Agreement.

4. DEVELOPMENT OF THE PROPERTY.

4.1 Right to Develop. During the Term, the Developer shall have vested rights to Develop the Property (subject to Section 11 below) to the full extent permitted by the Development Plan and this Agreement. Except as provided within this Agreement, the Development Plan shall exclusively control the Development of the Property (including the uses of the Property, the density or intensity of use, the maximum height and size of proposed buildings, the provisions for reservation or dedication of land for public purposes and the design, improvement and construction standards and specifications applicable to the Project). The number of residential units authorized to be constructed hereunder and the approximate acreage of commercial development, without regard to any density bonus or incentive or concession for child care pursuant to Government Code §§ 65915 through 65918 or other similar legislation or regulation, is _____ units and approximately _____ acres of commercial development. In furtherance of the foregoing, the Developer retains the right to apportion the uses, intensities and densities, between itself and any subsequent Owners, upon the sale, transfer, or assignment of any portion of the Property, so long as such apportionment is consistent with the Existing Land Use Regulations and this Agreement. Nothing in this Agreement is intended to diminish any Owner’s vested rights as may be established under other applicable laws.

4.2 Right To Future Approvals. Subject to the City’s exercise of its police power authority as specified in Section 11 below, the Developer shall have vested rights: (i) to receive from the City all Future Development Approvals for the Property that are consistent with, and implement, the Existing Land Use Regulations and this Agreement, subject to the limitations set forth in Subsection 11.1 ; (ii) not to have such approvals be conditioned or

delayed for reasons which are inconsistent with the Existing Land Use Regulations or this Agreement; and (iii) to Develop the Property in a manner consistent with such approvals in accordance with the Existing Land Use Regulations and this Agreement. All Future Development Approvals for the Property including, without limitation, Financing and Conveyancing Maps, Master Tract Maps and Subdivision Maps, shall upon approval by the City, be vested in the same manner as provided in this Agreement for the Existing Development Approvals, for the Term of this Agreement.

4.3 Existing Development Approvals. Only those items specifically set forth on Exhibit “B” hereto are deemed Existing Development Approvals for purposes of this Agreement. Any approvals not included within Exhibit “B” shall not apply to the Project with the exception of those reservations set forth in Section 11 below.

4.4 Specific Plan. Except as required by Exhibit J, the Developer shall have the right, but not the obligation, to Develop the Property for the uses, in the manner and at the locations specified in the Specific Plan.

4.5 Priority Of Specific Plan. The City has determined that the Specific Plan is consistent with the General Plan, as amended through [GPA-____], and the Zoning Code, as amended through [ZC-____]. As such, the Specific Plan shall be the primary document governing the Development of the Property and, in the event of a conflict, shall prevail over any other of the Existing Land Use Regulations except for this Agreement, which prevails over the Specific Plan.

4.6 Later Enacted Measures. This Agreement is a legally binding contract which will supersede any initiative, measure, moratorium, statute, ordinance, or other limitation enacted after the Effective Date, except as provided in Section 11. Any such enactment which materially affects, restricts, impairs, delays, conditions, or otherwise impacts the implementation of the Development Plan (including the issuance of all necessary Future Development Approvals or permits for the Project) in any way contrary to the terms and intent of this Agreement shall not apply to the Project.

5. FINANCING AND THE CITY’S OBLIGATIONS.

5.1 Formation of CFD. Subject to the provisions of this Article 5, some or all of the Eligible Facilities may be funded through the City’s formation of a CFD and the levy of a special tax of the CFD (the “Special Tax”) and issuance of bonds secured by the Special Tax (the “Bonds”) in accordance with the Financing Plan.

5.2 Procedures for Formation. The Developer shall promptly commence the CFD process in order to timely comply with the requirements of this Agreement set forth in Exhibit C and Exhibit J. The City and the Developer shall cooperate in good faith to form the CFD consistent with the Financing Plan. Final terms and conditions regarding the formation of the CFD, the rate and method of apportionment of the Special Taxes to be levied in the CFD, any acquisition or construction agreements related thereto, and the terms of one or more series of Bonds to be issued in conjunction therewith shall be determined jointly by City and the

Developer in accordance with the Financing Plan and the City's Goals and Policies for Financing. In conjunction with the formation of the CFD, the Developer and the City shall cooperate in good faith to negotiate and finalize any acquisition and funding agreement prior to the formation of the CFD addressing the terms of construction, acquisition and financing of any of the Eligible Facilities to be funded by the CFD (such agreement to be referred to herein as the "CFD Agreement").

5.3 Timing of Formation. After Developer has initiated formation of the CFD, City shall take all necessary steps to form the CFD, in good faith, consistent with the City's Goals and Policies and applicable law. City shall complete formation proceedings within 180 days after Developer makes the necessary complete submission.

5.4 Term of Special Tax and Bonds. The term of the Special Tax on the Property implemented as part of the CFD shall not exceed 40 years. The term of the Bonds to be paid for with the Special Tax shall not exceed 30 years. The City shall record a notice of cessation of the special tax lien following payment in full of the Bonds and any remaining administrative expenses.

5.5 Failure to Form CFD. If the CFD is not formed after Developer's written application, or is formed but not in accordance with the terms of this Agreement, for a period of 60 days after either receiving written notice from the City of its decision not to form a CFD or after the City forms the CFD, Developer shall have the right, but not the obligation, to terminate this Agreement upon providing 30 days written notice to the City prior to the actual termination date.

6. TIME FOR CONSTRUCTION AND COMPLETION OF PROJECT AND DEVELOPER OBLIGATIONS.

6.1 Timing of Development. The Parties acknowledge that the substantial public benefits to be provided by the Developer to the City pursuant to this Agreement are in consideration for, and in reliance upon, assurances that the City will permit Development of the Property in accordance with the terms of this Agreement. Accordingly, the City shall not attempt to restrict, limit or otherwise dictate the Development of the Property in any manner that would conflict with the provisions of this Agreement. One of the primary reasons the City is willing to enter into this Development Agreement is Developer's commitment to develop the Project Site with a mix of uses as set forth in the Specific Plan within a reasonable period of time. However, the City also acknowledges that the Developer cannot predict the exact timing or rate at which the Property will be Developed, and is therefore willing to provide the Developer with a reasonable level of flexibility in the timing of development. The timing and rate of Development depend on numerous factors such as market demand, interest rates, absorption, completion schedules and other factors, which are not within the control of the Developer or the City. In *Pardee Construction Co. v. City of Camarillo* (1984) 37 Cal.3d 465, the California Supreme Court held that a construction company was not exempt from a city's growth control ordinance notwithstanding that the construction company and the city had entered into a consent judgment (tantamount to a contract under California law) establishing the company's vested rights to develop its property in accordance with the zoning. The California

Supreme Court reached this result on the basis that the consent judgment failed to address the timing of development. It is the intent of the Parties to avoid the result of the Pardee case by acknowledging and providing in this Agreement that the Developer shall have the vested right to Develop the Property in such order and at such rate and at such time as the Developer deems appropriate, subject to the thresholds for completion of certain public facilities as specified in this Development Agreement and the Performance Schedule attached as Exhibit J. In addition to, and not in limitation of, the foregoing, but except as set forth in the following sentence, it is the intent of the Parties that no City moratorium or other similar limitation relating to the rate or timing of the Development of the Property or any portion thereof, except a moratorium or limitation necessitated by a public safety emergency or to avoid a public safety emergency, whether adopted by initiative, referendum or otherwise, shall apply to the Property to the extent that such moratorium, referendum or other similar limitation is in conflict with this Agreement. Notwithstanding the foregoing, the Developer acknowledges that nothing herein is intended or shall be construed as (i) overriding any provision of the Existing Land Use Regulations relating to the phasing of Development of the Property; or (ii) restricting the City from exercising the powers described in Section 11 of this Agreement to regulate Development of the Property. Nothing in this Section 6.1 is intended to excuse or release the Developer from any obligation set forth in this Agreement which is required to be performed on or before a specified calendar date or event without regard to whether or not one or more Owners proceeds with any portion of the Project.

6.2 Public Improvements. The scope, phasing and timing requirements for the construction of all Proposed Project Facilities required for the Project shall be in accordance with the Infrastructure Plan.

6.3 Soccer Field Refurbishment. Developer shall promptly commence the Soccer Field Improvements in accordance with the specifications set forth in Exhibit “K” attached hereto (“Soccer Field Improvements”) at the City Soccer Field, subject to City approval of the commencement date to ensure a proper grow-in period for the new turf and minimal interference with the AYSO season. The Soccer Field Improvements shall be completed within in six (6) months of commencement as Developer understands that the field is critical for the following AYSO season. Notwithstanding any other provision of this Agreement addressing or authorizing delays in performance or tolling of deadlines in the agreement, Developer’s obligation to complete the Soccer Field Improvements by the deadlines set forth in this section and Exhibit “K” shall not be changed, delayed or extended for any reasons, including a Force Majeur event, the initiation of litigation challenging the Project or the environmental impact report certified for the project or any other reason whatsoever. Prior to the City issuing any permits for the Soccer Field Improvements, Developer shall obtain the City Engineer’s approval of an Engineer’s estimate for the cost of constructing the the Soccer Field Improvements and provide the City with payment and performance security of the type and in the amounts set forth in Government Code, sections 66499 through 66499.3 and Grand Terrace Municipal Code, Section 17.56.060 for the Soccer Field Improvements.

6.4 New Ball Field and Land Swap. One of the Special Mandatory Public Improvements is a new ball park facility comprised of playground equipment, parking lot, and a lighted baseball field to be constructed on the Developer’s New Ball Park Property to replace the

existing, unlighted ball field located at the City's Old Ball Park Property. Developer shall commence and construct the New Ball Field Improvements in the time specified in the Exchange Agreement. Prior to the City issuing any permits for the New Ball Field Improvements, Developer shall obtain the City Engineer's approval of an Engineer's estimate for the cost of constructing the the New Ball Field Improvements and provide the City with payment and performance security of the type and in the amounts set forth in Government Code, sections 66499 through 66499.3 and Grand Terrace Municipal Code, Section 17.56.060 for the New Ball Field Improvements.

6.5 Additional Development Conditions. The Parties further agree to and accept the conditions of Development of the Property set forth in Exhibit "F."

6.6 Annual Contribution to the City. During the Term of this Agreement the Developer shall make on or before each anniversary of the Effective Date an annual contribution to the City in the amount of Five Thousand Dollars (\$5,000.00) to be placed in a City account earmarked to fund events that benefit the City and its residents, as determined by the City.

7. FEES, TAXES AND ASSESSMENTS.

7.1 Processing Fees. During the Term of this Agreement, the City may require the Developer to pay all Processing Fees applicable to the Project at the rates in effect on the applicable Application date or as described in this Agreement unless a specific amount is stated herein. Within 90 days of the Developer providing the City with a detailed accounting of the costs it incurred in connection with the processing of the Specific Plan and the Environmental Impact Report (the "Reimbursable Specific Plan Costs") the City will adopt a "Specific Plan Fee" applicable to the entire Specific Plan area on a per developable acre basis to recover the "Reimbursable Specific Plan Costs". The Specific Plan Fee will increase by 5% each year and be collected prior to the issuance of a Building Permit. The Developer shall receive a credit against the Specific Plan Fee applicable to the Property in the amount equal to its Reimbursable Specific Plan Costs and the amount by which such Reimbursable Specific Plan Costs exceed such credit shall be Reimbursed to the Developer from Specific Plan Fees collected from others within the Specific Plan area every six (6) months until the Developer has been Reimbursed in full. The City shall take all necessary actions to terminate the Specific Plan Fee when the City has determined the Developer has recovered its Reimbursable Specific Plan Costs or twenty (20) years from the effective date of the Specific Plan Fee, whichever is earlier.

7.2 Development Impact Fees.

7.2.1 Limit on Exactions, Mitigation Measures, Conditions and Development Fees. The City shall charge and impose only those Exactions, mitigation measures and conditions, including, without limitation, dedications as are set forth in the Existing Land Use Regulations, those DIFs as are expressly set forth in Exhibit "E" attached hereto, and no others. The amounts of the DIFs applicable to the Project shall not increase during the first five (5) years after the Effective Date of the Agreement. After this five year period, the Project shall be subject to the DIFs at the rates in effect at the time of payment.

7.2.2 Payment of Development Impact Fees. Subject to available credits, the Development Impact Fees set forth on Exhibit “E” attached hereto, shall be paid at the issuance of the Certificate of Occupancy for each building in the amount specified in Exhibit “E”. The Developer may also elect to pay Development Impact Fees earlier under any of the following circumstances:

- (i) the payment is made with respect to a building or lot for which rough grading has been certified as complete, building plans have been approved and all conditions of approval for the issuance of a Building Permit have been satisfied;
- (ii) the DIFs are financed through a CFD; or
- (iii) the early payment is approved by the City Manager.

Unless otherwise specified herein, the development of the Property shall not be subject to any other Development Impact Fees.

7.2.3 Development Impact Fee Credits, City Contributions and Reimbursements.

The Developer will be dedicating land and constructing, installing and improving various Proposed Project Facilities that are DIF Improvements, as specified in Exhibit “D.” As a result, all development within the Property shall be entitled to a credit against the applicable DIFs in an amount equal to the lesser of (i) the Actual Costs of each DIF Improvement incurred by the Developer and (ii) the total corresponding DIF obligation of the Project. The financing of any DIF Improvement through a CFD shall not preclude the Developer’s receipt of corresponding DIF credit for that Improvement.

The terms of the Reimbursement Agreement with the Developer shall otherwise be consistent with the City’s forms generally used with all other development projects. Such Reimbursement shall be paid to the Developer as future DIFs are collected by the City from other benefited developments. Repayment shall extend beyond the Term of this Agreement if necessary to Reimburse Developer as provided herein. To the extent that CFD proceeds are used to fund the Excess Costs incurred by Developer, the DIFs collected from benefited developments will be paid to the CFD.

8. PROCESSING OF REQUESTS AND APPLICATIONS: OTHER GOVERNMENT PERMITS.

8.1 Processing. In reviewing any discretionary Future Development Approvals, the City may impose only those conditions, exactions, and restrictions that are allowed by the Development Plan and this Agreement, except otherwise specified in Section 11. Upon satisfactory completion by the Developer of all required preliminary actions, meetings, submittal of required information and payment of appropriate Processing Fees, if any, the City shall promptly commence and diligently proceed to complete all required steps necessary for the

implementation of this Agreement and the Project in accordance with this Agreement and the Existing Land Use Regulations, subject to Developer's payment of applicable processing fees and potential additional costs set forth in Section 9.2 to ensure the availability of City resources. In this regard, the Developer, in a timely manner, will provide the City with all documents, applications, plans and other information necessary for the City to carry out its obligations hereunder and will cause the Developer's planners, engineers and all other consultants to submit in a timely manner all required materials and documents therefor. It is the express intent of this Agreement that the parties cooperate and diligently work to implement any zoning or other land use, site plan, subdivision, grading, building or other approvals for the Project in accordance with the Development Plan and those items set forth in Exhibit "F" subject to Section 11.

8.2 Additional Inspectors and Plan Checkers. In the event that the Developer requests it, the City shall permit overtime, including both additional days and hours, for inspections and plan checking at the Developer's expense. The Developer shall pay overtime based on the City's fully-burdened hourly rate established for the appropriate staff position. In the event that the City is unable to provide inspectors or plan checkers capable of meeting the demand for inspections or plan checks required for the Project in a timely fashion, the City shall, if requested to do so by the Developer and at the Developer's expense, employ additional private entities or persons to perform such services.

8.3 Development Approvals. The City shall extend through at least the Term hereof (pursuant to Government Code §§ 66452.6 and 65863.9) all Master Tract Maps, all tentative and vesting tentative Subdivision Maps and all other Development Approvals applied for by the Developer during the Term of this Agreement and approved by the City in the future in accordance with the Subdivision Map Act.

8.4 Multiple Final Maps. The Developer may file as many final Subdivision Maps and final Master Tract Maps as it deems appropriate in its sole and absolute discretion.

8.5 Financing and Conveyance Maps: The Developer may have a Financing and Conveyancing Map approved for the purpose of conveying portions of the Property to others and/or for the purpose of creating legal lots that may be used as security for loans to develop the Property. Other than this Development Agreement, any such Financing and Conveyancing Map shall not authorize any Development and shall not be subject to any additional conditions, Exactions or restrictions, other than monumentation and conditions that do not require the payment of money, other than Processing Fees, or the installation or construction of improvements, other than those contained in the Development Approvals.

8.6 Water Availability. When applicable, any Subdivision Maps prepared for the Property, or any portion of the Property, shall comply with the provisions of Government Code § 66473.7.

8.7 Other Governmental Permits. The City shall cooperate with the Developer in Developer's efforts to obtain other permits and approvals as may be required from

other governmental or quasi-governmental agencies having jurisdiction over the Project as may be required for the Development of, or provision of services to, the Project.

8.8 Public Agency Coordination. The City and Developer shall cooperate and use reasonable efforts in coordinating the implementation of the Project with other public agencies, if any, having jurisdiction over the Property or the Project.

9. AMENDMENT AND MODIFICATION OF DEVELOPMENT AGREEMENT.

9.1 Initiation of Amendment. Either Party may propose an amendment to this Agreement.

9.2 Procedure. Except as set forth in Section 10.4 below, the procedure for proposing and adopting an amendment to this Agreement shall be the same as the procedure required for entering into this Agreement in the first instance, and meet the requirements of the Development Agreement Statute § 65868 and shall be recorded in the Official Records of San Bernardino County.

9.3 Consent. Except as expressly provided in this Agreement, no amendment to all or any provision of this Agreement shall be effective unless set forth in writing and signed by duly authorized representatives of each of the Parties hereto and recorded in the Official Records of San Bernardino County. In the event that such amendment affects only a portion of the Property, such amendment shall only require the agreement of the City, the Developer of that portion of the Property and the Owner of that portion of the Property.

9.4 Minor Modifications.

9.4.1 Flexibility Necessary. The provisions of this Agreement require a close degree of cooperation between the City and the Developer. Implementation of the Project may require minor modifications of the details of the Development Plan and affect the performance of the Parties under this Agreement. The anticipated refinements to the Project may demonstrate that clarifications to this Agreement and the Development Plan are appropriate with respect to the details of performance of the City and the Developer. The Parties desire to retain a certain degree of flexibility with respect to those items covered in general terms under this Agreement. Therefore, non-substantive and procedural modifications of the Development Plan pursuant to this Section 10.4 shall not require modification of this Agreement and may be approved by the City Manager. However, the City Manager shall have the discretion to submit any minor modifications to the City Council for approval.

9.4.2 Non-Substantive Changes. A modification will be deemed non-substantive and/or procedural if it does not:

9.4.2.1 Alter the permitted uses of the Property as a whole;

9.4.2.2 Increase the density or intensity of use of the Property as a whole.

9.4.2.3 Delete a requirement for the reservation or dedication of land for public purposes within the Property as a whole and in a manner that will result in significant public health and safety impacts.

9.4.2.4 Waive or substantially alter any Developer obligations to comply with any conditions of approval of any Development Approvals unless the City determines the obligation has been replaced with a comparable obligation or is no longer necessary or feasible.

9.4.2.5 Waive or substantially alter any Developer obligations to comply with any mitigation measures in the Mitigation Monitoring and Reporting Program adopted with the Certification of the Environmental Impact Report dated _____ prepared for the Project unless the City determines the obligation has been replaced with a comparable obligation or is no longer necessary or feasible.

9.4.2.6 . Waive or substantially reduce any fees, payments or exactions required of the Developer under this Agreement.

9.4.2.7 Materially increase costs to the City or increase the City's exposure to potential legal liability.

9.4.3 Hearing Rights Protected. Notwithstanding the foregoing, City will process any change to this Agreement consistent with state law and will hold public hearings thereon if so required by state law and the Parties expressly agree nothing herein is intended to deprive any party or person of due process of law.

9.5 Effect of Amendment to Development Agreement. Except as expressly set forth in any such amendment, an amendment to this Agreement will not alter, affect, impair, modify, waive, or otherwise impact any other rights, duties, or obligations of either Party under this Agreement.

10. RESERVATIONS OF AUTHORITY.

10.1 Limitations, Reservations and Exceptions. Notwithstanding anything to the contrary set forth hereinabove, the City may exercise its regulatory discretion only to the extent permitted by the Existing Land Use Regulations and the following Land Use Regulations adopted by City hereafter which shall apply to and govern the Project ("Reservation of Authority"):

10.1.1 Future Regulations. Future Land Use Regulations which (i) are not in conflict with the Existing Land Use Regulations, (ii) allowed under the Development Agreement Statute (§ 65866); or (ii) are in conflict with the Existing Land Use Regulations but the application of which to the Project has been consented to in writing by Developer.

10.1.2 State and Federal Laws and Regulations. In compliance with Government Code §65869.5, where state or federal laws or regulations enacted after the Effective Date prevent or preclude compliance with one or more provisions of this Agreement,

the Parties shall meet and confer in order to mutually determine and implement modifications to, or the suspension of, those provisions of the Agreement as may be necessary to comply with such state or federal laws and regulations in the manner that has the least negative impact on the Development Plan and Developer's rights and benefits under this Agreement.

10.1.3 Public Health and Safety/Uniform Codes.

10.1.3.1 Adoption Automatic Regarding Uniform Codes.

This Agreement shall not prevent the City from adopting future Land Use Regulations or amending Existing Land Use Regulations which are uniform codes and are based on recommendations of a multi-state professional organization and become applicable throughout the City, such as, but not limited to, the Uniform Building, Electrical, Plumbing, Mechanical, or Fire Codes.

10.1.3.2 Adoption Regarding Public Health and Safety.

This Development Agreement shall not prevent the City from adopting future Land Use Regulations respecting public health and safety to be applicable throughout the City, including the Property, which directly result from findings by the City that failure to adopt such future Land Use Regulations would result in an imminent significant and unanticipated condition injurious or detrimental to the public health and safety and that the application of such future Land Use Regulations to the Property are the only reasonable means to correct or avoid such condition.

10.2 This Agreement shall not be construed to limit the obligations of the City to comply with CEQA or any other federal or state law.

10.3 Fees, Taxes and Assessments. Notwithstanding any other provision herein to the contrary, the City retains the right (i) to impose or modify Processing Fees to the extent applicable on a Citywide basis, (ii) to impose or modify Citywide business licensing or other fees pertaining to the operation of businesses, (iii) to impose or modify Taxes that apply Citywide such as utility taxes, sales taxes and transient occupancy taxes and (iv) to impose or modify Citywide user fees and charges for City electrical utility charges and storm water quality fees that are required in order for the City to fund facilities, activities or services necessary to comply with state, federal or regional laws and regulations, and that do not duplicate facilities, activities or services funded with HOA assessments.

11. PERIODIC REVIEW.

11.1 Good Faith Compliance. Developer shall annually provide documentation of good faith compliance with this agreement per Govt. Code Section 65865.1 to the City. The City may, at least every twelve (12) months, during the Term of this Agreement, conduct a public meeting to review the extent of good faith substantial compliance by Developer with the terms of this Agreement at Developer's expense. Such periodic review shall be limited in scope to compliance with the terms of this Agreement pursuant to Government Code Section 65865.1. Notice of such annual review will be provided by the Development Services Director to Developer thirty (30) days prior to the date of the public meeting by the Planning Commission and shall include the statement that any review may result in amendment or termination of this

Agreement as provided herein. A finding by the City of good faith compliance by the Developer with the terms of this Development Agreement shall conclusively determine the issue up to and including the date of such review. Nothing in this Section shall be deemed to create a duty of responsibility of City or Developer or define an event of default that but for such concurrent review would not have been so created or defined.

11.3 Failure to Comply in Good Faith. If the City Council makes a finding that the Developer has not complied in good faith with the terms and conditions of this Agreement, the City shall provide written notice to the Developer describing: (i) such failure to comply with the terms and conditions of this Agreement (referenced to herein as a “Default”); (ii) the actions, if any, required by the Developer to cure such Default; and (iii) the time period within which such Default must be cured. The Developer shall have, at a minimum, thirty (30) business days after the date of such notice to cure such Default, or in the event that such Default cannot be cured within such thirty (30) day period but can be cured within one (1) year, the Developer shall have commenced the actions necessary to cure such Default and shall be diligently proceeding to complete such actions necessary to cure such Default within thirty (30) days from the date of notice. If the Default cannot be cured within thirty (30) days, as determined by the City during periodic or special review, the Developer shall have such time as may be reasonably required to cure the Default with diligent effort.

11.5 Failure to Cure Default. If the Developer fails to cure a Default within the time periods set forth above, the City Council may modify or terminate this Agreement as provided below.

11.7 Estoppel Certificate. If at the conclusion of the periodic review, the City finds that the Developer is in substantial compliance with this Agreement, the City shall upon the Developer’s request, issue an Estoppel Certificate to the Developer in a form satisfactory to the City Attorney.

11.8 Failure to Conduct Periodic Review. The failure of either party to conduct its periodic review shall not be a Developer Default unless Developer fails to cooperate in providing necessary information.

12. DEFAULT, REMEDIES AND TERMINATION.

12.1 Rights of Non-Defaulting Party after Default. The Parties acknowledge that both Parties shall have hereunder the remedies as provided by law or equity following the occurrence of a Default or to enforce any covenant or agreement herein, except that in no event shall either party, or its officers, agents, attorneys, or employees, be liable in damages for any breach or violation of this Agreement, it being expressly understood and agreed that the remedies for a breach or violation of this Agreement by either party shall be limited to terminating this Development Agreement (and also all related agreements being the Reimbursement Agreement and the Exchange Agreement (collectively the “Related Agreements”) or pursuing an action in mandamus, specific performance or other injunctive or declaratory relief to enforce the provisions of all the Related Agreements. Before this Agreement may be terminated or action may be taken to obtain judicial relief the Party seeking relief (“Non-

Defaulting Party”) shall comply with the notice and cure provisions of this Section 13.Cross Default. Any default under any other agreements between the City and Developer including, but not limited to, the Reimbursement Agreement, Exchange Agreement, DDA, etc. shall be a default under this Agreement.

12.2 Notice and Opportunity to Cure. A Non-Defaulting Party in its discretion may elect to declare a Default under this Agreement in accordance with the procedures hereinafter set forth for any failure or breach of the other Party (“Defaulting Party”) to perform any material duty or obligation of the Defaulting Party under the terms of this Agreement. However, the Non-Defaulting Party must provide written notice to the Defaulting Party setting forth the nature of the breach or failure and the actions, if any, required by the Defaulting Party to cure such breach or failure. The Defaulting Party shall be deemed in Default under this Agreement, if the breach or failure can be cured, but the Defaulting Party has failed to take such actions and cure such default within thirty (30) days after the date of such notice or five (5) days for monetary defaults (or such lesser time as may be specifically provided in this Agreement). However, if such non-monetary Default cannot be cured within such thirty (30) day period, and if and, as long as the Defaulting Party does each of the following:

- (i) Notifies the Non-Defaulting Party of the Defaulting Party’s proposed course of action to cure the default;
- (ii) Promptly commences to cure the default within the thirty (30) day period;
- (iii) Makes periodic reports to the Non-Defaulting Party as to the progress of the program of cure;
- (iv) Diligently prosecutes such cure to timely completion then

The Defaulting Party shall not be deemed in breach of this Agreement once the breach has been cured.

Notwithstanding the foregoing, the Defaulting Party shall be deemed in default under this Agreement if the breach or failure involves the payment of money but the Defaulting Party has failed to completely cure the monetary default within ten (10) days (or such lesser time as may be specifically provided in this Agreement) after the date of such notice.

12.3 Dispute Resolution.

12.3.1 Meet and Confer. Prior to any Party issuing a Default Notice hereunder, the Non-Defaulting Party shall inform the Defaulting Party either orally or in writing of the Default and request a meeting to meet and confer over the alleged default and how it might be corrected. The Parties through their designated representatives shall meet within ten (10) days of the request therefore. The Parties may voluntarily (without waiving rights) meet as often as may be necessary to correct the conditions of default, but after the initial meeting either Party may also terminate the meet and confer process and proceed with the formal Default Notice.

12.3.2 Termination Notice. Upon receiving a Default Notice, should the Defaulting Party fail to timely cure any default, or fail to diligently pursue such cure as prescribed above, the Non-Defaulting Party may, in its discretion, provide the Defaulting Party with a written notice of intent to terminate this Agreement and other agreements (“Termination Notice”). The Termination Notice shall state that the Non-Defaulting Party will elect to terminate the Agreement and such other agreements as the Non-Defaulting Party elects to terminate within thirty (30) days and state the reasons therefor (including a copy of any specific charges of default) and a description of the evidence upon which the decision to terminate is based. Once the Termination Notice has been issued, the Non-Defaulting Party’s election to terminate any agreements will only be waived or resolved (i) if the Defaulting Party fully and completely cures all defaults prior to the date of termination, (ii) pursuant to Section 13.6.3 below or (iii) if the Non-Defaulting Party elects to revoke the Termination Notice.

12.3.3 Hearing Opportunity Prior to Termination. Prior to any termination by the City, a termination hearing shall be conducted as provided herein (“Termination Hearing”). The Termination Hearing shall be scheduled as an open public hearing item at a regularly-scheduled City Council meeting within forty-five (45) days of the Termination Notice, subject to any legal requirements including but not limited to the Ralph M. Brown Act, Government Code Sections 54950-54963. At said Termination Hearing, the Defaulting Party shall have the right to present evidence to demonstrate that it is not in default and to rebut any evidence presented in favor of termination. Based upon substantial evidence presented at the Termination Hearing, the Council may, by adopted resolution, act as follows:

- A. Decide to terminate this Agreement.
- B. Determine that the alleged Defaulting Party is innocent of a default and, accordingly, dismiss the Termination Notice and any charges of default; or
- C. Impose conditions on a finding of default and a time for cure, such that Defaulting Party’s fulfillment of said conditions will waive or cure any default.

Findings of a default or a condition of default must be based upon substantial evidence supporting the following three findings: (i) that a default in fact occurred and has continued to exist without timely cure, and (ii) that the Non-Defaulting Party’s performance has not excused the default. Notwithstanding the foregoing, nothing herein shall vest authority in the City Council to unilaterally change any material provision of the Agreement.

Following the decision of the City Council, any Party dissatisfied with the decision may seek judicial relief consistent with this Section 12.

12.4 Waiver of Breach. By not filing a challenge to the City’s action to enact any Development Approval within the period established by applicable law, Developer shall be deemed to have waived any claim that any condition of approval is improper or that the action, as approved, constitutes a breach of the provisions of this Agreement.

12.5 Limitations on Defaults. Notwithstanding any provision in this Agreement to the contrary, a Default by one Owner shall not constitute a Default by an Owner of

a portion of the Property, which is not the owner of the portion of the Property that is the subject of the Default (an “Innocent Owner”). Likewise, a Default by an Owner with respect to a Lot (or group of Lots) it owns or leases shall not constitute a Default by an Innocent Owner, nor shall the Default by another Owner of a portion of the Property not owned by an Innocent Owner constitute a Default of the Innocent Owner. Therefore, (i) no Innocent Owner shall have any liability to the City for, or with respect to, any Default by another Owner or any Default of any other Owner, (ii) an Innocent Owner shall have no liability to the City for, or with respect to, any Default by any other Owner, and (iii) the City’s election to terminate this Agreement as a result of a Default by an Owner shall not result in a termination of this Agreement with respect to either (x) any portion of the Property not owned by such Owner or (y) those Lots owned or leased by an Innocent Owner until such time that this Agreement would otherwise terminate in accordance with its terms.

12.6 Venue. In the event of any judicial action, venue shall be in the Superior Court of San Bernardino County.

12.7 Effect of Termination on Monetary Obligations. Termination of this Agreement shall not waive or limit Developer’s monetary obligations to City incurred prior to the date of termination,

13. ASSIGNMENT.

13.1 General. The Developer shall not transfer this Agreement or any of the Developer’s rights and obligations hereunder, directly or indirectly, voluntarily or by operation of law, unless and until a successor party with the necessary financial capacity and experience and Developer sign and deliver to the City an assignment and assumption agreement, in the form attached hereto as Exhibit “H,” pursuant to which the successor party shall assume such obligations. Subject to the City’s written approval, which shall not be unreasonably conditioned, withheld, or delayed, the transferee’s and Developer’s execution of the assignment and assumption agreement shall be deemed to release the Developer of liability for performance under this Agreement of the obligations transferred and specified in such assignment and assumption agreement and the City shall thereafter look solely to that transferee for compliance with this Agreement with respect to such obligations and the portion of the Property so transferred. The City may deny approval of an assignment and assumption agreement if the Developer fails to provide adequate evidence, as reasonably determined by the City, that the transferee has adequate financial capacity, development experience, and a record of compliance with other agreements with cities related to development projects to ensure that the transferee will comply with the terms of this Development Agreement. Developer shall provide all information about the proposed assignee to City as requested by City.

13.2 Subsequent Owners. Notwithstanding any provision of this Agreement to the contrary, City approval shall not be required for the transfer of any portion of the Property under this Agreement to a subsequent Owner or Developer, provided no such transfer shall relieve Developer of its obligations hereunder (unless the transferee executes an assignment and assumption agreement). Following any such transfer or assignment of any of the rights and interests of the Developer under this Agreement, in accordance with Section 14.1

above, the exercise, use and enjoyment of such rights and interests shall continue to be subject to the terms of this Agreement to the same extent as if the assignee or transferee were the Developer.

13.3 Termination of Agreement With Respect to Individual Lots.

Notwithstanding any provisions of this Agreement to the contrary, as to any single-family residential Lot which (i) has been finally subdivided, (ii) has had its Certificate of Occupancy issued, and (iii) is individually (and not in “bulk”) sold or otherwise conveyed to an owner-user, this Agreement shall terminate as of the date of occurrence of the last of such three items and thereupon, and without the execution or recordation of any further document or instrument, such Lot shall be released from and no longer be subject to the provisions of this Agreement. In addition, as to any Lot or other portion of the Property that is sold or otherwise conveyed to a public agency, public utility or the HOA, this Agreement shall terminate on the date of conveyance and thereupon, and without the execution or recordation of any further document or instrument, such Lot shall be released from and no longer be subject to the provisions of this Agreement. As to any other Lot not covered by the prior two sentences of this subsection, including, without limitation, commercial and multi-family residential projects, which (i) has been finally subdivided; and (ii) has had its Certificate(s) of Occupancy issued, this Agreement shall terminate on the date the last of the above items happens and thereupon, and without the execution or recordation of any further document or instrument, such Lot shall be released from and no longer be subject to the provisions of this Agreement.

14. RELEASES AND INDEMNITIES.

14.1 Third-Party Litigation.

14.1.1 Non-liability of City. As set forth above, the City has determined that this Agreement is consistent with the General Plan and that the General Plan and Development Approvals meets all of the legal requirements of State law. The Parties acknowledge that:

A. In the future there may be challenges to legality, validity and adequacy of the General Plan, the Development Approvals and/or this Agreement; and

B. If successful, such challenges could delay or prevent the performance of this Agreement and the Development of the Property.

In addition to the other provisions of this Agreement, including, without limitation, the provisions of this Section 15, so long as the Developer has diligently defended against the claim or litigation, as reasonably determined by the City, neither Party shall have liability under this Agreement for any failure of the City to perform under this Agreement or the inability of the Developer to Develop the Property as contemplated by the Development Plan or this Agreement as the result of a judicial determination resulting from a Claim or Litigation that on the Effective Date, or at any time thereafter, the General Plan, the Land Use Regulations, the Development Approvals, this Agreement, or portions thereof, are invalid or inadequate or not in compliance with law.

14.1.2 Revision of Land Use Restrictions. If, for any reason, the General Plan, Land Use Regulations, Development Approvals, this Agreement or any part thereof is hereafter judicially determined, as provided above, to not be in compliance with the State or Federal Constitution, laws or regulations and, if such noncompliance can be cured by an appropriate amendment thereof otherwise conforming to the provisions of this Agreement, then this Agreement shall remain in full force and effect to the extent permitted by law. The Development Plan, Development Approvals and this Agreement shall be amended, as necessary and as agreed by the Parties, in order to comply with such judicial decision.

14.1.3 Participation in Litigation: Indemnity. To the full extent permitted by law, the Developer shall indemnify the City and its City Council, commissions, officers, agents and employees (each, an “Agent”) and will hold and save them and each of them harmless from any and all Claims or Litigation (including but not limited to attorneys’ fees and costs) against the City and/or Agent for any such Claims or Litigation and shall be responsible for any judgment arising therefrom. The City shall provide the Developer with notice of the pendency of such action and shall request that the Developer defend such action. The Developer shall reimburse the City for any necessary legal cost incurred by City including, without limitation, reasonable costs incurred by the City Attorney to defend the City in the litigation. Alternatively, the City may select legal counsel to defend it in the litigation and Developer shall pay all reasonable fees and costs associated with the City’s defense. The Developer shall be liable for any costs incurred by the City up to the date of any settlement and any necessary costs of implementing or enforcing the settlement, but shall have no further obligation to the City beyond the payment of those costs. In the event of an appeal, or a settlement offer, the Parties shall confer in good faith as to how to proceed.

14.2 Hold Harmless: Developer’s Construction and Other Activities. The Developer shall indemnify, defend, save and hold the City and its Agents harmless from any and all Claims and Litigation which may arise, directly or indirectly, from the Developer’s or the Developer’s agents, contractors, subcontractors, agents, or employees’ operations under this Agreement, whether such operations be by the Developer or by any of the Developer’s agents, contractors or subcontractors or by any one or more persons directly or indirectly employed by or acting as agent for the Developer or any of the Developer’s agents, contractors or subcontractors. Nothing herein is intended to make the Developer liable for the acts of the City’s officers, employees, agents, contractors of subcontractors.

14.3 Survival of Indemnity Obligations. All indemnity provisions set forth in this Agreement shall survive termination of this Agreement for any reason other than the City’s Default.

15. EFFECT OF AGREEMENT ON TITLE.

15.1 Covenant Run with the Land. Subject to the provisions of Sections 14 and 18 and pursuant to the Development Agreement Statute (§ 65868.5):

A. All of the provisions, agreements, rights, powers, standards, terms, covenants and obligations contained in this Agreement shall be binding upon the parties and their

respective heirs, successors (by merger, consolidation, or otherwise) and assigns, devisees, administrators, representatives, lessees, and all other persons acquiring any rights or interests in the Property, or any portion thereof, whether by operation of laws or in any manner whatsoever and shall inure to the benefit of the parties and their respective heirs, successors (by merger, consolidation or otherwise) and assigns;

B. All of the provisions of this Agreement shall be enforceable as equitable servitudes and constitute covenants running with the land pursuant to applicable law; and

C. Each covenant to do or refrain from doing some act on the Property hereunder (i) is for the benefit of and is a burden upon every portion of the Property, (ii) runs with such lands, and (iii) is binding upon each Party and each successive Owner during its ownership of such properties or any portion thereof, and each person having any interest therein derived in any manner through any Owner of such lands, or any portion thereof, and each other person succeeding to an interest in such lands.

16. CITY OFFICERS AND EMPLOYEES: NON-DISCRIMINATION.

16.1 Non-liability of City Officers and Employees. No official, agent, contractor, or employee of the City shall be personally liable to the Developer, or any successor in interest, in the event of any default or breach by the City.

16.2 Conflict of Interest. No officer or employee of the City shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to this Agreement which affects the financial interest of any corporation, partnership or association in which he or she is, directly or indirectly, interested, in violation of any state statute or regulation.

17. MORTGAGEE PROTECTION.

17.1 Developer's Breach Not Defeat Mortgage Lien. The Developer's breach of any of the covenants or restrictions contained in this Agreement shall not defeat or render void the lien of any Mortgage made in good faith and for value but, unless otherwise provided herein, the terms, conditions, covenants, restrictions, easements, and reservations of this Agreement shall be binding and effective against the holder of any such Mortgage whose interest is acquired by foreclosure, trustee's sale or otherwise.

17.2 Holder Not Obligated to Construct or Complete Improvements. The holder of any Mortgage shall in no way be obligated by the provisions of this Agreement to construct or complete the improvements or to guarantee such construction or completion. Nothing in this Agreement shall be deemed or construed to permit or authorize any such holder to devote the Project or any portion thereof to any uses, or to construct any improvements thereon, other than those uses or improvements provided for or authorized by this Agreement.

17.3 Notice of Default to Mortgagee. Whenever the City shall deliver any notice or demand to the Developer with respect to any breach or default by the Developer

hereunder, the City shall at the same time deliver a copy of such notice or demand to each holder of record of any Mortgage who has previously made a written request to the City therefor, or to the representative of such lender as may be identified in such a written request by the lender. No notice of default shall be effective as to the holder unless such notice is given.

17.4 Right to Cure. Each holder of a Mortgage (insofar as the rights of City are concerned) shall have the right, at its option, within ninety (90) days after the receipt of the notice, one hundred twenty (120) days after the Developer's cure rights have expired, or ninety (90) days after it has acquired possession of the Property, whichever is later, to:

A. Obtain possession, if necessary, and to commence and diligently pursue the cure until the same is completed, and

B. Add the cost of said cure to the security interest debt and the lien or obligation on its security interest;

provided that, in the case of a Default which cannot with diligence be remedied or cured within such cure periods referenced above in this Section 18.4, such holder shall have additional time as reasonably necessary to remedy or cure such Default.

In the event there is more than one such Mortgage holder, the right to cure or remedy a breach or Default of the Developer under this Section shall be exercised by the holder first in priority or as the holders may otherwise agree among themselves, but there shall be only one exercise of such right to cure and remedy a breach or Default of the Developer under this Section.

No Mortgage holder shall undertake or continue the construction or completion of the improvements (beyond the extent necessary to preserve or protect the improvements or construction already made) without first having expressly assumed the Developer's obligations to the City by written agreement satisfactory to City with respect to the Project or any portion thereof in which the holder has an interest. The Mortgage holder must agree to complete, in the manner required by this Agreement, the improvements to which the lien or title of such holder relates, and submit evidence satisfactory to the City that it has the qualifications and financial responsibility necessary to perform such obligations.

18. MISCELLANEOUS.

18.1 Estoppel Certificates. Either Party (or a Mortgagee under Section 18) may at any time deliver written notice to the other Party requesting an Estoppel Certificate addressing:

A. whether the Agreement is in full force and effect and is a binding obligation of the Parties;

B. whether the Agreement has not been amended or modified either orally or in writing or, if so amended, identifying the amendments;

C. whether there are no existing defaults under the Agreement to the actual knowledge of the party signing the Estoppel Certificate; and

D. such other matters as may reasonably be requested.

A Party receiving a request for an Estoppel Certificate shall provide a signed certificate to the requesting Party within thirty (30) days after receipt of the request. Both the City Manager and the City Attorney shall be required to sign Estoppel Certificates on behalf of the City. An Estoppel Certificate may be relied on by assignees and Mortgagees. The Estoppel Certificate shall be substantially in the same form as Exhibit "C."

18.2 Permitted Delays and Adverse Economic Events..

18.2.1 Performance by a party of its obligations hereunder shall be excused during any period of "**Permitted Delay.**" Permitted Delay shall mean delay beyond the reasonable control of the Party claiming the delay (specifically excluding a party's financial inability to perform), including, but not limited to: (a) acts of God, including without limitation earthquakes, floods, fire, natural disasters, weather conditions that are abnormal for the period of time and could not have been reasonably anticipated, pandemics, epidemics, and other natural calamities, (b) civil commotion; (c) riots or terrorist acts; (d) strikes, picketing or other labor disputes; (e) severe shortages of materials or supplies critical to the construction of the Project; (f) the discovery of underground or other unknown conditions which delay any work; (g) damage to work in progress by reason of fire, floods or other casualties; (h) failure, delay or inability of the other party to act; (i) moratoria or other delays caused by restrictions imposed or mandated by, or other actions or inactions of governmental entities, and (j) legal or administrative actions or inactions related to development of the Property. A Permitted Delay for any cause will be deemed granted if written notice by the party claiming such delay is timely sent to the other party setting forth the relevant facts and circumstances and the estimated time of delay (a "**Delay Notice**"). Within ten (10) days from receipt of a Delay Notice, the parties shall meet and confer in good faith to determine the agreed period of delay and any actions to be taken in response thereto, which shall be documented by the parties in writing in an Operating Memorandum.

18.2.2: In the event of a significant adverse event concerning the financial markets or residential markets that renders performance under this Agreement financially infeasible (an "Adverse Economic Event"), Developer shall promptly notify the City of the specific facts and circumstances that render performance infeasible ("Financial Infeasibility Notice"). Within ten (10) days from receipt of a Financial Infeasibility Notice, the parties shall meet and confer in good faith to determine whether performance, or any portion thereof, is truly infeasible, and if so, the agreed period of delay and any actions to be taken in response thereto, which shall be documented by the parties in writing in an Operating Memorandum. If the parties cannot agree on whether there is an Adverse Economic Event or the amount of time of permitted delay, the parties agree to participate in non-binding mediation before either party may pursue any remedies under Section 13 of this Agreement.

18.3 Interpretation.

18.3.1 Construction of Development Agreement. The language of this Agreement shall be construed as a whole and given its fair meaning. The captions of the sections and subsections are for convenience only and shall not influence construction. This Agreement shall be governed by the laws of the State of California. This Agreement shall not be deemed to constitute an illegal surrender or abrogation of the City's governmental powers over the Property.

18.3.2 Entire Agreement. This Agreement constitutes the entire agreement between the Parties with respect to the subject matter of this Agreement and this Agreement supersedes all previous negotiations, discussions, memoranda of understanding, and agreements between the Parties. No parol evidence of any prior or other agreement shall be permitted to contradict or vary the terms of this Agreement.

18.3.3 Recitals. The recitals in this Agreement constitute part of this Agreement and each Party shall be entitled to rely on the truth and accuracy of each recital as an inducement to enter into this Agreement.

18.3.4 Mutual Covenants. The covenants contained herein are mutual covenants and also constitute conditions to the concurrent or subsequent performance by the Party benefitted thereby of the covenants to be performed hereunder by such benefitted Party.

18.4 Severability. If any provision of this Agreement is adjudged invalid, void or unenforceable, that provision shall not affect, impair, or invalidate any other provision, unless such judgment affects a material part of this Agreement in which case the parties shall comply with the procedures set forth in Section 15.1.2 above.

18.5 No Third Party Beneficiaries. The only Parties to this Agreement are the Developer and the City and their successor and assigns. There are no third party beneficiaries and this Agreement is not intended, and shall not be construed, to benefit or be enforceable by any other person whatsoever.

18.6 Notice.

18.6.1 To Developer. Any notice required or permitted to be given by the City to the Developer under this Agreement shall be in writing and delivered personally to the Developer as set forth below or mailed, with postage fully prepaid, registered or certified mail, return receipt requested, addressed as follows:

Lewis Land Developers, LLC
c/o Lewis Operating Corp.
1156 N. Mountain Avenue
Upland, CA 91786
Attention: Erren O'Leary

With a copy to:

James D. Vaughn,, Esq.
Stowell, Zeilenga, Ruth, Vaughn & Treiger, LLP
4580 E. Thousand Oaks Blvd., Suite 190
Westlake Village, CA 91362

or such other address as the Developer may designate in writing to the City.

18.6.2 To the City. Any notice required or permitted to be given by the Developer to the City under this Agreement shall be in writing and delivered personally to as set forth below or mailed with postage fully prepaid, registered or certified mail, return receipt requested, addressed as follows:

City of Grand Terrace
22795 Barton Road
Grand Terrace, CA 92346
Attention: City Manager

Aleshire & Wynder
1 Park Plaza Boulevard
Suite 1000
Irvine, CA 92614
Attn: Adrian Guerra

or such other address as the City may designate in writing to the Developer.

Notices provided pursuant to this Section shall be deemed received at the date of delivery as shown on the affidavit of personal service or the Postal Service receipt.

18.7 Relationship of Parties. It is specifically understood and acknowledged by the Parties that the Project is a private development, that neither Party is acting as the agent of the other in any respect hereunder, and that each Party is an independent contracting entity with respect to the terms, covenants, and conditions contained in this Agreement. The only relationship between the City and the Developer is that of a government entity regulating the development of private property and the owner of such private property.

18.8 Attorney's Fees. If either Party to this Agreement is required to initiate or defend litigation against the other Party, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable,

shall be entitled to reasonable attorney's fees. Attorney's fees shall include attorney's fees on any appeal, and, in addition, a Party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to a final judgment.

18.9 Further Actions and Instruments. Each of the Parties shall cooperate with and provide reasonable assistance to the other to the extent necessary to implement this Agreement. Upon the request of either Party at any time, the other Party shall promptly execute, with acknowledgment or affidavit if reasonably required, and file or record such required instruments and writings and take any actions as may be reasonably necessary to implement this Agreement or to evidence or consummate the transactions contemplated by this Agreement.

18.10 Time of Essence. Time is of the essence in:

A. the performance of the provisions of this Agreement as to which time is an element; and

B. the resolution of any dispute which may arise concerning the obligations of the Developer and the City as set forth in this Agreement.

18.11 Waiver. Failure by a Party to insist upon the strict performance of any of the provisions of this Agreement by the other Party, or the failure by a Party to exercise its rights upon the default of the other Party, shall not constitute a waiver of such Party's right to insist and demand strict compliance by the other Party with the terms of this Agreement thereafter.

18.12 Execution.

18.12.1 Counterparts. This Agreement may be executed by the Parties in counterparts which counterparts shall be construed together and have the same effect as if all of the Parties had executed the same instrument.

18.12.2 Recording. The City Clerk shall cause a copy of this Agreement to be executed by the City and recorded in the Official Records of San Bernardino County no later than ten (10) days after the Effective Date (Government Code § 65868.5). The recordation of this Agreement is deemed a ministerial act and the failure of the City to record the Agreement as required by this Section and the Development Agreement Statute does not make this Agreement void or ineffective.

18.12.3 Authority to Execute. The persons executing this Agreement on behalf of the Parties hereto warrant that (i) such Party is duly organized and existing, (ii) they are duly authorized to sign and deliver this Agreement on behalf of the Party he or she represents, (iii) by so executing this Agreement, such Party is formally bound to the provisions of this Agreement, (iv) the entering into of this Agreement does not violate any

provision of any other agreement to which the Party is bound, and (v) there is no litigation or legal proceeding which would prevent such Party from entering into this Agreement.

18.13 Operating Memoranda. The provisions of this Agreement require a close degree of cooperation between the City and Developer. The anticipated refinements to the Project may demonstrate that clarifications to this Agreement and the Development Approvals are appropriate with respect to the implementation of this Agreement and the Development Approvals. If, when, and as it becomes necessary or appropriate to take implementing actions or make such changes, adjustments or clarifications the Parties may effectuate such actions, changes, adjustments or clarifications through an operating memorandum (“Operating Memorandum”) approved by the Parties in writing which references this Section 19.13. Such Operating Memorandum shall not require public notices and hearings or an amendment to this Agreement unless it is required by Section 10 above. The City Manager shall be authorized, after consultation with and approval of Developer, to determine whether a requested adjustment, clarification or implementing action (i) may be effectuated pursuant to this Section 19.13 and is consistent with the intent and purpose of this Agreement and the Development Approvals or (ii) is of the type that would constitute an amendment to this Agreement and thus would require compliance with the provisions of Section 10 above. The authority to enter into such Operating Memorandum is hereby delegated to the Director and the Director is hereby authorized to execute any Operating Memorandum hereunder without further City Council action.

[SIGNATURES ON THE NEXT PAGE]

IN WITNESS WHEREOF, the City and the Developer have executed this Agreement on the date first above written.

CITY OF GRAND TERRACE

By: _____
Name: Bill Hussey
Title: Mayor

ATTEST

City Clerk

APPROVED AS TO FORM

Adrian Guerra, City Attorney

“DEVELOPER”

Lewis Land Developers, LLC, a Delaware
limited liability company

By: Lewis Operating Corp., a California
corporation,
Its Manager

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

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)
) Ss
COUNTY OF)

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

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

WITNESS my hand and official seal.

Notary Public

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)
) ss
COUNTY OF)

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

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

WITNESS my hand and official seal.

Notary Public

EXHIBIT “A”

MAP AND LEGAL DESCRIPTION OF PROPERTY

EXHIBIT “B”

EXISTING DEVELOPMENT APPROVALS

General Plan Amendment No. _____

Zone Change No. _____

Gateway at Grand Terrace Specific Plan No. _____

Development Agreement No. _____

[Tentative Tract Map No. _____]

Final Environmental Impact Mitigation Monitoring Program

Res. No. _____

Ord. No. _____

Ord. No. _____

Ord. No. _____

Res. No. _____

Res. No. _____

Res. No. _____

EXHIBIT “C”

INFRASTRUCTURE PLAN

I. DESIGN OF IMPROVEMENTS

1. **City Review Process:** City and Developer agree that there is substantial mutual benefit to both Parties as a result of the Project.

a. Developer will reimburse City for staff and consultant costs reasonably incurred with review of entitlement applications and plans. City will endeavor to invoice Developer monthly, with invoices identifying employee/consultant, hours and tasks billed.

b. As time is of the essence, City agrees to expedite all application and plan reviews. City agrees to employ or contract with qualified consultants to ensure expedited review schedules.

