



staff report

TO: Honorable Mayor and Members of the City Council

FROM: Jeffrey L. Stewart, City Manager

SUBJECT: Consideration and possible action to receive and file a presentation by Bellflower Unified School District (BUSD) regarding reprioritization of projects pursuant to Memorandum of Understanding (MOU) No. 5 and Settlement Agreement between BUSD and the Bellflower Redevelopment Agency dated November 24, 2008.

DATE: June 27, 2016

EXECUTIVE SUMMARY

The Bellflower Redevelopment Agency and BUSD entered into a Settlement Agreement and MOU dated November 24, 2008 to resolve litigation related to facilities located at Bellflower High School (the "Agreement"). Among other things, the RDA agreed to create a Trust Fund into which it make 20 payments of \$200,000 each. The Agreement provides as follows as to expenditures from the Trust Fund:

"Monies from