1. Developer will prepare the plans and specifications as follows:

- a. Storm Drain Improvement Plans
 - i. Phase I: Van Buren to Michigan Intersection
 - ii. Phase II: Stub to Pico cul-de-sac
- b. Basin Improvement Plans
- c. Sewer Improvement Plans
- d. Water Improvement Plans
- e. Street Improvement Plans
 - i. Including Grading/Improvements/Traffic Signals/Striping
 - ii. Limits: Main Street to existing termination point of Commerce Way
 - iii. Assume Interim (Phase I) and Ultimate (Phase II)
- f. Dry Utility Plans – Undergrounding and Line Extensions

2. Specifications Contracting:

- a. Developer will prepare Contract Specifications and Bid Documents for all facilities eligible for public funding such as DIF Credits/Reimbursements, Measure I, CFD, and other Special Funding.
- b. City will review specifications and documents and assist Developer in posting and opening of the public bids in accordance with City standards.
- c. Developer will retain a qualified construction management consultant to review and award the bid, manage the contract, review certified payroll, process change orders, etc, in coordination with the City.

3. ROW Acquisition:

- a. Developer is responsible for dedicating any ROW or easements as required for the construction of the abovementioned improvements within Developer owned property.

EXHIBIT “D”

SOURCE OF FUNDING FOR CERTAIN PROPOSED PROJECT FACILITIES

Funding of Improvements – In Order of Priority:

1) Full width (4 lanes) Taylor/Commerce Street Improvements from Main Street to northerly boundary of the Property (“Taylor/Commerce Improvements”) [Estimated Cost - \$3.6 million]:

- a. Project Condor Bess In-Lieu of Construction Agreement funds (“Condor Contribution”) will be contributed by City.
- b. Developer Contribution and City Reimbursement:
 - (i) Developer shall contribute 40% of the remaining cost of the Taylor/Commerce Improvements after accounting for the Condor Contribution and advance the remaining 60% (60% advance). The City shall reimburse Developer’s 60% Advance subject to paragraphs (ii) and (iii) below.
 - (ii) City to reimburse Developer 60%, after accounting for the Condor Contribution, of the designated arterial costs, including plans, specifications, engineering, construction management, and physical construction costs.
 - (iii) City to reimburse Developer’s 60% Advance pursuant to the following schedule: 25% at issuance of 1st certificate of occupancy, 25% at issuance of 50th certificate of occupancy, 25% at issuance of 150th certificate of occupancy and 25% at issuance of 250th certificate of occupancy.
- c. Developer’s 40% contribution is eligible for DIF credit and is also considered an eligible facility for Project CFD financing.
- d. Estimated DIF credit: Up to \$1,829,952.
- e. Excess Developer Contribution: \$0.

2) Storm Drain Improvements [Estimated Cost - \$4.5 million]:

- a. Developer to fund 100% of storm drain improvements.
- b. Developer funding eligible for DIF credit and is also considered an eligible facility for Project CFD financing. City agrees to reimburse Developer with DIF collected

from other benefitted properties to the extent available.

- c. Estimated DIF credit: \$834,028.
- d. Excess Developer Contribution: \$3,665,972.

3) Public Park [Estimated Cost - \$6 million]:

- a. Developer to fund 100% of the public park improvements.
- b. Developer funding eligible for DIF credit and is also considered an eligible facility for Project CFD financing. City agrees to reimburse Developer with DIF collected from other benefitted properties to the extent available.
- c. Estimated DIF credit: \$3,281,898.
- d. Excess Developer Contribution: \$2,718,102.

Total Developer Costs In Excess of Fair Share/DIF: \$6,384,074

EXHIBIT “E”

DEVELOPMENT IMPACT FEES PER UNIT/CREDITS

Fee Designation	SFD	MFA	Credit?
Storm Drainage	\$2,234	\$429	Yes
General Public Facilities Fund	\$1,102	\$1,102	No
Public Use	\$674	\$422	No
Parkland	\$7,241	\$4,534	Yes
Traffic Signal Improvements	\$239	\$146	Yes
Arterial Improvements	\$4,064	\$2,480	Yes
Operational Improvement Fees	\$174	\$106	Yes

EXHIBIT “F”

ADDITIONAL AGREEMENTS CONCERNING DEVELOPMENT

In addition to the other terms and conditions concerning the Project, the City shall accommodate and expedite the Project as follows:

1.0 CONSTRUCTION CONDITIONS.

1.1 Provision of Utility Connections. Subject to the approval of the utility providers and City permit requirements, the City shall permit, at the Developer’s expense, any necessary temporary and permanent utility connections requested by the Developer for power, water service and sewer service prior to recordation of each final Subdivision Map, subject to the approval of the Fire Department.

1.2 Allowance of Transformers. The City shall allow the setting of transformers without requiring adjacent streets to be fully paved, subject to the approval of the electrical utility provider, City permit requirements and the approval of the Fire Department. It is anticipated that 6’ feet of curb and gutter will be placed adjacent to the transformer to ensure correct elevation of the transformer pad. In the event that the location or elevation change, or the curb and gutter damaged, the Developer shall incur the full costs of relocation of both the curb and gutter and the transformer, and the full costs to repairs or reconstruction of the curb and gutter, if needed as determined by the City Engineer.

1.3 Temporary Water Pipes. Temporary above ground pipes for construction water and temporary fire hydrants, as approved by the Building Official and Fire Marshall, will be acceptable for model and production homes prior to the first certificate of occupancy in the construction phase being developed. No certificate of occupancy will be issued until said temporary facilities are removed and permanent facilities in place as approved by the Building Official and Fire Marshall.

2.0 MAINTENANCE.

2.1 Maintenance of Construction Activities. The Developer shall contract directly for all work required for the maintenance of construction related activities, including but not limited to recycling of construction materials, erosion control, temporary fence installation, and temporary power installation. The selection and retention of the contractor, subcontractor or other person or entity to do such work shall be made by the Developer in its sole and absolute discretion. Trash removal will be coordinated directly with City franchisee. Contractor, subcontractor, person or entity conducting business within the City shall meet applicable state and City licensing requirements, and City permit requirements including bonding and insurance requirements.

3.0 STREETS.

3.1 Timing of Street Paving. The Developer shall be allowed to begin construction of model and production homes without first paving streets unless the paved streets are needed to serve other functions such as providing access to critical public infrastructures or areas already developed, and providing an essential Best Management Practice for erosion and sediment control for large graded areas located upstream, or the Fire Department indicates the

paving is necessary for purposes of public health and safety. Under general situation, paved streets shall be required as a condition for the issuance of the Certificate of Occupancy for the first production home in each construction phase. The Developer shall install all-weather access for construction and emergency personnel.

4.0 DEVELOPMENT CONDITIONS.

4.1 Rear Residential Slopes. The Developer shall stabilize according to the City Grading and Landscape Ordinance and requirements of the City Engineer and the City Planner the rear slope of all residential Lots prior to issuance of a Certificate of Occupancy.

4.2 Use of Joint Trenches. If permitted by the applicable utility provider, the City shall allow the Developer, subject to City permit requirements, to utilize joint trenches if it deems it necessary for Internet capabilities and/or telecommunication purposes.

5.0 PERMITTING AND ACCEPTANCE OF IMPROVEMENTS.

5.1 Fire Sprinkler Inspections. The City's Fire Marshall shall be responsible for enforcing the then applicable provisions of the California Fire Code, and the California Building Standards Codes.

5.2 Building Permit Refunds. If a Building Permit has expired without construction having started on the structure for which the Building Permit was issued, the Developer shall be entitled to a refund of the building permit fee less the actual cost to the City to issue the Building Permit, as determined by the City. No refund will be provided if the request for the refund has not been provided to the City within 180 days of the Building Permit's expiration.

EXHIBIT “G”

FINANCING PLAN

This Financing Plan sets forth the basic terms and conditions pursuant to which City and Developer will cooperate to establish a CFD pursuant to the CFD Act to finance the Eligible Facilities. Capitalized terms not otherwise defined in this Financing Plan shall be defined as provided in the Development Agreement.

1. Goals and Policies for Financing. The principal objectives of this Financing Plan are to:

a. Provide City and Developer reasonable certainty that the CFD will be established in accordance with the Goals and Policies and this Financing Plan.

b. Provide basic parameters for the levy of the Special Tax (defined below) within the CFD to pay directly for Eligible Facilities and to secure the issuance of bonds of the CFD secured by and payable from the Special Tax in order to finance the Eligible Facilities (“Bonds”).

c. Provide basic parameters for the issuance of Bonds by the CFD.

2. Formation. City shall initiate proceedings to establish the CFD, upon Developer’s petition pursuant to the CFD Act and submittal of City’s standard application form and receipt of an advance from Developer in an amount determined by City to pay for City’s estimated costs to be incurred in undertaking the proceedings to establish the CFD (“Formation Proceeding Costs”). City agrees that all such advances for Formation Proceeding Costs and the reasonable financial consultant, legal and engineering costs incurred by the Developer in connection with such proceeding shall be eligible for reimbursement out of the first available proceeds of Surplus Special Taxes (defined below) and Bonds of the CFD (“CFD Proceeds”). The exact terms and conditions for the advance of funds by Developer and the reimbursement of such advances shall be memorialized in a separate agreement between City and Developer. City agrees to use its best efforts to complete the proceedings to form the CFD and record the notice of special tax lien for the CFD within 180 days after City’s receipt of Developer’s complete application and deposit.

3. Boundaries. The CFD boundary shall encompass the [for-sale residential portion of the Project].

4. Eligible Public Facilities and Discrete Components. The CFD may be authorized to finance the Eligible Facilities specified by Developer in the Acquisition Agreement, which may include the following:

a. public streets and other related improvements within the public right of way

b. water facilities

- c. storm drain facilities
- d. sewer facilities
- e. public parks, open space and landscaping
- f. gas, electrical, television and telephone facilities to the extent reasonable
- g. All or a portion of the applicable DIFs

The costs of any Eligible Facility to be constructed by Developer that are eligible to be financed with CFD Proceeds (“**Actual Costs**”) shall include the following:

- (i) The actual hard costs for the construction or the value of the Eligible Facility, including labor, materials and equipment costs;
- (ii) The costs of grading required for the Eligible Facility;
- (iii) The costs incurred in designing, engineering and preparing the plans and specifications for the Eligible Facility;
- (iv) The costs of environmental evaluation and mitigation of or relating to the Eligible Facility;
- (v) Fees paid to governmental agencies for, and costs incurred in connection with, obtaining permits, licenses or other governmental approvals for the Eligible Facility;
- (vi) Costs of construction administration and supervision;
- (vii) Professional costs associated with the Eligible Facility, such as engineering, legal, accounting, inspection, construction staking, materials and testing and similar professional services; and
- (viii) Costs of payment, performance and/or maintenance bonds and insurance costs directly related to the construction of the Eligible Facility.
- (ix) The actual cost or fair market value of interests in real property required for the Eligible Facility.
- (x) Any other costs permitted by law directly related to the Eligible Facility

The Eligible Facilities constructed by Developer, and for which Developer elects to submit payment requests, shall be bid, contracted for and constructed in accordance with the Acquisition Agreement to be entered into between City and Developer at the time of formation of the CFD. The Acquisition Agreement shall provide additional detail, consistent with the provisions of the Goals and Policies and this Development Agreement, with respect to the

financing of DIFs through the CFD and the acquisition and construction of the Eligible Facilities, including a more detailed description of the specific Eligible Facilities that will be eligible to be financed through the CFD and discrete components of each Eligible Facility that may be reimbursed prior to the completion of the entire Eligible Facility. The CFD financing of the acquisition of an Eligible Facility constructed by Developer that is included in a City DIF program and required by the Project conditions of approval, shall not preclude the Developer's receipt of corresponding DIF credit.

5. Financing Parameters. The CFD shall be authorized to levy Special Taxes and issue Bonds in one or more series to finance the Eligible Facilities in accordance with the basic parameters set forth below:

(a) A precondition to the issuance of Bonds shall be that the value of the real property subject to Special Taxes required to repay the Bonds shall be at least three times the amount of the Bonds and any other governmentally-imposed land-secured debt (excluding any proceeds of the Bonds to be deposited in an escrow fund) ("Minimum Value-to-Debt Ratio"). In circumstances where the principal amount of a series of Bonds proposed to be issued causes such series of Bonds to fail to meet the Minimum Value-to-Debt Ratio, a portion of such Bonds shall be deposited in an escrow fund such that the remaining amount of the Bonds will satisfy the maximum value to-debt ratio. Funds shall be eligible to be released from such escrow fund only if and to the extent that the value of the taxable property subject to the levy of Special Taxes securing the Bonds compared to the principal amount of the Bonds not included in the escrow fund following such release shall meet the Minimum Value-to-Debt Ratio.

(b) Each series of Bonds shall have a term of at least thirty (30) years.

(c) Each series of Bonds may include up to twenty-four (24) months of capitalized interest or such other lesser amount as may be requested by Developer.

(d) Each series of Bonds to be issued shall be sized based upon the estimated annual Special Tax revenues from the CFD at build-out being equal to one hundred ten percent (110%) of (i) annual debt service, plus (ii) priority annual administrative expenses. Priority annual administrative expenses to be funded from Special Taxes, as a first priority for use of such Special Taxes, shall not exceed \$25,000 (the "Priority Annual Administrative Expense Requirement").

(e) The City may fund from the proceeds of each series of Bonds an amount representing all administrative expenses reasonably expected to be incurred by the City during the first twelve (12) months following the date of issuance of such bonds.

(f) The total effective tax rate within the CFD applicable to any residential parcel on which a for-sale residential dwelling has or is to be constructed, taking into account all ad valorem property taxes, voter-approved ad valorem property taxes in excess of one percent (1%) of assessed value, the annual special taxes of existing community facilities districts and any other community facilities districts under consideration and reasonably expected to be established, the annual assessments of existing assessment districts and any other assessment districts under consideration and reasonably expected to be established (but excluding

assessments for maintenance), and the Special Taxes, shall not exceed two percent (2.00%) of the projected initial sales price of the residential dwelling unit and such parcel, as estimated at the time of formation of the CFD (in accordance with Section 5.2, Procedures for Formation).

(g) Special Taxes shall be levied on Developed Property within the CFD prior to the issuance of Bonds at the maximum assigned special tax rate to finance the Eligible Facilities. For purposes of the CFD, “Developed Property” means a parcel for which a building permit has been issued and “Undeveloped Property” shall mean all other taxable property. Special Taxes may be levied on Undeveloped Property within the CFD only after the issuance of Bonds and only to the extent the annual debt service on the Bonds, administrative expenses and the reserve fund replenishment amount is not able to be paid in full from Developed Property Special Taxes levied and collected within the CFD. For the purposes of this Financing Plan “Surplus Special Taxes” shall mean (i) Special Taxes levied on Developed Property within the CFD prior to the issuance of Bonds and collected by the CFD, less the amount required to pay annual CFD administrative expenses, and (ii) Special Taxes levied on Developed Property within such Improvement Area at the maximum special tax rate after the issuance of Bonds and collected each fiscal year in excess of the amount required (w) to pay principal and interest on the Bonds, (x) to pay all administrative expenses related to such Bonds, (y) pay for reasonably anticipated delinquent special taxes within the CFD and (z) to replenish the reserve fund for such Bonds to the applicable reserve requirement.

(h) Special Taxes on Developed Property shall be levied by the CFD in each fiscal year at the maximum assigned special tax rate until the earlier of (i) Developer’s submittal of its final payment request for Eligible Facilities and payment in full for all amounts approved by the City for the Eligible Facilities or (ii) the payment in full of all Bonds. Surplus Special Taxes collected by the CFD shall be deemed CFD Proceeds and shall be disbursed to reimburse Developer any amounts approved pursuant to payment requests submitted for the Eligible Facilities.

(i) All commercial property, affordable housing units, age-qualified housing units and rental housing units may, at Developer’s option, be exempted from the Special Taxes.

(j) Full or partial prepayment of the Special Taxes shall be permitted.

(k) At Developer’s election at the time of submittal of its written request and City’s standard application form pursuant to Section 2 above, the City shall allow the Special Taxes to escalate by two percent (2%) per year, in which case debt service on the Bonds shall escalate at the same average rate per year.

(l) The timing of the issuance and sale of each series of the Bonds, the terms and conditions upon which such Bonds shall be issued and sold, the method of sale of such Bonds and the pricing thereof shall be reasonably determined by the City and shall conform to the Goals and Policies, this Financing Plan and the Acquisition Agreement. The sale of each series of the Bonds shall be subject to receipt by the City of a competitively bid or negotiated bond purchase agreement which is acceptable to the City.

(m) The rate and method of apportionment of special taxes for the CFD shall include provisions to allow for administrative reductions in the maximum Special Taxes, prior to the issuance of the first series of Bonds, with the consent of the Developer. The reductions permitted pursuant to this paragraph shall be reflected in an amended Notice of Special Tax Lien which the City shall cause to be recorded.

6. Modifications. In order to address economic circumstances, Project revisions, bond underwriting criteria or other factors consistent with the Project's development plan and City and Developer's objectives with respect to the Project, the CFD and the Proposed Public Facilities; (i) the provisions of this Financing Plan may be modified at an administrative level with the consent of both the City Manager and Developer, and (ii) City shall cooperate with Developer to amend CFD boundaries, special tax rates, and other relevant aspects of the CFD. City agrees and acknowledges that in connection with any such amendment it shall not impose or otherwise require any additional infrastructure, development fee or other requirements or conditions with respect to the Project or CFD; provided, however, the City may require Developer to advance funds to pay all reasonable costs incurred or to be incurred by the City in considering any such amendment.

EXHIBIT “H”

ESTOPPEL CERTIFICATE

Date Requested: _____

Date of Certificate: _____

On _____, 202__, the City of Grand Terrace (“City”) approved the Development Agreement between Lewis Land Developers, LLC, a Delaware limited liability company and the City of Grand Terrace (the “Development Agreement”).

City certifies that, to the best of its knowledge, as of the Date of Certificate set forth above:

[CHECK WHERE APPLICABLE]

____ 1. The Development Agreement remains binding and effective.

____ 2. The Development has not been amended.

____ 3. The Development Agreement has been amended in the following aspects as recorded in the public records:

_____.

____ 4. To the best of our knowledge, neither Developer nor any of its approved successors is in default under the Development Agreement.

____ 5. The conditions exist which with notice would constitute defaults under the Development Agreement:

_____.

____ 6. The Development Agreement: ????

_____.

This Estoppel Certificate may be relied upon by a transferee or mortgagee of any interest in the property which is the subject of the Development Agreement.

CITY OF GRAND TERRACE

By: _____

Name: _____

City Manager

EXHIBIT “I”

FORM OF ASSIGNMENT AND ASSUMPTION AGREEMENT

Pursuant to the Development Agreement between the CITY OF GRAND TERRACE (“City”) and LEWIS LAND DEVELOPERS, LLC, a Delaware limited liability company (“Assignor”), dated _____, 2021 (the “Agreement”), which Agreement is hereby incorporated herein by this reference, and for good and valuable consideration, receipt of which is hereby acknowledged, the undersigned hereby agree as follows:

1. The assignment and assumption provided for under this Assignment and Assumption Agreement (“Assignment”) is made together with the sale, transfer or assignment of all or a part of the property subject to the Agreement. The property sold, transferred or assigned together with this Assignment is described in Attachment “1” attached hereto and incorporated herein by this reference (the “Subject Property”).

2. Assignor hereby grants, sells, transfers, conveys, assigns and delegates to _____ (“Assignee”), all of Assignor’s rights, title, interest, benefits, privileges, duties and obligations arising under or from the Agreement with respect to the Subject Property except for the following:

(a) Assignor’s right to amend the Agreement as they apply to any real property other than the Subject Property; and

(b) **[INSERT OTHER RETAINED RIGHTS, IF ANY]**

3. Assignee hereby accepts the foregoing assignment and, except as otherwise provided herein, unconditionally assumes and agrees to perform all of the duties and obligations of Assignor arising under or from the Agreement as owner of the Subject Property and Assignor is hereby released from all such duties and obligations.

4. The sale, transfer or assignment of the Subject Property and the assignment and assumption provided for under this Assignment are the subject of additional agreements between Assignor and Assignee. Notwithstanding any term, condition or provision of such additional agreements, the rights of the City arising under or from the Agreement and this Assignment shall not be affected, diminished or defeated in any way, except upon the express written agreement of the City.

5. Assignor and Assignee execute this Assignment pursuant to Section 14 of the Agreement. This Assignment may be executed by the parties hereto in counterparts, each of which shall be deemed an original.

[Signature page follows]

IN WITNESS WHEREOF, the parties have executed this Assignment and Assumption Assignment as of the dates set forth below.

Dated: _____

ASSIGNOR:

LEWIS LAND DEVELOPERS, LLC, a
Delaware limited liability company

By: Lewis Operating Corp., a California
corporation
Its Manager

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

Dated: _____

CITY:

By:

Name:

Title:

ASSIGNEE:

By: _____

Name: _____

Title: _____

ATTACHMENT 1
TO ASSIGNMENT AND ASSUMPTION AGREEMENT

DESCRIPTION OF SUBJECT PROPERTY

[ATTACH LEGAL DESCRIPTION]

EXHIBIT “J”

SCHEDULE OF PERFORMANCE

Subject to the Permitted Delays and Adverse Economic Event provisions set forth in the Development Agreement, Developer shall cause the construction and development of the public infrastructure improvements pursuant to the following schedule:

1. Developer will commence and diligently pursue to completion the Soccer Field Improvements as set forth on Exhibit “K” and Section 6.3

2. Developer shall commence the New Ball Field Improvements as set forth in the Exchange Agreement and diligently pursue to completion prior to issuance of the 300th Certificate of Occupancy in the Project.

3. Within 12 months of the Effective Date of the Development Agreement, Developer and City will coordinate and cause the remediation and removal of arsenic-laden material within the City’s property (former railroad right-of-way) and obtain issuance of a No Further Action letter.

4. Within 36 months after the Effective Date of the Development Agreement, Developer will construct the detention basins and utilize the overburden to grade the street right-of-way for Taylor/Commerce Way.

5. Prior to the issuance of the 1st Certificate of Occupancy in the Project, Developer shall construct the full width (4 lanes) street improvements of Taylor/Commerce Way from Main Street to the Developer’s northern property line of Lot 1 of TTM# 20501. These improvements shall be inclusive of those improvements to Taylor Street set forth in the Conditions of Approval for Conditional Use Permit No. 20-03 dated December 2, 2021, including Condition Nos. 2(a) and 10 set forth in the memorandum from Public Works dated December 1, 2021 attached as an exhibit to the Conditions of Approval. Developer shall have no responsibility for constructing Taylor/Commerce to the north of said property line (previously known as Phase 2 of the street improvements).

6. Prior to the 1st Certificate of Occupancy in the Project, Developer will commence construction of the public park and will diligently pursue to completion to the reasonable satisfaction of the City, such that the City is able to accept the park improvements within 12 months thereafter.

7. Prior to the 1st Certificate of Occupancy in the Project, Developer will construct the Phase I storm drain improvements in Van Buren to Michigan Avenue.

8. Prior to issuance of the 1st residential unit building permit in the Project, Developer will construct Sewer improvements as required by the City of Colton.

9. Prior to issuance of the 1st residential unit building permit in the Project, Developer will construct water main extensions from Main to Developer’s northerly

property line, and in Van Buren Avenue as required by Riverside Highland Water Company.

10. Developer will underground dry utilities up to 66 KVA or relocate as feasible. Developer is not responsible for costs or acquisition of 3rd Party Easements from other property owners.

11. Prior to the issuance of the 1st Certificate of Occupancy within Lot 4 of TTM# 20501, Developer will commence construction of the Phase II storm drain improvements. Completion of the Phase II storm drain improvements is required prior to the 50th Certificate of Occupancy within Parcel #4.

EXHIBIT “K”

SOCCKER FIELD IMPROVEMENTS

Within thirty (30) days after the first to occur of: (i) the end of 2024-2025 AYSO season, and (ii) the Effective Date (“Commencement Date”), Developer shall promptly commence and diligently prosecute to completion the improvements to the Soccer Field as set forth below (“Soccer Field Improvements”) at the Soccer Field.

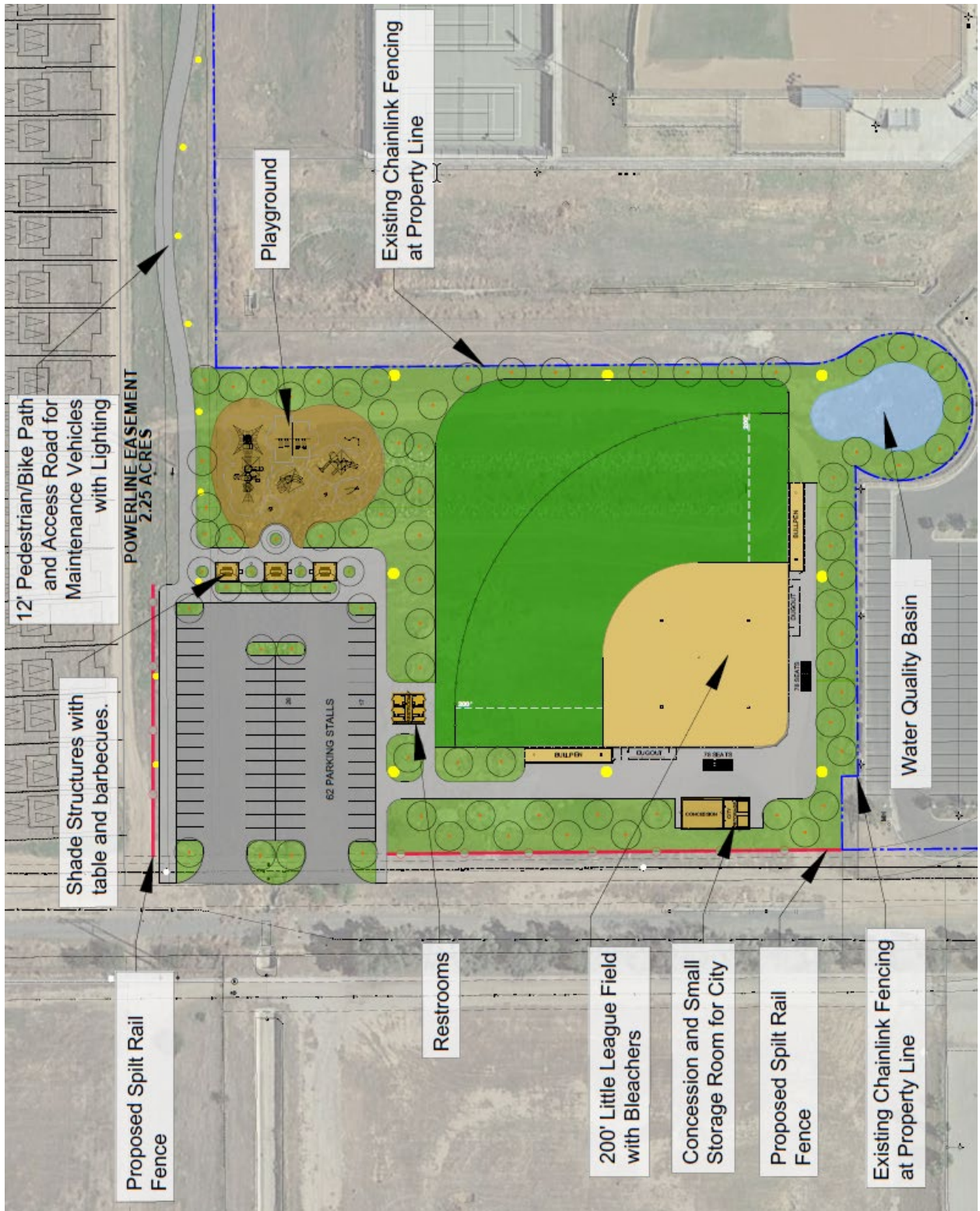
The Soccer Field Improvements shall be completed within in six (6) months of the Commencement Date as Developer understands that the field is critical for the following AYSO season.

Soccer Field Improvements: _____

- a. Installation of temporary construction fencing and signage
- b. Gopher/ground squirrel abatement
- c. Application of broad leaf post emergent spray
- d. Scalping of turf once weeds are eliminated
- e. Lay down and leveling of field turf area with sand/topsoil mix
- f. Installation of seeding with toppler
- g. Irrigation adjustment/tuning
- h. Maintenance and grow-in period for 30 days

EXHIBIT "L"

NEW BALL FIELD IMPROVEMENTS



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AGENDA REPORT

MEETING DATE:

August 13, 2024

City Council Item

TITLE:

Second Reading And Adoption Of An Ordinance Approving Zone Change Amendment (ZCA) 24-03 Amending City of Grand Terrace Municipal Code Title 18 (Zoning) To Add New Residential Land Uses Called "Congregate Living Health Facilities" And "Electric Vehicle Charging Stations", To The Allowable Residential Land Uses Listed In Chapter 18.10 (Residential Districts); To Add Nonresidential Hours Of Operation And To Consolidate All Nonresidential Land Uses Identified Under Chapters 18.30 – AP Administrative Professional District, 18.33 – C2 General Business District, 18.36 – CM Commercial Manufacturing District, 18.39 – MR Restricted Manufacturing District, 18.40 – M2 Industrial District, 18.43 – PUB Public Facilities District Into A Table Format Under A New Chapter 18.27 (Nonresidential Districts); To Add New Nonresidential Land Uses Called "Heavy Equipment Rentals (Indoor and Outdoor)", "Electric Vehicle Charging Stations", "Restaurants With A Cocktail Lounge, Bar, Entertainment Or Dancing", and "Establishments With On-Site Alcohol Beverage Sales And Consumption That Are Not Bona Fide Eating Establishments (Bars, Taverns, Cocktail Lounges, Breweries, Distilleries And/Or Wine Making Facilities With Sales For On-Site And Off-Site Consumption)"

CEQA: The Adoption Of The Ordinance Is Not A "Project" That Is Subject To CEQA Review Because It Will Not Result In Direct Physical Change In The Environment, Or A Reasonably Foreseeable Indirect Physical Change In The Environment. (See, §15061(b)(3) – *Common Sense Exemption*.)

TO:

CITY COUNCIL

FROM:

Scott Hutter, Planning & Development Services Director

RECOMMENDATION:

It is recommended that the City Council conduct **second** reading and direct the City Attorney to read the ordinance by title only, waive reading of, and adopt, **"AN ORDINANCE OF THE CITY COUNCIL OF HE CITY OF GRAND TERRACE, CALIFORNIA, AMENDING CITY OF GRAND TERRACE MUNICIPAL CODE TITLE 18 (ZONING) TO ADD NEW RESIDENTIAL LAND USES CALLED "CONGREGATE LIVING HEALTH FACILITIES" AND "ELECTRIC VEHICLE CHARGING STATIONS", TO THE ALLOWABLE RESIDENTIAL LAND USES LISTED IN CHAPTER**

Item 7

18.10 (RESIDENTIAL DISTRICTS); TO ADD NONRESIDENTIAL HOURS OF OPERATION AND TO CONSOLIDATE ALL NONRESIDENTIAL LAND USES IDENTIFIED UNDER CHAPTERS 18.30 – AP ADMINISTRATIVE PROFESSIONAL DISTRICT, 18.33 – C2 GENERAL BUSINESS DISTRICT, 18.36 – CM COMMERCIAL MANUFACTURING DISTRICT, 18.39 – MR RESTRICTED MANUFACTURING DISTRICT, 18.40 – M2 INDUSTRIAL DISTRICT, 18.43 – PUB PUBLIC FACILITIES DISTRICT INTO A TABLE FORMAT UNDER A NEW CHAPTER 18.27 (NONRESIDENTIAL DISTRICTS); TO ADD NEW NONRESIDENTIAL LAND USES CALLED “HEAVY EQUIPMENT RENTALS (INDOOR AND OUTDOOR)”, “ELECTRIC VEHICLE CHARGING STATIONS”, “RESTAURANTS WITH A COCKTAIL LOUNGE, BAR, ENTERTAINMENT OR DANCING”, AND “ESTABLISHMENTS WITH ON-SITE ALCOHOL BEVERAGE SALES AND CONSUMPTION THAT ARE NOT BONA FIDE EATING ESTABLISHMENTS (BARS, TAVERNS, COCKTAIL LOUNGES, BREWERIES, DISTILLERIES AND/OR WINE MAKING FACILITIES WITH SALES FOR ON-SITE AND OFF-SITE CONSUMPTION)”

2030 VISION STATEMENT:

This project supports Goal 3 to promote economic development by preparing for future development by updating the zoning and development codes to ensure land use and operation standards are current per the Land Use Element Implementation Plan Goals 2.1 and 2.3 and Policies 2.1.4 and 2.3.5.

SUMMARY:

The City Council conducted a duly noticed Public Hearing on July 23, 2024, for the aforementioned Ordinance which is provided as *Attachment 1* to this agenda staff report. For this Ordinance to become effective, the City Council needs to conduct the second reading of the Ordinance to adopt it. Once the Ordinance is adopted it will become effective in thirty (30) days.

BACKGROUND:

At their July 23, 2024, meeting, the City Council acted to approve Zone Change Amendment (ZCA) 24-03 to make changes to its Municipal Code by introduction of this Ordinance. This ordinance represents the City’s revisions to Title 18 of the Municipal Code. Title 18 of the Municipal Code regulates what land uses can occur in the City’s residential and nonresidential zoning districts. For the residential zoning districts and special districts there are tables that make this exercise quick and efficient. However, for the City’s nonresidential zoning districts there is no table. Instead, each individual nonresidential zone has a Chapter in Title 18 with land uses written out in paragraph format.

Additionally, there is no clear section in the Municipal Code that established standard hours of operation for nonresidential land uses. Instead, some specific land uses are listed as being subject to “after hours” while other land uses are left ambiguous.

Lastly, the land uses listed in Title 18 Zoning of the Municipal Code need to be modified periodically to ensure they are current with the business environment. Several land uses currently not listed in the Municipal Code that have been the point of inquiries with Planning Staff recently are “Heavy Equipment Rentals”, “Bar”, “Electric Vehicle Charging Stations”, “Restaurants with a bar”, and “Congregate Living Health Facilities.”

At their July 23, 2024, meeting, the City Council directed staff to revise this Ordinance for ZCA 24-03 to ensure all references for “trash enclosure” are consistent with Ordinance No. 352. Ordinance No. 352 was adopted by the City Council on March 26, 2024, and revised trash enclosure standards within the City of Grand Terrace. Unfortunately, the Municipal Code Supplement for Ordinance No. 352 had not yet been incorporated into the online zoning code at the time of this agenda report. Staff had been working from the online code to do ZCA 24-03 and it did not realize it did not reflect trash enclosure changes implemented under Ordinance No. 352. Per City Council direction, Staff has revised this Ordinance for ZCA 24-03 to incorporate and be consistent with the spirit and intent of the trash enclosure standards in Ordinance No. 352.

ANALYSIS:

The Zone Change Amendment (ZCA) 24-03 amends the City’s Municipal Code to consolidate the non-residential land use regulations that are written under each individual non-residential zoning district into a new easily accessible table format. The new table is to be created and placed in the Municipal Code as Chapter 18.27. Furthermore, Chapter 18.27 will include hours of operation for all non-residential land uses which are being extracted from the non-residential land use regulations where “after-hours” requirements are sporadically referenced.

Notable modifications in ZCA 24-03 to land use regulations are: Electric Vehicle Charging Stations; Heavy Equipment Rentals; Congregate Living Health Facilities; Restaurants: With a cocktail lounge, bar, entertainment or dancing; Establishments with on-site alcohol beverage sales and consumption that are not bona fide eating establishments (bars, taverns, cocktail lounges, breweries, distilleries and/or wine making facilities with sales for on-site and off-site consumption); and Hours of Operation.

ENVIRONMENTAL REVIEW:

Zone Change Amendment (ZCA) 24-03 is exempt from California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) – *Common Sense Exemption*. The Zone Change Amendment activity is covered by the common sense exemption that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the Zone Change Amendment activity in question may have a significant effect on the environment, the Zone Change Amendment activity is not subject to CEQA. The project will not have a significant effect on the environment because the amendment only clarifies hours of operation for nonresidential land uses and established a land use table for all nonresidential land uses in the Municipal Code. A Notice of Exemption (NOE) is provided as *Attachment 2* to this agenda staff report and will be filed with the County and State should the City Council approve this Ordinance for Zone Change Amendment (ZCA) 24-03.

CONCLUSION:

Adoption of this Ordinance will update the City’s land uses and hours of operation in the Municipal Code via Zone Change Amendment (ZCA) 24-03 with the inclusion of the Planning Commission and City Council recommendations.

FISCAL IMPACT:

The cost of processing this Ordinance for Zone Change Amendment (ZCA) 24-03 is borne by the City. It should be noted that having a clear and concise land use table for nonresidential land uses will expedite the Planning Department's ability to assist Grand Terrace residents, businesses, and developers. Faster answer and processing typically result in cost savings.

ATTACHMENTS:

- 1) Ordinance No. 359 ZCA 24-03
- 2) Notice of Exemption (NOE) ZCA 24-03

ORDINANCE NO. 359

AN ORDINANCE OF THE CITY COUNCIL OF GRAND TERRACE, CALIFORNIA, APPROVING ZONE CHANGE AMENDMENT (ZCA) 24-03, TO AMEND THE GRAND TERRACE MUNICIPAL CODE TITLE 18 (ZONING) TO ADD NEW RESIDENTIAL LAND USES CALLED “CONGREGATE LIVING HEALTH FACILITIES” AND “ELECTRIC VEHICLE CHARGING STATIONS”, TO THE ALLOWABLE RESIDENTIAL LAND USES LISTED IN CHAPTER 18.10 (RESIDENTIAL DISTRICTS); TO ADD NONRESIDENTIAL HOURS OF OPERATION AND TO CONSOLIDATE ALL NONRESIDENTIAL LAND USES IDENTIFIED UNDER SECTION 18.06.032 AND CHAPTERS 18.30 – AP ADMINISTRATIVE PROFESSIONAL DISTRICT, 18.33 – C2 GENERAL BUSINESS DISTRICT, 18.36 – CM COMMERCIAL MANUFACTURING DISTRICT, 18.39 – MR RESTRICTED MANUFACTURING DISTRICT, 18.40 – M2 INDUSTRIAL DISTRICT, 18.43 – PUB PUBLIC FACILITIES DISTRICT INTO A TABLE FORMAT UNDER A NEW CHAPTER 18.27 (NONRESIDENTIAL DISTRICTS); TO ADD NEW NONRESIDENTIAL LAND USES CALLED “HEAVY EQUIPMENT RENTALS (INDOOR AND OUTDOOR)”, “ELECTRIC VEHICLE CHARGING STATIONS”, “RESTAURANTS WITH A COCKTAIL LOUNGE, BAR, ENTERTAINMENT OR DANCING”, AND “ESTABLISHMENTS WITH ON-SITE ALCOHOL BEVERAGE SALES AND CONSUMPTION THAT ARE NOT BONA FIDE EATING ESTABLISHMENTS (BARS, TAVERNS, COCKTAIL LOUNGES, BREWERIES, DISTILLERIES AND/OR WINE MAKING FACILITIES WITH SALES FOR ON-SITE AND OFF-SITE CONSUMPTION).”

WHEREAS, the City of Grand Terrace (“City”) adopted a Zoning Code as set forth in Title 18 of the Grand Terrace Municipal Code, which has been amended from time to time; and

WHEREAS, the City wishes to protect and preserve the quality of life throughout the City through effective land use and planning; and

WHEREAS, Zoning is a local law that regulates various aspects of how land can be used and Title 18 the Grand Terrace Zoning Code specifies what type of land uses are “P” permitted, “C” conditional use permit, and “-” prohibited on a property pursuant to its zoning designation; and

WHEREAS, Zone Change Amendment (ZCA) 24-03 adds a new residential land use called “Congregate Living Health Facilities” and “Electric Vehicle Charging Stations” to the allowable residential land uses listed in Chapter 18.10 (Residential Districts); to add nonresidential hours of operation and to consolidate all nonresidential land uses identified under Chapters 18.30 – AP Administrative Professional District, 18.33 – C2 General Business District, 18.36 – CM Commercial Manufacturing District, 18.39 – MR Restricted Manufacturing District, 18.40 – M2 Industrial District, 18.43 – PUB Public Facilities District into a table format under a new Chapter 18.27 (Nonresidential Districts); to add new nonresidential land uses called “Heavy Equipment Rentals (Indoor and Outdoor)”, “Electric Vehicle Charging Stations”, “Restaurants with a cocktail lounge, bar, entertainment or dancing”, and “Establishments with on-site alcohol beverage sales and consumption that are not bona fide eating establishments (bars, taverns, cocktail lounges, breweries, distilleries and/or wine making facilities with sales for on-site and off-site consumption) in an effort to clarify and streamline the Zoning Code; and

WHEREAS, state law requires that the City’s Zoning Code (Title 18 of the Grand Terrace

Municipal Code) conform with the General Plan's goals and policies, and

WHEREAS, pursuant to Sections 65800 and 65850 of the California Government Code, the City may adopt ordinances to establish requirements for the regulation of land uses, in compliance with the California Government Code, and

WHEREAS, notice of the City Council Public Hearing concerning this Ordinance was duly published in a local newspaper at least ten (10) days prior to the Public Hearing and posted by the City Clerk in compliance with the City's Zoning Code and City Council Resolution No. 2019-24, Expanded Public Noticing and Outreach Policy for Public Hearings and Public Workshops; and

WHEREAS, Ordinance No. 359 approving Zone Change Amendment (ZCA) 24-03 is exempt from California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) – *Common Sense Exemption* in that the activity is covered by the general rule that CEQA applies only to projects, which have the potential for causing a significant effect on the environment and the Zoning Code update to land use tables and hours of operation standards will not have a significant effect on the environment because the amendment clarifies Zoning Code regulations; and

WHEREAS, on June 20, 2024, the Planning Commission / Site and Architectural Review Board of the City of Grand Terrace conducted a duly noticed Public Hearing on Zone Change Amendment (ZCA) 24-03, and considered testimony and evidence presented by the public, city staff, and other interested parties, at the Public Hearing held within respect thereto; and

WHEREAS, on June 20, 2024, the Planning Commission / Site and Architectural Review Board concluded the Public Hearing with adoption of Planning Commission / Site and Architectural Review Board Resolution 2024-07 recommending City Council approval of Zone Change Amendment (ZCA) 24-03 subject to the following five (5) recommendations:

- 1) Format the headers on Table 18.27.010 so make them more spaced out and legible.
- 2) Revise a misprint on Section 18.27.010 from "residential" to "nonresidential."
- 3) Alphabetize Table 18.27.010 so the "vehicle" uses are in the right spot.
- 4) Revise "vehicle" land uses to separate vehicles from boats, trailers and camper by reading as follows: "Vehicles related to services including but limited to motorcycles, recreation vehicles. And service related to boats, trailers, and campers."
- 5) Include "electric vehicle charging stations" as a land use in the land use tables.

WHEREAS, on July 9, 2024, the City Council of the City of Grand Terrace introduced and conducted a first reading of this Ordinance, held a duly noticed Public Hearing with respect thereto, and considered testimony and evidence at the Public Hearing continued the consideration of the Zone Change Amendment 24-03 to the July 23, 2024, Council meeting date; and

WHEREAS, on July 23, 2024, the City Council re-opened the adjourned duly notice public hear, received all of the information presented by staff, heard public testimony and considered all of the background information, and closed the public hearing; and

WHEREAS, on August 13, 2024, the City Council of the City of Grand Terrace conducted a second reading and adoption of the Ordinance; and

WHEREAS, all legal prerequisites to the adoption of this Ordinance have occurred; and,

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

SECTION 1. The City Council hereby specifically finds that all the facts set forth in the above Recitals are true and correct and incorporated herein by this reference and made a part hereof.

SECTION 2. Based upon the forgoing and all oral and written testimony by members of the public and City staff (including, but not limited to, staff reports and attachments) made at the Public Hearing, the City Council hereby finds that the Project “Zone Change Amendment (ZCA) 24-03” is not subject to environmental review pursuant to Section 15061(b)(3) of the California Environmental Quality Act (CEQA) Guidelines as follows:

Finding: A project is exempt from CEQA if the activity is covered by the commonsense exemption that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

Facts in Support of Finding: The City of Grand Terrace has reviewed the project pursuant to: 1) CEQA Guidelines Section 15002(k) – General Concepts, the three- step process for deciding which document to prepare for a project subject to CEQA; and 2) CEQA Guidelines Section 15061 – Review for Exemption, procedures for determining if the Zone Change Amendment (ZCA) 24-03 project is exempt from CEQA. Since it can be seen with certainty that the Zone Change Amendment (ZCA) 24-03 clarifies permitted land uses and hours of operation, it has no foreseeable potential to have a significant adverse effect on the environment. The City of Grand Terrace has determined that the Zone Change Amendment (ZCA) 24-03 is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) - Common Sense Exemption. The project is exempt under the “common sense” exemption because it does not involve any grading, demolition, or construction activities that will have a significant effect on the environment. The project is strictly a text update to the City’s land use standards found within the Zoning Code. It can be said with certainty that the project will not have a significant effect on the environment. As such, the project is exempt from CEQA, or not subject to CEQA, pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption.

A Notice of Exemption (NOE) has been prepared for the project in that the activity is covered by the general rule that CEQA applies only to projects, which have the potential for causing a significant effect on the environment. The project will not have a significant effect on the environment because the amendments only update land use regulations in the Zoning Code.

SECTION 3. Based upon the forgoing and all oral and written testimony by members of the public and City staff (including, but not limited to, staff reports and attachments) made at the Public Hearing, the City Council determines the findings for Zone Change Amendment (ZCA) 24-03 pursuant to Grand Terrace Municipal Code Section §18.90.040 can be made supporting the project application as follows:

- 1) **Finding:** The amendment will not be detrimental to the health, safety, morals, comfort or general welfare of the persons residing or working within the neighborhood of the

amendment or within the City.

Facts in Support of Finding: The Zone Change Amendment (ZCA) 24-03 amends the City's Municipal Code to consolidate the non-residential land use regulations that are written under each individual non-residential zoning district into a new table format. The new table is to be created and placed in the Municipal Code as new Chapter 18.27. Furthermore, Chapter 18.27 will include hours of operation for all non-residential land uses which are being extracted from the non-residential land use regulations where "after-hours" requirements are sporadically referenced. ZCA 24-03 will also be adding a new residential land uses to the existing residential land use table for residential districts in Chapter 18.10, and new non-residential land uses to the newly created Chapter 18.27. Updating land uses listed and not listed in the zoning code will specify their status as permitted, conditionally permitted, or prohibited and ensure the Municipal Code is current and applicable to land uses of the day. Not having land uses listed in the Municipal Code can create ambiguity and confusion when determining what land use can occur in what zone. Zone Change Amendment (ZCA) 24-03 is clarifying existing land uses and adding additional to the residential and non-residential land use tables. There is no foreseeable detriment to the persons working or living within the City resulting from the Zone Change Amendment (ZCA) 24-03 as new Chapter 18.27 will make the exercise of determining what non-residential land use is permitted is what non-residential zoning district quicker for staff, residents, businesses, and development applicants in contrast to the current format of text spread across multiple sections which references in on itself.

- 2) **Finding:** The amendment will not be: Injurious to property or improvements in the neighborhood or within the City.

Facts in Support of Finding: The Zone Change Amendment (ZCA) 24-03 to amend the City's Zoning Code will not be injurious to property improvements within neighborhoods in the City because Zone Change Amendment (ZCA) 24-03 is clarifying Title 18 Zoning Code for all who reference it so no confusion exists with respect to land uses and hours of operation. Currently, hours of operation are sporadically noted as "after-hours" for some land uses leaving other land uses with no clarity on what, if any, hours apply to them. Under new Chapter 18.27, hours of operation for all non-residential land uses will be clarified with respect to what are normal hours and what are after hours. This way any non-residential land use has standard hours and a Conditional Use Permit process via the Planning Commission / Site and Architectural Review Board to processes all requests for "after hours." The current process was a mix of ministerial Administrative Conditional Use Permit and Public Hearing Conditional Use Permit to modify hours of operation. For clarity and uniformity, Zone Change Amendment (ZCA) 24-03 clarifies only one process, the Public Hearing Conditional Use Permit process, to modify or extend any hours of operation beyond the standard hours. Lastly, updating land uses permitted, conditionally permitted, and prohibited in residential and non-residential zoning districts is necessary so that the Municipal Code is effective current.

- 3) **Finding:** The amendment will be consistent with the latest adopted general plan.

Facts in Support of Finding: The Land Use Element's Implementation Plan for the City of Grand Terrace addresses the administrative aspects of the Element. The Implementation Plan includes goals and polices, specifically:
The Implementation Plan includes Goal 2.1 "Provide for balanced growth which seeks to provide a wide range of employment and housing opportunities and maintenance of a

healthy, diversified community” and Policy 2.1.4 “Conduct a survey of vacant and underutilized lands. Where appropriate, proposed changes to a specific property’s General Plan designation and / or zoning shall be submitted to the Planning Commission and City Council for appropriate action” which support having an up-to-date land use table for residential and non-residential zoning districts in the Zoning Code.

The Implementation Plan includes Goal 2.3 “Provide a wide range of retail and service commercial opportunities designed to meet the needs of the City’s residents, businesses, and visitors while also providing employment opportunities” and Policy 2.3.5 “Review and modify the Zoning Ordinance to provide requirements for buffering between commercial and residential land uses” which support having an up-to-date land use table for residential and non-residential zoning districts in the Zoning Code.

This Zone Change Amendment (ZCA) 24-03 is consistent with the spirit and intent of the Implementation Plan Goal 2.1 and Policy 2.1.4 in that is the City conducting a periodical review of the Zoning Code land use standards to bring specific additions and deletions for residential and non-residential land uses to the Planning Commission and City Council for inclusion in the Municipal Code.

SECTION 4. Section 18.06.032 “After-hours operation” of Chapter 18.06 – Definitions in Title 18 – Zoning of the Grand Terrace Municipal Code is hereby amended to read in its entirety as follows:

“18.06.032 After-hours operation.

"After-hours operation" means any use that has hours of operation at any time between 11:00 p.m. and 7:00 a.m.”

SECTION 5. A new Chapter 18.27 “Nonresidential Districts” comprised of Sections 18.27.010 “Nonresidential Use Regulations” and 18.27.020 “Nonresidential Hours of Operation” is to be added to Title 18 – Zoning of the Grand Terrace Municipal Code to read in its entirety as follows:

“Chapter 18.27 NONRESIDENTIAL DISTRICTS

Sections:

18.27.010 Nonresidential Use regulations.

Uses listed in Table 18.27.010 shall be allowed in one or more of the nonresidential districts as indicated in the columns below each district heading. Permitted uses are indicated by the letter "P" while the letter "C" indicates uses which require a conditional use permit. A “-” indicates uses which are prohibited.

**TABLE 18.27.010
NONRESIDENTIAL LAND USE REGULATIONS**

Permitted Uses^a

	AP	C2	CM	MR	M2	PUB
Agricultural and nursery supplies and services	-	-	-	P	P	-
Amateur "HAM" radio antenna structures (Subject to Chapter 18.72)	P	P	P	P	P	P
Antique shops	C	P	P	P	-	-
Apparel stores	C	P	P	P	-	-
Appliance stores and repair	-	P	P	P	-	-
Art, music and photographic studios and supply stores	-	P	P	P	-	-
Athletic and health clubs and weight-reducing clinics	-	P	P	P	-	-
Bakeries (retail only)	C	P	P	P	-	-
Bakeries (wholesale)	-	-	-	-	P	-
Banks, financial services and institutions	P	-	-	-	-	-
Barber and beauty shops	-	P	P	P	-	-
Bicycle shops	-	P	P	P	-	-
Book, gift and stationary stores (other than adult related material)	C	-	-	-	-	-
Building maintenance services	-	-	C	P	P	-
Building supplies and sales	-	-	C	C	-	-
Building supplies sales, enclosed	-	-	-	P	-	-
Building supplies sales (wholesale and retail), indoor	-	-	-	-	P	-
Building supplies sales (wholesale and retail), outdoor	-	-	-	-	C	-
Building supplies and sales, outdoor	-	-	-	C	-	-
Business and office services	P	-	-	-	-	-
Business and office facilities	-	-	P	P	-	-
Business support services	-	-	P	P	-	-
Camera shop and film processing services	-	P	P	P	-	-
Candy and confectionery stores (retail only)	C	P	P	P	-	-
Carpet and floor covering stores	-	P	P	P	-	-
China and glassware stores	C	P	P	P	-	-
Cleaning and pressing establishments	-	P	P	P	-	-
Computer and software stores	C	P	P	P	-	-
Communication services	-	-	P	P	P	-
Contractor's office and storage yards, indoor	-	-	-	-	P	-
Contractor's office and storage yards, outdoor	-	-	-	C	C	-
Convenience stores	C	P	P	P	-	-
Curtain and drapery shops	-	P	P	P	-	-
Day care centers	C	C	C	C	-	-
Delicatessens and specialty food stores	-	P	P	P	-	-
Drug stores and pharmacies	C	P	P	P	-	-
Emergency shelters subject to Chapter 18.78	-	-	-	-	P	-
Equipment sales and services, indoor	-	-	-	P	-	-
Establishments with on-site alcohol beverage sales and consumption that are not bona fide eating establishments (bars, taverns, cocktail lounges, breweries, distilleries and/or wine making facilities with sales for on-site and off-site consumption) ^b	C	C	C	C	-	-
Florist shops	C	P	P	P	-	-
Funeral homes (without crematory services)	-	-	-	C	-	-
Funeral homes (with crematory services)	-	-	-	-	C	-
Furniture stores	C	P	P	P	-	-

General assembly facilities (other than church facilities)	P	-	-	-	-	-
Government offices and service facilities	-	-	-	-	-	P
Grocery stores and supermarkets	C	P	P	P	-	-
Hardware stores	C	P	P	P	-	-
Heavy equipment rentals, sales and services, indoor	-	-	P	P	P	-
Heavy equipment rentals, sales and services, outdoor	-	-	C	C	C	-
Hobby and craft shops	C	P	P	P	-	-
Ice cream and yogurt shops	-	P	P	P	-	-
Jewelry stores	C	P	P	P	-	-
Laundry (self-service)	-	P	P	P	-	-
Laundry and cleaning services	-	-	-	P	-	-
Laundry and dry-cleaning facilities	-	-	-	-	P	-
Leather goods and luggage stores	C	P	P	P	-	-
Liquor stores	C	P	P	P	-	-
Mail order services	-	-	-	P	P	-
Manufacturing, light facilities	-	-	C	P	P	-
Manufacturing, medium facilities	-	-	-	-	P	-
Medical and dental offices and related health clinics	P	-	-	-	-	-
Modular units for office purpose only	-	-	-	C	-	-
Modular units for business office or headquarter purposes only	-	-	-	-	C	-
Motels and hotels	-	C	C	C	-	-
Nurseries and garden supply stores	C	P	P	P	-	-
Nursing and retirement home facilities	C	-	-	-	-	-
Office supplies store	-	P	P	P	-	-
Outdoor displays/uses shall take place in front of business on site, which have been approved with a conditional use permit. Under special circumstances outdoor uses/displays are allowed without conditional use permits during two citywide events (the Grand Terrace Days in June and Tour De Terrace Bike Event in October), and in connection with business grand openings. Temporary special event permits will be required for display of associated balloons, banners and special event signs.	-	C	C	C	-	-
Paint, glass and wallpaper stores	C	P	P	P	-	-
Pet shops	-	P	P	P	-	-
Photography and film processing facilities	-	-	-	-	P	-
Plant nurseries, wholesale, outdoor	-	-	-	-	C	-
Printing, blueprinting and reproduction services	-	P	P	P	P	-
Private School Facilities	C	-	-	-	-	-
Public and quasi-public facilities	C	-	-	-	-	-
Public library facilities	-	-	-	-	-	P
Public parks and recreational facilities	-	-	-	-	-	P
Public schools facilities	-	-	-	-	-	P
Public storage facilities, indoor	-	-	P	P	P	-
Public storage facilities, outdoor	-	-	C	C	C	-
Public utility facilities and services	-	-	C	C	C	P
Record, tape and video stores (sales and rental)	-	P	P	P	-	-
Recreational facilities	-	-	C	C	C	-
Recreation vehicle storage, indoor	-	-	-	-	P	-
Recreational vehicle storage, outdoor	-	-	-	-	C	-

Research and development facilities	-	-	P	P	-	-
Research services	-	-	-	P	-	-
Restaurants: With incidental serving of beer and wine (without a cocktail lounge, bar, entertainment or dancing)	-	P	P	P	-	-
Restaurants: With a cocktail lounge, bar, entertainment or dancing)	-	C	C	C	-	-
Restaurants: Fast food (without a drive-thru)	-	P	P	P	-	-
Restaurants: With entertainment and/or serving of alcoholic beverages (other than beer and wine)	-	C	C	C	-	-
Restaurants: Fast food (with a drive-thru)	-	C	C	C	-	-
Secondhand sales	-	C	C	C	-	-
Shoe stores (sales and repair)	-	P	P	P	-	-
Sporting goods stores	C	P	P	P	-	-
Tailor shops	-	P	P	P	-	-
Temporary uses which are determined by the community development director not to have significant long-term impact on the environment. (Uses such as parking lot sales, Christmas tree sales, seasonal sales, rummage sales, and others with review through the land use approval or administrative site and architectural approval process in accordance with Chapter 18.63, Site and Architectural Review)	-	P	P	P	P	-
Television, radio, VCR, stereo and CD component stores (sales and repair)	-	P	P	P	-	-
Toy stores	C	P	P	P	-	-
Variety department stores	C	P	P	P	-	-
Vehicle related services (Includes but not limited to motorcycles and recreational vehicles. And service related to boats, trailers and campers.): electric vehicle charging stations (accessory use) ^c	P	P	P	P	P	P
Vehicle related services (Includes but not limited to motorcycles and recreational vehicles. And service related to boats, trailers and campers.): parts and supplies (retail)	-	P	P	P	P	-
Vehicle related services (Includes but not limited to motorcycles and recreational vehicles. And service related to boats, trailers and campers.): parts and supplies (wholesale)	-	-	-	-	P	-
Vehicle related services (Includes but not limited to motorcycles and recreational vehicles. And service related to boats, trailers and campers.): rentals	-	C	C	C	P	-
Vehicle related services (Includes but not limited to motorcycles and recreational vehicles. And service related to boats, trailers and campers.): repair	-	-	-	C	P	-
Vehicle related services (Includes but not limited to motorcycles and recreational vehicles. And service related to boats, trailers and campers.): sales (new and used vehicles)	-	C	C	C	C	-
Vehicle related services (Includes but not limited to motorcycles and recreational vehicles. And service related to boats, trailers and campers.): service stations	-	C	C	C	C	-
Veterinary clinic (completely contained in a building)	-	C	C	P	P	-

Watch and clock shops (sales and repair);	C	P	P	P	-	-
Wireless communication facilities subject to Chapter 18.71	C	C	C	C	C	C
Wholesale, storage and distribution facilities	-	-	-	P	P	-
Yardage goods stores	-	P	P	P	-	-

Footnotes:

- a. Land uses subject to Chapter 18.27.020 Nonresidential Hours of Operation.
- b. "Bona fide public eating place" means a place which is regularly and in a bona fide manner used and kept open for the serving of meals to "guests" for compensation and which has suitable kitchen facilities connected therewith, containing conveniences for cooking and an assortment of foods which may be required for ordinary "meals", the kitchen of which must be kept in a sanitary condition with the proper amount of refrigeration for keeping of food on said premises and must comply with all the regulations of the department of health. "Meals" means the usual assortment of foods commonly ordered at various hours of the day; the service of such food and victuals only as sandwiches or salads shall not be deemed a compliance with this requirement. In addition, the following, and offerings similar to them, do not meet the meal requirement:

- Snacks such as pretzels, nuts, popcorn, pickles, and chips
- Food ordinarily served as appetizers or first courses such as cheese sticks, fried calamari, chicken wings, pizza bites (as opposed to a pizza), egg rolls, pot stickers, flautas, cups of soup, and any small portion of a dish that may constitute a main course when it is not served in a full portion or when it is intended for sharing in small portions
- Side dishes such as bread, rolls, French fries, onion rings, small salads (green, potato, macaroni, fruit), rice, mashed potatoes, and small portions of vegetables
- Reheated refrigerated or frozen entrees
- Desserts

"Guests" shall mean persons who, during the hours when meals are regularly served therein, come to a bona fide public eating place for the purpose of obtaining, and actually order and obtain at such time, in good faith, a meal therein. Nothing in this section, however, shall be construed to require that any food be sold or purchased with any beverage.

- c. Nonresidential Electric Vehicle Charging Stations shall be processed by the City in compliance with AB 970 (McCarty, 2021) subject to the specific binding timelines for the expedited, streamlined, ministerial review and approval of Electric Vehicle Charging Station (EVCS) permit applications per Assembly Bill 1236 (Chiu, 2015). The review periods for Electric Vehicle Charging Stations are determined based on the size of the proposed project.

Application Completeness

- 1-25 Electric Vehicle Charging Stations at a single site: 5 business days
- 26 or more stations at a single site: 10 business days

Application Approval

- 1-25 Electric Vehicle Charging Stations at a single site: 20 business days
- 26 or more stations at a single site: 40 business days

Conditions of Approval for Expedited Review

- All proposed Electric Vehicle Charging Stations and equipment shall conform with the City of Grand Terrace Objective Design Standards (ODS)
- Electric Vehicle Charging Station equipment including transformers,

generating stations, energy storage units, and any other electric vehicle charging station related equipment must be adequately screened from visible view to the satisfaction of the City by one or combination of the following:

- Permanent masonry enclosure with decorative block wall and metal roof covering. Access gates/doors to be lockable and secure.
- Shrink wrap material acceptable to the City's objective design standards

18.27.020 Nonresidential Hours of Operation.

The standard hours of operation between 7:00 a.m. and 11:00 p.m. shall be applicable to all non-residential land use located within 500 feet of any residentially zoned property within the City of Grand Terrace. A Conditional Use Permit (CUP) approved by the Planning Commission / Site and Architectural Review Board is required for any non-residential land use located within 500 feet of any residentially zoned property within the City of Grand Terrace seeks after-hours operation. "After-hours operation" means any use that has hours of operation at any time between 11:00 p.m. and 7:00 a.m.

The standard hours of operation of any non-residential land use located more than 501 feet or further away from any residentially zoned property within the City of Grand Terrace is permitted to operate 24 hours a day / seven days a week unless hours of operation are limited by a Conditional Use Permit."

SECTION 6. Section 18.10.030 "Use Regulations" of Chapter 18.10 – Residential Districts in Title 18 – Zoning of the Grand Terrace Municipal Code is hereby amended to read in its entirety as follows:

"18.10.030 Use regulations.

Uses listed in Table 18.10.030 shall be allowed in one or more of the residential districts as indicated in the columns below each district heading. Permitted uses are indicated by the letter "P" while the letter "C" indicates uses which require a conditional use permit.

**TABLE 18.10.030
LAND USE REGULATIONS**

Permitted Uses	RH	R1-20	R1-10	R1-7.2	R2	R3	R3-S	R3-20 / R3-24
A. Residential Uses								
Single-Family (Detached), Full Sized	P	P	P	P	pa	pb	-	-
Second Units (Subject to Chapter 17.30 and 18.65)	pg	pg	pg	pg	-	-	-	-
Two-Unit Developments (Subject to Chapter 17.30 and 18.65)	pg	pg	pg	pg	-	-	-	-
Single-Family (Attached) (Duplexes, Triplexes, and Fourplexes)	-	-	-	-	P	P	-	P
Multiple Family Units	-	-	-	-	P	P	-	P

Manufactured Housing (As Permitted Per Chapter 18.66)	P	P	P	P	P	P	-	-
Mobile Home Park	-	-	-	-	C	C	-	-
Senior Citizen Housing							pd	P
B. Residential Accessory Structures								
Accessory Structure	P	P	P	P	P	P	pd	P
Accessory Dwelling Unit (Subject to Chapter 17.30 and 18.69)	P	P	P	P	P	P	P	P
Junior Accessory Dwelling Unit (Subject to Chapter 17.30 and 18.69)	P	P	P	P	P	P	-	-
Guest House	C	C	C	C	C	C	-	-
Private Garage	P	P	P	P	P	P	-	P
Private Swimming Pool	P	P	P	P	P	P	pd	P
Home occupation (As Permitted Per Chapter 5.06)	P	P	P	P	P	P	pd	P
Keeping of Cats and Dogs (Maximum of Two Each)	P	P	P	P	P	P	pd	P
Other Accessory Uses (As Approved by the Planning Director)	P	P	P	P	P	P	pd	P
C. Other Uses								
Churches (Minimum Three-Acre Parcel) ^e	C	C	C	C	C	C	-	-
Electric Vehicle Charging Stations (accessory use) ⁱ	P	P	P	P	P	P	P	P
Schools (Private and Parochial) ^e	C	C	C	C	C	C	-	-
Public Park and Playground ^e	P	P	P	P	P	P	-	-
Public Facilities (And Quasi- Public) ^e	C	C	C	C	C	C	-	-
Family Day Care (Eight or Less Children) ^e	P	P	P	P	P	P	-	-
Family Day Care Center (Nine or More Children) ^e	C	C	C	C	C	C	-	-
Residential Care Facility (Six or Less Persons)	P	P	P	P	P	P	P	P
Residential Care Facility (Seven or More Persons) ^f					C	C	-	-
State Licensed Congregate Living Health Facility (CLHF) ^h	-	-	-	-	C	C	C	C
Single Room Occupancy					C	C	-	-
Utility or Service Facility ^e	C	C	C	C	C	C	-	-
Outdoor Recreation Facility ^e	C	C	C	C	C	C	-	-
D. Temporary uses								
Temporary Uses (As approved by Planning Director)	P	P	P	P	P	P	pd	P
Temporary Trailers (As Approved by Planning Director)	P	P	P	P	P	P	pd	P

Footnotes:

- a. A second single-family detached unit (full-sized single-family detached dwelling) shall be permitted in the R2 zone provided that the lot or parcel in question meets the minimum area requirement for the R2 zone and that said lot or parcel is developed with no more than one single-family detached dwelling. A site and architectural review application for the second-family detached unit in accordance with Chapter 18.63 of the Zoning Code shall be required to be approved prior to the issuance of building permits. In addition, all development standards of the underlying zone must be adhered to; and any division in ownership among the structures on the lot or parcel in question shall conform to the subdivision laws of the state and city.
- b. A second-family detached unit (full sized single-family detached dwelling) shall be permitted in the R3 zone provided that the lot or parcel in question meets the minimum area requirements for the R3 zone and that said lot or parcel is developed with no more than one single-family detached dwelling. A site and architectural review application for the second-family detached unit in accordance with Chapter 18.63 of the Zoning Code shall be required to be approved prior to the issuance of building permits. In addition, all development standards of the underlying zone must be adhered to; and any division in ownership among the structures on the lot or parcel in question shall conform to the subdivision laws of the state and city.
- c. "P" stands for "Permitted Use" where the use is permitted by right; and "C" stands for "Conditional Use" where the use requires a conditional use permit.
- d. Senior citizen housing is allowed in the R3-S up to a maximum density of twenty unit/acre. A specific plan will be required for all senior citizen housing projects in this zone. Some accessory and temporary uses as indicated will be allowed in the R3-S zone with the approval of the Community Development Director.
- e. Notwithstanding anything indicating otherwise in this Table, this use is prohibited on a parcel that was created by an urban lot split, pursuant to Subsection 17.30.050(A).
- f. Subject to administrative conditional use permit.
- g. Notwithstanding anything indicating otherwise in this Table, this use shall be prohibited if the finding of a specific, adverse impact is made in accordance with Subsection 18.65.020(C).
- h. CLHF's are required to comply with the City's Objective Design Standards (ODS) and a State license is required to operate as a Congregate Living Health Facility (CLHF) in California. A CLHF means a residential home with a capacity of no more than 18 beds (except a facility operated by a city and county for purposes of delivering services may have a capacity of 59 beds; or, a facility not operated by a city and county servicing persons who are terminally ill, persons who have been diagnosed with a life-threatening illness, or both, that is located in a county with a population of 500,000 or more persons, or located in a county of the 16th class pursuant to Section 28020 of the Government Code, may have not more than 25 beds for the purpose of serving persons who are terminally ill) that provides inpatient care, including the following basic services: medical supervision, 24-hour skilled nursing and supportive care, pharmacy, dietary, social, recreational, and at least one type of the following service:
 - (A) Services for persons who are mentally alert, persons with physical disabilities, who may be ventilator dependent.
 - (B) Services for persons who have a diagnosis of terminal illness, a diagnosis of a life-threatening illness, or both. Terminal illness means the individual has a life expectancy of six months or less as stated in writing by his or her attending physician and surgeon. A "life-threatening illness" means the individual has an illness that can lead to a possibility of a termination of life within five years or less as stated in writing by his of her attending physician and surgeon.
 - (C) Services for persons who are catastrophically and severely disabled. A person who is catastrophically and severely disabled means a person whose origin of disability was acquired through trauma or nondegenerative neurologic illness, for whom it has been

determined that active rehabilitation would be beneficial and to whom these services are being provided. Services offered by a congregate living health facility to a person who is catastrophically disabled shall include, but not be limited to, speech, physical and occupational therapy.

- I. Residential Electric Vehicle Charging Stations shall be processed by the City in compliance with AB 970 (McCarty, 2021) subject to the specific binding timelines for the expedited, streamlined, ministerial review and approval of Electric Vehicle Charging Station (EVCS) permit applications per Assembly Bill 1236 (Chiu, 2015). The review periods for Electric Vehicle Charging Stations are determined based on the size of the proposed project.

Application Completeness

- 1-25 Electric Vehicle Charging Stations at a single site: 5 business days
- 26 or more stations at a single site: 10 business days

Application Approval

- 1-25 Electric Vehicle Charging Stations at a single site: 20 business days
- 26 or more stations at a single site: 40 business days

Conditions of Approval for Expedited Review

- A completed Submittal Requirements Checklist.
- All proposed Electric Vehicle Charging Stations and equipment shall conform with the City of Grand Terrace Objective Design Standards (ODS)
- Electric Vehicle Charging Station equipment including transformers, generating stations, energy storage units, and any other electric vehicle charging station related equipment must be adequately screened from visible view to the satisfaction of the City by one or combination of the following:
 - Permanent masonry enclosure with decorative block wall and metal roof covering. Access gates/doors to be lockable and secure.
 - Shrink wrap material acceptable to the City's objective design standards

“

SECTION 7. Chapter 18.30 AP Administrative Professional District in Title 18 – Zoning of the Grand Terrace Municipal Code is hereby amended to read in its entirety as follows:

“Chapter 18.30 AP ADMINISTRATIVE PROFESSIONAL DISTRICT

Sections:

18.30.010 Purpose.

The purpose of the AP district is to provide for professional office uses, with site development standards compatible with those in residential districts, in order that such uses can be located in close proximity to residential uses.

(Ord. 126 § 2, Exh. A(part), 1990)

18.30.020 Permitted uses.

Permitted uses in the AP district are listed under Table 18.27.010 – Nonresidential Use Regulations.

18.30.030 Conditionally permitted uses.

Uses permitted in the AP district are listed under Table 18.27.010 – Nonresidential Use Regulations.

18.30.040 Site development standards.

Site development standards in the AP district are as follows:

Development Issue	Standard
Lot Area (Minimum square feet)	10,000
Lot Width (Minimum linear feet)	70
Lot Depth (Minimum linear feet)	100
Street Frontage (Minimum linear feet)	70
Setbacks (Minimum linear feet)	
front yard	15
rear yard (except when adjacent to a lot in an R District, then 10 feet)	0
side yard (except when adjacent to a lot in an R district, then 10 feet)	0
Height (Maximum linear feet)	35
Lot Coverage (Maximum percent) (less the required parking, setbacks and landscaping)	100

(Ord. 126 § 2, Exh. A(part), 1990)

18.30.050 Storage and trash facilities.

All storage of cartons, containers and trash in the AP district shall be shielded from view within a building or within an area enclosed by a wall not less than six feet in height, and shall not be located within 40 feet of any district zoned for residential use. The enclosure shall follow current California Building Code accessibility requirements, as amended from time to time. A drain shall be installed and connected directly into the City's wastewater system, with approval from the City's Engineer. The storage and trash enclosure shall contain lockable front facing decorative metal doors and a side door, and a decorative metal roof or cover with screening to prevent illegal dumping. All decorative material shall be compliant with the City's objective design standards.

(Ord. 126 § 2, Exh. A(part), 1990) (Ord. 352, 3-26-2024)

18.30.060 Off-street parking.

The provisions of Chapter 18.60 shall apply in determining the amount of parking space that must be provided for each use located in the AP district.

(Ord. 126 § 2, Exh. A(part), 1990)

18.30.070 Signs.

The provisions of Chapter 18.80 shall apply to all signs in the AP district.

(Ord. 126 § 2, Exh. A(part), 1990)”

18.30.080 Site and architectural review.

The provisions of Chapter 18.63 for site and architectural review shall apply in the AP district.

(Ord. 126 § 2, Exh. A(part), 1990)”

SECTION 8. Chapter 18.33 C2 General Business District in Title 18 – Zoning of the Grand Terrace Municipal Code is hereby amended to read in its entirety as follows:

“Chapter 18.33 C2 GENERAL BUSINESS DISTRICT

Sections:

18.33.010 Purpose.

The purpose of the C2 district is to promote and provide for the orderly development of general commercial uses desirous to the community as a whole as well as freeway generated consumers.

(Ord. 151 § 1(part), 1994: Ord. 148 § 1(part), 1994: Ord. 126 § 2, Exh. A(part), 1990)

18.33.020 Permitted uses.

Permitted uses in the C2 district are listed under Table 18.27.010 – Nonresidential Use Regulations.

18.33.030 Conditionally permitted uses.

Uses permitted in the C2 district are listed under Table 18.27.010 – Nonresidential Use Regulations.

18.33.040 Site development standards.

Site development standards in the C2 district are as follows:

<u>Development Issue</u>	<u>Standard</u>
Lot Area	10,000
(Minimum square feet)	
Lot Width	70
(Minimum linear feet)	
Lot Depth	100
(Minimum linear feet)	

Street Frontage	70
(Minimum linear feet)	
Setbacks	
(Minimum linear feet)	
front yard	25
rear yard (except when adjacent to a lot in an R District, then 10 feet)	0
side yard (except when adjacent to a lot in an R district, then 10 feet)	0
Height	35
(minimum linear feet)	
Lot Coverage	100
(maximum percent, less the required parking, setbacks, and landscaping)	

(Ord. 148 § 1(part), 1994; Ord. 126 § 2, Exh. A(part), 1990)

18.33.050 Storage and trash facilities.

All storage of cartons, containers and trash in the AP district shall be shielded from view within a building or within an area enclosed by a wall not less than six feet in height, and shall not be located within 40 feet of any district zoned for residential use. The enclosure shall follow current California Building Code accessibility requirements, as amended from time to time. A drain shall be installed and connected directly into the City's wastewater system, with approval from the City's Engineer. The storage and trash enclosure shall contain lockable front facing decorative metal doors and a side door, and a decorative metal roof or cover with screening to prevent illegal dumping. All decorative material shall be compliant with the City's objective design standards.

(Ord. 126 § 2, Exh. A(part), 1990) (Ord. 352, 3-26-2024)

18.33.060 Off-street parking.

The provisions of Chapter 18.60 shall apply in determining the amount of parking space that must be provided for each use located in the C2 district.

(Ord. 126 § 2, Exh. A(part), 1990)

18.33.070 Signs.

The provisions of Chapter 18.80 shall apply to all signs in the C2 district.

(Ord. 126 § 2, Exh. A(part), 1990)

18.33.080 Site and architectural review.

The provisions of Chapter 18.63 for site and architectural review shall apply in the C2 district.

(Ord. 126 § 2, Exh. A(part), 1990)"

SECTION 9. Chapter 18.36 CM Commercial Manufacturing District in Title 18 – Zoning of the Grand Terrace Municipal Code is hereby amended to read in its entirety as follows:

“Chapter 18.36 CM COMMERCIAL MANUFACTURING DISTRICT¹

Sections:

18.36.010 Purpose.

The purpose of the CM district is to provide for the development of combined commercial and light manufacturing uses. The regulations of this district are intended to allow limited light manufacturing uses which operate free of objectionable noise, dust, odor or other nuisances to locate in a mixed use development area along with commercial uses. Light manufacturing uses do not involve large container truck traffic or transport of large bulky items.

(Ord. No. 319 , § 5(Exh. 1), 4-24-2018)

18.36.020 Permitted Uses.

Permitted uses in the CM district are listed under Table 18.27.010 – Nonresidential Use Regulations.

18.36.030 Conditionally permitted uses.

Uses permitted in the CM district with a conditional use permit are listed under Table 18.27.010 – Nonresidential Use Regulations. 18.36.040 Prohibited uses.

Uses that include the storage of hazardous and/or flammable material is prohibited. Such uses include, but are not limited to, pallet yard, and other wood products, and tire storage.

(Ord. No. 319 , § 5(Exh. 1), 4-24-2018)

18.36.050 Site development standards.

Site development standards in the CM district are as follows:

Development Issue	Standard
Lot Area	10,000
(Minimum square feet)	
Lot Width	70
(Minimum linear feet)	
Lot Depth	100
(Minimum linear feet)	
Street Frontage	70
(Minimum linear feet)	
Setbacks	
(Minimum linear feet)	
front yard	15, with 5' landscape setback
rear yard (except when adjacent to a lot in an	0
R District, then 25 feet, with 10 foot landscape	
setback)	

side yard (except when adjacent to a lot in an R district, then 25 feet, with 10 foot landscape setback)	0
street side yard	15, with 5' landscape setback
Height (minimum linear feet)	35
Lot Coverage (maximum percent, less the required parking, setbacks, and landscaping)	100

(Ord. No. 319 , § 5(Exh. 1), 4-24-2018)

18.36.060 Storage and trash facilities.

- A. Permitted outdoor storage shall be set back 25 feet when adjacent to residential properties.
- B. When permissible outdoor storage is utilized, such storage shall be visually screened from all adjacent building sites, public view, and public streets and alleys by a solid decorative masonry wall of a height sufficient to screen all materials stored outdoors, but not less than six feet in height, or by a building.
- C. The screening herein required shall be established at or before the time any area is used for outdoor storage.
- D. Where topographical conditions or existing structures are such that strict compliance with the requirements of this section would not be necessary to accomplish the purposes of this section, the Planning Commission may waive compliance with all or part of such requirements.
- E. Trash enclosures shall be required. Trash enclosures shall be screened by a six-foot-high decorative block wall. The enclosure shall follow current California Building Code accessibility requirements, as amended from time to time. A drain shall be installed and connected directly into the City's wastewater system, with approval from the City's Engineer. The storage and trash enclosure shall contain lockable front facing decorative metal doors and a side door, and a decorative metal roof or cover with screening to prevent illegal dumping. All decorative material shall be compliant with the City's objective design standards.

(Ord. No. 319 , § 5(Exh. 1), 4-24-2018) (Ord. 352, 3-26-20240

18.36.070 Off-street parking.

The provisions of Chapter 18.60 shall apply in determining the amount of parking space that must be provided for each use located in the CM district.

(Ord. No. 319 , § 5(Exh. 1), 4-24-2018)

18.36.080 Signs.

The provisions of Chapter 18.80 shall apply to all signs in the CM district.

(Ord. No. 319 , § 5(Exh. 1), 4-24-2018)

18.36.090 Site and architectural review.

The provisions of Chapter 18.63 for site and architectural review shall apply in the CM district.

(Ord. No. 319 , § 5(Exh. 1), 4-24-2018)”

SECTION 10. Chapter 18.39 MR Restricted Manufacturing District in Title 18 – Zoning of the Grand Terrace Municipal Code is hereby amended to read in its entirety as follows:

“Chapter 18.39 MR RESTRICTED MANUFACTURING DISTRICT²

Sections:

18.39.010 Purpose.

The purpose of the MR district is to provide for the development of low intensity and low impact light manufacturing and industrial uses. The regulations of this district are intended to allow various manufacturing and industrial uses which operate free of objectionable noise, dust, odor or other nuisances to other (nonindustrial uses) in planned architecturally integrated building groups.

(Ord. No. 319 , § 5(Exh. 1), 4-24-2018)

18.39.020 Permitted uses.

Permitted uses in the MR district are listed under Table 18.27.010 – Nonresidential Use Regulations.

18.39.030 Conditionally permitted uses.

Uses permitted in the MR district with a conditional use permit are listed under Table 18.27.010 – Nonresidential Use Regulations.

18.39.040 Prohibited uses.

Uses that include the storage of hazardous and/or flammable material is prohibited. Such uses include, but are not limited to, pallet yard, and other wood products, and tire storage.

(Ord. No. 319 , § 5(Exh. 1), 4-24-2018)

18.39.050 Site development standards.

Site development standards in the MR district are as follows:

Development Issue	Standard
Lot Area (Minimum square feet)	20,000
Lot Width (Minimum linear feet)	70
Lot Depth (Minimum linear feet)	100

Street Frontage	70
(Minimum linear feet)	
Setbacks	
(Minimum linear feet)	
front yard	25, with 10' landscape setback
rear yard (except when adjacent to a lot in an R District, then 25 feet, with 10 foot landscape setback)	0
side yard (except when adjacent to a lot in an R district, then 25 feet, with 10 foot landscape setback)	0
street side yard	15, with 5' landscape setback
Height	35
(Minimum linear feet)	
Lot Coverage	100
(Maximum percent, less the required parking, setbacks, and landscaping)	

(Ord. No. 319 , § 5(Exh. 1), 4-24-2018)

18.39.060 Storage and trash facilities.

- A. Permitted outdoor storage shall be set back 25 feet when adjacent to residential properties.
- B. When permissible outdoor storage is utilized, such storage shall be visually screened from all adjacent building sites, public view, and public streets and alleys by a solid decorative masonry wall of a height sufficient to screen all materials stored outdoors, but not less than six feet in height, or by a building.
- C. The screening herein required shall be established at or before the time any area is used for outdoor storage.
- D. Where topographical conditions or existing structures are such that strict compliance with the requirements of this section would not be necessary to accomplish the purposes of this section, the Planning Commission may waive compliance with all or part of such requirements.
- E. Trash enclosures shall be required. Trash enclosures shall be screened by a six-foot-high decorative block wall. The enclosure shall follow current California Building Code accessibility requirements, as amended from time to time. A drain shall be installed and connected directly into the City's wastewater system, with approval from the City's Engineer. The storage and trash enclosure shall contain lockable front facing decorative metal doors and a side door, and a decorative metal roof or cover with screening to prevent illegal dumping. All decorative material shall be compliant with the City's objective design standards.

(Ord. No. 319 , § 5(Exh. 1), 4-24-2018) (Ord. 352, 3-26-2024)

18.39.070 Off-street parking.

The provisions of Chapter 18.60 shall apply in determining the amount of parking space that must be provided for each use located in the MR district.

(Ord. No. 319 , § 5(Exh. 1), 4-24-2018)

18.39.080 Signs.

The provisions of Chapter 18.80 shall apply to all signs in the MR district.

(Ord. No. 319 , § 5(Exh. 1), 4-24-2018)

18.39.090 Site and architectural review.

The provisions of Chapter 18.63 for site and architectural review shall apply in the MR district.

(Ord. No. 319 , § 5(Exh. 1), 4-24-2018)

18.39.100 Commercial modular units.

The provisions of Chapter 18.66 for commercial modular units shall apply in the MR district.
(Ord. No. 319 , § 5(Exh. 1), 4-24-2018)"

SECTION 11. Chapter 18.40 M2 Industrial District in Title 18 – Zoning of the Grand Terrace Municipal Code is hereby amended to read in its entirety as follows:

“Chapter 18.40 M2 INDUSTRIAL DISTRICT³

Sections:

18.40.010 Purpose.

The purpose of the M2 district is to provide for the development of medium manufacturing and industrial uses. The regulations of this district are intended to allow various manufacturing and industrial uses which operate free of overly excessive noise, dust, odor or other nuisances and can be made compatible to other (nonindustrial) districts.

(Ord. No. 319 , § 5(Exh. 1), 4-24-2018)

18.40.020 Permitted uses.

Permitted uses in the M2 district are listed under Table 18.27.010 – Nonresidential Use Regulations.

18.40.030 Conditionally permitted uses.

Uses permitted in the M2 district with a conditional use permit are listed under Table 18.27.010 – Nonresidential Use Regulations.

18.40.040 Prohibited uses.

Uses that include the storage of hazardous and/or flammable material is prohibited. Such uses include, but are not limited, to pallet yard, and other wood products, and tire storage.

(Ord. No. 319 , § 5(Exh. 1), 4-24-2018)

18.40.050 Site development standards.

Site development standards in the M2 district are as follows:

Development Issue	Standard
Lot Area (Minimum square feet)	20,000
Lot Width (Minimum linear feet)	70
Lot Depth (Minimum linear feet)	100
Street Frontage (Minimum linear feet)	70
Setbacks (Minimum linear feet)	
front yard	25, with 10' landscape setback
rear yard (except when adjacent to a lot in an R District, then 25 feet, with 10 foot landscape setback)	0
side yard (except when adjacent to a lot in an R district, then 25 feet, with 10 foot landscape setback)	0
street side yard	15, with 5' landscape setback
Height (Minimum linear feet)	35
Lot Coverage (Maximum percent, less the required parking, setbacks, and landscaping)	100

(Ord. No. 329 , § 5, 1-28-2020; Ord. No. 319 , § 5(Exh. 1), 4-24-2018)

18.40.060 Storage and trash facilities.

- A. Permitted outdoor storage shall be set back 25 feet when adjacent to residential properties.
- B. When permissible outdoor storage is utilized, such storage shall be visually screened from all adjacent building sites, public view, and public streets and alleys by a solid decorative masonry wall of a height sufficient to screen all materials stored outdoors, but not less than six feet in height, or by a building.
- C. The screening herein required shall be established at or before the time any area is used for outdoor storage.
- D. Where topographical conditions or existing structures are such that strict compliance with the requirements of this section would not be necessary to accomplish the purposes of this section, the Planning Commission may waive compliance with all or part of such requirements.
- E. Trash enclosures shall be required. Trash enclosures shall be screened by a six-foot-high decorative block wall. The enclosure shall follow current California Building Code accessibility requirements, as amended from time to time. A drain shall be installed and connected directly into the City's wastewater system, with approval from the City's Engineer.

The storage and trash enclosure shall contain lockable front facing decorative metal doors and a side door, and a decorative metal roof or cover with screening to prevent illegal dumping. All decorative material shall be compliant with the City's objective design standards.

(Ord. No. 319 , § 5(Exh. 1), 4-24-2018) (Ord. 352, 3-26-2024)

18.40.070 Off-street parking.

The provisions of Chapter 18.60 shall apply in determining the amount of parking space that must be provided for each use located in the M2 district.

(Ord. No. 319 , § 5(Exh. 1), 4-24-2018)

18.40.080 Signs.

The provisions of Chapter 18.80 shall apply to all signs in the M2 district.

(Ord. No. 319 , § 5(Exh. 1), 4-24-2018)

18.40.090 Site and architectural review.

The provisions of Chapter 18.63 for site and architectural review shall apply in the M2 district.

(Ord. No. 319 , § 5(Exh. 1), 4-24-2018)

18.40.100 Commercial modular units.

The provisions of Chapter 18.66 for commercial modular units shall apply in the M2 district.

(Ord. No. 319 , § 5(Exh. 1), 4-24-2018)"

SECTION 12. Chapter 18.40 M2 Industrial District in Title 18 – Zoning of the Grand Terrace Municipal Code is hereby amended to read in its entirety as follows:

"Chapter 18.43 PUB PUBLIC FACILITIES DISTRICT

Sections:

18.43.010 Purpose.

The purpose of the PUB district is to provide for the development of public facilities for public service uses such as government offices and services, public parks and school facilities.

(Ord. 126 § 2, Exh. A(part), 1990)

18.43.020 Permitted uses.

Permitted uses in the PUB district are listed under Table 18.27.010 – Nonresidential Use Regulations.

18.43.030 Conditionally permitted uses.

Uses permitted in the PUB district with a conditional use permit are listed under Table 18.27.010 – Nonresidential Use Regulations.

(Ord. 126 § 2, Exh. A(part), 1990)

18.43.040 Site development standards.

Site development standards in the PUB district are as follows:

Development Issue	Standard
Lot Area (Minimum square feet)	10,000
Lot Width (Minimum linear feet)	70
Lot Depth (Minimum linear feet)	100
Street Frontage (Minimum linear feet)	70
Setbacks (Minimum linear feet)	
front yard	15
rear yard (except when adjacent to a lot in an R District, then 10 feet)	0
side yard (except when adjacent to a lot in an R district, then 10 feet)	0
Height (minimum linear feet)	35
Lot Coverage (maximum percent, less the required parking, setbacks, and landscaping)	100

(Ord. 126 § 2, Exh. A(part), 1990)

18.43.050 Storage and trash facilities.

All storage of cartons, containers and trash in the AP district shall be shielded from view within a building or within an area enclosed by a wall not less than six feet in height, and shall not be located within 40 feet of any district zoned for residential use. The enclosure shall follow current California Building Code accessibility requirements, as amended from time to time. A drain shall be installed and connected directly into the City's wastewater system, with approval from the City's Engineer. The storage and trash enclosure shall contain lockable front facing decorative metal doors and a side door, and a decorative metal roof or cover with screening to prevent illegal dumping. All decorative material shall be compliant with the City's objective design standards.

(Ord. 126 § 2, Exh. A(part), 1990) (Ord. 352, 3-26-2024)

18.43.060 Off-street parking.

The provisions of Chapter 18.60 shall apply in determining the amount of parking space

that must be provided for each use located in the PUB district.

(Ord. 126 § 2, Exh. A(part), 1990)

18.43.070 Signs.

The provisions of Chapter 18.80 shall apply to all signs in the PUB district.

(Ord. 126 § 2, Exh. A(part), 1990)

18.43.080 Site and architectural review.

The provisions of Chapter 18.63 for site and architectural review shall apply in the PUB district.

(Ord. 126 § 2, Exh. A(part), 1990)”

SECTION 13. Based upon the forgoing and all oral and written communications from members of the public and City staff (including, but not limited to, all oral and written staff reports and attachments) presented at the July 9, 2024, and July 23, 2024, City Council Public Hearings, the City Council hereby adopts Ordinance No. 359 approving Zone Change Amendment (ZCA) 24-03, and adopts and finds an environmental exemption pursuant to Section 15061(b)(3) of the California Environmental Quality Act (CEQA) Guidelines.

SECTION 14. If any section, subsection, subdivision, paragraph, sentence, clause, or phrase contained approved by this Ordinance, or any part thereof, is for any reason held to be unconstitutional or invalid or ineffective by any court of competent jurisdiction, such decision shall not affect the validity of effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council of Grand Terrace hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause, or phrase thereof irrespective of the fact that any one or more subsections, subdivisions, paragraphs, sentences, clauses, or phrases are declared unconstitutional, invalid, or ineffective.

SECTION 15. First read at a regular meeting of the City Council held on the 23rd day of July 2024, and adopted the Ordinance after the second reading at a regular meeting held on the 13th day of August 2024.

SECTION 16. City staff is hereby authorized and directed to file a Notice of Exemption (NOE) with respect to the adoption of this Ordinance.

SECTION 17. The Mayor shall sign, and the City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same to be published and posted pursuant to the provisions of law in that regard and this Ordinance shall take effect thirty (30) days after its final passage.

SECTION 18 To the extent that any code amendment herein does not reflect the code provisions adopted by Ordinance No. 352 on March 26, 2024, which amended sections 18.10.090, 18.33.050, 18.36.060, 18.39.060, 18.40.060, and 18.56.080 of Title 18 (Zoning) of the Grand Terrace Municipal Code, which have not yet been updated and reflected in the on-line municipal code as of the date of this ordinance, the provisions amended in Ordinance No. 352 shall supersede this ordinance and be reflected in the Zoning Code.

APPROVED AND ADOPTED by the City Council of the City of Grand Terrace, California,
at a regular meeting held on the 13th day of August 2024.

Mayor Bill Hussey

ATTEST:

Debra L. Thomas
City Clerk

APPROVED AS TO FORM:

Adrian R. Guerra
City Attorney

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO) SS.
CITY OF GRAND TERRACE)

I Debra Thomas, City Clerk of the CITY OF GRAND TERRACE, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Ordinance was duly passed, approved and adopted by the City Council at a regular meeting of said City Council held on the 13th day of August 2024, and that and that it was adopted by the called vote as follows:

AYES:

NOES:

ABSENT:

ABSTAIN:

RECUSE:

Executed this 13 day of August 2024, at Grand Terrace, California.

Debra L. Thomas
City Clerk

TO: Clerk of the Board of Supervisors
County of San Bernardino
385 N. Arrowhead Avenue, 2nd Floor
San Bernardino, CA 92415-0130

FROM: Planning and Development
Services Department
City of Grand Terrace
22795 Barton Road
Grand Terrace, CA 92313

Project Title: An Ordinance of the City Council of Grand Terrace, California, approving Zone Change Amendment (ZCA) 24-03, to amend TITLE 18 (ZONING) of the Grand Terrace Municipal Code Amending City of Grand Terrace Municipal Code Title 18 (Zoning) To Add New Residential Land Uses Called “Congregate Living Health Facilities” And “Electric Vehicle Charging Stations”, To The Allowable Residential Land Uses Listed In Chapter 18.10 (Residential Districts); To Add Nonresidential Hours Of Operation And To Consolidate All Nonresidential Land Uses Identified Under Chapters 18.30 – AP Administrative Professional District, 18.33 – C2 General Business District, 18.36 – CM Commercial Manufacturing District, 18.39 – MR Restricted Manufacturing District, 18.40 – M2 Industrial District, 18.43 – PUB Public Facilities District Into A Table Format Under A New Chapter 18.27 (Nonresidential Districts); To Add New Nonresidential Land Uses Called “Heavy Equipment Rentals (Indoor and Outdoor)”, “Electric Vehicle Charging Stations”, “Restaurants With A Cocktail Lounge, Bar, Entertainment Or Dancing”, and “Establishments With On-Site Alcohol Beverage Sales And Consumption That Are Not Bona Fide Eating Establishments (Bars, Taverns, Cocktail Lounges, Breweries, Distilleries And / Or Wine Making Facilities With Sales For On-Site And Off-Site Consumption)”

Project Location – Specific: Citywide

Description of Project: Zone Change Amendment (ZCA) 24-03 to add new residential land uses; to add nonresidential hours of operation; and to consolidate all nonresidential land uses into a table format under a new Chapter 18.27 (Nonresidential Districts); to add new nonresidential land uses.

Name of Public Agency Approving Project: Grand Terrace City Council

Name of Person or Agency Carrying out Project: City of Grand Terrace Planning Department

Exempt Status: Environmental Exemption pursuant to Section 15061(b)(3) of the California Environmental Quality Act (CEQA) Guidelines.

Reasons Why Project is Exempt: It can be seen with certainty that the Zone Change Amendment (ZCA) 24-03 solely updates residential and nonresidential land use tables and establish hours of operation with a process to request after hours of operation for a business, has no foreseeable potential to have a significant adverse effect on the environment. The City of Grand Terrace has determined that ZCA 24-03 is considered to be exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) - Common Sense Exemption. The project is exempt under the “common sense” exemption because it does not involve any grading, demolition, or construction activities that will have a significant effect on the environment. The project is strictly a text update to the City’s land use tables and hours of operation found within the Zoning Code.

Lead Agency or Contact Person:

Telephone/Email:
(909) 954-5177 office
shutter@grandterrace-ca.gov

Scott Hutter
Planning Director
City of Grand Terrace

Date



AGENDA REPORT

MEETING DATE: August 13, 2024 *City Council Item*

TITLE: Approval of Fifth Amendment to Disposition and Development Agreement between City of Grand Terrace and Lewis Land Developers, LLC **and** Exchange Agreement City of Grand Terrace and Lewis Land Developers, LLC.

TO: City Council

FROM: Scott Hutter, Director of Planning & Development Services
SAH CIA /SH

RECOMMENDATION: Approve the following:

- a. Fifth Amendment to Disposition and Development Agreement between City of Grand Terrace and Lewis Land Developers, LLC ("**5th DDA Amendment**"), and
- b. Exchange Agreement between City of Grand Terrace and Lewis Land Developers, LLC ("**Exchange Agreement**")

Subject to the condition that both the 5th DDA Amendment and Exchange Agreement are only to be executed and delivered to Lewis Land Developers LLC ("**Developer**") provided that the City Council, in its sole discretion, adopts the ordinance initially proposed at the July 23, 2024 City Council meeting for the adoption of that certain Development Agreement between the City and Developer ("**Development Agreement**").

A. FIFTH AMENDMENT TO DISPOSITION AND DEVELOPMENT AGREEMENT

BACKGROUND:

On August 6, 2014, Developer and City entered into a Disposition and Development Agreement ("**Original DDA**") with the City for the purpose of developing a residential project ("**Project**"). The Original DDA was amended as follows: Amendment No. 1 on February 27, 2017; Amendment No. 2 on April 28, 2017; Amendment No. 3 on November 27, 2023 and Amendment No. 4 dated May 14, 2024 ("**Amended DDA**").

To confirm Developer's commitment to timely construct the Project, Section 16 of the Amended DDA provided a repurchase right to the City if Developer did not commence grading of at least a 10-acre portion of the Property within seven (7) years from the closing date of May 2, 2017 ("**Right of Repurchase**"). Accordingly, the City's repurchase right original commenced on May 2, 2024, which was seven (7) years from the closing date ("**Outside Grading Commencement Date**"). However pursuant to the Amended DDA, the Outside Grading Commencement Date is currently October 31, 2024.

Developer has been processing entitlements for the Project (commonly referred to as The Gateway at Grand Terrace) including, but not limited to, an Environmental Impact Report, General Plan Amendment, the Gateway at Grand Terrace Specific Plan, a Zone Change, Tentative Tract Map and the Development Agreement.

DISCUSSION:

As consideration for Developer's commitment, at Developer's sole cost and expense, to rehabilitate the soccer field and other concessions made in the Development Agreement, the Fifth Amendment permanently extinguishes the Right of Repurchase.

B. EXCHANGE AGREEMENT

BACKGROUND:

City owns approximately 2.5 acres of real property located northwest of Veterans Freedom Park (APN 1167-151-75) which has an unlighted existing ball field ("**Old Ball Field Property**").

Developer owns approximately 4.97 acres of real property located northeast of the terminus of Taylor Street (APN 1167-151-71) ("**New Ball Field Property**").

Both properties are located within the Gateway at Grand Terrace Specific Plan ("**Specific Plan**").



The City and Developer intend to simultaneously exchange the properties to facilitate Developer's Project and as consideration for same, Developer will, at Developer's sole cost and expense, improve (i) the New Ball Field Property with a lighted baseball field and other improvements including irrigation, backstops, dugouts dirt bullpens, bleachers, concession and storage buildings, field lighting; (ii) add park improvements including a playground, shade structures with tables, trashcans and bbqs, a restroom facility, parking lot and landscaping; and (iii) Paseo improvements connecting the park to Veterans

Freedom Park as well as 12 foot pedestrian/bike bath and access road for maintenance vehicles, pathway lighting with low maintenance groundcover, shrubs and trees (collectively the “**Ball Park Improvements**”).

The Exchange Agreement specifies that it will be effective upon expiration of any CEQA statute of limitations or, if a challenge, then upon resolution allows the development of Developer’s Project (“**Effective Date**”). Upon the Effective Date, Developer must promptly obtain permits and approval of the plans and specifications for the Ball Park Improvements and thereafter promptly construct the Ball Park Improvements on the New Ball Field Property. Upon completion and City’s approval of the Ball Park Improvements, the parties are required to consummate the exchange of title of the respective properties pursuant to the Exchange Agreement in accordance with standard transactional requirements which include the issuance of owner’s title insurance policies to each party for the property which it is acquiring. Escrow is to close 30 days after the City Approval of Ball Park Improvements.

DISCUSSION:

The Old Ball Park Property is important for Developer’s Project. City will receive the New Ball Park Property which, is a larger piece of property, which will be improved with the Ball Park Improvements at no cost or expense to City.

C. RECOMMENDATIONS:

City Staff and City Attorney recommend the City Council approve both the 5th DDA Amendment and the Exchange Agreement but condition execution and delivery of the documents upon the occurrence of both of the following: (i) the ordinance adopting the Development Agreement is approved by the City Council; and (ii) the Development Agreement is executed and delivered by Developer to the City.

RESOLUTION NO. 2024-_____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRAND TERRACE, CALIFORNIA, APPROVING THE FIFTH AMENDMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT AND EXCHANGE AGREEMENT WITH LEWIS LAND DEVELOPERS, LLC.

WHEREAS, on August 6, 2014, Developer and City entered into a Disposition and Development Agreement (“**Original DDA**”) with the City for the purpose of developing a residential project (“**Project**”); and

WHEREAS, the Original DDA was amended as follows: Amendment No. 1 on February 27, 2017; Amendment No. 2 on April 28, 2017; Amendment No. 3 on November 27, 2023 and Amendment No. 4 dated May 14, 2024 (“**Amended DDA**”); and

WHEREAS, to confirm Developer’s commitment to timely construct the Project, Section 16 of the Amended DDA provided a repurchase right to the City if Developer did not commence grading of at least a 10-acre portion of the Property within seven (7) years from the closing date of May 2, 2017 (“Right of Repurchase”). Accordingly, the City’s repurchase right original commenced on May 2, 2024, which was seven (7) years from the closing date (“Outside Grading Commencement Date”). However pursuant to the Amended DDA, the Outside Grading Commencement Date is currently October 31, 2024; and

WHEREAS, Developer has been processing entitlements for the Project (commonly referred to as The Gateway at Grand Terrace) including, but not limited to, an Environmental Impact Report, General Plan Amendment, the Gateway at Grand Terrace Specific Plan, a Zone Change, Tentative Tract Map and the Development Agreement; and

WHEREAS, as evidence of the City’s good faith negotiations with Developer, the parties have agreed to amend the DDA to as consideration for Developer’s commitment, at Developer’s sole cost and expense, to rehabilitate the soccer field and other concessions made in the Development Agreement, the Fifth Amendment to the DDA permanently extinguishes the Right of Repurchase; and

WHEREAS, the City owns approximately 2.5 acres of real property located northwest of Veterans Freedom Park (APN 1167-151-75) which has an unlighted existing ball field (“Old Ball Field Property”), and Developer owns approximately 4.97 acres of real property located northeast of the terminus of Taylor Street (APN 1167-151-71) (“New Ball Field Property”); and

WHEREAS, both properties are located within the Gateway at Grand Terrace Specific Plan (“Specific Plan”); and

WHEREAS, the City and Developer intend to simultaneously exchange properties to facilitate Developer's Project and as consideration for same, Developer will, at Developer's sole cost and expense, improve (i) the New Ball Field Property with a lighted baseball field and other improvements including irrigation, backstops, dugouts dirt bullpens, bleachers, concession and storage buildings, field lighting; (ii) add park improvements including a playground, shade structures with tables, trashcans and bbqs, a restroom facility, parking lot and landscaping; and (iii) Paseo improvements connecting the park to Veterans Freedom Park as well as 12 foot pedestrian/bike bath and access road for maintenance vehicles, pathway lighting with low maintenance groundcover, shrubs and trees (collectively the "Ball Park Improvements") within the scope of the Exchange Agreement.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Grand Terrace, as follows:

Section 1. The Recitals set forth above are true and correct and are incorporated herein by this reference.

Section 2. The City Council hereby approves the Fifth Amendment to the DDA with Developer in substantially the form as provided in Exhibit "A," incorporated herein by this reference.

Section 3. The City Council hereby approves the Exchange Agreement with Developer in substantially the form as provided in Exhibit "B," incorporated herein by this reference.

Section 4. The City Council authorizes the City Manager to sign the Fifth Amendment to the DDA and the Exchange Agreement, subject to the City Attorney's approval as to form.

Section 5. This Resolution shall immediately take effect upon passage.

PASSED, APPROVED and ORDERED by the City Council of the City of Grand Terrace, California at a regular meeting held on the 13th day of August 2024.

Signatures on Following Page

Bill Hussey
Mayor

ATTEST:

Debra Thomas
City Clerk

APPROVED AS TO FORM:

Adrian R. Guerra
City Attorney

Exhibit A

Fifth Amendment to the Disposition and Development Agreement

FIFTH AMENDMENT TO DISPOSITION AND DEVELOPMENT AGREEMENT

This Fifth Amendment to Disposition and Development Agreement ("**Fifth Amendment**") is entered into on _____, 2024 ("**Effective Date**"), by and between the CITY OF GRAND TERRACE, a municipal corporation and charter city ("**City**"), and LEWIS LAND DEVELOPERS, LLC, a Delaware Limited Liability Company ("**Developer**").

RECITALS

- A. **Property.** Developer owns that certain real property consisting of approximately 44 acres (APNs 1167-151-22, 1167-151-74, 1167-151-68 and 1167-151-71) ("**Property**").
- B. **DDA.** City and Developer entered into that certain Disposition and Development Agreement dated August 6, 2014 as amended by (i) that certain Amendment No. 1 to Disposition and Development Agreement dated February 27, 2017, (ii) that certain Amendment No. 2 to Disposition and Development Agreement dated April 28, 2017, (iii) that certain Amendment No. 3 to Disposition and Development Agreement dated November 27, 2023, and (iv) that certain Amendment No. 4 to Disposition and Development Agreement executed on May 14, 2024 (collectively "**Original DDA**") pursuant to which the City sold the Property to Developer for a very low purchase price in consideration of the Developer's commitment to develop and construct a residential project ("**Residential Property**"). To confirm Developer's commitment to timely construct the Project (as defined therein), Section 16 of the DDA provided a repurchase right to City if Developer did not accomplish certain development benchmarks by set dates ("**City's Repurchase Right**").
- C. **MOU.** City and Developer entered into that certain Memorandum of Understanding executed by City on April 19, 2017 ("**Original MOU**"). The Original MOU was amended by that certain First Amendment to Memorandum of Understanding executed by City on January 26, 2021 ("**First MOU Amendment**"). The Original MOU as amended by the First MOU Amendment is hereinafter referred to as the "**MOU**."
- D. **Reimbursement Agreement.** The parties have executed that certain Reimbursement Agreement dated November 27, 2023 ("**Reimbursement Agreement**").
- E. **Exchange Agreement.** Concurrently with this Fifth Amendment, the parties have executed that certain Agreement for Exchange of Real Property and Joint Escrow Instructions for the real properties identified as APNs 1167-151-75 (owned by City) and APN 1167-151-71 (owned by Developer) ("**Exchange Agreement**").
- F. **Development Agreement.** Concurrently with this Fifth Amendment, the parties have executed that certain Development Agreement for the Property ("**Development Agreement**").

G. Immediately preceding the approval of this Fifth Agreement by the City Council, the City has approved the Specific Plan and the tentative tract map #20501 for Developer's proposed project ("**Entitlements**") along with that certain Development Agreement for the project ("**Development Agreement**").

H. **Amendment Purpose.** The parties have agreed to terminate the DDA including, but not limited to, the City's Repurchase Right and, as consideration for same, Developer commits and agrees (i) to rehabilitate a certain existing soccer field at its sole cost and expense and in the time specified in the Development Agreement ("**Soccer Field Improvements**"); (ii) agrees to construct certain public facilities pursuant to the Schedule of Performance as set forth in the Development Agreement ("**Required Public Improvements**"); and (iii) provides bonds to the City for the Required Public Improvements ("**Bonds**"), as more fully defined in, and subject to, the terms and conditions of the Development Agreement.

NOW, THEREFORE, based upon the foregoing recitals and the terms, conditions, covenants, and agreements contained herein, the parties hereto agree as follows:

1. **Recitals.** The foregoing recitals are true and correct and incorporated herein by reference.

2. **Defined Terms.** Defined terms shall have the same meaning as set forth in the Original DDA as modified by this Fifth Amendment. In the event of a conflict, the definition in this Fifth Amendment shall control. It is expressly understood that all terms of the DDA remain in full force and effect except as expressly provided herein.

3. **Effective Date.** This Fifth Amendment shall be effective on the date the City (i) approves the Development Agreement, the Exchange Agreement, and this Fifth Amendment, and all of which are executed by Developer and City, and (ii) the Entitlements are approved concurrently ("**Effective Date**"). As of the Effective Date, the MOU is deemed terminated and of no further force and effect.

4. **Termination.** As of the Effective Date, the Original DDA shall be deemed terminated in its entirety including, but not limited to, the Section 16 **REPURCHASE RIGHTS AND OBLIGATIONS**, and the Repurchase/Put Right Termination Date shall irrevocably be deemed to have occurred for all purposes. Notwithstanding the termination of the Original DDA, any existing representations and warranties, and indemnity obligations, expressly stated in the Original DDA to survive termination shall remain in full force and effect. After expiration of the period for all challenges to the Development Agreement and the Development Agreement becomes effective, the parties shall execute and acknowledge a quitclaim deed and any other documents reasonably required by a national title insurance company to remove the DDA from record title of the Property.

5. **Developer Execution.** The person(s) executing this Fifth Amendment on behalf of Developer represent and warrant to City that: (i) Developer is duly organized and existing under the laws of Delaware and authorized to do business in California; (ii) it is duly authorized to execute and deliver this Fifth Amendment on behalf of Developer; (iii) upon execution, this Fifth Amendment is binding upon Developer; and (iv) entering into of this Fifth

Amendment does not violate any provision of any other agreement to which Developer is bound.

6. Construction. This Fifth Amendment shall be construed according to its fair meaning as if prepared by both parties to this Agreement and in accordance with the intent of the parties. This Amendment shall also supersede any and all discussions or other documents pertaining to the subject matter herein. Headings used in this Fifth Amendment are provided for convenience only and shall not be used to construe meaning or intent.

7. Execution in Counterparts. This Fifth Amendment may be executed in counterparts, and all so executed shall constitute one agreement binding on both parties hereto, notwithstanding that both parties are not signatories to the original or the same counterpart.

8. Electronic Execution. The parties agree that this Fifth Amendment may be executed by either or both parties in compliance with UETA or ESIGN. For clarification, DocuSign and AdobeSign are acceptable for compliance with this section.

9. Full Force and Effect. The parties intend for this Fifth Amendment to be enforceable according to its terms, after expiration of any legal challenges to the Entitlements and the Development Agreement. However, if a court of competent jurisdiction finds the Development Agreement is invalid and must be rescinded by the City or any CEQA challenge is upheld by a court of competent jurisdiction, the Original DDA shall be deemed in effect and enforceable (but excluding the City's Repurchase Right which remains terminated) and Developer shall be obligated to construct the Soccer Field Improvements as defined in the Development Agreement which provisions and requirements are incorporated herein by this reference notwithstanding the termination of the Development Agreement.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Fifth Amendment as of the date first written above.

DEVELOPER:

LEWIS LAND DEVELOPERS, LLC,
a Delaware limited liability company

: By: Lewis Management Corp.,
a Delaware corporation
Managing Member

By: _____
Its: _____

CITY:

CITY OF GRAND TERRACE, a municipal
corporation

By: _____
Konrad Bolowich, City Manager

“Amendment Effective Date”

Dated: _____, 2024

ATTEST:

Debra Thomas, City Clerk

Approved as to form:

ALESHIRE & WYNDER, LLP

By: _____
Adrian Guerra, City Attorney

Exhibit B
Exchange Agreement

**AGREEMENT FOR
EXCHANGE OF REAL PROPERTY
AND
JOINT ESCROW INSTRUCTIONS**

This Agreement for Exchange of Real Property and Joint Escrow Instructions (“**Agreement**”) is made this ____ day of _____, 2024, by and between the CITY OF GRAND TERRACE, a municipal corporation (“**City**”) and LEWIS LAND DEVELOPERS, LLC, a Delaware limited liability company (“**Developer**”). City and Developer may be individually referred to herein as “**Party**” or collectively referred to herein as “**Parties**.”

RECITALS

- A. City is the owner of that certain approximately 2.5 acres of real property located northwest of Veterans Freedom Park (APN 1167-151-75), which is legally described by metes and bounds, and depicted and labeled “Old Ball Field”, in **Exhibit A** attached hereto (“**City Property**”). The City Property is currently not a separate legal parcel.
- B. Developer is the owner of that certain approximately 4.97 acres of real property which is located northeast of the terminus of Taylor Street (APN 1167-151-71), which is legally described by metes and bounds, and depicted and labeled “New Ball Field”, in **Exhibit B** attached hereto (“**Developer Property**”). The Developer Property is currently not a separate legal parcel.
- C. The City Property and Developer Property are both located within the Gateway at Grand Terrace Specific Plan (“**Specific Plan**”). The City Property is improved with an unlighted baseball field (“**Old Ball Field**”). Developer will construct a new lighted baseball field on the Developer Property (“**New Ball Field**”), before completing the exchange herein.
- D. The Parties intend to enter into this Agreement, whereby City shall convey the City Property improved with the Old Ball Field to Developer, and Developer shall convey the Developer Property to City improved with the New Ball Field, in a simultaneous exchange, in accordance with the terms and conditions of this Agreement.
- E. City is authorized to exchange the City Property for the Developer Property pursuant to California Government Code Sections 54221(f)(1)(C) and 54221(c)(1). Immediately following the City Council’s approval of this Agreement, the City Council shall consider that certain Development Agreement between City and Developer (“**Development Agreement**”). If approved by the City Council, this Agreement is the transfer agreement for the exchange of the City Property and Developer Property required by the Development Agreement.
- F. The Exchange is subject to the exemption from the Subdivision Map Act set forth in Government Code Section 66426.5.
- G. The City Property is “Exempt Surplus Land” in accordance with Government Code Sections 54221(f)(1)(C) and 54221(c)(1) as certified by a resolution which is approved and passed by the City Council prior to its approval of this Agreement.
- H. City and Developer previously entered into that certain Reimbursement Agreement dated

November 23, 2023 (“**Reimbursement Agreement**”).

- I. Immediately preceding the approval of this Agreement by the City Council, the City has approved the Specific Plan and the tentative tract map TTM No. 20501 for Developer’s proposed project (“**Entitlements**”) along with that certain Development Agreement for the project (“**Development Agreement**”).

NOW, THEREFORE, in consideration of the covenants and agreements hereinafter set forth and incorporating the recitals above, City and Developer agree as follows:

AGREEMENT

1. PROPERTY TO BE EXCHANGED.

1.1 City Property. City is the owner, in fee, of the City Property.

1.2 Developer Property. Developer is the owner, in fee, of the Developer Property.

1.3 Exchange of City and Developer Properties.

1.3.1 City Property Conveyed. Upon Close of Escrow (as defined below), City shall convey to Developer, and Developer shall accept from City, fee title to the City Property, subject to the terms and conditions of this Agreement. The City Property include all rights, privileges and easements appurtenant to the City Property, including, without limitation, any development rights, air rights, water, water rights and water stock relating to the City Property and any other easements, rights-of-way or appurtenances, in connection with the beneficial use and enjoyment of the City Property existing as of the Closing.

1.3.2 Developer Property Conveyed. Upon Close of Escrow, Developer shall convey to City, and City shall accept from Developer, fee title to the Developer Property, subject to the terms and conditions of this Agreement. The Developer Property includes all rights, privileges and easements appurtenant to the Developer Property, including, without limitation, all mineral, oil, gas and other hydrocarbon substances on and under the Developer Property, as well as all development rights, air rights, water, water rights and water stock relating to the Developer Property and any other easements, rights-of-way or appurtenances, in connection with the beneficial use and enjoyment of the Developer Property existing as of the Closing.

1.3.3 Exchange; Exchange Properties. The conveyance of the City Property pursuant to Section 1.3.1 and conveyance of the Developer Property pursuant to Section 1.3.2 are to occur concurrently at Closing and for convenience is sometimes hereinafter referred to as the “**Exchange**.” The City Property and Developer Property are sometimes jointly referred to herein as the “**Exchange Properties**.”

1.3.4 Exchange. Developer reserves the right to have this Exchange comply with Internal Revenue Code Section 1031 (“**1031 Exchange**”) and City will cooperate with Developer to effectuate the Exchange as a 1031 Exchange, but at no additional cost or liability to City and without any delay to the Closing.

2. DEFINED TERMS.

- 2.1 ALTA Extended Title Policy** means the American Land Title Association (“**ALTA**”) owner’s extended coverage policy of title insurance.
- 2.2 ALTA Non-Extended Title Policy** means the ALTA owner’s coverage policy of title insurance which does not provide extended coverage such as survey or inspection.
- 2.3 Appraisals** means the appraisals for each Exchange Property to be prepared by the Appraiser.
- 2.4 Appraiser** means CBRE Valuation and Advisory Services – Steve Calandra, MAI to prepare the Appraisals pursuant to Section 3.1.
- 2.5 Appraised Values** means the valuation established by the Appraisal for each Exchange Property.
- 2.6 Approved Plans** means the plans for the New Ball Field Improvements as approved by the City in accordance with City standards as specified in Section 3.3.3.2.
- 2.7 Certificates of Compliance** means certificates of compliance issued by the City pursuant to the Subdivision Map Act with respect to each of (i) the portion of the real property remaining after the Developer Property is conveyed to the City; and (ii) the City Property being conveyed to Developer pursuant to this Agreement.
- 2.8 City Property Appraised Value** means the value of the City Property as determined by the applicable Appraisal.
- 2.9 City Grant Deed** means the Grant Deed in the form of Exhibit C-1 by which the City conveys the City Property to Developer.
- 2.10 City Title Policy** means the ALTA owner’s title policy to be issued to the City at the Closing as defined in Section 3.3.4.2.
- 2.11 Close of Escrow and Closing** means the consummation of the Exchange by concurrent recordation of the City Grant Deed and Developer Grant Deed pursuant to Section 5.1.
- 2.12 Developer Property Appraised Value** means the value of the Developer Property as determined by the applicable Appraisal.
- 2.13 Developer Grant Deed** means the Grant Deed in the form of Exhibit C-2 by which the Developer conveys the Developer Property to City.

- 2.14 Developer Title Policy** means the ALTA owner’s title policy to be issued to the City at the Closing as defined in Section 3.3.4.1.
- 2.15 Due Diligence Period** means the 30-day period after the Opening of Escrow.
- 2.16 Effective Entitlement Date** shall mean the date as defined in Section 3.3.3.1.
- 2.17 Entitlements** means the Specific Plan and Tentative Tract Map.
- 2.18 Escrow** means the escrow opened with Escrow Holder in accordance with Section 5.1.
- 2.19 Escrow Holder** means Fidelity National Title Company located at 4400 MacArthur Blvd., Suite 200, Newport Beach, CA 92660, attention: Brenna Ryan (949) 221-4763 phone; Email: Brenna.Ryan@fnf.com and BRTeam@fnf.com.
- 2.20 Exchange** means the concurrent conveyance of the City Property to Developer and the Developer Property to City pursuant to Section 1.3.3.
- 2.21 Exchange Properties.** The term “**Exchange Properties**” means the City Property and Developer Property.
- 2.22 Exchange Property Documents** means the documents to be delivered to each Party pursuant to Section 3.2.
- 2.23 Final Exchange Values** means the final values determined for the Developer Property and the City Property in accordance Section 3.1 and confirmed by the Parties in accordance with the Sections 4.1.6 and 4.3.7.
- 2.24 Hazardous Substances** means hazardous substances, hazardous waste, hazardous materials, toxic substances, contamination, pollution and words of similar which are listed and regulated by federal or state statutes and regulations.
- 2.25 New Ball Field Improvements** shall have the meaning set forth in Section 3.3.3.
- 2.26 Opening of Escrow** shall have the meaning set forth in Section 5.1.
- 2.27 Substantial Completion** applies to the New Ball Field Improvements and is defined in Section 3.3.3.2.
- 2.28 Title Company** means Fidelity National Title Insurance Company.

3. CONDITIONS OF EXCHANGE.

- 3.1 Appraisals.** Each Party shall have their Exchange Property appraised by CBRE Valuation and Advisory Services – Steve Calandra, MAI (“**Appraiser**”) which shall include the value of the New Ball Field Improvements on the Developer Property. The

Parties shall cooperate to cause the appraisal to be completed on or before the sixtieth (60th) day following the Opening of Escrow. Each of the Exchange Properties shall be valued by the Appraiser in accordance with the appraisal instructions set forth in **Schedule 1** attached hereto (“**Appraisals**”). Each Party will pay for the appraisal costs for its own property which is being exchanged with the other Party.

3.2 Exchange of Documents; NHD Reports.

3.2.1 Documents Delivered. Within five (5) days of the Opening of Escrow, City and Developer will exchange with each other, all documents in their possession relating to the physical condition or current use of their respective Exchange Property (“**Exchange Property Documents**”).

3.2.2 NHD Reports. Within five (5) days after the Opening of Escrow, Escrow shall order natural hazard disclosures reports for both Properties from Disclosure Source and deliver copies of same to both Parties (“**NHD Reports**”).

3.3 Terms. Terms and conditions of the Exchange:

3.3.1 Conveyance of City Property. On the Close of Escrow, City shall convey to Developer title to the City Property in fee simple by recordation of the grant deed for the City Property (“**City Grant Deed**”). It shall be a condition to Developer’s obligation to close that title is clear of all title defects, liens, encumbrances, deeds of trust and mortgages, if any, except for non-delinquent real estate taxes for the current fiscal year not yet due and such exceptions to title approved or deemed approved by Developer under Section 4.1.3 as evidenced by the City Title Policy (as defined in Section 3.3.4.1). Possession of the City Property and the risk of loss with regard to the City Property shall pass to Developer at the time of the recordation of the City Grant Deed. The City Grant Deed shall be in the form of **Exhibit C-1** attached hereto. Conveyance of the City Property will not violate the Subdivision Map Act as such conveyance is exempt under Government Code Section 66426.5. City will provide a Certificate of Compliance to be recorded at the Closing.

3.3.2 Conveyance of Developer Property. On the Close of Escrow, Developer shall convey to City title to the Developer Property in fee simple by recordation of the grant deed for the Developer Property (“**Developer Grant Deed**”). It shall be a condition to City’s obligation to close that title to the Developer Property is clear of all title defects, liens, encumbrances, deeds of trust and mortgages, if any, except for non-delinquent real estate taxes for the current fiscal year not yet due and such exceptions to title approved or deemed approved by City under Section 4.3.3 as evidenced by the City Title Policy (as defined in Section 3.3.4.2). Possession of the Developer Property and the risk of loss with regard to the Developer Property shall pass to City at the time of the recordation of the Developer Grant Deed. The Developer Grant Deed shall be in the form of **Exhibit C-2** attached hereto together with a Certificate of Acceptance executed by City prior to recordation. Conveyance of the

Developer Property to City will not violate the Subdivision Map Act as such conveyance is exempt under Government Code Section 66426.5. City will provide to Developer an unconditional Certificate of Compliance for the balance of the Developer Property to be recorded at the Closing.

3.3.3 Developer's Obligation to Construct New Ball Field.

3.3.3.1 Effective Entitlement Date. The “**Effective Entitlement Date**” is the date on which the first to occur of: (i) the expiration of the CEQA statute of limitations period for any challenge to the Entitlements without challenge; or (ii) in the event of a CEQA lawsuit, such has been finally litigated, settled or dismissed in a manner that permits the development of the Project.

3.3.3.2 Construction of New Ball Field. Commencing promptly after the Effective Entitlement Date, Developer shall, at its sole cost and expense, act diligently and in good faith to apply and obtain all approvals from applicable governmental agencies (which will include the City) which are necessary for Developer to construct the new ball field on the Developer Property (“**New Ball Field Approvals**”) and to thereafter, at Developer’s sole cost and expense, promptly commence and diligently pursue to completion all of those improvements listed in **Schedule 2** attached hereto (“**New Ball Field Improvements**”). Developer shall complete the New Ball Field Improvements within the time period specified in in the Performance Schedule attached to the Development Agreement as Exhibit J. City shall cooperate with Developer and shall take such reasonable steps as requested by Developer to assist Developer in its efforts with respect to the New Ball Field Improvements. The New Ball Field Improvements shall be constructed in compliance with all applicable permits and laws, including with prevailing wage requirements if applicable. The Parties understand and agree that it shall be a condition to the Close of Escrow that the New Ball Field Improvements be completed in accordance with improvement plans approved by the City as part of the New Ball Field Approvals (“**Approved Plans**”). “**Substantial Completion**” shall be as certified by Developer’s civil engineer of record and delivered to the City. Upon receipt of that certification, the City Engineer shall make a final inspection and provide written notice within thirty (30) calendar days to Developer either (A) confirming that the New Ball Field Improvements have been completed in accordance with the Approved Plans, or (B) setting forth a punchlist of items that need to be completed or corrected. If City provides a punchlist, the above-referenced notice and inspection procedure shall be repeated upon completion of the punchlist items, provided, however, no new punchlist items may be added to the initial punchlist unless the Developer’s work to resolve the initial punchlist resulted in a new issue. City Engineer’s final written acceptance of New Ball Park Improvements shall hereinafter be

referred to as “**City Acceptance of Improvements.**” Developer warrants and guarantees the New Ball Field Improvements against any defective work or labor done, or defective materials furnished in the performance of this Agreement for a period of one (1) year following completion of the work and acceptance by City (“**Warranty**”). During the Warranty, Developer shall repair, replace, or reconstruct any defective or otherwise unsatisfactory portion of the New Ball Field Improvements which resulted from defective work, labor, or materials furnished by Developer, in accordance with the current ordinances, resolutions, regulations, codes, standards, or other requirements of City, and to the reasonable approval of the City Engineer.

3.3.4 Issuance of Title Insurance.

3.3.4.1 Developer Title Policy. At Closing, evidence of title to the City Property shall be the issuance at the Close of Escrow by Title Company of an ALTA Non-Extended Title Policy insuring fee simple title to the City Property vested in Developer in the condition required by Section 4.1.3, containing such endorsements as Developer shall reasonably request (“**Additional Endorsements**”) and in the amount of the Final Appraised Value of the City Property (“**Developer Title Policy**”). City shall not be obligated to provide any indemnification of the Title Company to induce it to issue the Developer Title Policy to Developer, or to remove, insure over or affirmatively cover any otherwise unpermitted exception to title, except with the prior consent of City after full disclosure to City of the nature and substance of such exception and indemnity. City will provide the Title Company with a customary and reasonable owner’s affidavit permitting the Title Company to provide coverage to Developer with respect to the City Property. If Developer elects the issuance of an ALTA Extended Title Policy, Developer shall be solely responsible for all additional costs including adding additional premium and any ALTA surveys.

3.3.4.2 City Title Policy. At Closing, evidence of title to the Developer Property shall be the issuance at the Close of Escrow by the Title Company by the issuance of an ALTA Non-Extended Title Policy insuring fee simple title to the Developer Property vested in City in the condition required by Section 4.3.3 and in the amount of the Final Appraised Value of the Developer Property and not including any exception for any mechanic liens due to New Ball Field Improvements which shall be paid by Developer and such other endorsements as City shall reasonably require (“**Additional Endorsements**”) for which City shall pay (“**City Title Policy**”). Except with respect to any potential mechanic liens from New Ball Field Improvements, Developer shall not be obligated to provide any indemnification of the Title Company to induce it to issue the City Title Policy to City, or to remove, insure over or affirmatively cover any otherwise unpermitted exception to title

shall not be allowed except with the prior consent of Developer after full disclosure to Developer of the nature and substance of such exception and indemnity. Developer will provide the Title Company with a customary and reasonable owner's affidavit permitting the Title Company to provide coverage to City on the Developer Property. If City elects the issuance of an ALTA Extended Title Policy, City shall be solely responsible for all additional costs including adding additional premium and any ALTA surveys.

4. **CONDITIONS TO CLOSE.**

4.1 Conditions to Developer's Obligations to Close. Developer's obligation to consummate the Exchange is subject to the fulfillment, and Developer's approval on or prior to the Closing Date, or such earlier date stated below, of each of the following conditions, each of which is for the benefit of Developer and any or all of which may be waived by Developer in writing at its option. If any of these conditions are not satisfied or waived (in whole or in part) by the Closing or such earlier date set forth below, Developer shall have the right at its sole election¹, either to proceed with the Exchange and the Close of Escrow in accordance with the terms hereof, or, in the alternative, to terminate this Agreement by written notice to City and Escrow Holder. In the event Developer elects to terminate this Agreement for the reasons provided herein, Escrow Holder shall return all documents and funds in Escrow to the Party that deposited such items and neither Party shall have any further rights or obligations under this Agreement (except in the event of a default by the City in which event Developer may exercise the remedy set forth in Section 8).

4.1.1 Due Diligence. Prior to expiration of the Due Diligence Period, Developer shall, at its sole expense, determine if it is feasible to use the City Property as intended by Developer. City shall reasonably cooperate with Developer and take such reasonable steps to assist Developer, at no cost to City, in Developer's due diligence efforts. Developer's election not to terminate the Agreement prior to the expiration of the Due Diligence Period shall be deemed its approval of this condition. The terms of Section 9 shall apply to Developer's entry on the City Property during the Due Diligence Period.

4.1.2 Delivery of Developer Title Policy. Delivery of title of the City Property in the condition required herein shall be evidenced by the Developer Title Policy.

4.1.3 Developer Title Approval. Promptly after the Opening of Escrow, Escrow Holder shall cause the Title Company to issue a current preliminary title report with respect to the City Property, accompanied by legible copies of all documents referred to in the report and a plotting of all easements. Within ten (10) days after Developer's receipt of the preliminary title report, Developer shall provide written notice to City of any objections that Developer has with respect to the exceptions to title listed in the preliminary title report. City shall have ten (10) days from the date of the notice to cure any exceptions to which

¹ subject to City's rights under Section 4.3.

Developer objects, or agree to cause such exception removed or eliminated prior to or at the Closing, to the reasonable satisfaction of Developer, unless a longer period is mutually agreed by the Parties. If Developer's objection to any exception to title is not removed or eliminated by Title Company to the reasonable satisfaction of Developer by expiration of the Due Diligence Period, then Developer shall have rights set forth in Section 4.1. Developer is hereby deemed to have objected to object to deeds of trust, mortgages, mechanics' liens, judgments or other monetary liens encumbering the City Exchange Property ("**Monetary Liens**"), and City shall remove all Monetary Liens prior to the Close of Escrow (subject to Section 6.4). City shall have no obligation to remove any exceptions to title other than (i) Monetary Liens, and (ii) any exceptions caused or created by City after the Opening of Escrow without the approval of Developer. Developer shall take title subject to any exceptions resulting from Developer's entry onto the City Property pursuant to Section 9.

4.1.4 Environmental Compliance. If the City Property is not acceptable to Developer because of the results of any environmental assessment provided by City to Developer or conducted by or for Developer, then Developer shall have rights set forth in Section 4.1 above which must be exercised prior to the expiration of the Due Diligence Period. Developer shall deliver to City copies of any and all environmental assessments or other environmental reports prepared at the request of Developer under this Agreement. City shall have no obligation to Developer under this Agreement to perform any work of remediation in connection with or resulting from information obtained through any assessments performed.

4.1.5 Certificates of Compliance. City shall issue unconditional Certificates of Compliance to be recorded at Close for each of (i) the balance of the Developer Property not conveyed to City, and (ii) the City Property being conveyed to Developer..

4.1.6 Satisfaction of City's Obligations. City shall have timely performed all of the obligations required by the terms of this Agreement to be performed by City. All representations and warranties made by City to Developer in this Agreement shall be true and correct as of the Closing Date.

4.1.7 Final Exchange Value. The Parties have agreed upon the Final Exchange Values determined in accordance with the provisions of this Agreement.

4.2 Limited Developer Warranties.

4.2.1 "AS-IS" SALE. EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT (INCLUDING, BUT NOT LIMITED TO, SECTIONS 3.3.3, 4.2.2, 4.5 AND 7.1), IT IS UNDERSTOOD AND AGREED BY CITY THAT THE DEVELOPER PROPERTY IS CONVEYED TO CITY IN ITS "AS-IS" CONDITION AND "WITH ALL FAULTS," AND DEVELOPER

MAKES NO REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, REGARDING THE CONDITION OF TITLE OF THE DEVELOPER PROPERTY, THE PHYSICAL OR ENVIRONMENTAL CONDITION OF THE DEVELOPER PROPERTY, THE ZONING OR OTHER LAND USE PROVISIONS OR RESTRICTIONS AFFECTING THE DEVELOPER PROPERTY, THE SUITABILITY OF THE DEVELOPER PROPERTY FOR USE BY CITY, ANY MATTERS WHICH WOULD BE DISCLOSED BY AN INSPECTION OF THE DEVELOPER PROPERTY, OR ANY OTHER MATTERS AFFECTING OR CONCERNING THE DEVELOPER PROPERTY (WHETHER OR NOT OF PUBLIC RECORD).

4.2.2 Limited Warranties. City hereby affirms and acknowledges that neither Developer nor any of its affiliates or their respective directors, officers, shareholders, members, managers, agents, employees, advisors and/or attorneys (collectively “**Developer Exculpated Parties**”) have made nor has City relied upon any representation, warranty or promise whether oral or written, express or implied, by operation of law or otherwise, with respect to the Developer Property or any other subject matter of this Agreement except as otherwise expressly set forth in this Agreement. Without limitation, City acknowledges that, except as specifically set forth to the contrary in this Agreement, no warranties or representations, expressed or implied, of any kind whatsoever have been made by any of the Developer Exculpated Parties, or will be relied upon, and City hereby releases the Developer Exculpated Parties from any claims with respect to the suitability of use of the Developer Property for school purposes, general plan designation, zoning, value, use, tax status or physical condition of the Developer Property, or any part thereof, or matters affecting or concerning the Developer Property, including, without limitation, the flood elevations, drainage patterns, soil and subsoil composition and compaction level, and other conditions at the Developer Property, or with respect to the existence or non-existence of Hazardous Substances (defined in Section 2.13) in, on, under or around the Developer Property, or with respect to the accuracy of any title report or commitment, soils report or any other plans or reports relating to the Developer Property or its use or development, or neighborhood or area uses or factors affecting or concerning use or development of the Developer Property, or other matters otherwise in any way relating to the Developer Property or the transactions contemplated hereby. City is acquiring the Developer Property based solely on its own independent investigation and inspection of the Developer Property and its suitability for school purposes, and in no way in reliance on any information provided by Developer or any of the other Developer Exculpated Parties other than the representations and warranties expressly contained herein.

4.3 Conditions to City’s Obligation to Close. City’s obligation to consummate the Exchange is subject to the fulfillment and City’s approval on or prior to the Closing Date, or such earlier date stated below, of each of the following conditions, each of which is for the benefit of City and any or all of which may be waived (in whole or in part) by City in writing at its option. If any of these conditions are not satisfied or

waived by the Closing or such earlier date set forth below, City shall have the right at its sole election², either to proceed with the Exchange and the Close of Escrow in accordance with the terms hereof, or, in the alternative, to terminate this Agreement by written notice to Developer and Escrow Holder. In the event City elects to terminate this Agreement for the reasons provided herein, Escrow Holder shall return all documents and funds in Escrow to the Party that deposited such items and neither Party shall have any further rights or obligations under this Agreement (except in the event of a default by the Developer in which event City may exercise the remedy set forth in Section 8).

4.3.1 Due Diligence. Prior to expiration of the Due Diligence Period, City shall, at its sole expense, determine if it is feasible to use the Developer Property as intended by City. Developer shall cooperate with City and shall take all reasonable steps to assist City, at no cost to Developer, in City's due diligence efforts. City's election not to terminate the Agreement prior to the expiration of the Due Diligence Period shall be deemed its approval of this condition; provided, however, such approval is not applicable to the New Ball Field Improvements which are governed by Section 3.3.3. The terms of Section 9 shall apply to City's entry on the Developer Property during the Due Diligence Period and during construction of the New Ball Field Improvements.

4.3.2 Delivery of City Title Policy. Delivery of title of the Developer Property in the condition required herein shall be evidenced by the City Title Policy.

4.3.3 City Title Approval. Promptly upon the Opening of Escrow, Escrow Holder shall cause Title Company to issue a current preliminary title report with respect to the Developer Property, accompanied by legible copies of all documents referred to in the report and a plotting of all easements. Within ten (10) days after City's receipt of the preliminary title report, City shall provide notice to Developer of any objections that City has with respect to the exceptions to title listed in the preliminary title report. Developer shall have ten (10) days from the date of notice to cure any exceptions to which City objects, or agree to cause such exception to be removed or eliminated prior to or at the Closing, to the reasonable satisfaction of City, unless a longer period is mutually agreed by the Parties. If City's objection to any exception to title is not removed or eliminated by Title Company to the reasonable satisfaction of City by expiration of the Due Diligence Period, then City shall have rights set forth in Section 4.3 above. . City is hereby deemed to have objected to deeds of trust, mortgages, mechanics' liens, judgments or other monetary liens encumbering the Developer Property ("**Monetary Liens**"), and Developer shall remove all Monetary Liens prior to the Close of Escrow (subject to Section 6.4.) Developer shall have no obligation to remove any exceptions to title other than (i) Monetary Liens, and (ii) any exceptions caused or created by Developer after the Opening of Escrow without the approval of City. City shall take title subject to any exceptions resulting from City's entry onto the Developer Property pursuant to Section 9.

² subject to Developer's rights in Section 4.1.

- 4.3.4 Environmental Compliance.** If the Developer Property is not acceptable to City because of the results of any environmental assessment provided by Developer to City or conducted by or for City, then City shall have rights set forth in Section 4.3 above which must be exercised prior to the expiration of the Due Diligence Period. City shall provide copies of any and all environmental assessments or environmental reports prepared at the request of City under this Agreement. Developer shall have no obligation to City under this Agreement to perform any work of remediation in connection with or resulting from information obtained through any assessments performed.
- 4.3.5 Satisfaction of Developer' Obligations.** Developer shall have timely performed all of the obligations required by the terms of this Agreement to be performed by Developer. All representations and warranties made by Developer to City in this Agreement shall be true and correct as of the Close of Escrow.
- 4.3.6 Completion of New Ball Field Improvements.** The New Ball Field Improvements shall have been completed with City's Acceptance of Improvements in accordance with Section 3.3.3.
- 4.3.7 Final Exchange Value.** The Parties have agreed upon the Final Exchange Values determined in accordance with the provisions of this Agreement.

4.4 Limited City Warranties.

- 4.4.1 "AS-IS" SALE.** EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT (INCLUDING, BUT NOT LIMITED TO, SECTIONS 4.4.2, 4.5 AND 7.2), IT IS UNDERSTOOD AND AGREED BY DEVELOPER THAT THE CITY PROPERTY IS CONVEYED TO DEVELOPER IN ITS "AS-IS" CONDITION AND "WITH ALL FAULTS," AND CITY MAKES NO REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, REGARDING THE CONDITION OF TITLE OF THE CITY PROPERTY, THE PHYSICAL OR ENVIRONMENTAL CONDITION OF THE CITY PROPERTY, THE ZONING OR OTHER LAND USE PROVISIONS OR RESTRICTIONS AFFECTING THE CITY PROPERTY, THE SUITABILITY OF THE CITY PROPERTY FOR USE BY DEVELOPER, ANY MATTERS WHICH WOULD BE DISCLOSED BY AN INSPECTION OF THE CITY PROPERTY, OR ANY OTHER MATTERS AFFECTING OR CONCERNING THE CITY PROPERTY (WHETHER OR NOT OF PUBLIC RECORD).
- 4.4.2 Limited Warranties.** Developer hereby affirms and acknowledges that neither City nor any of its respective directors, officers, managers, agents, employees, advisors and/or attorneys (collectively the "**City Exculpated Parties**") have made nor has Developer relied upon any representation,

warranty or promise whether oral or written, express or implied, by operation of law or otherwise, with respect to the City Property or any other subject matter of this Agreement except as otherwise expressly set forth in this Agreement. Without limitation, Developer acknowledges that, except as specifically set forth to the contrary in this Agreement, no warranties or representations, expressed or implied, of any kind whatsoever have been made by any of the City Exculpated Parties, or will be relied upon, and Developer hereby releases the City Exculpated Parties from any claims with respect to the suitability of use of the City Property, the general plan designation, zoning, value, use, tax status or physical condition of the City Property, or any part thereof, or matters affecting or concerning the City Property, including, without limitation, the flood elevations, drainage patterns, soil and subsoil composition and compaction level, and other conditions at the City Property, or with respect to the existence or non-existence of Hazardous Substances in, on, under or around the City Property, or with respect to the accuracy of any title report or commitment, soils report or any other plans or reports relating to the City Property or its use or development, or neighborhood or area uses or factors affecting or concerning use or development of the City Property, or other matters otherwise in any way relating to the City Property or the transactions contemplated hereby. Developer is acquiring the City Property based solely on its own independent investigation and inspection of the City Property and in no way in reliance on any information provided by City or any of the other City Exculpated Parties other than the representations and warranties expressly contained herein.

4.5 Mutual Representations and Warranties. Developer warrants and represents to City with respect to the Developer Property, and City warrants and represents to Developer with respect to the City Property, the following (the term “**Exchange Property**” used below means the real property that the Party making the representation and warranty is conveying to the other Party):

4.5.1 No Pending Litigation. There is no litigation threatened, pending or pertaining to its Exchange Property.

4.5.2 Exchange Property Documents. All Exchange Property Documents have been delivered to the other Party and are true, correct and complete.

4.5.3 Hazardous Substances. Except as set forth in the Exchange Property Documents, it does not have actual knowledge of any of the following:

4.5.3.1 Any discharges, leaks, releases, or spills on, in or under its Exchange Property of any Hazardous Substances in violation of any law, rule, or regulation of any governmental entity having jurisdiction thereof, or

4.5.3.2 Any use or storage of Hazardous Substances on its Exchange Property.

4.5.4 Contracts Concerning the Exchange Property. Except as may have been

disclosed as part of the Exchange Property Documents, it does not have actual knowledge of any contracts, licenses, commitments, or undertakings respecting its Exchange Property or the performance of services on its Exchange Property, or the use of the Exchange Property or any part of it by which the accepting Party would become obligated or liable to any person or by which any person would have the right to use or occupy its Exchange Property after the Closing except to the extent agreed to in writing by the other party.

- 4.5.5 Violations.** It has not received written notice of any violation of any statute, ordinance, regulation or administrative or judicial order or holding, whether or not appearing in public records, with respect to its Exchange Property or any improvements on its Exchange Property.
- 4.5.6 Status of Title.** It has not leased or otherwise transferred all or any portion of its Exchange Property, nor to its knowledge does any third party have any right to use, acquire or occupy all or any portion of the Exchange Property after the Closing, including, without limitation any prior owner of such Party's Exchange Property.
- 4.5.7 Condemnation.** There are no pending, or, to its actual knowledge any threatened proceedings, in eminent domain or otherwise, which concern or would affect its Exchange Property or any portion thereof.
- 4.5.8 No Notices.** It has not received written notice of any change contemplated in any applicable laws, ordinances or restrictions, or written notice of any judicial or administrative action, or written notice of any action by adjacent landowners, or written notice of natural or artificial conditions upon its Exchange Property that would prevent, impede, limit, or render more costly the other Party's contemplated use of the Exchange Property to the extent such contemplated use is actually known to it.
- 4.5.9 Inaccuracies.** If any representation or warranty of the City or Developer in this Section 4.5 ("**Mutual Representations and Warranties**") becomes inaccurate after the Opening of Escrow other than as a result of a prior misrepresentation by the entity giving such representation or warranty ("**Representing Entity**") or as a result of the affirmative act of the Representing Entity, the Representing Entity shall promptly notify the other ("**Responding Entity**") of the inaccuracy. The Representing Entity whose representation or warranty became inaccurate for reasons other than due to a prior misrepresentation or affirmative act of the Representing Entity, shall not be in breach or default of this Agreement as a result of such inaccuracy, but shall take commercially reasonable efforts, diligently and in good faith, to correct such inaccuracy. If the inaccuracy cannot be corrected to the reasonable satisfaction of the Responding Entity within thirty (30) days after the Responding Entity learns of the inaccuracy, the Responding Entity may terminate this Agreement and the City and Developer shall have no further

obligation to each other, other than those which expressly survive termination of this Agreement.

4.5.10 Survival. The representations, warranties and covenants contained in this Section 4.5 will survive the Close of Escrow for a period of twelve (12) months.

4.5.11 Actual Knowledge. As used in this Agreement, the term actual knowledge means, (i) with regards to Developer, the actual, not constructive, knowledge of Adam Collier with no duty of investigation, and (ii) with regards to the City, the actual, not constructive, knowledge of the City Manager and City Engineer with no duty of investigation.

4.6 Casualty Damage Prior to Closing. City and Developer shall promptly notify the other of any knowledge it obtains of major casualty to its respective Exchange Property prior to the Close of Escrow. If any such damage results in, or may result in, the loss of any material portion of the Exchange Property of one of the Parties, the other Party may, at its option, elect either to:

4.6.1 Terminate this Agreement, and neither City nor Developer shall have any further rights or obligations hereunder; or

4.6.2 Continue the Agreement in effect, in which event upon the exchange of the property affected by condemnation, the entity receiving such property shall be entitled to any compensation, awards, or other payments or relief resulting from such casualty or condemnation proceeding.

5. ESTABLISHMENT OF ESCROW.

5.1 Opening Escrow. Promptly after the execution of this Agreement by both Parties, the Parties shall open the Escrow by delivering a fully executed counterpart of this Agreement to Escrow Holder and Escrow Holder shall acknowledge receipt of same and the date of Opening of Escrow on the signature page (“**Opening of Escrow**”).

5.2 Escrow Instructions. City and Developer agree to execute, deliver, and be bound by any reasonable or customary supplemental escrow instructions of Escrow Holder, or other instruments as may reasonably be required by Escrow Holder, in order to consummate the transaction contemplated by this Agreement. Any such supplemental instructions shall not amend or supersede any portion of this Agreement with respect to the obligations between the Parties. If there is any inconsistency between such supplemental instructions and this Agreement as between the Parties, this Agreement shall control.

5.3 City Manager Authority. City by its execution of this Agreement hereby agrees that the City Manager of the City or his/her designee (who has been designated by City Manager’s written notice delivered to Developer and Escrow Holder) shall, in City Manager’s sole and exclusive discretion, have authority:

(i) to execute documents on behalf of City including, but not limited to, issuing approvals, disapprovals and extensions. Any such approval, disapproval or extension executed by the City Manager or their designee shall be binding on City.

(ii) make minor modifications to this Agreement in order to fulfill the direction of the City Council, provided that such minor modifications are approved by the City Attorney.

6. CLOSING.

6.1 Closing Date. The Close of Escrow shall occur on or before thirty (30) days after the City Acceptance of Improvements (as defined in Section 3.3.3) ("**Closing Date**" or "**Close of Escrow**").

6.2 Grant Deeds. At least two (2) days prior to Close of Escrow, City and Developer shall each deposit the respective executed and acknowledged Grant Deeds into escrow.

6.3 Other Documents. As required, City and Developer shall each prepare, execute and deliver the following documents:

6.3.1 Two (2) originals of a Natural Hazard Disclosure Statement for each Exchange Property prepared consistent with the NHD Reports;

6.3.2 One (1) Seller's Affidavit of Nonforeign Status ("**FIRPTA Affidavit**"), for each Exchange Property;

6.3.3 One (1) Real Estate Withholding Certificate ("**Form 593-C**"), for each Exchange Property;

6.3.4 One (1) 1099 Substitute ("**1099 Form**") for each Exchange Property;

6.3.5 One (1) Preliminary Change of Ownership Report ("**PCOR**") prepared by the receiving Party for each Exchange Property; and

6.3.6 Such other documents as are reasonably necessary for issuance of the required ALTA Non-Extended Title Policies.

6.4 Encumbrances.

6.4.1 The City Property is not subject to real property taxes or assessments. City shall pay in full any other types of Monetary Liens encumbering the City Property, if applicable.

6.4.2 Developer shall pay current accrued but unpaid assessments and bonds due on the Developer Property through the Closing Date, if applicable. Subject to Section 6.4.3 below, Developer shall pay in full any Monetary Liens encumbering the Developer Property, if applicable.

- 6.4.3** In the event that Monetary Lien encumbers more than the specific Property being conveyed hereunder and paying off the Monetary Lien in full is not practical, the Party that is the owner of the subject Property shall execute an indemnification agreement in the form reasonably required by the Title Company to insure title without exception for that Monetary Lien.
- 6.5 City's Fees and Costs.** City shall be responsible for paying its own fees and costs associated with the Exchange, including:
- 6.5.1** No recording fees shall be required to be paid by City for recordation of the Developer Deed pursuant to the exemption in Govt Code Section 6103;
- 6.5.2** The cost of the Developer Title Policy for the City Property;
- 6.5.3** All documentary transfer taxes payable in connection with the recordation of the City Grant Deed transferring the City Property to Developer;
- 6.5.4** Any Additional Endorsements to City Title Policy requested by City pursuant to Section 3.3.4.2;
- 6.5.5** The NHD Report for the City Property;
- 6.5.6** One-half (1/2) of the Escrow Holder's fees;
- 6.5.7** Other customary charges for document drafting, recording, and miscellaneous charges applicable to City as the transferor of the City Property and the transferee of the Developer Property; and
- 6.5.8** City's legal costs associated with consummating the Exchange (which shall not be paid through Escrow).
- 6.6 Developer's Fees and Costs.** Developer shall be responsible for paying Developer's fees and costs associated with the Exchange, including, but not limited to:
- 6.6.1** Developer's fees for recording the City Grant Deed;
- 6.6.2** The cost of the City Title Policy;
- 6.6.3** All documentary transfer taxes payable in connection with the recordation of the Developer Grant Deed transferring the Developer Property to City (**NOTE:** NO documentary transfer taxes shall be due as a result of the Developer Grant Deed pursuant to R&T Code Section 11922);
- 6.6.4** Any Additional Endorsements to the Developer Title Policy requested by Developer pursuant to Section 3.3.4.2;

- 6.6.5 The NHD Report for the Developer Property;
 - 6.6.6 One-half (1/2) of the Escrow Holder's fees;
 - 6.6.7 Other customary charges for document drafting, recording, and miscellaneous charges applicable to Developer as being the transferor of the Developer Property and transferee of the City Property; and
 - 6.6.8 Developer's legal costs associated with consummating the Exchange (which shall not be paid through Escrow).
- 6.7 **Good Funds.** All funds deposited in Escrow shall be in “**Good Funds**” which means a wire transfer of funds, cashier's or certified check drawn on or issued by the offices of a financial institution located in the State of California.
- 6.8 **Failure to Close.** If, as a result of no fault of Developer or City, escrow fails to close, the City and Developer shall split equally the Escrow Holder's cancellation fees and charges. In the event Escrow fails to close through the fault of Developer, Developer shall pay any and all cancellation costs incurred as well other expenses in connection therewith and City shall bear no expense with respect to the same. In the event this Escrow fails to close through the fault of City, City shall pay any and all cancellation costs incurred as well as other costs and expenses in connection therewith and Developer shall bear no expense with respect to the same.
- 6.9 **Information Report.** Escrow Holder shall file and both Parties agree to cooperate with Escrow Holder and with each other in completing any report (“**Information Report**”) and/or other information required to be delivered to the Internal Revenue Service pursuant to Internal Revenue Code Section 6045(e) regarding the real estate sales transaction contemplated by this Agreement, including without limitation, Internal Revenue Service Form 1099-B as such may be hereinafter modified or amended by the Internal Revenue Service, or as may be required pursuant to any regulation now or hereinafter promulgated by the Treasury Department with respect thereto. Each Party also agrees that the its respective employees and attorneys, and escrow Holder and its employees, may disclose to the Internal Revenue Service, whether pursuant to such Information Report or otherwise, any information regarding this Agreement or the transactions contemplated herein as such party reasonably deems to be required to be disclosed to the Internal Revenue Service by such Party pursuant to Internal Revenue Code Section 6045(e), and further agree that neither Party shall seek to hold any such party liable for the disclosure to the Internal Revenue Service of any such information.
- 6.10 **No Withholding as Foreign Seller.** Each Party represents and warrants to the other Party that it is not, and as of the Close of Escrow will not be, a foreign person within the meaning of Internal Revenue Code Section 1445 or an out-of-state seller under California Revenue and Tax Code Section 18805 and that it will deliver to other Party on or before the Close of Escrow a non-foreign affidavit on Escrow Holder's standard

form pursuant to Internal Revenue Code Section 1445(b)(2) and the Regulations promulgated thereunder and a California Form 590-RE.

- 6.11 Brokerage Commissions.** Each Party represents and warrants to the other that no third party is entitled to a broker's commission and/or finder's fee with respect to the Exchange of either Property. Each Party agrees to indemnify and hold the other Party harmless from and against all liabilities, costs, damages and expenses, including, without limitation, attorneys' fees, resulting from any claims or fees or commissions, based upon agreements by it, if any, to pay a broker's commission and/or finder's fee.
- 6.12 Delivery of Possession.** City shall maintain the City Property and Developer shall maintain the Developer Property until the Close of Escrow as it would in the ordinary course (subject to Developer's obligations to construct the New Ball Field Improvements) and shall perform all normal repair and maintenance to be performed from the Opening of Escrow to the Closing Date in order to maintain the respective Properties in the condition in which they are as of the Opening of Escrow, except for reasonable wear and tear. On Close of Escrow, City shall deliver the City Property to Developer substantially in the same condition except for reasonable wear and tear, as on the Opening of Escrow and Developer shall deliver the Developer Property to City in good condition and repair with the New Ball Field Improvements completed as required by this Agreement.

7. REPRESENTATIONS AND WARRANTIES.

- 7.1 City's Representations and Warranties.** In consideration of Developer entering into this Agreement and as an inducement to Developer to convey the Developer Property to City, City makes the following representations and warranties (the continued truth and accuracy of which shall constitute a condition precedent to Developer's obligations hereunder):
- 7.1.1 City Authority to Execute Agreement.** In accordance with applicable state and local law, City has the legal right, power, and authority to enter into this Agreement, to consummate the transactions contemplated hereby, and to acquire and accept the Developer Property and convey the City Property to Developer.
- 7.1.2 Authority of Executing Officer.** Each individual executing this Agreement on behalf of City is duly authorized to execute and deliver this Agreement on behalf of City.
- 7.1.3 Validity of City's Representations and Warranties at Close of Escrow.** The representations and warranties of City set forth in this Agreement shall be true on and as of the Close of Escrow as if those representations and warranties were made on and as of such time.
- 7.2 Developer's Representations and Warranties.** In consideration of City entering into this Agreement and as an inducement to City to convey the City Property to Developer,

Developer makes the following representations and warranties, each of which is material and is being relied upon by City (the continued truth and accuracy of which shall constitute a condition precedent to City's obligations hereunder):

7.2.1 Developer Authority to Execute Agreement. Developer is a Delaware corporation duly formed and in good standing under the laws of the State of California, and this Agreement and the execution, delivery, and performance thereof by the persons designated below have been specifically authorized by Developer. Developer has the legal right, power, and authority to enter into this Agreement, to consummate the transactions contemplated hereby, and to acquire and accept the City Property and to convey the Developer Property to City.

7.2.2 Authority of Executing Officer. Each individual executing this Agreement on behalf of Developer is duly authorized to execute and deliver this Agreement on behalf of Developer.

7.2.3 Validity of Developer's Representations and Warranties at Close of Escrow. The representations and warranties of Developer set forth in this Agreement shall be true on and as of the close of escrow as if those representations and warranties were made on and as of such time.

7.3 Survival of Warranties, Covenants, and Obligations. The warranties, covenants, and obligations of City and Developer under the provisions of this Agreement to the extent the same have not been fully performed, and excepting those covenants and obligations which have been extinguished by the expiration of a specified period of time, shall survive the Close of the Escrow through which the Exchange is consummated.

8. TERMINATION; REMEDIES.

8.1 Termination. In the event that any CEQA challenge is upheld against the Project, this Agreement shall automatically terminate with each Party bearing one-half (1/2) of the escrow and title cancellation costs.

8.2 Cross Default. Any default by the Parties under the Reimbursement Agreement and/or the Development Agreement shall be a default under this Agreement without further notice required.

8.3 Remedies. City and Developer expressly agree that in the event a default by either Party under this Agreement is not cured within ten (10) days after written notice, then the non-defaulting party may thereafter elect with respect to this Agreement and all the related agreements being the Reimbursement Agreement and the Development Agreement (collectively the “**Related Agreements**”), to either (i) terminate all the Related Agreements, or (ii) pursue an action for specific performance of all the Related Agreements. Each Party waives all other remedies, at law or in equity, including, without limitation, all rights to recover any actual, general, consequential, special or

exemplary damages, or any other damages of any kind, in the event of a breach of this Agreement by the other Party, except for attorneys' fees incurred in such litigation or as otherwise expressly stated in this Agreement. This Section shall not operate to preclude or limit the enforcement of any indemnities herein or right to recover costs or expenses where such right is expressly provided for herein.

9. RIGHT TO ENTER PROPERTY.

- 9.1** From the Opening of Escrow until the Close of Escrow, City and Developer shall have the right, at its own expense and pursuant to the provisions of this Section 9, to select a licensed contractor and/or other qualified professional(s), to conduct inspections, tests, surveys, or other studies, including, but not limited to, environmental studies or assessments of the other Party's Exchange Property, and to conduct other due diligence and feasibility investigations regarding the ownership, use and development of the property it is acquiring, as deemed necessary.
- 9.2** Upon at least twenty-four (24) hours' prior notice, City and/or Developer may enter onto the other Party's Property for the purposes permitted herein, subject to the following:
- 9.2.1** All such inspections shall be conducted in a manner so as not to interfere with the owner's conduct of business on its respective property;
- 9.2.2** Reasonable precautions shall be exercised to avoid damage and protect persons or property;
- 9.2.3** City and Developer assume no liability for loss or damage to property or injuries to or deaths of agents, contractors, or employees of City and Developer by reason of the entities' exercise of privileges given in this Section 9 unless caused by the owner's negligence or willful misconduct;
- 9.2.4** City and Developer agree to indemnify and hold each other harmless from any damage caused by its activities authorized in this section including, but not limited to, mechanic liens. City and/or Developer shall indemnify each other for any damage or destruction to the roads or fences, or other property, occurring by reason of the exercise of rights granted by this Agreement, or to replace or restore said property to its preexisting condition;
- 9.2.5** All due diligence activities shall be in accordance with applicable laws; and
- 9.2.6** City and Developer shall each secure and maintain, and shall cause any of its contractors to secure and maintain, in full force and effect, commercial general liability insurance or participation in a self-insurance program, including coverage for owned and non-owned automobiles and other insurance necessary to protect the public, with limits of liability of not less than Two Million Dollars (\$2,000,000) combined single limit bodily injury and property damage. City and Developer shall each secure and maintain, in full force and effect

during the term of this permit, workers' compensation insurance, at statutory minimums, including employers' liability coverage with limits not less than One Million Dollars (\$1,000,000) for each accident, Two Million Dollars (\$2,000,000) as the aggregate policy limit, and One Million Dollars (\$1,000,000) as the policy limit for each employee. Policies shall be issued by an insurance company or companies that are rated "A-VII" or higher by A.M. Best's key rating guide, and are approved to do business in the State of California. A certificate evidencing the insurance requirements of this section shall be provided prior to commencing any due diligence activities on the City Property or the Developer Property. If Developer intends to enter the City Property, the insurance policies shall include, or be endorsed to include the City as an additional insured. If the City intends to enter the Developer Property, the insurance policies shall include, or be endorsed to include Developer and Lewis Management Corp., a Delaware corporation ("**LMC**") as additional insureds. The City and Developer may satisfy its insurance obligations by a self-insurance program.

- 9.3** Developer shall limit its activities on the City Property to those due diligence investigations described herein and City shall limit its activities on the Developer Property to those due diligence investigations described herein.

10. UNAVOIDABLE DELAYS; RESERVATION OF DISCRETIONARY RIGHTS.

- 10.1 Unavoidable Delays.** Whenever performance is required of City or Developer under this Agreement, that Party agrees, to the extent permitted by law, to use all reasonable diligence to perform in good faith; provided, however, if completion of performance is delayed at any time by reason of acts of God, war, civil commotion, riots, acts of terrorism, strikes, picketing, or other labor disputes, unavailability of labor or materials, damage to work in progress by reason of fire or other casualty, governmental requirements, pandemic or other public health emergency, or causes beyond the reasonable control of a Party (other than financial inability), then the time for performance shall be extended by the time of the delay actually caused and the Close of Escrow shall be appropriately extended in order to accommodate such delay. The provisions of this Section do not operate to excuse City or Developer from the timely payment of any monies required to be paid under this Agreement.
- 10.2 Discretion Retained By City.** City's execution of this Agreement does not constitute any project approval or other approval by City and in no way limits the discretion of City in the environmental review or the permit and approval process in connection with development and/or construction of the New Ball Park Improvements or otherwise commit the City's discretionary powers in any particular manner. Nothing in this Agreement shall in any way limit the discretion of the City in acting in that regulatory capacity, and no action or inaction by the City acting in that regulatory capacity shall be a breach or default under this Agreement.

11. GENERAL PROVISIONS.

- 11.1 Time of Essence.** Time is of the essence of each provision of this Agreement in which time is an element.
- 11.2 Notice.** Any notice required or permitted to be given under this Agreement shall be deemed to have been given, served and received if given in writing and personally delivered or either deposited in the United States mail, registered or certified mail, postage prepaid, return receipt required, sent by overnight delivery service, or by electronic mail, addressed as follows:

CITY

City of Grand Terrace
22795 Barton Road
Grand Terrace, CA 92346
Attention: City Manager
Email: kbolowich@grandterrace-ca.gov

With a copy to:

City of Grand Terrace
22795 Barton Road
Grand Terrace, CA 92346
Attention: City Attorney
Email: aguerra@awattorneys.com

DEVELOPER

Lewis Land Developers, LLC
c/o Lewis Operating Corp.
1156 N. Mountain Avenue
Upland, CA 91786
Attention: Bryan Goodman
Email: bryan.goodman@lewismc.com

With a copy to:

Lewis Management Corp.
1156 North Mountain Ave.
Upland, CA 91785
Attention: Brad Francke
Email: brad.francke@lewismc.com

Any notice personally given or sent by email transmission shall be effective upon receipt. Any notice sent by overnight delivery service shall be effective the business day next following delivery thereof to the overnight delivery service. Any notice given by mail shall be effective three (3) days after deposit in the United States mail.

- 11.3 Entire Agreement of City and Developer.** This Agreement and the attached exhibits constitute the entire agreement between the City and Developer and supersede all prior discussions, negotiations and agreements, whether oral or written.
- 11.4 Amendment.** This Agreement may be amended or modified only by a written instrument executed by City and Developer.
- 11.5 California Law.** This Agreement shall be governed by and the rights, duties and obligations of the City and Developer shall be determined and enforced in accordance with the laws of the State of California.
- 11.6 Attorneys' Fees.** If either the City or Developer files any action or brings any proceedings against the other arising out of this Agreement, or is made a party to any

action or proceeding brought by the Title Company, then, as between City and Developer, the prevailing party shall be entitled to recover, in addition to its costs of suit and damages, reasonable attorneys' fees to be fixed by the court. The "**Prevailing Party**" shall be the entity that is entitled to recover its costs of suit, whether or not suit proceeds to final judgment. No sum for attorneys' fees shall be counted in calculating the amount of a judgment for purposes of determining whether the prevailing party is entitled to its costs or attorneys' fees.

- 11.7 Waiver.** No waiver of any provision of this Agreement shall be considered a waiver of any other provision or of any subsequent breach of the same or any other provision, including the time for performance of any such provision. The exercise by the City or Developer of any remedy provided in this Agreement or at law shall not prevent the exercise by that entity of any other remedy provided in this Agreement or at law or in equity.
- 11.8 Binding Agreement.** This Agreement shall be binding upon and inure to the benefit of the City and Developer hereto and their respective heirs, legal representatives, successors, and assigns.
- 11.9 Assignment.** Neither the City nor Developer may assign, transfer or convey its rights or obligations under this Agreement without the prior written consent of the other Party to this Agreement, which shall not be unreasonably withheld, and then only if assignee assumes in writing all of the prior Party's obligations hereunder; provided, however, neither the City nor Developer shall be released from its obligations hereunder by reason of such assignment. Notwithstanding the foregoing, Developer may assign its rights and obligations in this Agreement to any entity in which any or all of Richard Lewis, Robert Lewis Roger Lewis, Randall Lewis and/or John Goodman directly or indirectly own a controlling interest without the prior consent of the City.
- 11.10 Counterparts.** This Agreement and all amendments and supplements to it may be executed in counterparts, and all counterparts together shall be construed as one document.
- 11.11 Electronic Signatures.** This Agreement and all amendments and supplements (excluding any documents which must be recorded) may be executed and delivered by electronic signature complying with the California Uniform Electronic Transactions Act (Cal. Civ. Code § 1633.1 et seq.) and the U.S. federal ESIGN Act of 2000 (e.g., www.docusign.com and www.adobesign.com) will be deemed to have the same legal effect as delivery of an original signed copy of such document and shall be admissible into evidence as an original hereof to prove the contents hereof.
- 11.12 Captions.** The captions contained in this Agreement are for convenience only and shall not in any way affect the meaning or interpretation hereof nor serve as evidence of the interpretation hereof, or of the intention of the Parties.
- 11.13 Disputes.** A dispute which cannot be resolved by the Parties' representatives shall be submitted to non-binding mediation. The mediator's fees shall be divided equally

between the Parties. If a dispute is unresolved after mediation, any actions or proceedings arising under, growing out of, or in any way related to this Agreement shall be instituted and prosecuted only in courts located in the County of San Bernardino, State of California, and each Party expressly waives its right, under Part II, Title IV of the California Code of Civil Procedure, to cause any such actions or proceedings to be instituted or prosecuted elsewhere.

11.14 Time. All periods of time referred to in this Agreement shall include all Saturdays, Sundays and state or national holidays, unless the period of time specifies business days, provided that if the date or last date to perform any act or give any notice with respect to this Agreement shall fall on a Saturday, Sunday or state or national holiday, such act or notice may be timely performed or given on the next succeeding day which is not a Saturday, Sunday or state or national holiday.

11.15 Severability. The unenforceability, invalidity, or illegality of any provision of this Agreement shall not render the other provisions hereof unenforceable, invalid or illegal.

11.16 Construction. This Agreement shall be construed according to its fair meaning as if prepared by both Parties and in accordance with the intent of the Parties. Headings used in this Agreement are provided for convenience only and shall not be used to construe meaning or intent.

11.17 Recitals. The Recitals are hereby incorporated herein by reference.

11.18 Exhibits. The following exhibits are attached hereto and incorporated herein by reference.

- Exhibit A: Metes and Bounds Description of City Property
With Depiction of City Property**
- Exhibit B: Metes and Bounds Description of the Developer Property
With Depiction of the Developer Property**
- Exhibit C-1: Form of City Grant Deed**
- Exhibit C-2: Form of Developer Grant Deed**
- Schedule 1: Appraisal Instructions**
- Schedule 2: New Ball Field Improvements**

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the City and the Developer have executed this Agreement on the date first above written.

DEVELOPER:

LEWIS LAND DEVELOPERS, LLC,
a Delaware limited liability company

By: LEWIS MANAGEMENT CORP.
a Delaware corporation
Its Sole Manager

By: _____
John M. Goodman
Sr Exec. VP/CEO

CITY

CITY OF GRAND TERRACE,
a municipal corporation

By: _____
Bill Hussey, Mayor
_____, 2024

ATTEST:

Debra Thomas, City Clerk

APPROVED AS TO FORM:

Aleshire & Wynder, LLP

By: _____
Adrian Guerra, City Attorney

ACCEPTED BY ESCROW HOLDER:

Fidelity National Title Company

By: _____
Brenna Ryan, Escrow Officer

Date of Opening of Escrow: _____, 2024

Exhibit A
Legal Description of City Property
Metes and Bound Description of Old Ball Field
(APN 1167-151-75)

That certain real property in the City of Grand Terrace, County of San Bernardino, State of California legally described as:

EXHIBIT "A" - LEGAL DESCRIPTION

PARCEL A (APN: 1167-151-75)

PARCEL 1 OF LOT LINE ADJUSTMENT 10-05, RECORDED MARCH 13, 2012 AS INSTRUMENT NO. 2012-0098383 OF OFFICIAL RECORDS BEING THAT PORTION OF LOT 39 OF EAST RIVERSIDE LAND COMPANY PER MAP RECORDED IN BOOK 6, PAGE 44 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, STATE OF CALIFORNIA, DESCRIBED AS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID LOT 39;
THENCE NORTH 89° 53' 26" WEST ALONG THE SOUTH LINE OF SAID LOT 39, 329.78 FEET;
THENCE NORTH 00° 04' 28" EAST, 331.23 FEET;
THENCE SOUTH 89° 53' 27" EAST, 329.85 FEET TO THE EAST LINE OF SAID LOT 39;
THENCE SOUTH 00° 05' 10" WEST, 331.23 FEET TO THE **POINT OF BEGINNING**.

SAID PARCEL 1 CONTAINS 109,245 SQUARE FEET = 2.508 ACRES MORE OR LESS.

SUBJECT TO: COVENANTS, CONDITIONS, RESTRICTIONS, RESERVATIONS, EASEMENTS AND RIGHT OF WAYS OF RECORD, IF ANY.

ALL AS SHOWN ON **EXHIBIT 'B'**, ATTACHED HERETO AND BY THIS REFERENCE, MADE A PART THEREOF.

B. K. Mickelson

10/12/2023

BRIAN MICKELSON
P.L.S. 7320

DATE



PREPARED BY:

KWC ENGINEERS

CIVIL ENGINEERS - PLANNERS - SURVEYORS
1880 COMPTON AVE, SUITE 100
CORONA, CA. 92881
951-734-2130

RECORD OWNER:

CITY OF GRAND TERRACE
A MUNICIPAL CORPORATION
22795 BARTON ROAD
GRAND TERRACE CA 92313

Assessor's Parcel Number: 1167-151-75

Date Exhibit Prepared: 10-12-2023

Sheet 1 of 1

Depiction of City Property

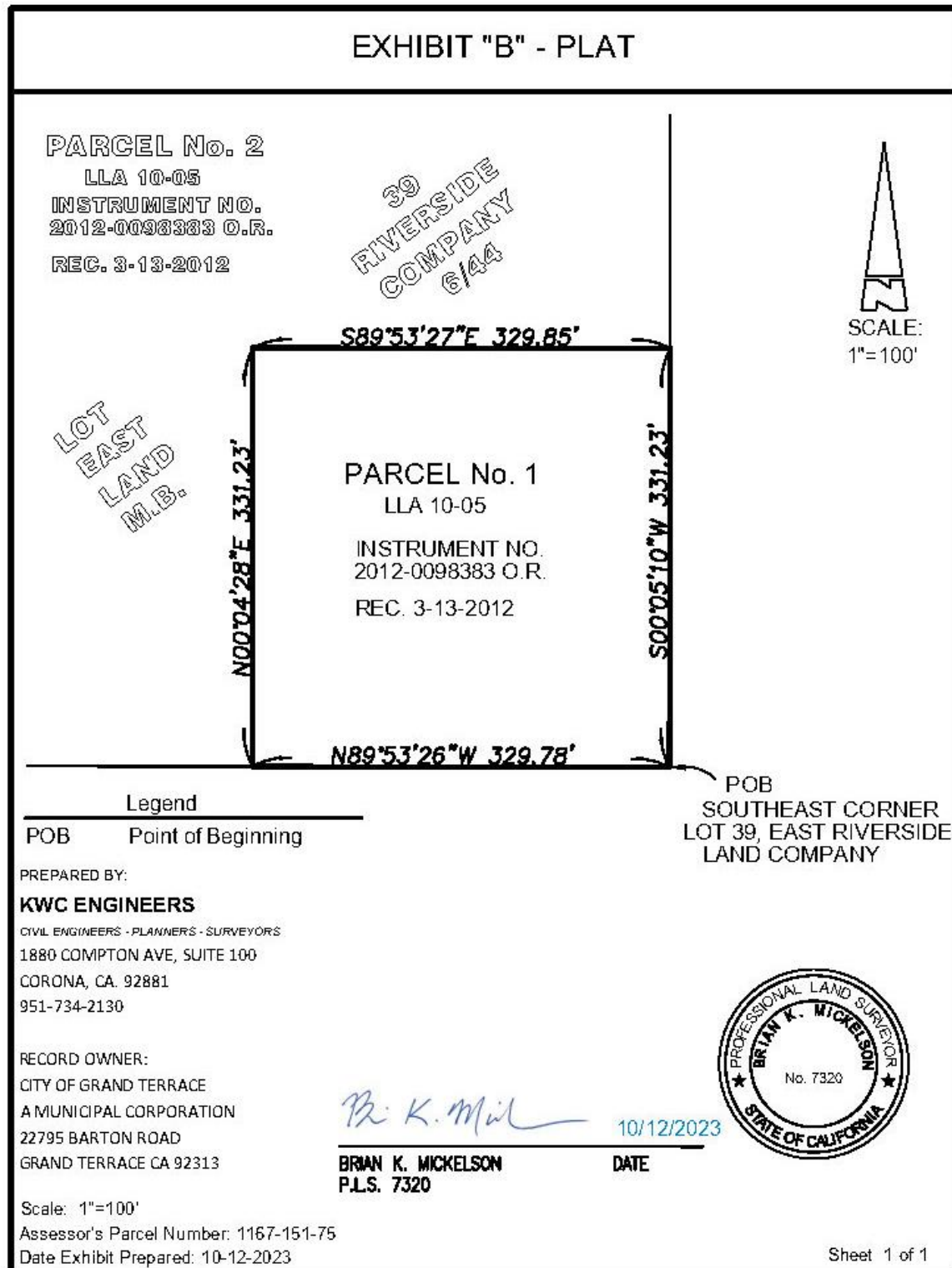


Exhibit B
Metes and Bound Description of the Developer Property
Metes and Bound Description of New Ball Field
(APN 1167-151-71)

That certain real property in the City of Grand Terrace, County of San Bernardino, State of California legally described as:

PARCEL 1, IN THE CITY OF GRAND TERRACE, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, OF THAT CERTAIN LOT LINE ADJUSTMENT, RECORDED AUGUST 16, 2000 AS DOCUMENT NO. 20000294520 OFFICIAL RECORDS OF SAID COUNTY.

EXCEPTING THEREFROM THAT PORTION OF SAID LAND CONVEYED TO THE COLTON JOINT UNIFIED SCHOOL DISTRICT, A CALIFORNIA PUBLIC SCHOOL DISTRICT, MORE PARTICULARLY DESCRIBED IN GRANT DEED RECORDED DECEMBER 19, 2006 AS DOCUMENT NO. 2006-0873344 OFFICIAL RECORDS OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SAID PARCEL 1, THENCE EASTERLY ALONG THE NORTH LINE OF SAID PARCEL 1, SOUTH 89°53'02" EAST A DISTANCE OF 949.63 FEET TO THE NORTHEAST CORNER OF SAID PARCEL 1;

THENCE, LEAVING SAID NORTH LINE, ALONG THE EASTERLY LINE OF SAID PARCEL 1 SOUTH 00°04'37" WEST A DISTANCE OF 65.00 FEET TO THE NORTH LINE OF THAT PARCEL OF LAND CONVEYED IN SAID GRANT DEED, SAID NORTH LINE BEING A LINE PARALLEL WITH AND 65.00 FEET SOUTHERLY OF, MEASURED AT RIGHT ANGLES THERETO, SAID NORTH LINE OF PARCEL 1;

THENCE, ALONG SAID PARALLEL LINE NORTH 89°53'02" WEST, A DISTANCE OF 598.50 FEET TO AN ANGLE POINT IN SAID NORTH LINE OF GRANT DEED;

THENCE SOUTH 00°06'58" WEST, A DISTANCE OF 404.39 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 50.00 FEET;

THENCE SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 36°52'12" AN ARC DISTANCE OF 32.18 FEET TO THE BEGINNING OF A REVERSE CURVE CONCAVE NORTHERLY AND HAVING A RADIUS OF 50.00 FEET, A RADIAL BEARING TO SAID POINT OF REVERSE CURVATURE BEARS SOUTH 53°14'46" WEST;

THENCE ALONG SAID REVERSE CURVE SOUTHEASTERLY, SOUTHERLY, SOUTHWESTERLY, WESTERLY, NORTHWESTERLY, NORTHERLY AND NORTHEASTERLY, THROUGH A CENTRAL ANGLE OF 253°46'00", AN ARC DISTANCE OF 221.45 FEET TO THE BEGINNING OF A NON-TANGENT LINE;

THENCE, NON-TANGENT TO SAID CURVE, NORTH 89°52'46" WEST A DISTANCE OF 210.51 FEET TO A LINE PARALLEL WITH AND 70.00 FEET EASTERLY OF, MEASURED AT RIGHT ANGLES THERETO, THE WESTERLY LINE OF SAID PARCEL 1;

THENCE NORTHERLY, ALONG SAID PARALLEL LINE NORTH 00°02'17" EAST A DISTANCE OF 11.01 FEET TO A LINE PARALLEL WITH AND 141.01 FEET NORTHERLY OF, MEASURED AT RIGHT ANGLES THERETO, THE SOUTHERLY LINE OF SAID PARCEL 1;

THENCE WESTERLY, ALONG SAID PARALLEL LINE NORTH 89°52'46" WEST, A DISTANCE OF 70.00 FEET TO THE WESTERLY LINE OF SAID PARCEL 1;

THENCE NORTHERLY, ALONG SAID WESTERLY LINE NORTH 00°02'17" EAST, A DISTANCE OF 488.34 FEET TO THE **POINT OF BEGINNING**.

CONTAINING 220,157 SQUARE FEET, OR 5.0541 ACRES (GROSS), MORE OR LESS.

SUBJECT TO: COVENANTS, CONDITIONS, RESTRICTIONS, RESERVATIONS, EASEMENTS AND RIGHT OF WAYS OF RECORD, IF ANY.

AS SHOWN ON **EXHIBIT "B"** ATTACHED HERETO AND BY THIS REFERENCE MADE A PART THEREOF.

KWC ENGINEERS
CIVIL ENGINEERS - PLANNERS - SURVEYORS

Brian K. Mickelson

10/13/2023

Brian K. Mickelson
P.L.S. 7320

Date



Depiction of the Developer Property
Depiction of New Ball Field

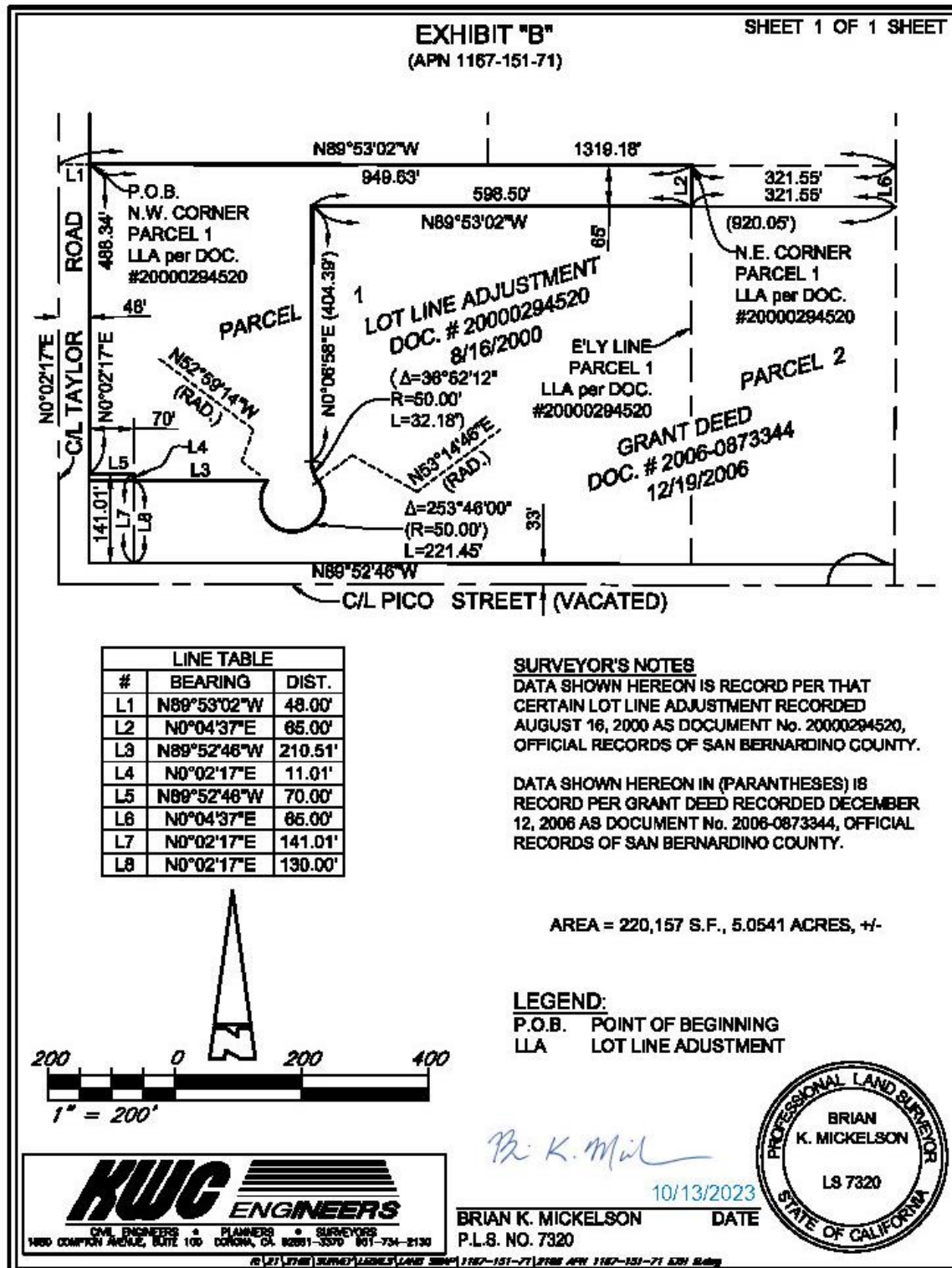


Exhibit C-1

**Exhibit C
Form of City Grant Deed**

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

Lewis Land Developers, LLC
c/o Lewis Management Corp.
1150 North Mountain Ave.
Upland, CA 91786-3633
Attn: Legal (WBF)

SPACE ABOVE THIS LINE FOR RECORDER'S USE

GRANT DEED

THE UNDERSIGNED GRANTOR(S) DECLARE(S):

DOCUMENTARY TRANSFER TAX IS \$ _____

☐ _____ unincorporated area ☒ City of Grand Terrace

Parcel No. 1167-151-75

☒ computed on full value of interest or property conveyed or

☐ computed on full value less value of liens or encumbrances remaining
at time of sale and

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, CITY OF GRAND TERRACE, a municipal corporation (“**Grantor**”) hereby GRANT(S) to LEWIS LAND DEVELOPERS, LLC, a Delaware limited liability company the real property in the City of Grand Terrace, County of San Bernardino, State of California, as legally described on Exhibit A attached hereto and incorporated herein by this reference.

GRANTOR:

Date: _____, 20____

CITY OF GRAND TERRACE,
a municipal corporation

Not to be executed until Closing

By: _____

Bill Hussey, Mayor

_____, 2024

ATTEST:

Debra Thomas, City Clerk

APPROVED AS TO FORM:

ALESHIRE & WYNDER, LLP

By: _____

Adrian Guerra, City Attorney

ACKNOWLEDGMENT

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

State of California)
County of _____)

On _____, 202__ before me, _____, a Notary Public,
personally appeared _____, who proved to me on the basis of
satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument
and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies),
and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of
which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____

[SEAL]

EXHIBIT A

LEGAL DESCRIPTION

That certain real property in the City of Grand Terrace, County of San Bernardino, State of California legally described as:

EXHIBIT "A" - LEGAL DESCRIPTION

PARCEL A (APN: 1167-151-75)

PARCEL 1 OF LOT LINE ADJUSTMENT 10-05, RECORDED MARCH 13, 2012 AS INSTRUMENT NO. 2012-0098383 OF OFFICIAL RECORDS BEING THAT PORTION OF LOT 39 OF EAST RIVERSIDE LAND COMPANY PER MAP RECORDED IN BOOK 6, PAGE 44 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, STATE OF CALIFORNIA, DESCRIBED AS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID LOT 39;
THENCE NORTH 89° 53' 26" WEST ALONG THE SOUTH LINE OF SAID LOT 39, 329.78 FEET;
THENCE NORTH 00° 04' 28" EAST, 331.23 FEET;
THENCE SOUTH 89° 53' 27" EAST, 329.85 FEET TO THE EAST LINE OF SAID LOT 39;
THENCE SOUTH 00° 05' 10" WEST, 331.23 FEET TO THE **POINT OF BEGINNING**.

SAID PARCEL 1 CONTAINS 109,245 SQUARE FEET = 2.508 ACRES MORE OR LESS.

SUBJECT TO: COVENANTS, CONDITIONS, RESTRICTIONS, RESERVATIONS, EASEMENTS AND RIGHT OF WAYS OF RECORD, IF ANY.

ALL AS SHOWN ON **EXHIBIT 'B'**, ATTACHED HERETO AND BY THIS REFERENCE, MADE A PART THEREOF.

B. K. Mickelson

10/12/2023

BRIAN MICKELSON
P.L.S. 7320

DATE



PREPARED BY:

KWC ENGINEERS

CIVIL ENGINEERS - PLANNERS - SURVEYORS
1880 COMPTON AVE, SUITE 100
CORONA, CA. 92881
951-734-2130

RECORD OWNER:

CITY OF GRAND TERRACE
A MUNICIPAL CORPORATION
22795 BARTON ROAD
GRAND TERRACE CA 92313

Assessor's Parcel Number: 1167-151-75
Date Exhibit Prepared: 10-12-2023

Sheet 1 of 1

EXHIBIT "B" - PLAT

PARCEL No. 2

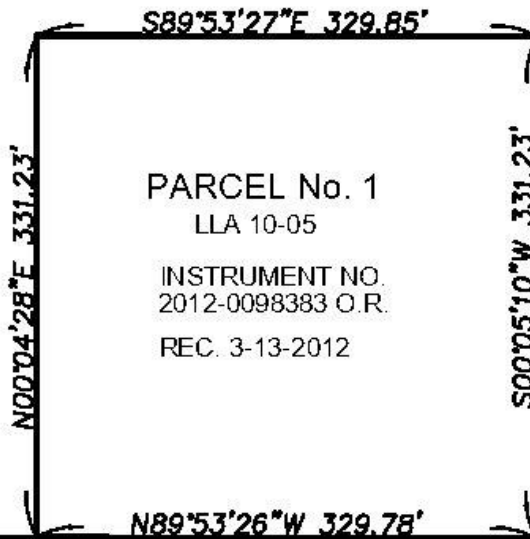
LLA 10-05
INSTRUMENT NO.
2012-0098383 O.R.
REC. 3-13-2012

39
RIVERSIDE
COMPANY
6/44



SCALE:
1"=100'

LOT
EAST
LAND
M.B.



PARCEL No. 1

LLA 10-05
INSTRUMENT NO.
2012-0098383 O.R.
REC. 3-13-2012

POB
SOUTHEAST CORNER
LOT 39, EAST RIVERSIDE
LAND COMPANY

Legend

POB Point of Beginning

PREPARED BY:

KWC ENGINEERS

CIVIL ENGINEERS - PLANNERS - SURVEYORS
1880 COMPTON AVE, SUITE 100
CORONA, CA. 92881
951-734-2130

RECORD OWNER:

CITY OF GRAND TERRACE
A MUNICIPAL CORPORATION
22795 BARTON ROAD
GRAND TERRACE CA 92313

Brian K. Mickelson
BRIAN K. MICKELSON
P.L.S. 7320

10/12/2023

DATE



Scale: 1"=100'

Assessor's Parcel Number: 1167-151-75

Date Exhibit Prepared: 10-12-2023

Sheet 1 of 1

Exhibit C-2
Form of Developer Grant Deed

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

City of Grand Terrace
22795 Barton Road
Grand Terrace, CA 92346
Attention: City Manager

SPACE ABOVE THIS LINE FOR RECORDER'S USE

GRANT DEED

THE UNDERSIGNED GRANTOR(S) DECLARE(S):

DOCUMENTARY TRANSFER TAX IS \$-0- -exempt under R&T Code
Section 11922

☐ _____ unincorporated area ☒ City of Grand Terrace
Parcel No. Portion of 1167-151-71

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, LEWIS LAND DEVELOPERS, LLC, a Delaware limited liability company (“**Grantor**”) hereby GRANT(S) to CITY OF GRAND TERRACE, a municipal corporation the real property in the City of Grand Terrace, County of San Bernardino, State of California, as legally described on **Exhibit A** attached hereto and incorporated herein by this reference.

GRANTOR:

Date: _____, 20____

LEWIS LAND DEVELOPERS, LLC,
a Delaware limited liability company

By: LEWIS MANAGEMENT CORP.
a Delaware corporation
Its Sole Manager

By: _____

Not to be executed until Closing

John M. Goodman
Sr Exec. VP/CEO

CERTIFICATE OF ACCEPTANCE

Pursuant to Government Code Section 27281, this is to certify that the interest in real property conveyed by the foregoing Grant Deed from LEWIS LAND DEVELOPERS, LLC, a Delaware limited liability company (“**Grantor**”) to CITY OF GRAND TERRACE, a municipal corporation (“**Grantee/City**”), is hereby accepted, and City consents to recordation thereof by its duly authorized officer.

CITY OF GRAND TERRACE,
a municipal corporation

By: _____
Konrad Bolowich, City Manager

Dated: _____, 202__

ACKNOWLEDGMENT

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

State of California)
County of _____)

On _____, 202__ before me, _____, a Notary Public,
personally appeared _____, who proved to me on the basis of
satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument
and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies),
and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of
which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____

[SEAL]

EXHIBIT A

LEGAL DESCRIPTION

That certain real property in the City of Grand Terrace, County of San Bernardino, State of California legally described as:

PARCEL 1, IN THE CITY OF GRAND TERRACE, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, OF THAT CERTAIN LOT LINE ADJUSTMENT, RECORDED AUGUST 16, 2000 AS DOCUMENT NO. 20000294520 OFFICIAL RECORDS OF SAID COUNTY.

EXCEPTING THEREFROM THAT PORTION OF SAID LAND CONVEYED TO THE COLTON JOINT UNIFIED SCHOOL DISTRICT, A CALIFORNIA PUBLIC SCHOOL DISTRICT, MORE PARTICULARLY DESCRIBED IN GRANT DEED RECORDED DECEMBER 19, 2006 AS DOCUMENT NO. 2006-0873344 OFFICIAL RECORDS OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SAID PARCEL 1, THENCE EASTERLY ALONG THE NORTH LINE OF SAID PARCEL 1, SOUTH 89°53'02" EAST A DISTANCE OF 949.63 FEET TO THE NORTHEAST CORNER OF SAID PARCEL 1;

THENCE, LEAVING SAID NORTH LINE, ALONG THE EASTERLY LINE OF SAID PARCEL 1 SOUTH 00°04'37" WEST A DISTANCE OF 65.00 FEET TO THE NORTH LINE OF THAT PARCEL OF LAND CONVEYED IN SAID GRANT DEED, SAID NORTH LINE BEING A LINE PARALLEL WITH AND 65.00 FEET SOUTHERLY OF, MEASURED AT RIGHT ANGLES THERETO, SAID NORTH LINE OF PARCEL 1;

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THENCE SOUTH 00°06'58" WEST, A DISTANCE OF 404.39 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 50.00 FEET;

THENCE SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 36°52'12" AN ARC DISTANCE OF 32.18 FEET TO THE BEGINNING OF A REVERSE CURVE CONCAVE NORTHERLY AND HAVING A RADIUS OF 50.00 FEET, A RADIAL BEARING TO SAID POINT OF REVERSE CURVATURE BEARS SOUTH 53°14'46" WEST;

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THENCE WESTERLY, ALONG SAID PARALLEL LINE NORTH 89°52'46" WEST, A DISTANCE OF 70.00 FEET TO THE WESTERLY LINE OF SAID PARCEL 1;

THENCE NORTHERLY, ALONG SAID WESTERLY LINE NORTH 00°02'17" EAST, A DISTANCE OF 488.34 FEET TO THE **POINT OF BEGINNING**.

CONTAINING 220,157 SQUARE FEET, OR 5.0541 ACRES (GROSS), MORE OR LESS.

SUBJECT TO: COVENANTS, CONDITIONS, RESTRICTIONS, RESERVATIONS, EASEMENTS AND RIGHT OF WAYS OF RECORD, IF ANY.

AS SHOWN ON **EXHIBIT "B"** ATTACHED HERETO AND BY THIS REFERENCE MADE A PART THEREOF.

KWC ENGINEERS
CIVIL ENGINEERS - PLANNERS - SURVEYORS

Brian K. Mickelson

10/13/2023

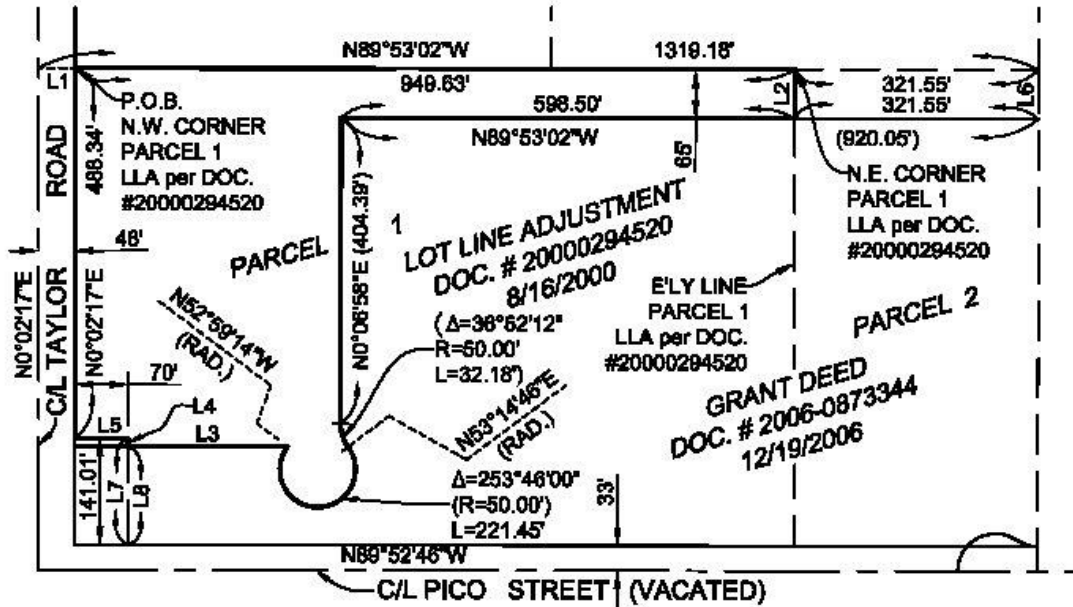
Brian K. Mickelson
P.L.S. 7320

Date



EXHIBIT "B"
(APN 1167-151-71)

SHEET 1 OF 1 SHEET



LINE TABLE		
#	BEARING	DIST.
L1	N89°53'02\"W	48.00'
L2	N0°04'37\"E	65.00'
L3	N89°52'46\"W	210.51'
L4	N0°02'17\"E	11.01'
L5	N89°52'46\"W	70.00'
L6	N0°04'37\"E	65.00'
L7	N0°02'17\"E	141.01'
L8	N0°02'17\"E	130.00'

SURVEYOR'S NOTES

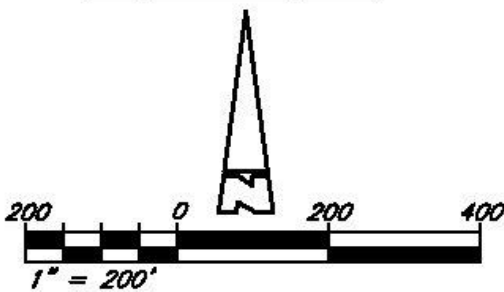
DATA SHOWN HEREON IS RECORD PER THAT CERTAIN LOT LINE ADJUSTMENT RECORDED AUGUST 16, 2000 AS DOCUMENT No. 20000294520, OFFICIAL RECORDS OF SAN BERNARDINO COUNTY.

DATA SHOWN HEREON IN (PARANTHESES) IS RECORD PER GRANT DEED RECORDED DECEMBER 12, 2006 AS DOCUMENT No. 2006-0873344, OFFICIAL RECORDS OF SAN BERNARDINO COUNTY.

AREA = 220,157 S.F., 5.0541 ACRES, +/-

LEGEND:

P.O.B. POINT OF BEGINNING
LLA LOT LINE ADJUSTMENT



BRIAN K. MICKELSON
P.L.S. NO. 7320

10/13/2023
DATE



SCHEDULE 1

Appraisal Instructions

Appraisal Services
Page 1

DRAFT

Client: City of Grand Terrace, CA.
Contact: To be Determined

Lewis Land Developers, LLC
Contact: To be Determined

Appraisal Agreement Instructions for:

Site 1: Approximately 2.51 acres owned by the City of Grand Terrace, CA.
(APN: 1167-151-75-0000)

Site 2: Approximately 4.97 acres owned by Lewis Land Developers, LLC
(APN: 1167-151-71-0000)

The subject properties (Sites 1 and 2) are adjacent parcels located east of the future right-of-way of Taylor Street in the City of Grand Terrace, in San Bernardino County, in the State of California.

Purpose: To estimate Market Value.

Premise: As-is Condition.

Rights Appraised: Fee Simple.

Intended Use: To establish price for use in exchange negotiations (Exchanging Site 1 for Site 2).

Intended User: The joint intended users are the City of Grand Terrace, CA. and Lewis Land Developers, LLC, and such other parties and entities (if any) expressly recognized as "Intended Users" (as further defined herein).

Reliance: Reliance on any report produced is extended solely to the Client signing the Appraisal Agreement and to other parties and entities expressly acknowledged in a signed writing by Appraiser as Intended Users of the respective reports, provided that any conditions to such acknowledgement required by the Appraiser or hereunder have been satisfied. Parties or entities other than Intended Users who obtain a copy of the report or any portion thereof, whether as a result of direct dissemination or by any other means, may not rely upon any opinions or conclusions contained in the report or such portions thereof, and the Appraiser will not be responsible for any unpermitted use of the report, its conclusions or contents or have any liability in connection therewith.

Inspection: On-site inspection.

Valuation Approaches: All applicable and necessary approaches to value.

Report Type: Appraisal Report, including a fully documented location and property description, market analysis, best probably use analysis, comparable data, and date analysis leading to a conclusion of value:

Appraisal Standards: Uniform Standards of Professional Appraisal Practice.

Appraisal Fee: To Be Determined.

Expenses: To be Included in Appraisal Fee.

Retainer Required: None.

Payment Terms: Final payment is due upon delivery of the final report or within thirty (30) days of the receipt of the initial report, whichever is sooner. The Fee is considered earned upon delivery of the initial report.

Delivery Instructions: Electronic copy of the report. An Adobe PDF file to be delivered via email to both the contact for the City of Grand Terrace and for Lewis Land Developers, LLC identified above; no bound copies of the report will be delivered.

Delivery Schedule: To be Determined

When executed and delivered by all parties, instructions consistent herewith, together with the Terms and conditions and the Specific Property Data Request attached hereto and incorporated herein, will serve as the instructions for appraisal services for Sites 1 & 2 between the Appraiser and Client. Each person signing on behalf of Appraiser or Client represents that it is authorized to enter into an agreement for appraisal services and to bind the respective parties hereto.

Specific Property Data Request

In order to complete the appraisal, the following specific information, if available, will be required.

- Plot plan/survey, legal description, and title report of both Site 1 and Site 2.
- Summary of the entitlement status, existing zoning and any rezoning underway, and/or approved development plans for either site.
- Estimate of the cost (if any) to finish the properties to a fully finished condition.
- Third-party reports such as geotechnical or environmental (Phase I) for either site.
- Development models yielding a residual land value, if any.

Any other information that might be helpful in valuing the properties.

Sample

TERMS AND CONDITIONS

1. The Terms and Conditions herein are part of an agreement for appraisal services (the "Agreement") between CBRE, Inc. (the "Appraiser") and the client signing this Agreement, and for whom the appraisal services will be performed (the "Client"), and shall be deemed a part of such Agreement as though set forth in full therein. The Agreement shall be governed by the laws of the state where the appraisal office is located for the Appraiser executing this Agreement.
2. Client shall be responsible for the payment of all fees stipulated in the Agreement. Payment of the appraisal fee and preparation of an appraisal report (the "Appraisal Report, or the "report") are not contingent upon any predetermined value or on an action or event resulting from the analyses, opinions, conclusions, or use of the Appraisal Report. Final payment is due as provided in the Proposal Specifications Section of this Agreement. If a draft report is requested, the fee is considered earned upon delivery of the draft report. It is understood that the Client may cancel this assignment in writing at any time prior to delivery of the completed report. In such event, the Client is obligated only for the prorated share of the fee based upon the work completed and expenses incurred (including travel expenses to and from the job site), with a minimum charge of \$500. Additional copies of the Appraisal Reports are available at a cost of \$250 per original color copy and \$100 per photocopy (black and white), plus shipping fees of \$30 per report.
3. If Appraiser is subpoenaed or ordered to give testimony, produce documents or information, or otherwise required or requested by Client or a third party to participate in meetings, phone calls, conferences, litigation or other legal proceedings (including preparation for such proceedings) because of, connected with or in any way pertaining to this engagement, the Appraisal Report, the Appraiser's expertise, or the Property, Client shall pay Appraiser's additional costs and expenses, including but not limited to Appraiser's attorneys' fees, and additional time incurred by Appraiser based on Appraiser's then-prevailing hourly rates and related fees. Such charges include and pertain to, but are not limited to, time spent in preparing for and providing court room testimony, depositions, travel time, mileage and related travel expenses, waiting time, document review and production, and preparation time (excluding preparation of the Appraisal Report), meeting participation, and Appraiser's other related commitment of time and expertise. Hourly charges and other fees for such participation will be provided upon request. In the event Client requests additional appraisal services beyond the scope and purpose stated in the Agreement, Client agrees to pay additional fees for such services and to reimburse related expenses, whether or not the completed report has been delivered to Client at the time of such request.
4. Appraiser shall have the right to terminate this Agreement at any time for cause effective immediately upon written notice to Client on the occurrence of fraud or the willful misconduct of Client, its employees or agents, or without cause upon 30 days written notice.
5. In the event Client fails to make payments when due then, from the date due until paid, the amount due and payable shall bear interest at the maximum rate permitted in the state where the office is located for the Appraiser executing the Agreement. In the event either party institutes legal action against the other to enforce its rights under this Agreement, the prevailing party shall be entitled to recover its reasonable attorney's fees and expenses. Each party waives the right to a trial by jury in any action arising under this Agreement.
6. Appraiser assumes there are no major or significant items or issues affecting the Property that would require the expertise of a professional building contractor, engineer, or environmental consultant for Appraiser to prepare a valid report. Client acknowledges that such additional expertise is not covered in the Appraisal fee and agrees that, if such additional expertise is required, it shall be provided by others at the discretion and direction of the Client, and solely at Client's additional cost and expense.
7. In the event of any dispute between Client and Appraiser relating to this Agreement, or Appraiser's or Client's performance hereunder, Appraiser and Client agree that such dispute shall be resolved by means of binding arbitration in accordance with the commercial arbitration rules of the American Arbitration Association, and judgment upon the award rendered by an arbitrator may be entered in any court of competent jurisdiction. Depositions may be taken and other discovery obtained during such arbitration proceedings to the same extent as authorized in civil judicial proceedings in the state where the office of the Appraiser executing this Agreement is located. The arbitrator shall be limited to awarding compensatory damages and shall have no authority to award punitive, exemplary or similar damages. The prevailing party in the arbitration proceeding shall be entitled to recover its expenses from the losing party, including costs of the arbitration proceeding, and reasonable attorney's fees. Client acknowledges that Appraiser is being retained hereunder as an independent contractor to perform the services described herein and nothing in this Agreement shall be deemed to create any other relationship.

Revised September 10, 2015

between Client and Appraiser. This engagement shall be deemed concluded and the services hereunder completed upon delivery to Client of the Appraisal Report discussed herein.

8. All statements of fact in the report which are used as the basis of the Appraiser's analyses, opinions, and conclusions will be true and correct to Appraiser's actual knowledge and belief. Appraiser does not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the condition of the Property furnished to Appraiser by Client or others. The conclusions and any permitted reliance on and use of the Appraisal Report shall be subject to the assumptions, limitations, and qualifying statements contained in the report.
9. Appraiser shall have no responsibility for legal matters, including zoning, or questions of survey or title, soil or subsoil conditions, engineering, or other similar technical matters. The report will not constitute a survey of the Property analyzed.
10. Client shall provide Appraiser with such materials with respect to the assignment as are requested by Appraiser and in the possession or under the control of Client. Client shall provide Appraiser with sufficient access to the Property to be analyzed, and hereby grants permission for entry unless discussed in advance to the contrary.
11. The data gathered in the course of the assignment (except data furnished by Client) and the report prepared pursuant to the Agreement are, and will remain, the property of Appraiser. With respect to data provided by Client, Appraiser shall not violate the confidential nature of the Appraiser-Client relationship by improperly disclosing any proprietary information furnished to Appraiser. Notwithstanding the foregoing, Appraiser is authorized by Client to disclose all or any portion of the report and related data as may be required by statute, government regulation, legal process, or judicial decree, including to appropriate representatives of the Appraisal Institute if such disclosure is required to enable Appraiser to comply with the Bylaws and Regulations of such Institute as now or hereafter in effect.
12. Unless specifically noted, in preparing the Appraisal Report the Appraiser will not be considering the possible existence of asbestos, PCB transformers, or other toxic, hazardous, or contaminated substances and/or underground storage tanks (collectively, "Hazardous Material") on or affecting the Property, or the cost of encapsulation or removal thereof. Further, Client represents that there is no major or significant deferred maintenance of the Property that would require the expertise of a professional cost estimator or contractor. If such repairs are needed, the estimates are to be prepared by others, at Client's discretion and direction, and are not covered as part of the Appraisal fee.
13. In the event Client intends to use the Appraisal Report in connection with a tax matter, Client acknowledges that Appraiser provides no warranty, representation or prediction as to the outcome of such tax matter. Client understands and acknowledges that any relevant taxing authority (whether the Internal Revenue Service or any other federal, state or local taxing authority) may disagree with or reject the Appraisal Report or otherwise disagree with Client's tax position, and further understands and acknowledges that the taxing authority may seek to collect additional taxes, interest, penalties or fees from Client beyond what may be suggested by the Appraisal Report. Client agrees that Appraiser shall have no responsibility or liability to Client or any other party for any such taxes, interest, penalties or fees and that Client will not seek damages or other compensation from Appraiser relating to any such taxes, interest, penalties or fees imposed on Client, or for any attorneys' fees, costs or other expenses relating to Client's tax matters.
14. Appraiser shall have no liability with respect to any loss, damage, claim or expense incurred by or asserted against Client arising out of, based upon or resulting from Client's failure to provide accurate or complete information or documentation pertaining to an assignment ordered under or in connection with this Agreement, including Client's failure, or the failure of any of Client's agents, to provide a complete copy of the Appraisal Report to any third party.
15. **LIMITATION OF LIABILITY.** EXCEPT TO THE EXTENT ARISING FROM SECTION 16 BELOW, OR SECTION 17 IF APPLICABLE, IN NO EVENT SHALL EITHER PARTY OR ANY OF ITS AFFILIATE, OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, OR CONTRACTORS BE LIABLE TO THE OTHER, WHETHER BASED IN CONTRACT, WARRANTY, INDEMNITY, NEGLIGENCE, STRICT LIABILITY OR OTHER TORT OR OTHERWISE, FOR ANY SPECIAL, CONSEQUENTIAL, PUNITIVE, INCIDENTAL OR INDIRECT DAMAGES AND AGGREGATE DAMAGES IN CONNECTION WITH THIS AGREEMENT FOR EITHER PARTY (EXCLUDING THE OBLIGATION TO PAY THE FEES REQUIRED HEREUNDER) SHALL NOT EXCEED THE GREATER OF THE TOTAL FEES PAYABLE TO APPRAISER UNDER THIS AGREEMENT OR TEN THOUSAND DOLLARS (\$10,000). THIS LIABILITY LIMITATION SHALL NOT APPLY IN THE EVENT OF A FINAL FINDING BY AN ARBITRATOR OR A COURT OF COMPETENT JURISDICTION THAT SUCH LIABILITY IS THE RESULT OF A PARTY'S FRAUD OR WILLFUL MISCONDUCT.

Revised September 10, 2015

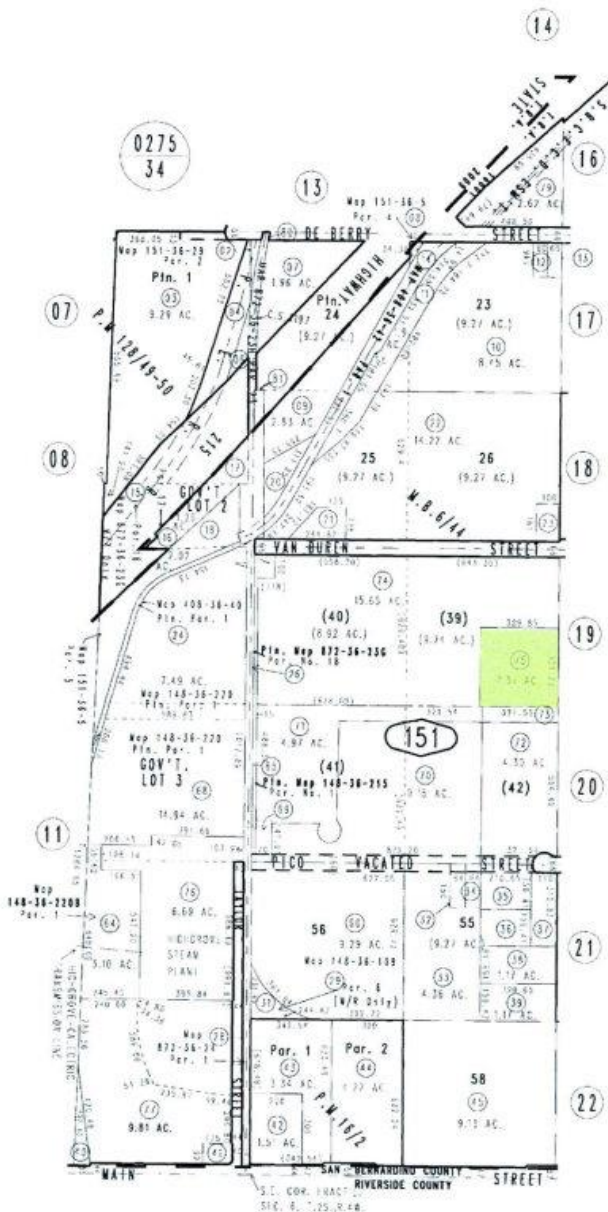
16. Client shall not disseminate, distribute, make available or otherwise provide any Appraisal Report prepared hereunder to any third party (including without limitation, incorporating or referencing the Appraisal Report, in whole or in part, in any offering or other material intended for review by other parties) except to (i) any third party expressly acknowledged in a signed writing by Appraiser as an "Intended User" of the Appraisal Report provided that either Appraiser has received an acceptable release from such third party with respect to such Appraisal Report or Client provides acceptable indemnity protections to Appraiser against any claims resulting from the distribution of the Appraisal Report to such third party, (ii) any third party service provider (including rating agencies and Client's auditors) using the Appraisal Report in the course of providing services for the sole benefit of Client, or (iii) as required by statute, government regulation, legal process, or judicial decree. In the event Appraiser consents, in writing, to Client incorporating or referencing the Appraisal Report in any offering or other materials intended for review by other parties, Client shall not distribute, file, or otherwise make such materials available to any such parties unless and until Client has provided Appraiser with complete copies of such materials and Appraiser has approved all such materials in writing. Client shall not modify any such materials once approved by Appraiser. In the absence of satisfying the conditions of this paragraph with respect to a party who is not designated as an Intended User, in no event shall the receipt of an Appraisal Report by such party extend any right to the party to use and rely on such report, and Appraiser shall have no liability for such unauthorized use and reliance on any Appraisal Report. In the event Client breaches the provisions of this paragraph, Client shall indemnify, defend and hold Appraiser, and its affiliates and their officers, directors, employees, contractors, agents and other representatives (Appraiser and each of the foregoing an "Indemnified Party" and collectively the "Indemnified Parties"), fully harmless from and against all losses, liabilities, damages and expenses (collectively, "Damages") claimed against, sustained or incurred by any Indemnified Party arising out of or in connection with such breach, regardless of any negligence on the part of any Indemnified Party in preparing the Appraisal Report.
17. In the event Client incorporates or references the Appraisal Report, in whole or in part, in any offering or other material intended for review by other parties, Client shall indemnify, defend and hold each of the Indemnified Parties harmless from and against any Damages in connection with (i) any transaction contemplated by this Agreement or in connection with the appraisal or the engagement of or performance of services by any Indemnified Party hereunder, (ii) any actual or alleged untrue statement of a material fact, or the actual or alleged failure to state a material fact necessary to make a statement not misleading in light of the circumstances under which it was made with respect to all information furnished to any Indemnified Party or made available to a prospective party to a transaction, or (iii) an actual or alleged violation of applicable law by Client (including, without limitation, securities laws) or the negligent or intentional acts or omissions of Client (including the failure to perform any duty imposed by law); and will reimburse each Indemnified Party for all reasonable fees and expenses (including fees and expenses of counsel) (collectively, "Expenses") as incurred in connection with investigating, preparing, pursuing or defending any threatened or pending claim, action, proceeding or investigation (collectively, "Proceedings") arising therefrom, and regardless of whether such Indemnified Party is a formal party to such Proceeding. Client agrees not to enter into any waiver, release or settlement of any Proceeding (whether or not any Indemnified Party is a formal party to such Proceeding) without the prior written consent of Appraiser (which consent will not be unreasonably withheld or delayed) unless such waiver, release or settlement includes an unconditional release of each Indemnified Party from all liability arising out of such Proceeding.
18. Time Period for Legal Action. Unless the time period is shorter under applicable law, except in connection with paragraphs 16 and 17 above, Appraiser and Client agree that any legal action or lawsuit by one party against the other party or its affiliates, officers, directors, employees, contractors, agents, or other representatives, whether based in contract, warranty, indemnity, negligence, strict liability or other tort or otherwise, relating to (a) this Agreement or the Appraisal Report, (b) any services or appraisals under this Agreement or (c) any acts or conduct relating to such services or appraisals, shall be filed within two (2) years from the date of delivery to Client of the Appraisal Report to which the claims or causes of action in the legal action or lawsuit relate. The time period stated in this section shall not be extended by any incapacity of a party or any delay in the discovery or accrual of the underlying claims, causes of action or damages.

Revised September 10, 2015

85 VAN IS LOR INC SUPPLY
60 AD VALOREM TAXATION UNIT



Ptn.	W.1/2	Fract'l.	Sec. 5,	T.2S.,R.4W.	S.B.M.
Ptn.	E.1/2	Fract'l.	Sec. 6,	T.2S.,R.4W.	S.B.M.



1167 - 13
City of Cotton
City of Grand Terrace
Tax Rate Area
2009,16001

Edgar M. Mc. 1981, P. H. 12614-50
 2000 Mc. No. 1010, P. H. 12614-50
 2000 Mc. No. 1010, P. H. 12614-50
 2000 Mc. No. 1010, P. H. 12614-50

Ptn. Sec. 6, Sec. 5
T. 2S., R. 4W.

Assessor's Map
Book 1167 Page 15
San Bernardino County

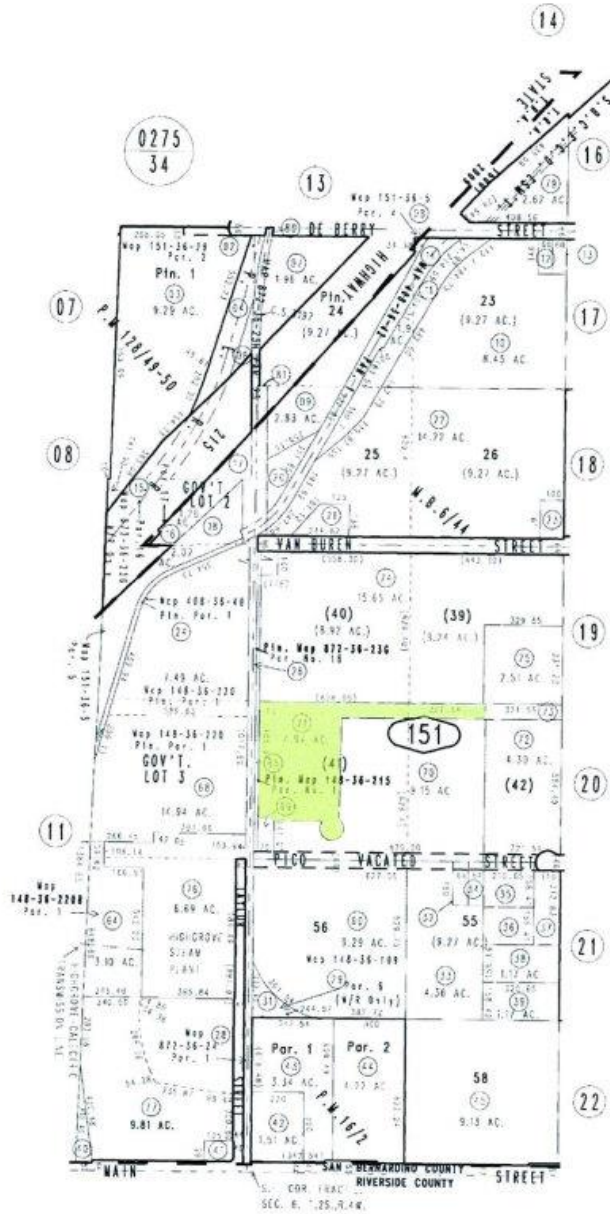
REVISED
02/28/22 A:
02/15/23 K:
07/07/23 R:
07/25/24 K:

U.S. MAPS & CO., INC. APPROVED
C-70 78A.0019 TAXAS ON CHIT.



Ptn.	W.1/2	Fract'l.	Sec. 5,	T.2S.,	R.4W.	S.B.M.
Ptn.	E.1/2	Fract'l.	Sec. 6,	T.2S.,	R.4W.	S.B.M.

1167 - 15
City of Collon
City of Grand Terrace
Tax Rate Area
2009,16001



20°C	Wet No.	10031	P.W.	120/45-50
20°C	Wet No.	1010	P.W.	101
20°C	Wet No.	1000	Gravim.	W. 2.7/42

Ptn. Sec. 6, Sec. 5
T. 25., R. 4W.

Assessor's Map
Book 1167 Page 15
San Bernardino County

04/28/22 AM
02/16/23 AM
10/10/23 AM
01/25/24 AM

SCHEDULE 2

New Ball Field Improvements

New Ball Field Improvements

- 1) Rough Graded Site
- 2) Construction of new Little League standard 225' Baseball Field
 - a. Dirt infield with 46'/60' base pegs
 - b. Turf outfield with irrigation
 - c. Standard chain link backstop, dugouts, foul line, and outfield with fence topper protection
 - d. Dirt bullpens on Home and Away Sides
 - e. Dugout bleacher
 - f. 1 Away Bleacher and 1 Home Bleacher
 - g. Concession and Storage Building
 - h. Field lighting system
- 3) Park Improvements
 - a. Playground
 - b. Shade structures with tables, trash cans, and bbq
 - c. Restroom facility
 - d. Parking Lot
 - e. Site Landscaping – trees, shrubs, groundcover, irrigation, controller, etc
- 4) Paseo Improvements – connecting proposed park to Veterans Freedom Park
 - a. 12' pedestrian/bike path and access road for SCE maintenance vehicles
 - b. Pathway lighting
 - c. Low maintenance groundcover, shrubs, and trees as allowed by SCE



AGENDA REPORT

MEETING DATE: August 13, 2024 *City Council Item*

TITLE: A First Amendment To The Professional Service Agreement Between The City of Grand Terrace And Moore, Iacofano, Goltsman, Inc. (MIG) For On Call Planning And Environmental Services

TO: CITY COUNCIL

FROM: Scott Hutter, Planning & Development Services Director

RECOMMENDATION: Approve and authorize the following:

- a. Approve the First Amendment to Professional Services Agreement Between the City of Grand Terrace and Moore, Iacofano, Goltsman, Inc. (MIG) - for on Call Planning and Environmental Services; and
- b. Authorize the City Manager to Execute the Agreement subject to the City Attorney's approval as to form.

2030 VISION STATEMENT:

This staff report supports Goal #3, Promote Economic Development, specifically Strategy 3.3 to ensure adequate and creative staffing solutions to facilitate the entitlement process for new development; and Implementation Strategy 3.3 to ensure adequate and creative staffing solutions to facilitate the entitlement process for new development.

BACKGROUND:

On June 27, 2023, the City Council approved Professional Service Agreements for on call planning and environmental services between the City and three firms. The firms were Moore Iacofano Goltsman, Inc. (MIG), Michael Baker International (MBI) and Lilburn Corporation. On June 27, 2023, the City Council authorized the City Manager to Execute the Agreements, subject to the City Manager's approval/negotiation and the City Attorney's approval as to form.

The Planning Department discovered in reading the three agreements that the term for the MIG agreement was not for three-years, but only 1 year. The terms for the contracts with MBI and Lilburn that were approved the same night as MIG were correctly for three-years. Only the MIG agreement was in error at a 1-year term. To correct MIG agreement term, Planning Department Staff have prepared this Amendment No. 1 to Professional Services Agreement between MIG and the City. Amendment No. 1 now has the correct term of 3 years. All three on call firms will be correctly on the same three-year agreement cycle as originally intended in the original June 27, 2023, agenda item staff report.

CONCLUSION:

Approval of Amendment No. 1 to Professional Services Agreement Between the City of Grand Terrace and Moore, Iacofano, Goltsman, Inc. (MIG) for on call planning and environmental services will correct the length of the term of the contract to match other on call firms.

FISCAL IMPACT:

None. This amendment is to the terms of the agreement to correct a typographical mistake. The cost to utilize MIG for on call planning services for an entitlement project is addressed with a reimbursement agreement between the applicant and the City.

ATTACHMENTS:

- 1) Amendment No. 1 to MIG Contract Agreement

**AMENDMENT NO. 1 TO
AGREEMENT FOR CONTRACT SERVICES**

By and Between

CITY OF GRAND TERRACE

and

MOORE IACOFANO GOLTSMAN, INCORPORATED

**AMENDMENT NO. 1
TO AGREEMENT FOR CONTRACT SERVICES BY AND BETWEEN
THE CITY OF GRAND TERRACE AND MIG**

This “AMENDMENT NO. 1 TO THE AGREEMENT FOR CONTRACT SERVICES BY AND BETWEEN THE CITY OF GRAND TERRACE AND MOORE IACOFANO GOLTSMAN, INCORPORATED (herein “Agreement”) is made and entered into this 13th day of August 2024 by and between the City of Grand Terrace, a California municipal corporation (“City”) and Moore Iacofano Goltsman, Incorporated, a California corporation (“Consultant”). City and Consultant are sometimes hereinafter individually referred to as “Party” and hereinafter collectively referred to as the “Parties.”

RECITALS

A. The City and Consultant entered into that certain Agreement for Contract Services By and Between the City of Grand Terrace and MIG on June 27, 2023, for a 3 year term.

B. The City discovered in 2024 that the term of the contract services was accidentally written for a 1 year term and the Parties now desire to amend the Agreement to correct the term to properly reflect the original intent of a 3 year term.

TERMS

1. Contract Amendments. The Agreement is amended as provided herein:

1.1 Section 3.4 Term is hereby amended in its entirety and shall now read as follows (~~striketrough~~ represents deleted language while ***bold italics*** represents added language):

“Unless earlier terminated in accordance with Article 7 of this Agreement, this Agreement shall continue in full force and effect until completion of the services but not exceeding ~~one (1)~~ ***three (3)*** years from the date hereof, except as otherwise provided in the Schedule of Performance (Exhibit “D”).”

2. Continuing Effect of Agreement. Except as amended by this Amendment No. 1, all provisions of the Agreement shall remain unchanged and in full force and effect. From and after the date of this Amendment, whenever the term “Agreement” appears in the Agreement, it shall mean the Agreement, as amended by Amendment No. 1.

3. Affirmation of Agreement; Warranty Re Absence of Defaults. City and Consultant each ratify and reaffirm each and every one of the respective rights and obligations arising under the Agreement. Each party represents and warrants to the other that there have been no written or oral modifications to the Agreement other than as provided herein. Each party represents and warrants to the other that the Agreement is currently an effective, valid, and binding obligation.

Consultant represents and warrants to City that, as of the date of this Amendment No. 1, City is not in default of any material term of the Agreement and that there have been no events

that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

City represents and warrants to Consultant that, as of the date of this Amendment No. 1, Consultant is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

4. Adequate Consideration. The parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Amendment No. 1.

5. Authority. The persons executing this Amendment No. 1 on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Amendment No. 1 on behalf of said party, (iii) by so executing this Amendment No. 1, such party is formally bound to the provisions of the Agreement, as amended and (iv) the entering into this Amendment No. 1 does not violate any provision of any other agreement to which said party is bound.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first-above written.

CITY:

City of Grand Terrace, a municipal corporation

Konrad Bolowich, City Manager

ATTEST:

Debra Thomas, City Clerk

APPROVED AS TO FORM:

ALESHIRE & WYNDER, LLP

Adrian R. Guerra, City Attorney

CONSULTANT:

Moore Iacofano Goltsman, Incorporated, a
California Corporation

By:

Name: Daniel Iacofano
Title: CEO, President

By:

Name: Carolyn Verheyen
Title: COO, Vice President

Address: 1500 Iowa Avenue, Suite 110
Riverside, CA 92507

Two corporate officer signatures required when Consultant is a corporation, with one signature required from each of the following groups: 1) Chairman of the Board, President or any Vice President; and 2) Secretary, any Assistant Secretary, Chief Financial Officer or any Assistant Treasurer. CONSULTANT'S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO CONSULTANT'S BUSINESS ENTITY.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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

STATE OF CALIFORNIA

COUNTY OF SAN BERNARDINO

On _____, 2024 before me, _____, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature: _____

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER		DESCRIPTION OF ATTACHED DOCUMENT
☐ INDIVIDUAL		_____
☐ CORPORATE OFFICER		TITLE OR TYPE OF DOCUMENT
_____	TITLE(S)	
☐ PARTNER(S)	☐ LIMITED	_____
	☐ GENERAL	NUMBER OF PAGES
☐ ATTORNEY-IN-FACT		
☐ TRUSTEE(S)		
☐ GUARDIAN/CONSERVATOR		_____
☐ OTHER _____		DATE OF DOCUMENT

SIGNER IS REPRESENTING:

(NAME OF PERSON(S) OR ENTITY(IES))

SIGNER(S) OTHER THAN NAMED ABOVE

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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

STATE OF CALIFORNIA

COUNTY OF SAN BERNARDINO

On _____, 2024 before me, _____, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature: _____

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form

CAPACITY CLAIMED BY SIGNER

☐

INDIVIDUAL

☐

CORPORATE OFFICER

TITLE(S)

☐

PARTNER(S)

☐

LIMITED

☐

GENERAL

☐

ATTORNEY-IN-FACT

☐

TRUSTEE(S)

☐

GUARDIAN/CONSERVATOR

☐

OTHER _____

DESCRIPTION OF ATTACHED DOCUMENT

TITLE OR TYPE OF DOCUMENT

NUMBER OF PAGES

DATE OF DOCUMENT

SIGNER IS REPRESENTING:

(NAME OF PERSON(S) OR ENTITY(IES))

SIGNER(S) OTHER THAN NAMED ABOVE



AGENDA REPORT

MEETING DATE: August 13, 2024 *Council Item*

TITLE: Acceptance of Street Dedication for the Property APN 1167-171-10 on Michigan Street.

PRESENTED BY: Kamran Dadbeh, Interim City Engineer 

RECOMMENDATION: 1. Acceptance of an 11-foot-wide dedication of land frontage for public purposes on APN 1167-171-10.

2030 VISION STATEMENT

This staff report supports Goals 3 and 4, Promote Economic Development and Develop and Implement Successful Partnerships.

BACKGROUND

Michigan Street serves as an arterial route but currently lacks a complete right-of-way throughout its length. The dedication of the street right-of-way is essential for the city, particularly in conjunction with property improvements.

DISCUSSION

In accordance with Grand Terrace Municipal Code 15.28.150 (Offers of Dedication), Mr. Steven Michael Richardson, the landowner, has submitted a grant deed to the City for the dedication of an area measuring 1,452 square feet. This dedication aligns with the adopted circulation element of the General Plan.

FISCAL IMPACT

There is no fiscal impact as a result of acceptance of this right of way dedication.

ATTACHMENTS:

- Easement Deed of Right of Way Dedication (DOCX)

APPROVALS:

Kamran Dadbeh  Pending

Shanita Tillman  Pending

Finance  Pending

City Manager
City Council

Pending
Pending

08/13/2024 6:00 PM

RECORDING REQUESTED BY:

City Clerk
Debra L. Thomas

AND WHEN RECORDED MAIL TO:

City Engineer
Kamran Dadbeh
City of Grand Terrace
22795 Barton Road
Grand Terrace, CA 92313

EXEMPT RECORDING FEES Government Code SECTION 6103 & 27383

(SPACE ABOVE THIS LINE IS FOR RECORDER'S USE)

EASEMENT DEED OF RIGHT-OF-WAY DEDICATION

STEVEN MICHAEL RICHARDSON

GRANTOR(S)

Hereby grant(s) to the City of Grand Terrace, a political subdivision of the State of California, for public street, road, and public utilities purposes all that real property situated in the City of Grand Terrace, County of San Bernardino, State of California, described as follows:

SEE ATTACHED EXHIBITS A + B

SIGNATURE(S) OF GRANTOR(S)

(NOTE: ATTACH NOTARY ACKNOWLEDGMENT)

Steven Michael Richardson
Type or Print Name

[Signature]
Signature and Date
JUNE 6-2024

Type or Print Name

Signature and Date

This is to certify that the interest in real property conveyed by the within instrument to the City of Grand Terrace, California ("Grantee"), a municipal corporation, is hereby accepted by the undersigned officer pursuant to authority and the grantee consents to the recordation thereof by its duly authorized officer.

CITY OF GRAND TERRACE:

Kamran Dadbeh
Kamran Dadbeh, City Engineer

6-19-2024
Date

ATTEST:

Debra L. Thomas
Debra L. Thomas, City Clerk

6-19-2024
Date

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**(CIVIL CODE § 1189)**

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

State of California)

County of RIVERSIDE)On 06/06/2024 before me, LEXI BLAIR NOTARY PUBLIC,

Date

Here Insert Name and Title of the Officer

personally appeared STEVEN MICHAEL RICHARDSON

Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.



Signature

Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

☐ Corporate Officer — Title(s): _____☐ Partner — ☐ Limited ☐ General☐ Individual ☐ Attorney in Fact☐ Trustee ☐ Guardian or Conservator☐ Other: _____

Signer Is Representing: _____

Signer's Name: _____

☐ Corporate Officer — Title(s): _____☐ Partner — ☐ Limited ☐ General☐ Individual ☐ Attorney in Fact☐ Trustee ☐ Guardian or Conservator☐ Other: _____

Signer Is Representing: _____

CALIFORNIA ACKNOWLEDGMENT

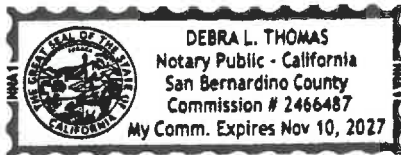
CIVIL CODE § 1189

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

State of California }

County of SAN BERNARDINOOn JUNE 19, 2024 before me, DEBRA L. THOMAS, A NOTARY PUBLIC
Date Here Insert Name and Title of the Officerpersonally appeared KAMRAN DADBEH
Name(s) of Signer(s)

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



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

WITNESS my hand and official seal.

Signature Debra L. Thomas
Signature of Notary Public

Place Notary Seal and/or Stamp Above

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

☐ Corporate Officer – Title(s): _____☐ Partner – ☐ Limited ☐ General☐ Individual ☐ Attorney in Fact☐ Trustee ☐ Guardian or Conservator☐ Other: _____

Signer is Representing: _____

Signer's Name: _____

☐ Corporate Officer – Title(s): _____☐ Partner – ☐ Limited ☐ General☐ Individual ☐ Attorney in Fact☐ Trustee ☐ Guardian or Conservator☐ Other: _____

Signer is Representing: _____

EXHIBIT "A"
LEGAL DESCRIPTION

CITY OF GRAND TERRACE
ADDITIONAL RIGHT-OF-WAY DEDICATION
MICHIGAN STREET (AVENUE)

APN 1167-171-10

Being a portion of Lot 21, as located in Section 5, Township 2 South, Range 4 West, San Bernardino Meridian, per Map Showing Lands of the East Riverside Land Company, in the City of Grand Terrace, County of San Bernardino, State of California, on file in Map Book 6, at Page 15, Records of said County, more particularly described as follows:

The East 11.00 feet of the South 132 feet of said Lot 21, lying West of and contiguous with the existing West right-of-way line for Michigan Street (33' half width), for a combined right-of-way half width of 44.00 feet.

Contains 1,452 square feet, more or less.

Subject to all covenants, reservations, restrictions, easements, offers of dedication, and rights-of-way of record, if any.

Exhibit "B" attached hereto and by this reference made a part hereof.

This real property description has prepared by me, or under my direction, in conformance with the Professional Land Surveyor's Act.



ERIK T. HOWARD, PLS 7648

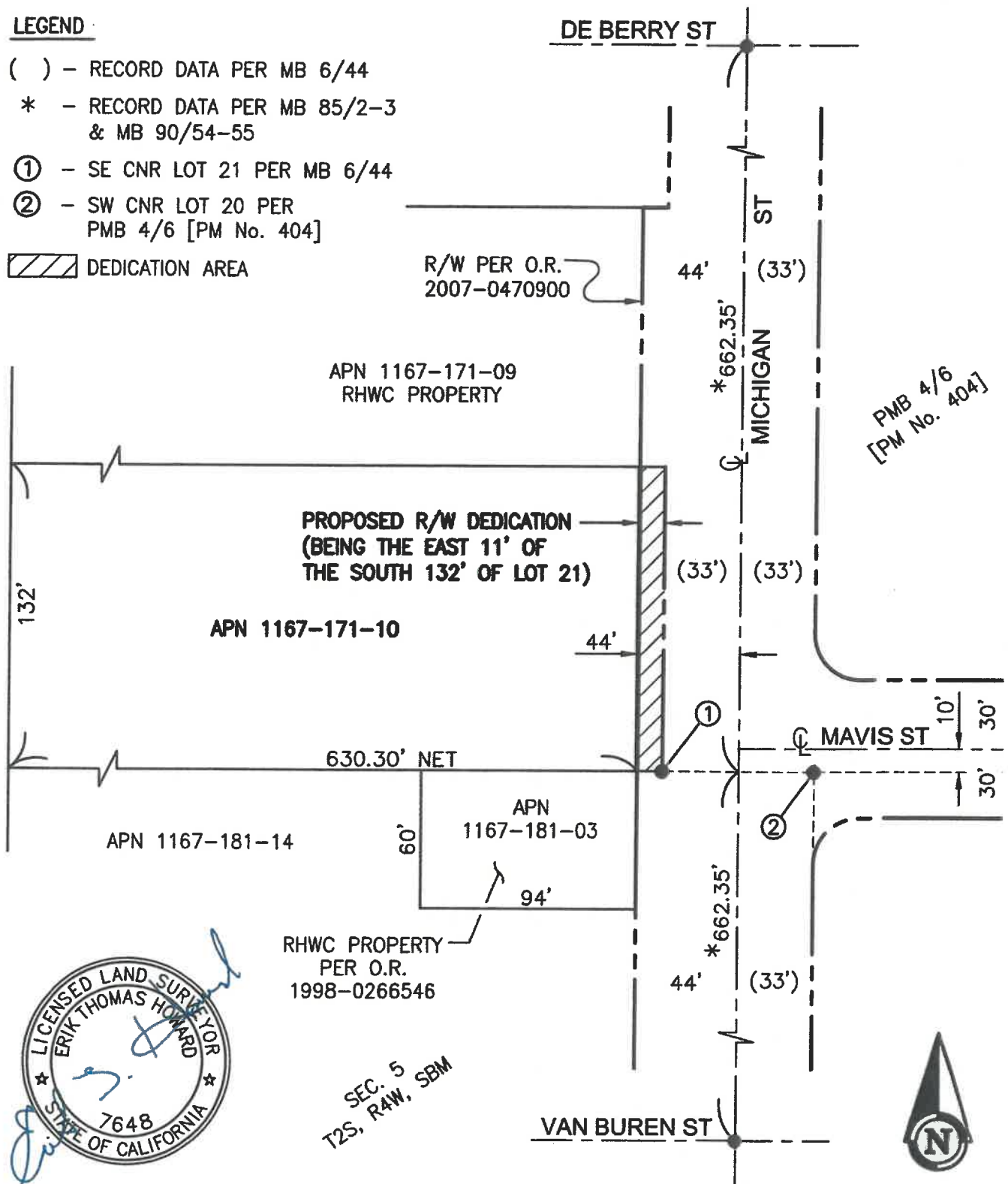
JUNE 19, 2024

DATE



LEGEND

- () - RECORD DATA PER MB 6/44
- * - RECORD DATA PER MB 85/2-3
& MB 90/54-55
- ① - SE CNR LOT 21 PER MB 6/44
- ② - SW CNR LOT 20 PER
PMB 4/6 [PM No. 404]
-  DEDICATION AREA



RIVERSIDE HIGHLAND WATER COMPANY

**RIGHT-OF-WAY DEDICATION FOR
12394 MICHIGAN STREET (APN 1167-171-10)**

EXHIBIT

B

W.O. 9900900.014

SCALE: 1"=60'

DATE: 6/19/24

DWN BY: JG

CHK BY: ETH

CERTIFICATE OF ACCEPTANCE

THIS IS TO CERTIFY that the interest in real property conveyed by the Easement Deed dated June 19, 2024 from STEVEN MICHAEL RICHARDSON, by the within instrument, to the CITY OF GRAND TERRACE, State of California, a municipal corporation, is hereby accepted the undersigned officer on behalf of the City pursuant to authority conferred by order of the City Council made on Tuesday, August 13, 2024, and the grantee consents to the recordation thereof by its duly authorized officer.

Dated: August 13, 2024

CITY OF GRAND TERRACE, a Municipal Corporation

Konrad Bolowich, City Manager

Attest:

Barbara Nicholson, City Clerk

(Seal)



AGENDA REPORT

MEETING DATE: August 13, 2024 *Council Item*

TITLE: Approval of Amendment No. 2 to the Agreement Between the City of Grand Terrace and St. Francis Electric, Which Extends the Agreement Until June 30, 2026, and Increases the Compensation

PRESENTED BY: *ST* Shanita Tillman, Senior Management Analyst *CC* *[Signature]*

RECOMMENDATION: Approve Amendment No. 2 to the Agreement for Traffic Signal Maintenance and On-Call Services with St. Francis Electric (dated May 24, 2022), extending the agreement until June 30, 2026, utilizing the first one-year extension. Increase the agreement by \$12,521.37 for FY 24/25 and \$22,000 for FY 25/26, bringing the total contract amount to \$95,000 over four years. Authorize the City Manager to execute the aforementioned amendments, subject to the City Attorney's approval as to form.

2030 VISION STATEMENT:

This staff report supports Goal #2 Maintain Public Safety

BACKGROUND:

On May 14, 2022, the City Council approved a contractor agreement with St. Francis Electric, LLC, for Traffic Signal Maintenance and On-Call Emergency Services for three years, with the option for two one-year extensions. St. Francis Electric, LLC, was the lowest responsive bidder at \$6,690.60 per year for routine services. The scope of work included routine maintenance, on-call services, and inspections for nine signalized intersections.

The current contract allowed for annual compensation of \$20,000. As of January 31, 2023, there was a remaining balance of \$613, with invoices for February still outstanding. To ensure adequate funds for traffic signal maintenance, staff recommended removing the language that limited annual compensation to \$20,000. Additionally, staff recommended appropriating the remaining balance of the agreement to the FY 22-23 budget to cover outstanding and future costs. The total compensation for the agreement over three years was not to exceed \$60,000.

DISCUSSION:

Since the last contract amendment on March 28, 2023, St. Francis has incurred additional costs for response services. These costs include immediate responses to malfunctioning signals or equipment failures, often outside regular business hours, as well as diagnosing and fixing issues such as power failures, signal outages, and

Item 11

communication problems between signals. These response services are separate from regular inspections and preventative maintenance, resulting in varied costs.

FISCAL IMPACT:

As of July 2024, approximately \$9,478.63 remains in the \$60,000 agreement. Staff recommends budgeting a minimum of \$22,000 per year for both routine and response services. Therefore, an additional \$12,521.37 needs to be added to the contract for FY 24/25 expenses. Staff is requesting a total of \$35,000 in addition to the existing \$60,000, bringing the total to \$95,000 over four years. This request would constitute the second amendment to the agreement, with the first term extension, which would extend the expiration date to June 30, 2026. Once this term expires, staff expects to seek approval for a second extension and will request an additional \$22,000 at that time

The funding for this request will come from account number **16-510-255-000**. Staff has already budgeted \$22,000 in the FY 24/25 budget for traffic signal maintenance.

ATTACHMENTS:

- Amendment No. 2 to St. Francis Electric Agreement (DOCX)

APPROVALS:

Shanita Tillman	Pending	
Finance	Pending	
City Manager	Pending	
City Council	Pending	08/13/2024 6:00 PM

**AMENDMENT NO. 2
TO AGREEMENT FOR CONTRACT SERVICES
BETWEEN THE CITY OF GRAND TERRACE AND ST. FRANCIS ELECTRIC FOR
MAINTENANCE AND ON-CALL SERVICES**

This AMENDMENT NO. 2 TO THE AGREEMENT FOR CONTRACT SERVICES BY AND BETWEEN THE CITY OF GRAND TERRACE AND ST. FRANCIS ELECTRIC FOR MAINTENANCE AND ON-CALL SERVICES (“Amendment No. 2”) by and between the **CITY OF GRAND TERRACE** (“City”) and **ST. FRANCIS ELECTRIC**, a California corporation (“Consultant”) is effective as of the 13 day of August, 2024.

RECITALS

A. The City and Consultant entered into that certain Agreement for Contract Services by and Between the City of Grand Terrace and St. Francis Electric for maintenance and on-call services, dated May 24, 2022, with a total compensation of \$60,000, and for a term of 3 years that may be extended by the City for two terms by 1 year (“Agreement”).

B. The City and Consultant entered into an amendment to the Agreement dated March 28, 2023 to amend the total compensation of the Agreement from \$20,000 per year to \$60,000 total, removing the yearly limitation.

C. The City and Consultant now desire to amend the Agreement to exercise the City’s first of two one-year options to extend the term of the Agreement for an additional one year period, thereby extending the expiration date from May 22, 2025 to June 30, 2026, and to increase the total compensation from \$60,000 to \$95,000 over the four-year period. The total compensation, shall not exceed \$12,521.37 for the third year and shall not exceed \$22,000 for the fourth year.

TERMS

1. **Contract Amendments.** The Agreement is amended as provided herein:

1.1 **Section 2.1** (Contract Sum) is hereby amended as follows:

“Subject to any limitation set forth in this Agreement, City agrees to pay Consultant the amounts specified in the “Schedule of Compensation” attached hereto as Exhibit “C” and incorporated herein by this reference. The total compensation, including reimbursement for actual expenses, shall not exceed Ninety-Five Thousand Dollars and No Cents (\$95,000) the (“Contract Sum”), unless additional compensation is approved pursuant to Section 1.8. Additionally, total compensation for fiscal year 2024-2025 (year 3 of this Agreement) shall not exceed Twelve-thousand Five-Hundred Twenty-One Dollars and Thirty-Seven Cents (\$12,521.37). Total compensation for Fiscal Year 2025-2026 (year four of this Agreement) shall not exceed Twenty-Two Thousand Dollars and Zero Cents (\$22,000.00).”

1.2 **Section V of Exhibit “C”** (Schedule of Compensation) is hereby amended in its entirety and shall now read as follows:

“The total compensation for the Services shall not exceed Ninety-Five Thousand Dollars and No Cents (\$95,000). Additionally, total compensation for fiscal year 2024-2025 (year 3 of this Agreement) shall not exceed Twelve-thousand Five-Hundred Twenty-One Dollars and Thirty-Seven Cents (\$12,521.37) for the term of this Agreement, as provided in Section 2.1 of this Agreement. Total compensation for Fiscal Year 2025-2026 (year four of this Agreement) shall not exceed Twenty-Two Thousand Dollars and Zero Cents (\$22,000.00).”

1.3 Section 3.4 (Term) is hereby amended to read as follows:

“Unless earlier terminated in accordance with Article 7 of this Agreement, this Agreement shall continue in full force and effect until June 30, 2026 , except as otherwise provided in the Schedule of Performance (“Exhibit “D””). By and through Amendment No. 2 to the Agreement, the City has utilized its first of two extensions. The Contract Officer, on behalf of the City may extend the term of this Agreement in writing by one (1) additional term of one (1) year.”

2. Continuing Effect of Agreement. Except as amended by this Amendment No. 2 and Amendment No. 1, all provisions of the Agreement shall remain unchanged and in full force and effect. From and after the date of this Amendment No. 2, whenever the term “Agreement” appears in the Agreement, it shall mean the Agreement, as amended by Amendment No. 2 and Amendment No. 1 to the Agreement.

3. Affirmation of Agreement; Warranty Re Absence of Defaults. City and Consultant each ratify and reaffirm each and every one of the respective rights and obligations arising under the Agreement and Amendment No. 1. Each party represents and warrants to the other that there have been no written or oral modifications to the Agreement and Amendment No. 1 other than as provided herein. Each party represents and warrants to the other that the Agreement and Amendment No. 1, as amended by this Amendment No. 2, is currently an effective, valid, and binding obligation.

Consultant represents and warrants to City that, as of the date of this Amendment No. 2, City is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

City represents and warrants to Consultant that, as of the date of this Amendment No. 2, Consultant is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

4. Adequate Consideration. The parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Amendment No. 2.

5. Authority. The persons executing this Amendment No. 2 on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Amendment No. 2 on behalf of said party, (iii) by so executing this

Amendment No. 2, such party is formally bound to the provisions of the Agreement, as amended and (iv) the entering into this Amendment No. 2 does not violate any provision of any other agreement to which said party is bound.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment No. 2 on the date and year first-above written.

CITY:

CITY OF GRAND TERRACE,
a municipal corporation

Bill Hussey, Mayor

ATTEST:

Debra Thomas, City Clerk

APPROVED AS TO FORM:

ALESHIRE & WYNDER, LLP

Adrian R. Guerra, City Attorney
[pks]

CONSULTANT:

ST. FRANCIS ELECTRIC,
a Colorado corporation

By:_____

Name: Guy Smith
Title: President, Secretary, and Manager

By:_____

Name: Ryan Dunham
Title: Vice President

Address: P.O Box 2057,
San Leandro, CA 94577

NOTE: CONSULTANT'S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO DEVELOPER'S BUSINESS ENTITY.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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

STATE OF CALIFORNIA

COUNTY OF SAN BERNARDINO

On _____, 2024 before me, _____, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature: _____

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

DESCRIPTION OF ATTACHED DOCUMENT

- ☐ INDIVIDUAL
☐ CORPORATE OFFICER

TITLE(S)
☐ PARTNER(S) ☐ LIMITED
☐ GENERAL
☐ ATTORNEY-IN-FACT
☐ TRUSTEE(S)
☐ GUARDIAN/CONSERVATOR
☐ OTHER _____

TITLE OR TYPE OF DOCUMENT

NUMBER OF PAGES

DATE OF DOCUMENT

SIGNER IS REPRESENTING:
(NAME OF PERSON(S) OR ENTITY(IES))

SIGNER(S) OTHER THAN NAMED
ABOVE

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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STATE OF CALIFORNIA

COUNTY OF SAN BERNARDINO

On _____, 2024 before me, _____, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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WITNESS my hand and official seal.

Signature: _____

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CAPACITY CLAIMED BY SIGNER

DESCRIPTION OF ATTACHED DOCUMENT

☐
☐

INDIVIDUAL
CORPORATE OFFICER

☐
☐

TITLE(S)
PARTNER(S) ☐ LIMITED
☐ GENERAL

☐
☐
☐
☐

ATTORNEY-IN-FACT
TRUSTEE(S)
GUARDIAN/CONSERVATOR
OTHER _____

TITLE OR TYPE OF DOCUMENT

NUMBER OF PAGES

DATE OF DOCUMENT

SIGNER IS REPRESENTING:
(NAME OF PERSON(S) OR ENTITY(IES))

SIGNER(S) OTHER THAN NAMED
ABOVE



AGENDA REPORT

MEETING DATE:

August 13, 2024

Council Item

TITLE:

Approval of Amendment No. 1 to the Agreement with EZ Sunnyday Landscape for Citywide Landscape Maintenance Services Not to Exceed \$81,420 Per Year, Expiring June 30, 2027, Including Authorization for the City Manager to Increase the Contract Contingency Up to \$25,000 for Necessary Changes through Change Orders During the Agreement's Duration.

PRESENTED BY:

Shanita Tillman, Senior Management Analyst

RECOMMENDATION:

1. Award Amendment No. 1 to the Contractor Agreement with EZ Sunnyday Landscape for citywide landscape maintenance services in an amount not to exceed \$81,420 per year, with a term expiring on June 30, 2027. This extension is subject to approval by the City Attorney as to form.

2. Approve an increase in the contract contingency up to the City Manager's purchasing authority of \$25,000, for any necessary changes to the Agreement through a change order during the agreement's duration.

2030 VISION STATEMENT:

This staff report supports Goal #2 "Maintain Public Safety" by maintaining existing citywide landscaping.

BACKGROUND:

On March 14, 2017, the City Council approved a landscape maintenance agreement with EZ Sunnyday Landscape to maintain citywide landscaping.

On June 14, 2022, the Management Analyst issued a Notice Inviting Informal Bids for Landscape Maintenance Services. This notice was posted on the City website and sent directly to a list of 12 contractors. By the bid opening on July 6, 2022, only one bid was submitted.

DISCUSSION:

EZ Sunnyday Landscape, our current landscaper, provides full-service maintenance of planters, ground cover, shrubs, mowing, weed eating, and weed abatement on City-owned property throughout the City.

Item 12

EZ Sunnyday has been contracted throughout the year to perform routine services, and staff hopes to include these routine costs as part of their services to reduce expenses. The City has three empty lots requiring weed abatement and spraying, located on Preston/Barton, west of the City Hall building, and at Observation at the base of the mountain. Other typical tasks include reseeding at the Dog Park, irrigation maintenance on Jaden Court (covered by Landscape and Lighting District fees), and weed abatement near the roundabout. These areas need regular maintenance, but our staff is currently occupied with other tasks and unable to meet the necessary frequency. Additionally, some drains and culverts require routine maintenance to ensure proper functioning before the rainy season. The estimated annual cost to maintain the listed storm drains on an ongoing basis is approximately \$8,000. Staff has budgeted \$15,000 in the 2024-25 budget for additional one-time expenses related to drain and culvert cleaning.

One location originally included in our scheduled services is no longer the City's responsibility due to its connection with a development project near Taylor Street. The bid schedule attachment will include previously approved services, with newly requested services highlighted in yellow.

Staff recommends that the Council award an amendment to the Contractor Agreement with EZ Sunnyday Landscape for citywide landscape maintenance services in an amount not to exceed \$81,420 per year for the duration of the term. We also recommend an increase in the contract contingency up to the City Manager's purchasing authority of \$25,000 for any necessary changes to the Agreement through change orders during the agreement's duration. Future change orders may be necessary if services are no longer needed from EZ Sunnyday or if additional services are identified that a landscaper can fulfill.

FISCAL IMPACT:

There are sufficient funds available to cover the citywide landscape maintenance cost listed in the table below:

<u>Fund Name</u>	<u>Account</u>	<u>Account Description</u>	<u>Amount</u>
General Fund (10)	10-175-244-000	Parkway Maintenance	\$6,860
General Fund (10)	10-195-245-000	Facilities Maintenance	\$5,100
General Fund (10)	10-450-245-000	Parks Maintenance	\$47,720
General Fund (10)	10-631-255-000	Storm Drain Maintenance	\$8,080
Lndscp & Lgtg Assessment (26)	26-600-255-000	Zone 1 - Canal	\$1,800
Lndscp & Lgtg Assessment (26)	26-601-255-000	Zone 3 - Pico & Oriole	\$960
Lndscp & Lgtg Assessment (26)	26-604-255-000	Zone 5 - Palomino	\$200
Lndscp & Lgtg	26-605-255-000	Zone 6 - Jaden	\$10,800

Assessment (26)			
		TOTAL	<u>\$81,420</u>

ATTACHMENTS:

- Contractor Agreement (DOCX)
- Bid Schedule (DOCX)

APPROVALS:

Shanita Tillman	Pending	
Finance	Pending	
City Manager	Pending	
City Council	Pending	08/13/2024 6:00 PM

ITEM NO	DESCRIPTION OF ITEMS	TASK	FREQUENCY	UNIT	ANNUAL PRICE	TOTAL PRICE
1	Richard Rollins Park 22745 De Berry St	Task #1 Full Service (Planters, Ground Cover Shrubs) - 84,800 sqft	Once	Month	\$3,600.00	\$10,800.00
		Task #2 Mow and Weed Eat - 80,000 sqft	Once	Week	\$7,200.00	
2	Veterans Freedom Park 21950 Pico St	Task #1 Full Service (Planters, Ground Cover) Shrubs - 15,200 sqft	Once	Month	\$2,400.00	\$7,200.00
		Task #2 Mow and Weed Eat - 82,600 sqft	Once	Week	\$4,800.00	
3	TJ Austin Park 22740 Robin Way (including parkspace north and south)	Task #1 Full Service (Planters, Ground Cover, Shrubs) 7,200 sqft	Once	Month	\$1,200.00	\$4,800.00
		Task #2 Mow and Weed Eat 55,100 sqft	Once	Week	\$3,600.00	
4	Gwen Karger Park NW Corner of Mount Vernon Ave and DeBerry St	Task #1 Full Service (Planters, Ground Cover Shrubs) – 2,500 sqft	Once	Month	\$360.00	\$720.00
		Task #2 Mow and Weed Eat – 1,500 sqft	Once	Week	\$360.00	
5	Griffin Park Water reservoir behind homes on Canary Court between Merle Court and Paradise St	Task #1 Full Service (Planters, Ground Cover Shrubs) – 65,000 sqft .	Once	Month	\$1,200.00	\$6,300.00
		Task #2 Mow and Weed Eat – 9,200 sqft	Once	Week	\$5,100.00	
6	Canal Strip/East Side of Canal St at Barton Rd North/South of McClarren St	Task #1 Mow and Weed Eat – 29,500 sqft	Once	Week	\$1,800.00	
7	Oriole Slope East side of Oriole Ave from Franklin St and Lark St	Task #1 Full Service (Planters, Ground Cover Shrubs) 11,000 sqft	Once	Month	\$960.00	

8	3 Baseball Fields at Veterans Freedom Park 21950 Pico St	Task #1 Mow and Weed Eat - 48,000 sqft	Once	Week	\$3,000.00
9	Right of Way, Mount Vernon Ave from Main St to Barton Rd	Task #1 Weed Abatement and Spray Roundup – 1 mile on both sides of roadway	Once	Every 2 months	\$1,500.00
10	Right of Way, Barton Rd from Palm to Victoria St	Task #1 Weed Abatement and Spray Roundup – 0.5 miles both sides of roadway	Once	Every 2 months	\$1,500.00
11	Right of Way, Main St from Michigan St to Mount Vernon	Task #1 Weed Abatement and Spray Roundup - 0.5 miles north side of road	Once	Every 2 months	\$300.00
12	Orange Grove Parkway at Mt Vernon Ave and	Task #1 pull weeds – 30,000 sqft	Once	Month	\$960.00
13	Grand Terrace Fitness Park 21937 Grand Terrace Rd	Task #1 pull weeds - 115,000 sqft	Twice	Month	\$4,800.00
14	City Hall 22795 Barton Rd Approximately 30,000 sqft	Task #1 Full Service (Planters, Ground Cover, Shrubs)	Once	Month	\$2,500.00
		Task #2 Mow and Weed Eat	Once	Week	
15	Westside of right of way on S La Cadena Dr between Palm Ave and Litton Ave and median	Task #1 Weed Abatement and Spray Roundup - Approximately 57,000 sqft	Once	Every 3 Months	\$1,400.00
16	Jaden Court On left side of entrance and both center areas of walking path between homes stopping level with the top cul-de-sac	Task #1 Weed Abatement and Spray Roundup on non- drought tolerant/aesthetic plants - Approximately 70,000 sqft	Twice	Month	\$9,000.00
17	Palomino Court Frontage on Pico St	Task #1 Mow parkway Approx. 295 sqft	Twice	Year	\$100.00

	Between Gage Canal and the West Property on Palomino Court	Task #2 Cut back hedge from sidewalk west of 22265 Pico St and prune trees and shrubs on east and west side of Palomino Ct Approx. 400 sqft	Twice	Year	\$100.00
18	Dog Park 22720 Vista Grande Way	Task #1 Full Service (Planters, Ground Cover, and Shrubs) Task #2 Mow and Weed Eat	Once	Week	\$5,400.00
19	Mirado Drain	Removal of grass, trees, and debris	Once	Every 4 months	\$4,200.00
20	Dog Park	Reseed	Once	Year	\$1,700.00
21	Empty lot on Preston/Barton Rd	Weed abatement and spray	Once	Every 3 months	\$2,600.00
22	Jaden Court on Left Side of Entrance and Both Center Areas of Walking Path Between Homes	Irrigation Maintenance	Once	Month	\$1,800.00
23	Observation St – Base of mountain	Weed abatement and spray	Once	Every 3 months	\$1,600.00
24	Barton Rd. west of City Hall Building	Weed abatement and spray	Once	Every 3 months	\$1,400.00
25	Barton Rd Roundabout- Planters on the Edge of the Street and Rocky Area on the Southwest Corner	Weed abatement and spray	Once	Every 3 months	\$1,200.00
26	Canal St from Newport Ave to Mount Vernon ROW drainage ditch	Task #1 Weed abatement and spray roundup, clear ditch – 0.4 miles on west side of the street only	Once	Every 3 months	\$480.00

28	Canal Front Between Pascal and Vivienda	Weed abatement and spray	Once	Every 4 months	\$1,200.00
29	Canal at the corner of Van Buren and Michigan	Weed abatement and spray	Once	Every 3 months	\$400.00
30	Canal Front Between Vivienda to Michigan	Weed abatement and spray	Once	Every 4 months	\$1,800.00

**AMENDMENT NO. 1
TO AGREEMENT FOR PUBLIC WORKS SERVICES
BETWEEN THE CITY OF GRAND TERRACE AND EZ SUNNYDAY LANDSCAPE**

This AMENDMENT NO. 1 TO THE AGREEMENT FOR PUBLIC WORKS SERVICES BY AND BETWEEN THE CITY OF GRAND TERRACE AND EZ SUNNYDAY LANDSCAPE (“Amendment NO. 1”) by and between the **CITY OF GRAND TERRACE** (“City”) and **EZ SUNNYDAY LANDSCAPE**, a California limited liability company (“Contractor”) is effective as of the 13th day of August 2024.

RECITALS

A. The City and Contractor entered into that certain Agreement for Public Works Services By and Between the City of Grand Terrace and EZ Sunnyday Landscape for landscaping services, dated August 9, 2022, with a total compensation of \$66,520, and for a term of five (5) years.

B. Pursuant to section 1.10(a) of the Agreement, the City is requesting additional services from Contractor to include quarterly landscape maintenance at various areas of the City.

C. By this Amendment NO. 1, dated August 13, 2024, the City and Contractor desire to amend the existing Agreement to increase the total compensation by \$14,900.00 from \$66,520.00 to \$81,420.00.

D. Except as amended hereby, this amendment is subject to the same terms and conditions as provided in the Agreement.

TERMS

1. Contract Amendments. The Agreement is amended as provided herein:

1.1 Subsection (b) of Section 1.10 (Additional Work and Change Orders) is hereby amended as:

“(b) Any increase in compensation of up to the \$25,000 contingency approved by the City Council ; or any increase in the time to perform of up to one hundred eighty (180) days; and does not materially affect the Scope of Work and which are not detrimental to the Scope of Work or to the interest of City, may be approved by the Contract Officer. Any greater increases, taken either separately or cumulatively, must be approved by the City Council.”

The remainder of Section 1.10 shall remain in full force and effect.

1.2 Section 2.1 (Contract Sum) is hereby amended as follows:

1.3 “Subject to any limitation set forth in this Agreement, City agrees to pay Consultant the amounts specified in the “Schedule of Compensation” attached hereto as Exhibit “C” and incorporated herein by this reference. The total

compensation, including reimbursement for actual expenses, shall not exceed Eighty-One Thousand Four Hundred Twenty Dollars and Zero Cents (\$81,420.00) (the “Contract Sum”), unless additional compensation is approved pursuant to Section 1.8.”

1.4 Section V of Exhibit “C” (Schedule of Compensation) is hereby amended in its entirety and shall now read as follows:

“The total compensation for the Services shall not exceed Eighty-One Thousand Four Hundred Twenty Dollars and Zero Cents (\$81,420.00) per year as provided in Section 2.1 of this Agreement.”

1.5 Exhibit “A-1” (Bid Specifications and Documents) is hereby replaced in its entirety as follows:

ITEM NO	DESCRIPTION OF ITEMS	TASK	FREQUENCY	UNIT	ANNUAL PRICE	TOTAL PRICE
1	Richard Rollins Park 22745 De Berry St	Task #1 Full Service (Planters, Ground Cover Shrubs) - 84,800 sqft	Once	Month	\$3,600.00	\$10,800.00
		Task #2 Mow and Weed Eat - 80,000 sqft	Once	Week	\$7,200.00	
2	Veterans Freedom Park 21950 Pico St	Task #1 Full Service (Planters, Ground Cover) Shrubs - 15,200 sqft	Once	Month	\$2,400.00	\$7,200.00
		Task #2 Mow and Weed Eat - 82,600 sqft	Once	Week	\$4,800.00	
3	TJ Austin Park 22740 Robin Way (including parkspace north and south)	Task #1 Full Service (Planters, Ground Cover, Shrubs) 7,200 sqft	Once	Month	\$1,200.00	\$4,800.00
		Task #2 Mow and Weed Eat 55,100 sqft	Once	Week	\$3,600.00	
4	Gwen Karger Park NW Corner of Mount Vernon Ave and DeBerry St	Task #1 Full Service (Planters, Ground Cover Shrubs) – 2,500 sqft	Once	Month	\$360.00	\$720.00
		Task #2 Mow and Weed Eat – 1,500 sqft	Once	Week	\$360.00	

4	DeBerry St	Task #2 Mow and Weed Eat – 1,500 sqft	Once	Week	\$360.00	
5	Griffin Park Water reservoir behind homes on Canary Court between Merle Court and Paradise St	Task #1 Full Service (Planters, Ground Cover Shrubs) – 65,000 sqft	Once	Month	\$1,200.00	\$6,300.00
		Task #2 Mow and Weed Eat – 9,200 sqft	Once	Week	\$5,100.00	
6	Canal Strip/East Side of Canal St at Barton Rd North/South of McClarren St	Task #1 Mow and Weed Eat – 29,500 sqft	Once	Week	\$1,800.00	
7	Oriole Slope East side of Oriole Ave from Franklin St and Lark St	Task #1 Full Service (Planters, Ground Cover Shrubs) 11,000 sqft	Once	Month	\$960.00	
8	3 Baseball Fields at Veterans Freedom Park 21950 Pico St	Task #1 Mow and Weed Eat - 48,000 sqft	Once	Week	\$3,000.00	
9	Right of Way, Mount Vernon Ave from Main St to Barton Rd	Task #1 Weed Abatement and Spray Roundup – 1 mile on both sides of roadway	Once	Every 2 months	\$1,500.00	
10	Right of Way, Barton Rd from Palm to Victoria St	Task #1 Weed Abatement and Spray Roundup – 0.5 miles both sides of road	Once	Every 2 months	\$1,500.00	
11	Right of Way, Main St from Michigan St to Mount Vernon	Task #1 Weed Abatement and Spray Roundup - 0.5 miles north side of road	Once	Every 2 months	\$300.00	
12	Orange Grove Parkway at Mt Vernon Ave and	Task #1 pull weeds – 30,000 sqft	Once	Month	\$960.00	
13	Grand Terrace Fitness Park 21937 Grand Terrace Rd	Task #1 pull weeds - 115,000 sqft	Twice	Month	\$4,800.00	
14	City Hall 22795 Barton Rd Approximately 30,000 sqft	Task #1 Full Service (Planters, Ground Cover, Shrubs)	Once	Month	\$2,500.00	
		Task #2 Mow and Weed Eat	Once	Week		

15	Westside of right of way on S La Cadena Dr between Palm Ave and Litton Ave and median	Task #1 Weed Abatement and Spray Roundup - Approximately 57,000 sqft	Once	Every 3 Months	\$1,400.00
16	Jaden Court On left side of entrance and both center areas of walking path between homes stopping level with the top cul-de-sac	Task #1 Weed Abatement and Spray Roundup on non- drought tolerant/aesthetic plants - Approximately 70,000 sqft	Twice	Month	\$9,000.00
17	Palomino Court Frontage on Pico St Between Gage Canal and the West Property on Palomino Court	Task #1 Mow parkway Approx. 295 sqft	Twice	Year	\$100.00
		Task #2 Cut back hedge from sidewalk west of 22265 Pico St and prune trees and shrubs on east and west side of Palomino Ct Approx. 400 sqft	Twice	Year	\$100.00
18	Dog Park 22720 Vista Grande Way	Task #1 Full Service (Planters, Ground Cover, and Shrubs)	Once	Week	\$5,400.00
		Task #2 Mow and Weed Eat			
19	Mirado Drain	Removal of grass, trees, and debris	Once	Every 4 months	\$4,200.00
20	Dog Park	Reseed	Once	Year	\$1,700.00
21	Empty lot on Preston/Barton Rd	Weed abatement and spray	Once	Every 3 months	\$2,600.00
22	Jaden Court on Left Side of Entrance and Both Center Areas of Walking Path Between Homes	Irrigation Maintenance	Once	Month	\$1,800.00
23	Observation St – Base of mountain	Weed abatement and spray	Once	Every 3 months	\$1,600.00

24	Barton Rd. west of City Hall Building	Weed abatement and spray	Once	Every 3 months	\$1,400.00
25	Barton Rd Roundabout- Planters on the Edge of the Street and Rocky Area on the Southwest Corner	Weed abatement and spray	Once	Every 3 months	\$1,200.00
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30	Canal Front Between Vivienda to Michigan	Weed abatement and spray	Once	Every 4 months	\$1,800.00

2. Continuing Effect of Agreement. Except as amended by this Amendment NO. 1, all provisions of the Agreement shall remain unchanged and in full force and effect. From and after the date of this Amendment, whenever the term “Agreement” appears in the Agreement, it shall mean the Agreement, as amended by Amendment NO. 1.

3. Affirmation of Agreement; Warranty Re Absence of Defaults. City and Contractor each ratify and reaffirm each and every one of the respective rights and obligations arising under the Agreement. Each party represents and warrants to the other that there have been no written or oral modifications to the Agreement other than as provided herein. Each party represents and warrants to the other that the Agreement is currently an effective, valid, and binding obligation.

Contractor represents and warrants to City that, as of the date of this Amendment NO. 1, City is not in default of any material term of the Agreement and that there have been no events

that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

City represents and warrants to Contractor that, as of the date of this Amendment NO. 1, Consultant is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

4. Adequate Consideration. The parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Amendment NO. 1.

5. Authority. The persons executing this Amendment NO. 1 on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Amendment NO. 1 on behalf of said party, (iii) by so executing this Amendment NO. 1, such party is formally bound to the provisions of the Agreement, as amended and (iv) the entering into this Amendment NO. 1 does not violate any provision of any other agreement to which said party is bound.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment NO. 1 on the date and year first-above written.

CITY:

CITY OF GRAND TERRACE,
a municipal corporation

Konrad Bolowich, City Manager

ATTEST:

Debra Thomas, City Clerk

APPROVED AS TO FORM:

ALESHIRE & WYNDER, LLP

Adrian R. Guerra, City Attorney

CONSULTANT:

EZ SUNNYDAY LANDSCAPE, a
California limited liability company

By: _____

Name: Isai Zencena

Title: Owner

Address: P.O BOX 878, Rialto, CA
92377

NOTE: CONSULTANT'S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO DEVELOPER'S BUSINESS ENTITY.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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

STATE OF CALIFORNIA

COUNTY OF SAN BERNARDINO

On _____, 2024 before me, _____, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature: _____

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

- ☐ INDIVIDUAL
☐ CORPORATE OFFICER

TITLE(S)
☐ PARTNER(S) ☐ LIMITED
 ☐ GENERAL
☐ ATTORNEY-IN-FACT
☐ TRUSTEE(S)
☐ GUARDIAN/CONSERVATOR
☐ OTHER _____

DESCRIPTION OF ATTACHED DOCUMENT

TITLE OR TYPE OF DOCUMENT

NUMBER OF PAGES

DATE OF DOCUMENT

SIGNER IS REPRESENTING:
(NAME OF PERSON(S) OR ENTITY(IES))

SIGNER(S) OTHER THAN NAMED
ABOVE

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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On _____, 2024 before me, _____, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

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(NAME OF PERSON(S) OR ENTITY(IES))

SIGNER(S) OTHER THAN NAMED
ABOVE



AGENDA REPORT

MEETING DATE: August 13, 2024 *Council Item*

TITLE: Third Amendment to City Manager Employment Agreement

PRESENTED BY: Adrian Guerra, City Attorney *ll* *JG*

RECOMMENDATION: Adopt Resolution No. _____ Approving Third Amendment to City Manager's Employment Agreement

2030 VISION STATEMENT:

This staff report supports all adopted goals and all adopted Core Values of the City Council's 2030 Vision.

BACKGROUND:

On January 3, 2022, Konrad Bolowich, commenced services as the City Manager of the City, pursuant to the City of Grand Terrace City Manager Employment Agreement ("Agreement") between the Employee and the City Council of the City of Grand Terrace ("City Council"). On August 9, 2022, the City Council approved the First Amendment to the Agreement, which provided Mr. Bolowich a 2% salary increase. On September 12, 2023, the City Council approved the Second Amendment to the Agreement which provided Mr. Bolowich a 2% salary increase and increased vacation leave accrual.

DISCUSSION:

The City Council recently conducted a performance review of Mr. Bolowich, and desires to enter into a third amendment to the Agreement ("Third Amendment"). The Third Amendment, if approved, would do the following:

- i) Extend the contract term by 5 years until January 2, 2030;
- ii) Adjust the annual base salary upon approval of the Third Amendment (from to \$219,732.48 annually to \$241,000.00) and provide a one-time retention payment of \$ 2,900.00 to encourage the City Manager's continued retention under the terms of the Agreement;
- iii) Provide a 5% base pay increase each July 1 through the term of the Agreement (i.e. July 1, 2025 through and including July 1, 2029);
- iv) Increase severance from 6 months to 12 months in the event of termination without cause, subject to the terms and conditions of the Agreement; and update the definition of "cause" in the context of for-cause termination.

FISCAL IMPACT:

The 2024/25 budget includes funds for the annual base salary increase described above.

Therefore, there will be no fiscal impact to this year's budget with this action.

ATTACHMENTS:

1. City Manager Employment Agreement, First Amendment, and Second Amendment
2. Resolution Approving Third Amendment to City Manager Employment Agreement
3. Third Amendment to City Manager Employment Agreement

CITY OF GRAND TERRACE
CITY MANAGER
EMPLOYMENT AGREEMENT

This CITY MANAGER EMPLOYMENT AGREEMENT ("Agreement") is entered into and made effective the 14th day of December, by and between the CITY OF GRAND TERRACE, a general law city and municipal corporation ("City") and KONRAD BOLOWICH, an individual ("Employee").

RECITALS

WHEREAS, it is the desire of the City Council of the City of Grand Terrace (hereinafter the "City Council") to employ an individual to serve in the position of City Manager, which position is prescribed by state law and the City's Municipal Code; and

WHEREAS, California Government Code Section 34852 provides that an ordinance establishing a city manager form of government shall define the powers and duties of the city manager; and

WHEREAS, the powers and duties of the city manager of the City are set forth in Grand Terrace Municipal Code ("GTMC") §§ 2.08.050 through 2.08.170; and

WHEREAS, based on Employee's executive and administrative qualifications and ability, the City Council desires to employ Employee to serve as the city manager for the City; and

WHEREAS, Employee desires to perform and assume responsibility for the provision of city manager services to the City; and

WHEREAS, the parties wish to establish the terms and conditions of Employee's provision of city manager professional services to the City through this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the City and Employee hereby agree as follows:

AGREEMENT

1.0 EMPLOYMENT & DUTIES

1.1 Duties. City hereby employs Employee as city manager for the City to perform the functions and duties of the city manager, as specified in the job description attached hereto as Exhibit "A," the City's Municipal Code, and in the Government Code of the State of California, and to perform such other legally permissible and proper duties and functions as the City Council shall, from time-to-time, direct or assign. Employee shall devote his best efforts and full-time attention to performance of these duties.

1.2 Work Schedule. Employee is expected to engage in the hours of work that are necessary to fulfill the obligations of the position, must be available at all times, and must devote a great deal of time outside the normal office hours to the business of the City. Employee acknowledges that proper performance of the duties of city manager will require Employee to generally observe normal business hours, as set by the City and may be duly revised from time-to-time (currently 8:00 a.m. to 5:00 p.m., Monday through Friday), and will also often require the performance of necessary services outside of normal business hours. Employee's compensation (whether salary or benefits or other allowances) is not based on hours worked, and Employee shall not be entitled to any compensation for overtime.

1.3 Other Activities. Employee shall focus his professional time, ability, and attention to City business during the term of this Agreement. Employee shall not engage, without the express prior written consent of the City Council, in any other business duties or pursuits whatsoever, or directly or indirectly render any services of a business, commercial, or professional nature to any other person or organization, whether for compensation or otherwise, that is or may be competitive with the City, that might cause a conflict-of-interest with the City, or that otherwise might interfere with the business or operation of the City or the satisfactory performance of the functions and duties of city manager.

1.4 At-Will Employment Status. Upon appointment to the city manager position, Employee shall serve at the will and pleasure of the City Council and understands that he shall be an "at-will" employee without recourse to bumping or other demotion rights and shall be subject to summary dismissal without any right of notice or hearing except as expressly provided in this Agreement, including any so-called due process pre-disciplinary "Skelly" hearing. The City may terminate Employee at any time in accordance with Section 3.4 below.

1.5 City Documents. All data, studies, reports and other documents prepared by Employee while performing his duties during the term of this Agreement shall be furnished to and become the property of the City, without restriction or limitation on their use. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other materials either created by or provided to Employee in connection with the performance of this Agreement shall be held confidential by Employee to the extent permitted by applicable law, except as may be required by any governmental agency or court of competent jurisdiction. Such materials shall not be used by Employee, without the prior written consent of the City Council, for any purposes other than the performance of his duties. Additionally, no such materials may be disclosed to any person or entity not connected with the performance of services under this Agreement, except as required by (a) law, (b) any governmental agency, (c) subpoena, or (d) an order issued by a court of competent jurisdiction.

1.6 Exclusion from Competitive Service. Employee understands, acknowledges and agrees that he is exempt from the City's personnel system pursuant to GTMC §2.24.020(B).

1.7 FLSA Exempt Status. Employee agrees that his position is that of an exempt employee for the purposes of the Fair Labor Standards Act ("FLSA").

2.0 COMPENSATION AND REIMBURSEMENT

2.1 Compensation. For the services rendered pursuant to this Agreement, Employee's initial base compensation shall be Two Hundred Eleven Thousand Two Hundred Dollars and No Cents (\$211,200.00) annually ("Salary"), which shall be paid on a pro-rated basis bi-weekly at the same time as other employees of the City are paid. Such Salary shall be adjusted for payroll taxes, workers' compensation, and other payroll-related liability costs as determined by the City. The City shall not reduce Employee's Salary, unless as part of a general City management salary reduction, and then in no greater percentage than the average reduction of all City department heads.

2.2 Salary Review and Adjustment. The City Council and Employee agree to conduct an initial salary review in or prior to June 2022 concurrently with the performance evaluation set forth in Section 5.2. For the June 2022 salary review, in the event Employee has achieved the goals established for him by the City Council as determined by the City Council in its discretion, then Employee will be provided up to a four percent (4%) base salary adjustment to be effective July 1, 2022 (up to a new base salary of \$219,648.00).

The City Council and Employee further agree to conduct a salary review in or prior to June 2023 concurrently with the performance evaluation set forth in Section 5.2. For the June 2023 salary review, in the event Employee has achieved the goals established for him by the City Council as determined by the City Council in its discretion, then Employee will be provided up to a three percent (3%) base salary adjustment to be effective July 1, 2023 (up to a new base salary of \$226,237.44). Any further adjustments in the base salary and/or benefits following Employee's annual performance evaluations shall be at the sole discretion of the City Council.

3.0 TERM

3.1 Commencement & Effective Date. Employee shall commence his services hereunder at 12:01 a.m. Pacific daylight savings time on January 3, 2022 ("Effective Date").

3.2 Term. This Agreement shall remain in effect for three (3) years from the Effective Date specified in Section 3.1, i.e. until January 2, 2025.

3.3 Termination by Employee. Employee may terminate this Agreement at any time, provided Employee provides the City Council with at least thirty (30) days' advance written notice prior to the effective date of termination, unless a shorter period is acceptable to Council. In the event Employee terminates this Agreement, Employee expressly agrees that he shall not be entitled to any severance pay.

3.4 Termination by City. The City Council may terminate this Agreement at any time with or without cause, by providing written notice of the reasons(s) as provided in (a) and (b) below. The City Council's right to terminate Employee pursuant to this Section 3.4 shall not be subject to or in any way limited by the City's Personnel Rules or past City practices related to the employment, discipline or termination of the City's employees. Nothing herein, however, shall be construed to create a property interest, where one does not exist by rule of law,

in the position of city manager. Upon appointment to the city manager position, Employee remains an at-will employee serving at the pleasure of the City Council.

(a) Termination by City for Cause. The City may terminate this Agreement for cause at any time by providing Employee with five (5) business days' written notice of the termination for cause and the facts and grounds constituting such cause. In such event, City shall, if desired Employee, afford Employee a public name-clearing hearing before Council. Request for a name clearing hearing shall be made to the City Clerk within seven (7) days of Employee's receipt of notice of termination. For purposes of this Agreement, the term "cause" shall be defined to include any misconduct materially related to performance of official duties, including but not be limited to any of the following: (1) breach of this Agreement; (2) violation of the City's Municipal Code, Ordinances, Rules, and Regulations, including but not limited to the City's Personnel Rules; (3) willful or persistent material breach or neglect of duties; (4) résumé fraud or other acts of material dishonesty; (5) insubordination (which shall be defined as a repeated failure to carry out a directive or directives of Council made by Council as a body); (6) corrupt or willful misconduct in office; (7) conviction of a misdemeanor involving moral turpitude (i.e., offenses contrary to justice, honesty, or morality) or conviction of a felony under California law; (8) willful destruction or misuse of City property; (9) habitual intoxication while on duty, whether by alcohol, prescription or non-prescription drugs, and in the case of prescription drugs, where they are being used in a manner not authorized by Employee's treating physician; (10) use or possession of illegal drugs; (11) inexcusable absence without an authorized leave of absence; (12) willful political activity involving the support of candidates for Council; (13) theft or attempted theft; (14) financial mismanagement; (15) willful violation of Federal, State or City discrimination and harassment laws concerning either members of the general public or City's employee(s) while acting in the course and scope of employment and/or while on City premises or time; (16) willful and unlawful retaliation against any City officer or employee or member of the general public who in good faith reports, discloses, divulges or otherwise brings to the attention of any appropriate authority any facts or information relative to actual or suspected violations of any law occurring on the job or related directly thereto; (17) willful violation of any conflict of interest or incompatibility of office laws; (18) engaging in conduct tending to bring embarrassment or disrepute to City; (19) any illegal or unethical act involving personal gain; (20) "abuse of office or position" as defined in Government Code §53243.4 (i.e., waste, fraud, and violation of the law under color of authority and crimes against public justice, including crimes involving bribery and corruption); or (21) any similar cause. For any of the foregoing, the City may, in its discretion, place Employee on paid or unpaid administrative leave until resolution. If the City terminates for cause this Agreement and the services of Employee hereunder, then the City shall have no obligation to pay severance.

(b) Termination by City Council Without Cause. By providing Employee at least thirty (30) calendar days prior written notice thereof, the City Council may terminate Employee without cause, including based upon management reasons. In the event Employee is terminated without cause, Employee expressly agrees that he shall not be entitled to any severance pay as the result of the termination of this Agreement except as provided in Section 4.1 below.

3.5 Waiver of Certain Discipline and Termination Rights. Employee expressly waives any rights afforded under City's personnel system or policies, Personnel Rules,

and any rights afforded to Employee under the Grand Terrace Municipal Code (including Sections 2.08.210 through 2.08.270) or under State or Federal law, including Government Code §§ 54950 *et seq.* (“Brown Act”), to any form of pre- or post- discipline or termination hearing, appeal, or other administrative process pertaining to discipline or termination, except those rights Employee may have under the California or United States constitutions to a name-clearing hearing. Such rights waived under this Section 3.5 include the right under the Brown Act (Government Code §54957(b)) to have complaints or charges against an employee heard in a public session upon Employee’s request.

3.6 Limitation on Termination Following Election. Employee shall not be removed from office, other than for cause as defined in Section 3.4(a) above, during or within a period of ninety (90) days next succeeding any general municipal election held in the City at which election a member of the City Council is elected or when a new City Councilmember is appointed.

4.0 SEVERANCE

4.1 Severance Pay. Notwithstanding GTMC §2.08.040(C), if the Council terminates Employee without cause and Employee does not challenge such termination, including but not limited to by means of appeal or civil or administrative claim, then City shall pay to Employee severance in an amount equal to his monthly base salary (as defined in Section 2 above, calculated on a per diem basis) then in effect multiplied by six (6), less applicable deductions and excluding deferred compensation or the value of any other benefits.

In addition, the City shall extend to Employee the right to continue health insurance as may be required by and pursuant to the terms and conditions of the Consolidated Omnibus Budget Reconciliation Act of 1986 (“COBRA”). As permitted by Government Code § 53261, City agrees to pay Employee’s COBRA coverage for one (1) month or until Employee finds other employment, whichever occurs first.

Notwithstanding the foregoing, Government Code Section 53260 provides that all contracts of employment with a city must include a provision limiting the maximum cash settlement for the termination of the contract to the monthly salary (excluding benefits) multiplied by the number of months left on the unexpired term, but not more than 18 months if the unexpired term exceeds 18 months. Accordingly, should such proposed severance payment exceed the amount authorized to be paid under Government Code Section 53260, then the amount paid to Employee shall be reduced in the amount necessary to comply with such statute. (For example, if termination occurs with two (2) months left in the term, severance would be equal to the monthly base salary multiplied by two (2) rather than the six (6) months provided in this Section.)

4.2 No Severance Pay if Termination for Cause or Initiated by Employee. As provided in Section 3.4(a), should Employee be terminated for cause, the City shall have no obligation to pay the severance provided for in Section 4.1 above. As provided in Section 3.3, should Employee initiate termination of this Agreement, the City shall have no obligation to pay the severance provided for in Section 4.1 above.

4.3 Sole Rights. The severance rights provided in this Section 4.0 shall constitute the sole and only entitlement of Employee with respect to severance pay in the event

of the termination, other than for cause. Employee expressly waives any and all other rights with respect to severance pay except as provided herein. Any and all severance rights are conditioned upon and in consideration for execution of the standard "Agreement of Separation, Severance, and General Release" attached hereto in form only as Exhibit "C."

5.0 PERFORMANCE EVALUATIONS

5.1 Purpose. The performance review and evaluation process set forth herein is intended to provide review and feedback to Employee so as to facilitate a more effective management of the City. Nothing herein shall be deemed to alter or change the employment status of Employee (as set forth in Section 1.4 above), nor shall this Section 5.0 be construed as requiring "cause" to terminate this Agreement, or the services of Employee hereunder.

5.2 Annual Evaluation. The City Council shall conduct an initial performance evaluation in or prior to June 2022 to review and evaluate the performance of Employee. The City Council shall conduct another performance evaluation in or prior to June 2023 to review and evaluate the performance of Employee. Thereafter, the City Council shall review and evaluate the performance of Employee annually in or prior to June of each year. In addition, Employee shall submit for the City Council's consideration, no later than June 1 of each year of the term of this Agreement, Employee's proposed annual performance goals and objectives and incorporate the City Council's suggestions.

5.3 Written Summary. The City Council may, at its sole discretion, elect to provide a written summary of each performance evaluation to Employee within two (2) weeks following the conclusion of the review and evaluation process, and may, at its discretion, schedule at least one (1) closed personnel session with Employee to deliver and discuss the evaluation.

6.0 BENEFITS

6.1 Automobile Allowance. The City shall provide Employee an automobile allowance for the use of his personal automobile for official City business at the rate of Four Hundred Sixteen Dollars and Sixty Seven Cents (\$416.67) per month (to equal \$5,000 annually). The automobile allowance authorized by this Section shall constitute full compensation for any and all expenses related to the operation and maintenance of Employee's vehicle for City purposes.

6.2 Health, Dental, and Vision Insurance. The City shall provide to Employee a contribution to his health insurance premium in the amount of \$1,416.67 per month (to equal \$17,000 annually), paid on a pro-rated basis the first two pay periods every month. The City currently contracts for major medical insurance through CalPERS.

Dental and vision insurance premiums shall be paid by Employee.

6.3 CalPERS. The City believes Employee to be a "classic" member of CalPERS and accordingly he shall participate in the City's Second Tier Plan for Miscellaneous employees, which is the 2% at 60 formula. Such formula is subject to the following CalPERS

contract provisions: (i) average monthly pay rate and special compensation for highest three (3) year period; (ii) fourth level of 1959 Survivors Program; (iii) sick leave credit; and (iv) military service credit as public service. The City shall pay the full employer CalPERS contribution. The employee contribution shall be paid by Employee.

6.4 Deferred Compensation. City agrees that Employee may, at his sole cost and expense, participate in City's 457 Deferred Compensation Program.

6.5 Vacation Leave. Employee shall accrue vacation leave according to the following schedule:

Years of service	Hours accrued per pay period
1 - 5	3.08 (to equal 80 hours annually)
6 - 10	4.62 hours (to equal 120 hours annually)
11 plus	6.15 hours (to equal 160 hours annually)

Upon commencement of employment, Employee shall receive eighty (80) hours of accrued vacation leave in Employee's vacation leave bank.

Vacation leave shall have an accrual cap of four hundred eighty (480) hours, after which accruals shall cease until total accrued vacation leave drops below the 480 hour accrual cap.

Employee shall be subject to the same vacation leave usage rules that apply to City department heads, including applicable requirements of the City's Personnel Rules and Statement of Benefits. However, notwithstanding any language to the contrary, Employee shall be permitted to use accrued vacation leave upon commencement of employment. Upon Employee's separation from City service for any reason, the City shall compensate Employee for any accrued vacation leave remaining on the books. The value of accrued vacation leave shall be calculated using Employee's pay rate on the date of Employee's separation from City service.

6.6 Sick Leave. Employee shall accrue sick leave at the rate of 3.69 hours of sick leave for each pay period of service or major portion thereof. Employee may accrue a maximum of four hundred eighty (480) hours of sick leave hours. Upon commencement of employment, Employee shall receive eighty (80) hours of accrued sick leave in Employee's sick leave bank.

After five (5) years of employment, upon separation from employment, other than termination for cause, Employee shall be compensated for 40% of all unused sick leave. In the event Employee separates from the City prior to five (5) years of employment or is terminated for cause at any time, Employee shall not be compensated for unused sick leave. The value of accrued sick leave shall be calculated using Employee's pay rate on the date of Employee's separation from City service. In the event Employee retires from the City, Employee shall be eligible to convert unused accrued sick leave to CalPERS service credit in accordance with CalPERS regulations and the City's CalPERS contract.

Employee may use up to 3 days of accrued sick leave in any 12 month period as bereavement leave for the death of a family member. A family member is defined as a spouse/domestic partner, parent, sibling, child, grandchild, or grandparent of the employee or of the employee's spouse/ domestic partner.

Employee shall be subject to the same sick leave usage rules that apply to City department heads, including applicable requirements of the City's Personnel Rules and Statement of Benefits.

6.7 Management Leave. Employee shall accrue eighty (80) hours per calendar year of management leave as time off from work, instead of pay or compensatory leave credit for overtime work. Management leave shall accrue on January 1 of each year. Employee shall not accrue more than 80 hours of management leave.

Employee shall be subject to the same management leave usage rules that apply to City department heads. Upon Employee's separation from City service for any reason, the City shall compensate Employee for any accrued management leave remaining on the books. The value of accrued management leave shall be calculated using Employee's pay rate on the date of Employee's separation from City service.

6.8 Holidays. Employee shall be entitled to the standard paid holidays provided to all City employees each year, as determined by the City Council. The City currently provides thirteen (13) paid holidays and two (2) floating holidays each year. Each floating holiday shall equal 8 hours.

Employee shall be subject to the same floating holiday usage rules that apply to City department heads. The City shall compensate Employee for any floating holiday leave not taken for floating holidays occurring prior to his date of separation.

6.9 Life, short-term disability, and long-term disability insurance. The City shall provide to Employee life insurance coverage in the amount of \$200,000. Employee shall pay for the cost of short-term disability and long-term disability insurance at his own expense.

6.10 Cellular Telephone Allowance. Employee shall be provided a monthly cellular telephone allowance of One Hundred Dollars (\$100.00) (to equal \$1,200 annually) for reimbursement for the costs associated with the use of his personal cellular telephone service for business purposes. The City shall not be liable for any expenses beyond such allowance. The cellular telephone allowance provided pursuant to this Section shall be subject to the

requirements of Section 24 of the Personnel Rules and Regulations, entitled “Electronic Equipment Use Policy.”

7.0 PROFESSIONAL DEVELOPMENT

7.1 Membership. The City encourages Employee’s continued professional development and shall provide payment of appropriate related costs for such activities, including membership in relevant professional organizations, as approved by the City Council.

7.2 Out-of-Town Meetings & Seminars. The City agrees to reimburse Employee the actual cost for registration, travel, lodging, meals, and other expenses incurred by Employee while attending overnight, out-of-town meetings or seminars related to his employment with the City, in accordance with the City’s policies for expense reimbursement. Moreover, to be eligible Employee must have budgeted funds available for same; provided, however, that the City Council may, in its sole discretion, approve such unbudgeted expenditures if it deems it in the best interests of the City.

7.3 Local Meetings & Seminars. The City agrees to reimburse Employee the actual cost of registration, meals, and other expenses necessarily incurred while in attendance at local meetings or seminars related to his employment with City in accordance with the City’s policies for expense reimbursement.

8.0 BONDS AND INDEMNIFICATION

8.1 Indemnification. To the extent mandated by the California Government Code, the City shall defend, hold harmless, and indemnify Employee against any tort, professional liability, claim or demand, or other legal action arising out of an alleged act or omission occurring in the performance of Employee’s services under this Agreement. This section shall not apply to any intentional tort or crime committed by Employee, to any action outside the course and scope of the services provided by Employee under this Agreement, or any other intentional or malicious conduct or gross negligence of Employee.

8.2 Bonds. City shall bear the full cost of any fidelity or other bonds, which may be required in the performance of Employee’s services under this Agreement.

9.0 GENERAL PROVISIONS

9.1 Entire Agreement. This Agreement represents the entire agreement between the parties and supersedes any and all other agreements, either oral or in writing, between the parties with respect to Employee’s employment by the City and contains all of the covenants and agreements between the parties with respect to such employment. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by either party, or anyone acting on behalf of either party, which are not embodied herein, and that no other agreement, statement or promises not contained in this Agreement shall be valid or binding upon either party.

9.2 Amendment. This Agreement may be amended at any time by the mutual consent of the parties by an instrument in writing, which amendment shall require approval by the affirmative vote of three (3) members of the Council.

9.3 Notices. Any notice required or permitted by this Agreement shall be in writing and shall be personally served or shall be sufficiently given when served upon the other party as sent by United States Postal Service, postage prepaid and addressed as follows:

To City:

City of Grand Terrace
Attention: City Clerk
22795 Barton Rd.
Grand Terrace, CA 92313

To Employee:

Konrad Bolowich
[On file with Human Resources Dept.]

Notices shall be deemed given as of the date of personal service or upon the date of deposit in the course of transmission with the United States Postal Service.

9.4 Conflicts Prohibited. During the term of this Agreement, Employee shall not engage in any business or transaction or maintain a financial interest which conflicts, or reasonably might be expected to conflict, with the proper discharge of Employee's duties under this Agreement. Employee shall comply with all requirements of law, including but not limited to, Sections 87100 *et seq.*, Section 1090 and Section 1125 of the Government Code, and all other similar statutory and administrative rules. Whenever any potential conflict arises or may appear to arise, the obligation shall be on Employee to seek legal advice concerning whether such conflict exists and Employee's obligations arising therefrom.

9.5 Effect of Waiver. The failure of either party to insist on strict compliance with any of the terms, covenants, or conditions of this Agreement by the other party shall not be deemed a waiver of that term, covenant, or condition, nor shall any waiver or relinquishment of any right or power at any one time or times be deemed a waiver or relinquishment of that right or power for all or any other times.

9.6 Partial Invalidity. If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

9.7 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California, which are in full force and effect as of the date of execution and delivery by each party hereto.

9.8 Mandatory Government Code Provisions. Government Code §§ 53243 - 53243.4 require that contracts between local agencies and its employees include provisions requiring an employee who is convicted of a crime involving an abuse of his office or position to provide reimbursement to the local agency for the following forms of payment: (i) paid leave salary; (ii) criminal defense costs; (iii) cash settlement payments; and (iv) any non-contractual settlement payments. Accordingly, the Parties agree that it is their mutual intent to fully comply with these Government Code sections and all other applicable law as it exists as of the date of

execution of this Agreement and as such laws may be amended from time to time thereafter. Specifically, the following Government Code sections are called out and hereby incorporated by this Agreement:

§53243. Reimbursement of paid leave salary required upon conviction of crime involving office or position.

§53243.1. Reimbursement of legal criminal defense upon conviction of crime involving office or position.

§53243.2. Reimbursement of cash settlement upon conviction of crime involving office or position.

§53243.3. Reimbursement of noncontractual payments upon conviction or crime involving office or position.

§53243.4. "Abuse of office or position" defined.

Employee represents that Employee has reviewed, is familiar with, and agrees to comply fully with each of these provisions if any of these provisions are applicable to Employee, including that Employee agrees that any cash settlement or severance related to a termination that Employee may receive from the City shall be fully reimbursed to the local agency if Employee is convicted of a crime involving an abuse of Employee's office or position. The Government Code provisions referenced in this section are attached hereto in Exhibit "B".

9.9 Independent Legal Advice. The City and Employee represent and warrant to each other that each has received legal advice from independent and separate legal counsel with respect to the legal effect of this Agreement, or had the opportunity to do so, and the City and Employee further represent and warrant that each has carefully reviewed this entire Agreement and that each and every term thereof is understood and that the terms of this Agreement are contractual and not a mere recital. This Agreement shall not be construed against the party or its representatives who drafted it or who drafted any portion thereof.

IN WITNESS WHEREOF, the City of Grand Terrace has caused this Agreement to be signed and executed on its behalf by its Mayor, and duly attested by its officers thereunto duly authorized, and Employee has signed and executed this Agreement, all in triplicate.

CITY OF GRAND TERRACE



Darcy McNaboe, Mayor

ATTEST:



Debra Thomas, City Clerk

APPROVED AS TO FORM:


Adrian Guerra, City Attorney

EMPLOYEE


Konrad Bolowich

EXHIBIT "A"

City Manager Job Description

GENERAL PURPOSE:

Under general direction of the City Council, serves as the City's Chief Executive Officer and oversees and guides the activities of all City departments, programs, services and functions to ensure that the City's goals and objectives are achieved; provides the City Council with accurate and timely information to support decision-making and policy direction and to implement all policy set by the City Council; provides overall daily administration, decision-making and policy guidance with the City Council and staff; serves as the Executive Director of the Successor Agency, Housing Authority, and Public Financing Authority; oversees the City's budget and capital improvement plans; provides effective professional leadership and recommends organizational enhancements to meet the City's current and future needs; and performs other related duties as assigned.

DISTINGUISHING CHARACTERISTICS:

The City Manager provides overall direction to all staff positions through department directors, managers, and assigned administrative staff. The scope of responsibility, decision-making, direct and indirect supervision, and budgetary authority are significantly greater than for any other City staff position.

ESSENTIAL FUNCTIONS:

The duties listed below are intended only as illustrations of the various types of work that may be performed. The omission of specific statements of duties does not exclude them from the position if the work is similar, related, or a logical assignment to the class.

1. Directs and manages the operations of the City: provides direction to all City departments and functions falling under the authority of the City Manager; supervises all subordinate department heads and staff; hires, trains, evaluates performance, and disciplines senior management personnel and oversees this process for all City employees through subordinate managers; serves as the Personnel Officer; establishes policies and procedures for the overall City functions; oversees and participates in the resolution of inquiries and complaints from the public and other organizations; and establishes, monitors and evaluates progress towards goals and objectives of the administration; trains personnel on mission, vision, and values.
2. Serves as a liaison between City staff, the Mayor, and the City Council: attends all meetings of the City Council; briefs Council Members on pending agenda items and other City issues; responds to inquiries and provides Council Members with information on the status of City operations and projects; provides analysis as needed to assist the Council to make informed policy decisions; and provides support to the Mayor and Council Members as needed.

3. Assists the Mayor and City Council with strategic and long-range planning and goals for the City: participates in planning efforts at the local and regional level; keeps City Council apprised of developments at the state and federal level that impact the City; monitors pending legislation for impact on the City; oversee compliance with new legislation
4. Represents the Mayor, City Council, and the City at various meetings, functions, and events: serves as a liaison to various civic or governmental organizations and committees, taskforces, boards, and commissions; confers regularly with officials from the municipalities, school board, chamber of commerce, authorities, and commissions; provides information about City operations; participates in discussions and decisions; and keeps the City Council apprised of activities.
5. Performs financial and managerial analyses for the Mayor and City Council pertaining to City operations and programs under consideration: gathers information relevant to topic; evaluates data and makes recommendations based on findings; and makes presentations to the City Council and other interested parties.
6. Serves as a liaison between the Mayor and Council and department heads, keeping the Mayor and Council apprised on departmental activities; assists departments with resolution of problems requiring the attention of City management; monitors and evaluates progress of departments towards the goals and objectives of the administration.
7. Facilitates problem solving at all levels in the organization: works with department heads and senior management to ensure effective coordination and cooperation among departments; coordinates the continuous review of interdepartmental processes for quality control and improvement; responds to inquiries from the public regarding issues unresolved at the departmental level.
8. Attends all meetings of the City Council; briefs Council Members on pending agenda items and other City issues; recommends City Council action on ordinances, resolutions, contracts and other matters as appropriate.
9. Develops, recommends, administers, interprets and enforces policies and procedures.
10. Directs and participates in the preparation of a wide variety of studies, reports, contracts, agreements, agenda letters, correspondence, resolutions and ordinances.
11. Oversees development of City Annual Budget in coordination with Finance Department and City departments and present proposed budget for City Council review, consideration, and approval.
12. Prepares for and leads weekly Executive Team meetings; serves as a liaison to various civic or governmental organizations and committees, taskforces, boards, and commissions.

QUALIFICATIONS AND GUIDELINES:

Knowledge of:

- Leadership and management theory and practices;
- municipal government organization, administration, and operations, including principles, practices, and methods used in local government administration;
- organizational and management practices related to the analysis and evaluation of City programs, policies, and operational needs;
- public sector personnel administration and labor relations practices;
- municipal budgeting and capital improvement programs;
- current community and social, political, and economic trends and problems affecting local government;
- applicable federal, State and local laws, codes and ordinances, and rules and regulations regarding local government affairs;
- Government, Council, and local and State legislative processes;
- negotiations and conflict resolution techniques;
- goal setting and workload and performance indicators;
- principles of effective community and public relations in working with City Council, civic and business groups, media, and the general public;
- marketing and economic development; program development, public policy, and project management;
- employee development, management, motivation, supervision, training, performance appraisal, and discipline.

Ability to:

- Manage and direct City-wide goals, objectives, policies, procedures, work standards, and internal controls;
- provide leadership and plan and administer a balanced budget;
- select, motivate, supervise, and evaluate executive team and staff and plan, organize, direct, and coordinate, and delegate work;
- articulate and respond to sensitive community, organizational, and City Council issues, concerns, and needs;
- prepare clear, concise, and comprehensive administrative, financial, and technical reports;
- evaluate public policy, management and operational issues and recommend appropriate actions;
- think logically, appraise situations logically, interpret federal, State and local policies, laws and regulations, and policy issues, in determining appropriate actions;
- exercise tact and diplomacy in resolving conflict in a fair and amicable manner;
- communicate effectively, both orally and in writing;
- establish, cultivate, and maintain effective working relationships with City Council, department directors, officials, citizen groups and business representatives, vendors, contractors, consultants, and the general public and
- make effective public presentations.

Education/Training/Experience:

- Bachelor's degree from an accredited four-year college or university with a major in Public Administration, Public Policy, Finance, or a related field is required.
- A Master's degree in Public Administration, Finance, or a related field is highly desirable.
- Ten years of responsible management, supervisory, and administrative experience related to local government management, including planning, organization, leadership, and implementation of varied interdepartmental programs and services,
 - including two years of experience as an Assistant City Manager and
 - four years of experience as a major department head.

Licenses; Certificates; Special Requirements:

- Valid Class C California driver's license,
- acceptable driving record, and
- proof of insurance in compliance with the City's Vehicle Insurance Policy standards.
- Ability to work extended hours in order to attend meetings, conferences, events, and other functions on behalf of the City, including evening and weekend hours.

In accordance with California Government Code Section 3100, City of Grand Terrace employees, in the event of a disaster, are considered disaster service workers and may be asked to protect the health, safety, lives, and property of the people of the State.

PHYSICAL AND MENTAL DEMANDS

The physical and mental demands described here are representative of those that must be met by employees to successfully perform the essential functions of this class. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

Physical Demands

While performing the duties of this class, the employee is constantly required to sit, and occasionally to stand and walk. Finger dexterity and light grasping is required to handle, feel, or operate computer hardware and standard office equipment; and reach with hands and arms above and below shoulder level. The employee occasionally bends, stoops, lifts, and carries records and documents, typically weighing less than 25 pounds.

Sensory demands include the ability to see, talk, and hear, and use electronic touch keypads.

Mental Demands

While performing the duties of this class, the employee is regularly required to use oral and written communication skills; read and interpret data; thoroughly analyze and solve problems; exercise sound judgment in the absence of specific guidelines; use math and mathematical reasoning; establish priorities and work on multiple assignments and projects concurrently; meet intense and changing deadlines given interruptions; and interact appropriately with staff,

management, City Council, commissioners, and other officials, media, as well as contractors, community groups, other public agencies, vendors, consultants, contractors, public and private representatives, and others in the course of work, including resolving conflict situations.

WORK ENVIRONMENT

The employee frequently works in an office environment with controlled temperature settings. The noise level is moderate, typically below 70 decibels.

The employee occasionally drives in traffic to deliver documents and attend meetings and workshops.

EXHIBIT "B"

GOVERNMENT CODE SECTION 53243-53243.4

53243. On or after January 1, 2012, any contract executed or renewed between a local agency and an officer or employee of a local agency that provides paid leave salary offered by the local agency to the officer or employee pending an investigation shall require that any salary provided for that purpose be fully reimbursed if the officer or employee is convicted of a crime involving an abuse of his or her office or position.

53243.1. On or after January 1, 2012, any contract executed or renewed between a local agency and an officer or employee of a local agency that provides funds for the legal criminal defense of an officer or employee shall require that any funds provided for that purpose be fully reimbursed to the local agency if the officer or employee is convicted of a crime involving an abuse of his or her office or position.

53243.2. On or after January 1, 2012, any contract of employment between an employee and a local agency employer shall include a provision which provides that, regardless of the term of the contract, if the contract is terminated, any cash settlement related to the termination that an employee may receive from the local agency shall be fully reimbursed to the local agency if the employee is convicted of a crime involving an abuse of his or her office or position.

53243.3. On or after January 1, 2012, if a local agency provides, in the absence of a contractual obligation, for any of the payments described in this article, then the employee or officer receiving any payments provided for those purposes shall fully reimburse the local agency that provided those payments in the event that the employee or officer is convicted of a crime involving the abuse of his or her office or position.

53243.4. For purposes of this article, "abuse of office or position" means either of the following:

(a) An abuse of public authority, including, but not limited to, waste, fraud, and violation of the law under color of authority.

(b) A crime against public justice, including, but not limited to, a crime described in Title 5 (commencing with Section 67), Title 6 (commencing with Section 85), or Title 7 (commencing with Section 92) of Part 1 of the Penal Code.

EXHIBIT "C"

AGREEMENT OF SEPARATION, SEVERANCE, AND GENERAL RELEASE

1. PARTIES

This Agreement of Separation, Severance, and General Release (hereinafter referred to as the "AGREEMENT") is entered into by and between the City of Grand Terrace, a general law city and municipal corporation (hereinafter referred to as "THE CITY"), and Konrad Bolowich, an individual (hereinafter referred to as "EMPLOYEE").

2. RECITALS

2.1. EMPLOYEE was hired by THE CITY as an at-will City Manager effective [REDACTED] serving at the pleasure of the City Council of THE CITY pursuant to a written contract, a copy of which is attached hereto as Exhibit "A" ("THE CONTRACT"). EMPLOYEE is currently [REDACTED] years old.

2.2. THE CITY and EMPLOYEE desire that EMPLOYEE resign and enter into a severance agreement whereby EMPLOYEE receives severance compensation in exchange for executing a general release and waiver of any and all claims that EMPLOYEE may have against THE CITY, including but not limited to its elected and non-elected officials, employees, attorneys, and agents. Accordingly, the parties hereto intend by this AGREEMENT to mutually conclude any and all employment relationships between THE CITY and EMPLOYEE by means of EMPLOYEE's voluntary separation as of [REDACTED], [REDACTED]. This AGREEMENT sets forth the full and complete terms and conditions concluding EMPLOYEE's employment relationship with the CITY and any obligations related thereto, including any provided under THE CONTRACT.

2.3 In accordance with this AGREEMENT and with applicable state and federal laws, EMPLOYEE acknowledges that EMPLOYEE has been advised of EMPLOYEE's post-employment rights, including but not limited to, EMPLOYEE's rights under the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA"), the Employee Retirement Income Security Act of 1974 ("ERISA"), and the Health Insurance Portability and Accountability Act of 1996 ("HIPAA").

3. CONSIDERATION

3.1 EMPLOYEE shall receive payment to him at the time of his voluntary separation all earned salary, accrued fringe benefits as detailed in THE CONTRACT, and/or all other wage compensation/benefits owed to EMPLOYEE upon separation of employment, as required by law or THE CONTRACT or any other agreement with THE CITY.

3.2. In exchange for the waivers and releases set forth herein, THE CITY shall also cause to be paid to EMPLOYEE an additional compensatory payment by means of severance, settlement and release in the form of a lump sum amount of [REDACTED] and [REDACTED] cents (\$ [REDACTED].00), as set forth in THE CONTRACT in the form of a check made payable to EMPLOYEE to be mailed to EMPLOYEE at EMPLOYEE's home address via certified mail return receipt requested within thirty (30) business days after the EFFECTIVE DATE (as defined below) of this AGREEMENT.

3.3 In exchange for the severance payment provided for herein, EMPLOYEE, and on behalf of EMPLOYEE's spouse, heirs, representatives, successors, and assigns, hereby releases, acquits, and forever discharges THE CITY, and each of its predecessors, successors, assigns, officials, employees, representatives, agents, insurers, attorneys, and all persons and entities acting by, through, under, or in concert with any of them, and each of them (hereinafter referred to as "THE CITY PARTIES"), from any and all claims, charges, complaints, contracts, understandings, liabilities, obligations, promises, benefits, agreements, controversies, costs, losses, debts, expenses, damages, actions, causes of action, suits, rights, and demands of any nature whatsoever, known or unknown, suspected or unsuspected, which EMPLOYEE now has or may acquire in the future, or which EMPLOYEE ever had, relating to or arising out of any act, omission, occurrence, condition, event, transaction, or thing which was done, omitted to be done, occurred or was in effect at anytime from the beginning of time up to and including _____, _____ (hereinafter referred to collectively as "CLAIMS"), without regard to whether such CLAIMS arise under the federal, state, or local constitutions, statutes, rules or regulations, or the common law. EMPLOYEE expressly acknowledges that the CLAIMS forever barred by this AGREEMENT specifically include, but are not limited to, claims based upon any alleged breach of THE CONTRACT or any other agreement of employment, any demand for wages, overtime or benefits, any claims of violation of the provisions of ERISA, COBRA or HIPAA, any alleged breach of any duty arising out of contract or tort, any alleged wrongful termination in violation of public policy, any alleged breach of any express or implied contract for continued employment, any alleged employment discrimination or unlawful discriminatory act, or any claim or cause of action including, but not limited to, any and all claims whether arising under any federal, state or local law prohibiting breach of employment contract, wrongful termination, or employment discrimination based upon age, race, color, sex, religion, handicap or disability, national origin or any other protected category or characteristic, and any and all rights or claims arising under the California Labor Code or Industrial Welfare Commission Wage Orders, the Federal Fair Labor Standards Act, the California Fair Employment and Housing Act, California Government Code §§ 12900 *et seq.*, the Americans With Disabilities Act, Title VII of the Civil Rights Act of 1964, the Public Safety Officers Procedural Bill of Right Act, and any other federal, state, or local human rights, civil rights, or employment discrimination or employee rights statute, rule, or regulation.

4. SPECIFIC ACKNOWLEDGMENT OF WAIVER OF CLAIMS UNDER ADEA AND OWBPA

The Age Discrimination in Employment Act of 1967 (hereinafter referred to as the "ADEA") makes it illegal for an employer to discharge any individual or otherwise discriminate with respect to the nature and privileges of an individual's employment on the basis that the individual is age forty (40) or older. The Older Workers Benefit Protection Act (hereinafter referred to as the "OWBPA," 29 U.S.C. § 626, *et seq.*, Pub L 101-433, 104 Stat. 978 (1990)) further augments the ADEA and prohibits the waiver of any right or claim under the ADEA, **unless the waiver is knowing and voluntary**. By entering into this AGREEMENT, EMPLOYEE acknowledges that he knowingly and voluntarily, for just compensation in addition to anything of value to which EMPLOYEE was already entitled, waives and releases any rights he may have under the ADEA and/or OWBPA. EMPLOYEE further acknowledges that he has been advised and understands, pursuant to the provisions of the ADEA and OWBPA, that:

- (a) This waiver/release is written in a manner understood by EMPLOYEE;
- (b) EMPLOYEE is aware of, and/or has been advised of, his rights under the ADEA and OWBPA, and of the legal significance of his waiver of any possible claims he currently may have under the ADEA, OWBPA and/or similar age discrimination laws;
- (c) EMPLOYEE is entitled to a reasonable time of at least twenty-one (21) days within which to review and consider this AGREEMENT and the waiver and release of any rights he may have under the ADEA, the OWBPA and similar age discrimination laws; but may, in the exercise of his own discretion, sign or reject this AGREEMENT at any time before the expiration of the twenty-one (21) days;
- (d) The waivers and releases set forth in this AGREEMENT shall not apply to any rights or claims that may arise under the ADEA and/or OWBPA **after** the EFFECTIVE DATE of this AGREEMENT;
- (e) EMPLOYEE has been advised by this writing that he should consult with an attorney prior to executing this AGREEMENT;
- (f) EMPLOYEE has discussed this waiver and release with, and been advised with respect thereto by his counsel of choice, and that he does not need any additional time within which to review and consider this AGREEMENT;
- (g) EMPLOYEE has **seven (7) days following his execution** of this AGREEMENT to revoke the AGREEMENT;
- (h) Notice of revocation within the seven (7) day revocation period must be provided, in writing, to THE CITY pursuant to Paragraph 8.9 herein, and must state, "I hereby revoke my acceptance of our Agreement of Severance and General Release;" and
- (i) This AGREEMENT shall not be effective until all parties have signed the AGREEMENT and ten (10) days have passed since EMPLOYEE's execution ("EFFECTIVE DATE").

5. UNKNOWN CLAIMS

In relation to the release provisions of Paragraphs 3 and 4 above, EMPLOYEE understands that California Civil Code section 1542 reads as follows:

"General Release--Claims Extinguished"

"A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party."

EMPLOYEE hereby waives the protection of California Civil Code section 1542.

6. WAIVER OF ADDITIONAL CLAIMS

EMPLOYEE hereby waives any provisions of state or federal law that might require a more detailed specification of the claims being released pursuant to the provisions of Paragraphs 3, 4, and 5 above.

7. REPRESENTATIONS AND WARRANTIES

Each of the parties to this AGREEMENT represents and warrants to, and agrees with, each other party as follows:

7.1. Advice of Counsel: The parties hereto have received independent legal advice from their respective attorneys concerning the advisability of entering into and executing this AGREEMENT or have been given the opportunity to obtain such advice. The parties acknowledge that they have been represented by counsel of their own choice in the negotiation of this AGREEMENT, that they have read this AGREEMENT; that they have had this AGREEMENT fully explained to them by such counsel, or have had such opportunity to do so and that they are fully aware of the contents of this AGREEMENT and of its legal effect.

7.2. No Fraud in Inducement: No party (nor any officer, agent, employee, representative, or attorney of or for any party) has made any statement or representation or failed to make any statement or representation to any other party regarding any fact relied upon in entering into this AGREEMENT, and neither party relies upon any statement, representation, omission or promise of any other party in executing this AGREEMENT, or in making the settlement provided for herein, except as expressly stated in this AGREEMENT.

7.3. Independent Investigation: Each party to this AGREEMENT has made such investigation of the facts pertaining to this settlement and this AGREEMENT and all the matters pertaining thereto, as it deems necessary.

7.4. Mistake Waived: In entering into this AGREEMENT, each party assumes the risk of any misrepresentation, concealment or mistake. If any party should subsequently discover that any fact relied upon by it in entering into this AGREEMENT was untrue, or that any fact was concealed from it, or that its understanding of the facts or of the law was incorrect, such party shall not be entitled to any relief in connection therewith, including without limitation on the generality of the foregoing any alleged right or claim to set aside or rescind this AGREEMENT. This AGREEMENT is intended to be, and is, final and binding between the parties, regardless of any claims of misrepresentation, promise made without the intent to perform, concealment of fact, mistake of fact or law, or any other circumstance whatsoever.

7.5. Later Discovery: The parties are aware that they may hereafter discover claims or facts in addition to or different from those they now know or believe to be true with respect to the matters related herein. Nevertheless, it is the intention of the parties that EMPLOYEE fully, finally and forever settle and release all such matters, and all claims relative thereto, which do now exist, may exist or have previously existed against THE CITY or THE CITY PARTIES. In furtherance of such intention, the releases given here shall be, and remain, in effect as full and complete releases of all such matters, notwithstanding the discovery or existence of any additional or different claims or facts relative thereto.

7.6. Indemnification: EMPLOYEE agrees to indemnify and hold harmless THE CITY or THE CITY PARTIES from, and against, any and all claims, damages, or liabilities sustained by them as a direct result of the violation or breach of the covenants, warranties, and representations undertaken pursuant to the provisions of this AGREEMENT. EMPLOYEE understands and agrees that he shall be exclusively liable for the payment of all taxes for which he is responsible, if any, as a result of his receipt of the consideration referred to in Paragraph 3 of this AGREEMENT. In addition, EMPLOYEE agrees fully to indemnify and hold the CITY PARTIES harmless for payment of tax obligations as may be required by any federal, state or local taxing authority, at any time, as a result of the payment of the consideration set forth in Paragraph 3 of this AGREEMENT.

7.7. Future Cooperation & Consultation fees: EMPLOYEE shall execute all such further and additional documents as shall be reasonable, convenient, necessary or desirable to carry out the provisions of this AGREEMENT. EMPLOYEE shall provide THE CITY with consultation services (including deposition or trial testimony) in any litigation involving THE CITY which is reasonably related to acts or occurrences transpiring during his employment. Said services shall be provided as needed by THE CITY at a rate of \$100.00 per hour.

7.8. Return of Confidential Information and Property: Prior to the separation date, EMPLOYEE shall submit a written inventory of, and return to the City Clerk, all City keys, equipment, computer identification cards or codes, and other equipment or materials or confidential documents provided to or obtained by EMPLOYEE during the course of his employment with THE CITY.

7.9. No Pending Claims and/or Actions: EMPLOYEE represents that he has not filed any complaints or charges against THE CITY or THE CITY PARTIES with any local, state or federal agency or court; that he will not do so at any time hereafter for any claim arising up to and including the EFFECTIVE DATE of this AGREEMENT; and that if any such agency or court assumes jurisdiction of any such complaint or charge against THE CITY or THE CITY PARTIES on behalf of EMPLOYEE, whenever or where ever filed, he will request such agency or court to withdraw from the matter forthwith.

7.10. Ownership of Claims: EMPLOYEE represents and warrants as a material term of this AGREEMENT that EMPLOYEE has not heretofore assigned, transferred, released or granted, or purported to assign, transfer, release or grant, any of the CLAIMS disposed of by this AGREEMENT. In executing this AGREEMENT, EMPLOYEE further warrants and represents that none of the CLAIMS released by EMPLOYEE thereunder will in the future be assigned, conveyed, or transferred in any fashion to any other person and/or entity.

7.11. Enforcement Fees and Costs: Should any legal action be required to enforce the terms of this AGREEMENT, the prevailing party shall be entitled to reasonable attorneys' fees and costs in addition to any other relief to which that party may be entitled.

7.12. Authority: Each party represents to the other that it has the right to enter into this AGREEMENT, and that it is not violating the terms or conditions of any other AGREEMENT to which they are a party or by which they are bound by entering into this AGREEMENT. The parties represent that they will obtain all necessary approvals to execute this AGREEMENT. It is further represented and agreed that the individuals signing this AGREEMENT on behalf of the

respective parties have actual authority to execute this AGREEMENT and, by doing so, bind the party on whose behalf this AGREEMENT has been signed.

8. MISCELLANEOUS

8.1. No Admission: Nothing contained herein shall be construed as an admission by THE CITY of any liability of any kind. THE CITY denies any liability in connection with any claim and intends hereby solely to avoid potential claims and/or litigation and buy its peace.

8.2. Governing Law: This AGREEMENT has been executed and delivered within the State of California, and the rights and obligations of the parties shall be construed and enforced in accordance with, and governed by, the laws of the State of California.

8.3. Full Integration: This AGREEMENT is the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous oral and written agreements and discussions. This AGREEMENT may be amended only by a further agreement in writing, signed by the parties hereto.

8.4. Continuing Benefit: This AGREEMENT is binding upon and shall inure to the benefit of the parties hereto, their respective agents, spouses, employees, representatives, officials, attorneys, assigns, heirs, and successors in interest.

8.5. Joint Drafting: Each party agrees that it has cooperated in the drafting and preparation of this AGREEMENT. Hence, in any construction to be made of this AGREEMENT, the parties agree that same shall not be construed against any party.

8.6. Severability: In the event that any term, covenant, condition, provision or agreement contained in this AGREEMENT is held to be invalid or void by any court of competent jurisdiction, the invalidity of any such term, covenant, condition, provision or agreement shall in no way affect any other term, covenant, condition, provision or agreement and the remainder of this AGREEMENT shall still be in full force and effect.

8.7. Titles: The titles included in this AGREEMENT are for reference only and are not part of its terms, nor do they in any way modify the terms of this AGREEMENT.

8.8. Counterparts: This AGREEMENT may be executed in counterparts, and when each party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one AGREEMENT, which shall be binding upon and effective as to all parties.

8.9. Notice: Any and all notices given to any party under this AGREEMENT shall be given as provided in this paragraph. All notices given to either party shall be made by certified or registered United States mail, or personal delivery, at the noticing party's discretion, and addressed to the parties as set forth below. Notices shall be deemed, for all purposes, to have been given on the date of personal service or three (3) consecutive calendar days following deposit of the same in the United States mail.

As to EMPLOYEE:

At EMPLOYEE's home address on file with THE CITY.

As to THE CITY:

City of Grand Terrace
Attention: City Clerk
22795 Barton Rd.
Grand Terrace, CA 92313

IN WITNESS WHEREOF, THE CITY has caused this AGREEMENT to be signed and executed on its behalf by its Mayor and duly attested by its City Clerk, EMPLOYEE has signed and executed this Agreement, and the attorneys for THE CITY and EMPLOYEE, if any, have approved as to form as of the dates written below.

DATED: _____

EMPLOYEE

By: _____
KONRAD BOLOWICH

THE CITY

DATED: _____

By: _____
Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

By: _____
_____, City Attorney

[EMPLOYEE's LAW FIRM]

By: _____
[Counsel]

**FIRST AMENDMENT TO
CITY OF GRAND TERRACE
CITY MANAGER EMPLOYMENT AGREEMENT**

This FIRST AMENDMENT TO CITY OF GRAND TERRACE CITY MANAGER EMPLOYMENT AGREEMENT (the "First Amendment") is made and entered into August 9, 2022, by and between the CITY OF GRAND TERRACE, a general law city and municipal corporation (the "City") and KONRAD BOLOWICH, an individual ("Employee").

RECITALS

WHEREAS, Employee commenced services as the City Manager of the City effective January 3, 2022 pursuant to the City of Grand Terrace City Manager Employment Agreement (the "Agreement") between Employee and the City Council of the City (the "City Council"); and

WHEREAS, Section 2.2 of the Agreement provides that following the June 2022 performance evaluation and salary review, Employee would be eligible for a base salary adjustment; and

WHEREAS, Section 9.2 of the Agreement provides that it "may be amended at any time by the mutual consent of the parties by an instrument in writing, which amendment shall require approval by the affirmative vote of three (3) members of the Council[;]" and

WHEREAS, the City Council recently conducted a performance review of Employee and now desires to provide to Employee a base salary adjustment of two percent (2%) to be effective July 1, 2022; and

WHEREAS, Employee desires to accept and agrees to these employment terms from the City as set forth in this First Amendment.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, City and Employee hereby agree as follows:

AGREEMENT

SECTION 1. The above recitals are incorporated by reference as if set forth in full herein.

SECTION 2. Section 2.1 of the Agreement is revised to read, in its entirety, as follows (added language in ***bold italics***):

"For the services rendered pursuant to this Agreement, Employee's initial base compensation shall be Two Hundred Eleven Thousand Two Hundred Dollars and No Cents (\$211,200.00) annually ("Salary"), which shall be paid on a pro-rated basis bi-weekly at the same time as other employees of the City are paid. Such Salary shall be adjusted for payroll taxes, workers' compensation, and other payroll-related liability costs as determined by the City. The City shall not reduce Employee's Salary, unless as part of a

general City management salary reduction, and then in no greater percentage than the average reduction of all City department heads.

Effective July 1, 2022 Employee's Salary shall be increased by two percent (2.0%) to a total annual salary \$215,424.

SECTION 3. Except as expressly amended by this First Amendment, the underlying terms, conditions, and compensation of Employee by City as and for his employment as city manager shall be as set forth in the Agreement.

IN WITNESS WHEREOF, the CITY OF GRAND TERRACE has caused this First Amendment to be signed and executed on its behalf by its Mayor, and duly attested by its officers thereunto duly authorized, and EMPLOYEE has signed and executed this First Amendment, all in triplicate.

[SIGNATURES ON FOLLOWING PAGE]

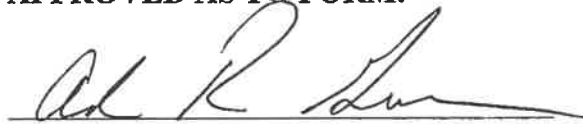
CITY OF GRAND TERRACE

ATTEST:


Debra L. Thomas, City Clerk


Darcy McNaboe, Mayor

APPROVED AS TO FORM:


Adrian Guerra, City Attorney

EMPLOYEE


Konrad Bolowich

Dated: 8.9.22

[END OF SIGNATURES]

**SECOND AMENDMENT TO
CITY OF GRAND TERRACE
CITY MANAGER EMPLOYMENT AGREEMENT**

This SECOND AMENDMENT TO CITY OF GRAND TERRACE CITY MANAGER EMPLOYMENT AGREEMENT (the "Second Amendment") is made and entered into September 12, 2023, by and between the CITY OF GRAND TERRACE, a general law city and municipal corporation (the "City") and KONRAD BOLOWICH, an individual ("Employee").

RECITALS

WHEREAS, Employee commenced services as the City Manager of the City effective January 3, 2022 pursuant to the City of Grand Terrace City Manager Employment Agreement (the "Agreement") between Employee and the City Council of the City (the "City Council"); and

WHEREAS, Section 2.2 of the Agreement provides that following the June 2023 performance evaluation and salary review, Employee would be eligible for a base salary adjustment to be effective July 1, 2023, in the event Employee achieved the goals established for him by the City Council as determined by the City Council in its discretion; and

WHEREAS, Section 9.2 of the Agreement provides that it "may be amended at any time by the mutual consent of the parties by an instrument in writing, which amendment shall require approval by the affirmative vote of three (3) members of the Council[;]" and

WHEREAS, the City and Employee entered into the First Amendment to the Agreement on August 9, 2022, which provided Employee a two percent (2%) base salary adjustment; and

WHEREAS, the City Council recently conducted a performance review of Employee and now desires to provide to Employee a base salary adjustment of two percent (2%) pursuant to Section 2.2 of the Agreement and vacation leave accrual at the rate of 6.15 hours per pay period (to equal 160 hours annually); and

WHEREAS, Employee desires to accept and agrees to these employment terms from the City as set forth in this Second Amendment.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, City and Employee hereby agree as follows:

AGREEMENT

SECTION 1. The above recitals are incorporated by reference as if set forth in full herein.

SECTION 2. Section 2.1 of the Agreement is revised to read, in its entirety, as follows (added language in ***bold italics***):

"2.1 Compensation. For the services rendered pursuant to this Agreement, Employee's initial base compensation shall be Two Hundred Eleven Thousand Two Hundred Dollars and No Cents (\$211,200.00)

annually ("Salary"), which shall be paid on a pro-rated basis bi-weekly at the same time as other employees of the City are paid. Such Salary shall be adjusted for payroll taxes, workers' compensation, and other payroll-related liability costs as determined by the City. The City shall not reduce Employee's Salary, unless as part of a general City management salary reduction, and then in no greater percentage than the average reduction of all City department heads.

Effective July 1, 2022 Employee's Salary ~~was shall be~~ increased by two percent (2.0%) to a total annual salary *of* \$215,424.

Effective July 1, 2023, Employee's Salary shall be increased an additional two percent (2.0%) to a total annual salary of Two Hundred Nineteen Thousand Seven Hundred Thirty Two Dollars and Forty Eight Cents (\$219,732.48)."

SECTION 3. Section 6.5 of the Agreement is amended to read, in its entirety, as follows (added language in ***bold italics***, deletions in ~~strike through~~):

"6.5 Vacation Leave. Employee shall accrue vacation leave ***at the rate of 6.15 hours per pay period (to equal 160 hours annually)***. ~~according to the following schedule:~~

Years of service	Hours accrued per pay period
1-5	3.08 (to equal 80 hours annually)
6-10	4.62 hours (to equal 120 hours annually)
11 plus	6.15 hours (to equal 160

	hours annually)
--	--------------------

~~Upon commencement of employment, Employee shall receive eighty (80) hours of accrued vacation leave in Employee's vacation leave bank.~~

Vacation leave shall have an accrual cap of four hundred eighty (480) hours, after which accruals shall cease until total accrued vacation leave drops below the 480 hour accrual cap.

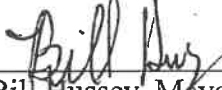
Employee shall be subject to the same vacation leave usage rules that apply to City department heads, including applicable requirements of the City's Personnel Rules and Statement of Benefits. However, notwithstanding any language to the contrary, Employee shall be permitted to use accrued vacation leave upon commencement of employment. Upon Employee's separation from City service for any reason, the City shall compensate Employee for any accrued vacation leave remaining on the books. The value of accrued vacation leave shall be calculated using Employee's pay rate on the date of Employee's separation from City service."

SECTION 4. Except as expressly amended by this Second Amendment, the underlying terms, conditions, and compensation of Employee by City as and for his employment as city manager shall be as set forth in the Agreement.

IN WITNESS WHEREOF, the CITY OF GRAND TERRACE has caused this Second Amendment to be signed and executed on its behalf by its Mayor, and duly attested by its officers thereunto duly authorized, and EMPLOYEE has signed and executed this Second Amendment, all in triplicate.

[SIGNATURES ON FOLLOWING PAGE]

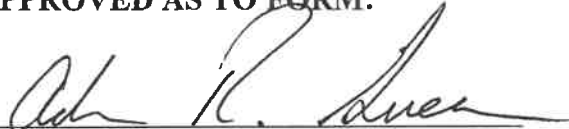
CITY OF GRAND TERRACE


Bill Hussey, Mayor

ATTEST:


Debra Thomas, City Clerk

APPROVED AS TO FORM:


Adrian Guerra, City Attorney

EMPLOYEE


Konrad Bolowich

Dated: 9/12/2023

[END OF SIGNATURES]

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRAND TERRACE APPROVING THE THIRD AMENDMENT TO THE CITY MANAGER EMPLOYMENT AGREEMENT BETWEEN THE CITY OF GRAND TERRACE AND KONRAD BOLOWICH

WHEREAS, Konrad Bolowich ("Employee") commenced services as the City Manager of the City effective January 3, 2022 pursuant to the City of Grand Terrace City Manager Employment Agreement (the "Agreement") between Employee and the City Council of the City (the "City Council"); and

WHEREAS, on August 9, 2022, the City Council and Employee entered into the First Amendment to the Agreement; and

WHEREAS, on September 12, 2023, the City Council and Employee entered into the Second Amendment to the Agreement; and

WHEREAS, the City Council now desires to approve the Third Amendment to the Agreement, a copy of which is attached hereto.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Grand Terrace, as follows:

Section 1. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. The Third Amendment to the City Manager Employment Agreement between the City of Grand Terrace and Konrad Bolowich, a copy of which is attached hereto, is hereby approved.

Section 3. The Mayor is authorized to execute the Third Amendment on behalf of the City subject to City Attorney approval as to form.

Section 4. This Resolution shall immediately take effect upon passage.

PASSED, APPROVED and ORDERED by the City Council of the City of Grand Terrace, California at a regular meeting held on the 13th day of August, 2024.

Bill Hussey
Mayor

ATTEST:

Debra Thomas
City Clerk

APPROVED AS TO FORM:

Adrian R. Guerra
City Attorney

**THIRD AMENDMENT TO
CITY OF GRAND TERRACE
CITY MANAGER EMPLOYMENT AGREEMENT**

This THIRD AMENDMENT TO CITY OF GRAND TERRACE CITY MANAGER EMPLOYMENT AGREEMENT (the “Third Amendment”) is made and entered into August 13, 2024, by and between the CITY OF GRAND TERRACE, a general law city and municipal corporation (the “City”) and KONRAD BOLOWICH, an individual (“Employee”).

RECITALS

WHEREAS, Employee commenced services as the City Manager of the City effective January 3, 2022 pursuant to the City of Grand Terrace City Manager Employment Agreement (the “Agreement”) between Employee and the City Council of the City (the “City Council”); and

WHEREAS, Section 9.2 of the Agreement provides that it “may be amended at any time by the mutual consent of the parties by an instrument in writing, which amendment shall require approval by the affirmative vote of three (3) members of the Council[.]” and

WHEREAS, the City and Employee entered into the First Amendment to the Agreement on August 9, 2022; and

WHEREAS, the City and Employee entered into the Second Amendment to the Agreement on September 12, 2023; and

WHEREAS, the City Council recently conducted a performance review of Employee and now desires to amend the Agreement to provide: i) an extension of the Agreement term of 5 years until January 2, 2030; ii) a salary increase to a new annual base salary of \$241,000.00 and a one-time retention payment of \$2,900.00 to encourage Employee’s continued retention under the terms of the Agreement; iii) a five percent (5%) base pay increase each July 1 through the term of the Agreement (i.e. July 1, 2025 through and including July 1, 2029); iv) a severance pay increase from 6 months to 12 months in the event of termination without cause, subject to the terms and conditions of the Agreement; and v) an updated definition of “cause” in the context of for-cause termination; and

WHEREAS, Employee desires to accept and agrees to these employment terms from the City as set forth in this Third Amendment.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, City and Employee hereby agree as follows:

AGREEMENT

SECTION 1. The above recitals are incorporated by reference as if set forth in full herein.

SECTION 2. Section 2.1 of the Agreement is revised to read, in its entirety, as follows:

“2.1 Compensation. Effective the first full payroll period following August 13, 2024, for the services rendered pursuant to this Agreement Employee shall be given a base annual salary increase such that his compensation shall be two hundred forty one thousand Dollars and zero Cents (\$241,000.00) annually (“Salary”), which shall be paid on a pro-rated basis bi-weekly at the same time as other employees of the City are paid. Such Salary shall be adjusted for payroll taxes, workers’ compensation, and other payroll-related liability costs as determined by the City. The City shall not reduce Employee’s Salary, unless as part of a general City management salary reduction, and then in no greater percentage than the average reduction of all City department heads.

Additionally, the first full payroll period following August 13, 2024, Employee shall be paid a one-time lump sum payment of two thousand nine hundred Dollars and zero Cents (\$2,900.00), in order to encourage Employee’s continued retention to fulfill the term of the Agreement. This lump-sum payment shall not be reported to the California Public Employees’ Retirement System (“CalPERS”) as “compensation earnable” as defined in Government Code section 20636(a).

Effective July 1 of each year during the term of this Agreement, beginning July 1, 2025 through and including July 1, 2029, Employee shall be provided a five percent (5%) increase to his annual base Salary.”

SECTION 3. Section 3.2 of the Agreement is amended to read, in its entirety, as follows:

“3.2 Term. This term of this Agreement shall be extended by five (5) years from January 2, 2025, such that it shall remain in effect until January 2, 2030.”

SECTION 4. Section 3.4(a) of the Agreement shall be amended to add the following sentence immediately following the sentence concluding with “. . . or (21) any similar cause[]”:

“For purposes of this Agreement, “cause” shall also be defined to include if, during the term of this Agreement, Employee becomes mentally or physically incapable of performing the functions and duties of the position of city manager with reasonable accommodation, and it reasonably appears such incapacity will last for more than six (6) months.”

SECTION 5. Section 4.1 of the Agreement shall be amended to replace references to six (6) months’ severance pay in the event of termination without cause to twelve (12) months’ severance pay in the event of termination without cause. Section 4.1 of the Agreement shall otherwise remain unchanged.

SECTION 6. Except as expressly amended by this Third Amendment, the underlying terms, conditions, and compensation of Employee by City as and for his employment as city manager shall be as set forth in the Agreement, the First Amendment and Second Amendment.

IN WITNESS WHEREOF, the CITY OF GRAND TERRACE has caused this Third Amendment to be signed and executed on its behalf by its Mayor, and duly attested by its officers thereunto duly authorized, and EMPLOYEE has signed and executed this Third Amendment, all in triplicate.

[SIGNATURES ON FOLLOWING PAGE]

CITY OF GRAND TERRACE

ATTEST:

Bill Hussey, Mayor

Debra Thomas, City Clerk

APPROVED AS TO FORM:

Adrian Guerra, City Attorney

EMPLOYEE

Konrad Bolowich

Dated: _____

[END OF SIGNATURES]



AGENDA REPORT

MEETING DATE: August 13, 2024 *Council Item*

TITLE: Community Benefit Fund Grant Award to the Grand Terrace Tribe Baseball Club in the Amount of \$2,000.00

PRESENTED BY: Christine Clayton, Finance Director *CC*

RECOMMENDATION: Approve the Community Benefit Fund grant application from the Grand Terrace Tribe Baseball Club in the amount of \$2,000.00 for the purchase of baseball equipment.

2030 VISION STATEMENT:

This staff report supports the following City Council Goals:

- Goal #1 - Ensure Our Fiscal Viability, through the continuous monitoring of revenue receipts and expenditure disbursements against approved budget appropriations; and
- Goal #4 – Develop and Implement Successful Partnerships through productive collaboration with community groups, youth programs and senior organizations.

BACKGROUND:

In past fiscal years, the City Council has approved the use of funds for the establishment of the Community Benefits Fund Grant Program. The purpose of the Community Benefits Fund Grant Program is to provide funding for local youth programs, community events, community fee waivers, and be used as an economic development tool for small business development in the City.

For Fiscal Year 2024-25, the City Council has approved the use of \$20,000 toward community benefit funded programs and activities.

Various youth and senior program activities have benefited from the Community Benefits Fund including the Foundation of Grand Terrace, the REC Center, several youth sports leagues, and the Friends of the Grand Terrace Library.

Attachment A provides a summary of awarded grants by fiscal year and the recipients of said grants awarded in each fiscal year.

DISCUSSION:

- I. Application received from the Grand Terrace Tribe Baseball Club.

Item 14

The mission of the Grand Terrace Tribe Baseball Club is to cultivate a winning attitude through dedication and the pursuit of excellence, both on and off the field. We develop well-rounded student-athletes who prioritize academics while striving to be the best. We are dedicated to creating a nurturing environment where athletes can develop their skills, character, and sportsmanship.

Below summarizes the current application submitted by the Club:

Project Title:	GT Tribe Baseball Practice Equipment
Project Activity:	Baseball practice to provide players and youth in our community with access to baseball and athletic practice in the community area. We are seeking funds to provide equipment for our program to help reduce player costs. We are a non-profit that provides competitive baseball instruction and development to players in Grand Terrace and local area.
Public Purpose:	GT Tribe utilizes players from the City of Grand Terrace and local community. Our practices welcome any youth residing in Grand Terrace or the local area. Additionally, we welcome coaches from the local area, as well. We provide a college scholarship through our non-profit for student-athletes at GTHS. Our program services a public purpose of providing athletic training in the area of baseball to the City of Grand Terrace and the local community. Most of our players and coaches either reside in the city or our players attend a GT school.
Amount Requested:	\$2,000.00
Utilization of Funds:	The equipment purchased from this fund will directly benefit the players and the local community we serve. We will be able to provide practice using the equipment provided. Most of our players live in Grand Terrace or attend a school in GT. We have served the community of GT since 2019 and have players ranging in age from 8-17 that play and represent the City of Grand Terrace. This funding will directly benefit our players. We have played throughout our nation representing GT, most recently in Omaha and Florida.

RECOMMENDATION:

Staff recommends that the City Council:

1. Approve the Community Benefit Fund grant application in the amount of \$2,000.00 to the Grand Terrace Tribe Baseball Club for their Fall Season (Aug-Dec 2024).

Upon City Council approval, the applicant will comply with the following, if they have not already done so:

1. Issue the City of Grand Terrace an invoice for the grant amount with receipts.
2. Ensure that the City is mentioned/included as a sponsor in any material advertising the activity or event.
3. Complete a W-9 form for reporting purposes.

Attached is the application received from the Grand Terrace Tribe Baseball Club.

FISCAL IMPACT:

Funds in the amount of \$20,000.00 have been approved for the program and established in the Community Benefits Fund (Fund 61). If approved, the table below will show the balances of each category remaining in the fund:

FY2024-25 Community Benefits Fund

<u>Fund No.</u>	<u>Acct. No.</u>	<u>Account Title</u>	<u>Approved Budget</u>	<u>Awarded Grants</u>	<u>Balance as of Aug 1, 2024</u>	<u>Proposed Grant Awards</u>	<u>Revised Balance</u>
61	461-100	Youth/School Programs	\$10,000	\$4,000	\$6,000	(\$4,000)	\$2,000
61	461-200	Service Organizations	\$10,000	\$2,000	\$8,000	(\$2,000)	\$6,000
		TOTAL	<u>\$20,000</u>	<u>\$6,000</u>	<u>\$14,000</u>	<u>(\$6,000)</u>	<u>\$8,000</u>

ATTACHMENTS:

- CBF - GT TRIBE GT- July 30, 2024 (PDF)
- Community Benefits Fund Award History - Aug (PDF)



CITY OF GRAND TERRACE COMMUNITY BENEFITS FUND (GT-CBF)

ORGANIZATION INFORMATION			
Organization Name:	GT Tribe Baseball Club		
Organization Mission:	We are dedicated to creating a nurturing where athletes can develop their skills, character, and sportsmanship. Our mission is to cultivate a winning attitude through dedication, and the pursuit of excellence, both on and off the field. We develop well-rounded student-athletes who prioritize academics while striving to be the best.		
Organization Contact #1:	Name: Sandra Romo	Title: Owner & Director of Operations	
Mailing Address:	2412 Earp Street		
City, State, Zip Code	Colton Ca 92324		
Phone & E-mail:	Phone: 909-503-6346	E-mail: sromo@gttribe.com	
Organization Contact #2:	Name: Johnny Umbarger	Title: Vice President	
Mailing Address:	22538 Thrush St		
City, State, Zip Code	Grand Terrace, Ca 92313		
Phone & E-mail:	Phone: 949-378-8507	E-mail: umbarger2@gmail.com	
Have you ever applied for funding through the City's Community Benefit FUND (CBH) before?		☐ Yes	☒ No
If yes, please list each time you have applied, the outcome, whether you were granted funding or not, the amount your organization originally requested and the amount approved, if any.			
Purpose of Prior Funding Requests (if any)	Request Date	Amount Requested	Amount Approved (if any)
1. NONE			
2.			
3.			
4.			
5.			
Date of Application:	July 30, 2024		
Requested Amount:	2000.54		



CITY OF GRAND TERRACE COMMUNITY BENEFITS FUND (GT-CBF)

PROJECT INFORMATION				
Project/Activity Title:	GT Tribe Baseball Practice Equipment			
Project/Activity Description (description of event the organization is seeking funding for)	Baseball practice to provide players and youth in our community with access to baseball and athletic practice in the community area. We are seeking funding to provide equipment to our program to help reduce player costs. We are a non-profit that provides competitive baseball instruction and development to players in Grand Terrace and local area.			
Describe how the project/activity is for a public purpose and benefits the residents and or community of Grand Terrace	GT Tribe utilizes players from the city of Grand Terrace and local community. Our practices welcome any youth residing in GT or the local area. Additionally, we welcome coaches from the local area, as well. We provide a college scholarship through our non-profit for student-athletes at GTHS. Our program serves a public purpose of providing athletic training in the area of baseball to the city of GT and the local community. Most of our players and coaches either reside in the city or our players attend a GT school			
Project/Activity Target Population:	☐ Youth	☐ Seniors	☐ Women	☐ Low-Income
	☒ Businesses	☐ Disabled Persons	☒ Yes	☐ Entire Community
Project/Activity Date:	Aug-Dec 2024 (our Fall Season)			
Location of Project/Activity:	We practice at Grand Terrace High School and occasionally at Pico Park in the fall. This is for baseball practice.			
Detailed description of how the funds will be utilized.	The equipment purchases from this fund will directly benefit the players and local community we serve. We will be able to provide practice using the equipment provided. Most of our players live in Grand Terrace or attend a school in GT. We have served the community of GT since 2019 and have players ranging in age from 8 - 17 that play and represent the city of Grand Terrace. This funding will directly benefit our players. We have played throughout our nation representing GT, most recently in Omaha and Florida.			
Negative Impact should funding not be approved:	No negative impact.			

Submit completed application to:

City of Grand Terrace
City Manager's Office
22795 Barton Road
Grand Terrace, CA 92313-5295
Attn: Konrad Bolowich

City of Grand Terrace Community Benefit Grant Awards GRANT AWARD HISTORY as of July 31, 2024 and Approved & Proposed Applications for Aug 2024												
Title	2015-16	2016-17	2017-18	2018-19	2019-20	2021-22	2022-23	2023-24	2024-25	TOTAL	2024-25 Proposed in Aug-2024	TOTAL
										TO DATE		REVISED
YOUTH / SCHOOL ORGANIZATIONS												
Grand Terrace Community Basketball	\$ 1,136	\$ -	\$ -	\$ 1,450	\$ -	\$ -				\$ 2,586	\$ -	\$ 2,586
Grand Terrace High School Football Boosters	-	-	-	2,000	2,000	-				4,000	-	4,000
Grand Terrace High School Legacy Regiment Boosters	-	-	-	2,000	-	-				2,000	-	2,000
Grand Terrace High School Boys Basketball	-	-	-	-	2,000	-		1,040		3,040	-	3,040
Grand Terrace High School Titan Wrestling Team	-	-	-	-	1,997	-	2,000			3,997	-	3,997
Grand Terrace HS Titan Wrestling Booster Club	-	-	-	-	-	-	-	-		-	2,000	2,000
Grand Terrace High School Cheer Booster Club	-	-	-	-	-	-	-	2,000	2,000	4,000	-	4,000
Grand Terrace Little League	2,000	-	2,000	-	-	-	-	-		4,000	-	4,000
Grand Terrace Youth Football & Cheer	-	4,000	2,000	-	-	-	-	2,000		8,000	-	8,000
Boy Scout Troop 40									2,000	-	-	-
Grand Terrace Tribe Baseball Club											2,000	2,000
Terrace View Elementary PTA	1,000	671	1,517	700	-	1,805	1,725	2,000	-	9,418	-	9,418
	\$ 4,136	\$ 4,671	\$ 5,517	\$ 6,150	\$ 5,997	\$ 1,805	\$ 3,725	\$ 7,040	\$ 4,000	\$ 41,041	\$ 4,000	\$ 45,041
NON-PROFIT / SERVICE ORGANIZATIONS												
American Cancer Society	\$ -	\$ -	\$ 2,000	\$ -	\$ -	\$ -				\$ 2,000	\$ -	\$ 2,000
Drug Alternative Program	-	2,000	-	-	-	-				2,000	-	2,000
Foundation of Grand Terrace	2,350	2,000	1,830	-	-	2,000	2,000	2,000		12,180	-	12,180
Friends of Grand Terrace Library	3,750	2,000	2,000	4,000	-	-	-	-		11,750	-	11,750
Grand Terrace Lions Club	-	620	-	-	-	-				620	-	620
Sheriff's Central Station Explorer Program	-	-	-	2,000	-	-				2,000	-	2,000
The REC Center	2,187	310	-	3,100	-	-				5,597	-	5,597
Grand Terrace Cars & Coffee	-	-	-	-	-	2,000	2,000	1,000		5,000	-	5,000
Christ the Redeemer Catholic Church	-	-	-	-	-	-	310	310		620	-	620
Grand Terrace Living Word Foursquare Church	-	-	-	-	-	-	2,000	-		2,000	-	2,000
New City Church	-	-	-	-	-	-	-	2,000		2,000	-	2,000
Grand Terrace Women's Club	-	-	-	-	-	-	-	-	2,000	2,000	-	2,000
Grand Terrace Chamber of Commerce	-	-	-	-	-	-	-	-	-	-	2,000	2,000
Family Service Association	-	-	-	-	2,000	-	-	-	-	2,000	-	2,000
	\$ 8,287	\$ 6,930	\$ 5,830	\$ 9,100	\$ 2,000	\$ 4,000	\$ 6,310	\$ 5,310	\$ 2,000	\$49,767	\$ 2,000	\$ 51,767
TOTAL	\$ 12,423	\$ 11,601	\$ 11,347	\$ 15,250	\$ 7,997	\$ 5,805	\$ 10,035	\$ 12,350	\$ 6,000	\$ 90,808	\$ 6,000	\$ 96,808



AGENDA REPORT

MEETING DATE: August 13, 2024 *Council Item*

TITLE: Community Benefit Fund Grant Award to the Grand Terrace Chamber of Commerce in the Amount of \$2,000.00

PRESENTED BY: Christine Clayton, Finance Director *CC* *[Signature]*

RECOMMENDATION: Approve the Community Benefit Fund grant application from the Grand Terrace Chamber of Commerce in the amount of \$2,000.00 for the 43rd Annual Country Fair .

2030 VISION STATEMENT:

This staff report supports the following City Council Goals:

- Goal #1 - Ensure Our Fiscal Viability, through the continuous monitoring of revenue receipts and expenditure disbursements against approved budget appropriations; and
- Goal #4 – Develop and Implement Successful Partnerships through productive collaboration with community groups, youth programs and senior organizations.

BACKGROUND:

In past fiscal years, the City Council has approved the use of funds for the establishment of the Community Benefits Fund Grant Program. The purpose of the Community Benefits Fund Grant Program is to provide funding for local youth programs, community events, community fee waivers, and be used as an economic development tool for small business development in the City.

For Fiscal Year 2024-25, the City Council has approved the use of \$20,000 toward community benefit funded programs and activities.

Various youth and senior program activities have benefited from the Community Benefits Fund including the Foundation of Grand Terrace, the REC Center, several youth sports leagues, and the Friends of the Grand Terrace Library.

Attachment A provides a summary of awarded grants by fiscal year and the recipients of said grants awarded in each fiscal year.

DISCUSSION:

- I. Application received from the Grand Terrace Chamber of Commerce.

The mission of the Grand Terrace Chamber of Commerce is building business success and a strong community together.

Below summarizes the current application submitted by the Chamber of Commerce:

Project Title:	43 rd Annual Country Fair
Project Activity:	The 43 rd Annual Country Fair will have booths, entertainment, food and vendors.
Public Purpose:	Enhances resident benefits by providing a community activity which will foster a stronger sense of community ensuring long-term growth and prosperity for the city.
Amount Requested:	\$2,000.00
Utilization of Funds:	We will use the funds to purchase insurance, rent restrooms, entertainment (Band/BMX), games and activities.

RECOMMENDATION:

Staff recommends that the City Council:

1. Approve the Community Benefit Fund grant application in the amount of \$2,000.00 to the Grand Terrace Chamber of Commerce for the 43rd Annual Country Fair.

Upon City Council approval, the applicant will comply with the following, if they have not already done so:

1. Issue the City of Grand Terrace an invoice for the grant amount with receipts.
2. Ensure that the City is mentioned/included as a sponsor in any material advertising the activity or event.
3. Complete a W-9 form for reporting purposes.

Attached is the application received from the Grand Terrace Chamber of Commerce.

FISCAL IMPACT:

Funds in the amount of \$20,000.00 have been approved for the program and established in the Community Benefits Fund (Fund 61). If approved, the table below will show the balances of each category remaining in the fund:

FY2024-25 Community Benefits Fund

<u>Fund No.</u>	<u>Acct. No.</u>	<u>Account Title</u>	<u>Approved Budget</u>	<u>Awarded Grants</u>	<u>Balance as of Aug 1, 2024</u>	<u>Proposed Grant Awards</u>	<u>Revised Balance</u>
61	461-100	Youth/School Programs	\$10,000	\$4,000	\$6,000	(\$4,000)	\$2,000
61	461-200	Service Organizations	\$10,000	\$2,000	\$8,000	(\$2,000)	\$6,000
		TOTAL	<u>\$20,000</u>	<u>\$6,000</u>	<u>\$14,000</u>	<u>(\$6,000)</u>	<u>\$8,000</u>

ATTACHMENTS:

- CBF - GT Chamber of Commerce (PDF)
- Community Benefits Fund Award History - Aug (PDF)



CITY OF GRAND TERRACE COMMUNITY BENEFITS FUND (GT-CBF)

ORGANIZATION INFORMATION			
Organization Name:	Grand Terrace Chamber of Commerce		
Organization Mission:	Building business success and a strong community together. / Country Fair		
Organization Contact #1:	Name: Toni Epps	Title: President	9/28/24
Mailing Address:	22400 Barton Rd #21-306		
City, State, Zip Code	Grand Terrace, Ca 92313		
Phone & E-mail:	Phone: 909-954-5006	E-mail: info@gtchamber.org	
Organization Contact #2:	Name: Matt Brown	Title: Vice President	
Mailing Address:	22400 Barton Rd #21-306		
City, State, Zip Code	Grand Terrace CA 92313		
Phone & E-mail:	Phone: 951-536-2227	E-mail: info@gtchamber.org	
Have you ever applied for funding through the City's Community Benefit FUND (CBH) before?		☐ Yes	☒ No
If yes, please list each time you have applied, the outcome, whether you were granted funding or not, the amount your organization originally requested and the amount approved, if any.			
Purpose of Prior Funding Requests (if any)	Request Date	Amount Requested	Amount Approved (if any)
1.	07/30/24	2000	
2.			
3.			
4.			
5.			
Date of Application:	07-30-2024		
Requested Amount:	# 2000.00		



CITY OF GRAND TERRACE COMMUNITY BENEFITS FUND (GT-CBF)

PROJECT INFORMATION				
Project/Activity Title:	Country Fair 43rd Annual			
Project/Activity Description (description of event the organization is seeking funding for)	Booths, Entertainment, Food vendors,			
Describe how the project/activity is for a public purpose and benefits the residents and or community of Grand Terrace	Enhances resident benefits by providing a community activity which will foster a stronger sense of community ensuring long-term growth and prosperity of the city.			
Project/Activity Target Population:	☒ Youth	☒ Seniors	☒ Women	☒ Low-Income
	☒ Businesses	☒ Disabled Persons	☒ Yes Humans and Pets	☒ Entire Community
Project/Activity Date:	9/28/24			
Location of Project/Activity:	Professional Plaza			
Detailed description of how the funds will be utilized.	We will purchase insurance, porta-potty's, Entertainment (Band/BMX) games & activities			
Negative Impact should funding not be approved:	The project will suffer and be downsized to a small farmers market type event.			

Submit completed application to:

City of Grand Terrace
City Manager's Office
22795 Barton Road
Grand Terrace, CA 92313-5295
Attn: Konrad Bolowich

Or maybe not at all because of lack of funds for insurance.

City of Grand Terrace
Community Benefit Grant Awards

GRANT AWARD HISTORY as of July 31, 2024 and Approved & Proposed Applications for Aug 2024

Title	2015-16	2016-17	2017-18	2018-19	2019-20	2021-22	2022-23	2023-24	2024-25	TOTAL TO DATE	2024-25 Proposed in Aug-2024	TOTAL REVISED
YOUTH / SCHOOL ORGANIZATIONS												
Grand Terrace Community Basketball	\$ 1,136	\$ -	\$ -	\$ 1,450	\$ -	\$ -				\$ 2,586	\$ -	\$ 2,586
Grand Terrace High School Football Boosters	-	-	-	2,000	2,000	-				4,000	-	4,000
Grand Terrace High School Legacy Regiment Boosters	-	-	-	2,000	-	-				2,000	-	2,000
Grand Terrace High School Boys Basketball	-	-	-	-	2,000	-		1,040		3,040	-	3,040
Grand Terrace High School Titan Wrestling Team	-	-	-	-	1,997	-	2,000			3,997	-	3,997
Grand Terrace HS Titan Wrestling Booster Club	-	-	-	-	-	-	-			-	2,000	2,000
Grand Terrace High School Cheer Booster Club	-	-	-	-	-	-	-	2,000	2,000	4,000	-	4,000
Grand Terrace Little League	2,000	-	2,000	-	-	-	-			4,000	-	4,000
Grand Terrace Youth Football & Cheer	-	4,000	2,000	-	-	-	-	2,000		8,000	-	8,000
Boy Scout Troop 40	-	-	-	-	-	-	-		2,000	-	-	-
Grand Terrace Tribe Baseball Club	-	-	-	-	-	-	-			-	2,000	2,000
Terrace View Elementary PTA	1,000	671	1,517	700	-	1,805	1,725	2,000	-	9,418	-	9,418
	\$ 4,136	\$ 4,671	\$ 5,517	\$ 6,150	\$ 5,997	\$ 1,805	\$ 3,725	\$ 7,040	\$ 4,000	\$ 41,041	\$ 4,000	\$ 45,041
NON-PROFIT / SERVICE ORGANIZATIONS												
American Cancer Society	\$ -	\$ -	\$ 2,000	\$ -	\$ -	\$ -				\$ 2,000	\$ -	\$ 2,000
Drug Alternative Program	-	2,000	-	-	-	-				2,000	-	2,000
Foundation of Grand Terrace	2,350	2,000	1,830	-	-	2,000	2,000	2,000		12,180	-	12,180
Friends of Grand Terrace Library	3,750	2,000	2,000	4,000	-	-				11,750	-	11,750
Grand Terrace Lions Club	-	620	-	-	-	-				620	-	620
Sheriff's Central Station Explorer Program	-	-	-	2,000	-	-				2,000	-	2,000
The REC Center	2,187	310	-	3,100	-	-				5,597	-	5,597
Grand Terrace Cars & Coffee	-	-	-	-	-	2,000	2,000	1,000		5,000	-	5,000
Christ the Redeemer Catholic Church	-	-	-	-	-	-	310	310		620	-	620
Grand Terrace Living Word Foursquare Church	-	-	-	-	-	-	2,000	-		2,000	-	2,000
New City Church	-	-	-	-	-	-	-	2,000		2,000	-	2,000
Grand Terrace Women's Club	-	-	-	-	-	-	-	-	2,000	2,000	-	2,000
Grand Terrace Chamber of Commerce	-	-	-	-	-	-	-	-		-	2,000	2,000
Family Service Association	-	-	-	-	2,000	-	-	-	-	2,000	-	2,000
	\$ 8,287	\$ 6,930	\$ 5,830	\$ 9,100	\$ 2,000	\$ 4,000	\$ 6,310	\$ 5,310	\$ 2,000	\$49,767	\$ 2,000	\$ 51,767
TOTAL	\$ 12,423	\$ 11,601	\$ 11,347	\$ 15,250	\$ 7,997	\$ 5,805	\$ 10,035	\$ 12,350	\$ 6,000	\$ 90,808	\$ 6,000	\$ 96,808



AGENDA REPORT

MEETING DATE: August 13, 2024 *Council Item*

TITLE: Community Benefit Fund Grant Award to the Grand Terrace High School Titan Wrestling Booster Club in the Amount of \$2,000.00

PRESENTED BY: Christine Clayton, Finance Director *CC* 

RECOMMENDATION: Approve the Community Benefit Fund grant application from the Grand Terrace High School Titan Wrestling Booster Club in the amount of \$2,000.00 to support youth training in the sport of Wrestling

2030 VISION STATEMENT:

This staff report supports the following City Council Goals:

- Goal #1 - Ensure Our Fiscal Viability, through the continuous monitoring of revenue receipts and expenditure disbursements against approved budget appropriations; and
- Goal #4 – Develop and Implement Successful Partnerships through productive collaboration with community groups, youth programs and senior organizations.

BACKGROUND:

In past fiscal years, the City Council has approved the use of funds for the establishment of the Community Benefits Fund Grant Program. The purpose of the Community Benefits Fund Grant Program is to provide funding for local youth programs, community events, community fee waivers, and be used as an economic development tool for small business development in the City.

For Fiscal Year 2024-25, the City Council has approved the use of \$20,000 toward community benefit funded programs and activities.

Various youth and senior program activities have benefited from the Community Benefits Fund including the Foundation of Grand Terrace, the REC Center, several youth sports leagues, and the Friends of the Grand Terrace Library.

Attachment A provides a summary of awarded grants by fiscal year and the recipients of said grants awarded in each fiscal year.

DISCUSSION:

Item 16

I. Application received from Grand Terrace High School Titan Wrestling Booster Club

Grand Terrace High School Titan Wrestling Booster Club's mission is to promote and support the Grand Terrace High School Wrestling program.

Below summarizes the current application submitted by the Wrestling Booster Club:

Project Title:	Grand Terrace High School Wrestling Team
Project Activity:	We are trying to grow the Grand Terrace Wrestling program. We want to make it part of the community like our little league and soccer league. We want to start training kids; 5 th grade and up to be ready for high school. Wrestling makes kids disciplined, teaches them perseverance and the meaning of hard work. It helps kids maintain good grades and builds up their self-esteem.
Public Purpose:	Running a successful wrestling program takes a lot of work from our volunteers, coaches, parents, athletes and the community. It keeps youth fit and at the same time nothing teaches mental toughness as much as wrestling.
Amount Requested:	\$2,000.00
Utilization of Funds:	Funds will be used for tournament fees. Last year we did 10 tournaments and it cost around \$3,000. We also feed the kids after weigh ins and make sure they are rehydrated.

RECOMMENDATION:

Staff recommends that the City Council:

1. Approve the Community Benefit Fund grant application in the amount of \$2,000.00 to the Grand Terrace High School Titan Wrestling Booster Club.

Upon City Council approval, the applicant will comply with the following, if they have not already done so:

1. Issue the City of Grand Terrace an invoice for the grant amount including receipts.

2. Ensure that the City is mentioned/included as a sponsor in any material advertising the activity or event.
3. Complete a W-9 form for reporting purposes.

Attached is the application received from the Grand Terrace High School Titan Wrestling Booster Club.

FISCAL IMPACT:

Funds in the amount of \$20,000.00 have been approved for the program and established in the Community Benefits Fund (Fund 61). If approved, the table below will show the balances of each category remaining in the fund:

FY2024-25 Community Benefits Fund

<u>Fund No.</u>	<u>Acct. No.</u>	<u>Account Title</u>	<u>Approved Budget</u>	<u>Awarded Grants</u>	<u>Balance as of Aug 1-2024</u>	<u>Proposed Grant Awards</u>	<u>Revised Balance</u>
61	461-100	Youth/School Programs	\$10,000	\$4,000	\$6,000	(\$4,000)	\$2,000
61	461-200	Service Organizations	\$10,000	\$2,000	\$8,000	(\$2,000)	\$6,000
		TOTAL	<u>\$20,000</u>	<u>\$6,000</u>	<u>\$14,000</u>	<u>(\$6,000)</u>	<u>\$8,000</u>

ATTACHMENTS:

- CBF - Grand Terrace High School Titan Wrestling Booster Club(PDF)
- Community Benefits Fund Award History - Aug (PDF)



**CITY OF GRAND TERRACE
COMMUNITY BENEFITS FUND (GT-CBF)**

ORGANIZATION INFORMATION				
Organization Name:	GTHS Titan Wrestling Booster Club			
Organization Mission:	This organization shall be to promote and support the Grand Terrace High School Wrestling program			
Organization Contact #1:	Name: Victor Zamora	Title:	President	
Mailing Address:	12771 Mount Vernon Ave			
City, State, Zip Code	Grand Terrace CA 92313			
Phone & E-mail:	Phone: 909 278 6880	E-mail: gthstitanwrestlingboosterclub@gmail.com		
Organization Contact #2:	Name: Cynthia Brown	Title:	Treasurer	
Mailing Address:	22435 Franklin St			
City, State, Zip Code	Grand terrace CA 92313			
Phone & E-mail:	Phone: 909 800 4316	E-mail: cynthiacbrown@gmail.com		
Have you ever applied for funding through the City's Community Benefit FUND (CBH) before?				
☐ Yes ☒ No				
If yes, please list each time you've applied, the outcome, whether you were granted funding or not, the amount your organization originally requested and the amount approved, if any.				
	Purpose of Prior Funding Requests (if any)	Request Date	Amount Requested	Amount Approved (if any)
1.				
2.				
3.				
4.				
5.				
Date of Application:	July 30th, 2024			
Requested Amount:	2000			



CITY OF GRAND TERRACE COMMUNITY BENEFITS FUND (GT-CBF)

PROJECT INFORMATION	
Project/Activity Title:	Gran terrace Wrestling Team
Project/Activity Description (description of event the organization is seeking funding for)	We are trying to grow Grand Terrace Wrestling program. We want to make it part of the community like our little league and soccer league. We want to start training kids 5th grade and up to be ready for high school. Wrestling makes kids disciplined, teaches them perseverance and the meaning of hard work. It helps kid maintain good grades and builds up their self esteem.
Describe how the project/activity is for a public purpose and benefits the residents and or community of Grand Terrace	Running a successful wrestling takes a lot of work from our volunteers, coaches, parents athletes and the community. It keeps youth fit and at the same time nothing teaches mental toughness as much as wrestling. As a Marine I saw first hand that veterans that wrestled did not break mentally or physically as their counterparts. We want to make Grand Terrace be known for having a great wrestling program.
Project/Activity Target Population:	☒ Youth ☐ Seniors ☐ Women ☐ Low-Income ☐ Businesses ☐ Disabled Persons ☐ Yes ☐ Entire Community
Project/Activity Date:	2024 - 2025 school year
Location of Project/Activity:	Grand Terrace High School
Detailed description of how the funds will be utilized.	Funds will be used for tournament fees, last year we did 10 tournaments and it cost around 3000. then, we feed the kids after weigh ins. Four tournaments were paid by the school district and we paid for 10 of them were we fed the kids 16 times around 75%. All was funded by donations.
Negative Impact should funding not be approved:	We would not be able to make sure all the kids are rehydrated after weighing in. We would not be able to participate in that many tournaments To help the kids improve their skill level

Submit completed application to: City of Grand Terrace
City Manager's Office
22795 Barton Road
Grand Terrace, CA 92313-5295
Attn: Konrad Bolowich

City of Grand Terrace, 22795 Barton Road, Grand Terrace, CA 92313-5295 www.grandterraceca.gov

City of Grand Terrace												
Community Benefit Grant Awards												
GRANT AWARD HISTORY as of July 31, 2024 and Approved & Proposed Applications for Aug 2024												
Title	2015-16	2016-17	2017-18	2018-19	2019-20	2021-22	2022-23	2023-24	2024-25	TOTAL	2024-25 Proposed in Aug-2024	TOTAL
										TO DATE		REVISED
YOUTH / SCHOOL ORGANIZATIONS												
Grand Terrace Community Basketball	\$ 1,136	\$ -	\$ -	\$ 1,450	\$ -	\$ -				\$ 2,586	\$ -	\$ 2,586
Grand Terrace High School Football Boosters	-	-	-	2,000	2,000	-				4,000	-	4,000
Grand Terrace High School Legacy Regiment Boosters	-	-	-	2,000	-	-				2,000	-	2,000
Grand Terrace High School Boys Basketball	-	-	-	-	2,000	-		1,040		3,040	-	3,040
Grand Terrace High School Titan Wrestling Team	-	-	-	-	1,997	-	2,000			3,997	-	3,997
Grand Terrace HS Titan Wrestling Booster Club	-	-	-	-	-	-	-	-		-	2,000	2,000
Grand Terrace High School Cheer Booster Club	-	-	-	-	-	-	-	2,000	2,000	4,000	-	4,000
Grand Terrace Little League	2,000	-	2,000	-	-	-	-	-		4,000	-	4,000
Grand Terrace Youth Football & Cheer	-	4,000	2,000	-	-	-	-	2,000		8,000	-	8,000
Boy Scout Troop 40	-	-	-	-	-	-	-	-	2,000	-	-	-
Grand Terrace Tribe Baseball Club	-	-	-	-	-	-	-	-		-	2,000	2,000
Terrace View Elementary PTA	1,000	671	1,517	700	-	1,805	1,725	2,000	-	9,418	-	9,418
	\$ 4,136	\$ 4,671	\$ 5,517	\$ 6,150	\$ 5,997	\$ 1,805	\$ 3,725	\$ 7,040	\$ 4,000	\$ 41,041	\$ 4,000	\$ 45,041
NON-PROFIT / SERVICE ORGANIZATIONS												
American Cancer Society	\$ -	\$ -	\$ 2,000	\$ -	\$ -	\$ -				\$ 2,000	\$ -	\$ 2,000
Drug Alternative Program	-	2,000	-	-	-	-				2,000	-	2,000
Foundation of Grand Terrace	2,350	2,000	1,830	-	-	2,000	2,000	2,000		12,180	-	12,180
Friends of Grand Terrace Library	3,750	2,000	2,000	4,000	-	-				11,750	-	11,750
Grand Terrace Lions Club	-	620	-	-	-	-				620	-	620
Sheriff's Central Station Explorer Program	-	-	-	2,000	-	-				2,000	-	2,000
The REC Center	2,187	310	-	3,100	-	-				5,597	-	5,597
Grand Terrace Cars & Coffee	-	-	-	-	-	2,000	2,000	1,000		5,000	-	5,000
Christ the Redeemer Catholic Church	-	-	-	-	-	-	310	310		620	-	620
Grand Terrace Living Word Foursquare Church	-	-	-	-	-	-	2,000	-		2,000	-	2,000
New City Church	-	-	-	-	-	-	-	2,000		2,000	-	2,000
Grand Terrace Women's Club	-	-	-	-	-	-	-	-	2,000	2,000	-	2,000
Grand Terrace Chamber of Commerce	-	-	-	-	-	-	-	-		-	2,000	2,000
Family Service Association	-	-	-	-	2,000	-	-	-	-	2,000	-	2,000
	\$ 8,287	\$ 6,930	\$ 5,830	\$ 9,100	\$ 2,000	\$ 4,000	\$ 6,310	\$ 5,310	\$ 2,000	\$49,767	\$ 2,000	\$ 51,767
TOTAL	\$ 12,423	\$ 11,601	\$ 11,347	\$ 15,250	\$ 7,997	\$ 5,805	\$ 10,035	\$ 12,350	\$ 6,000	\$ 90,808	\$ 6,000	\$ 96,808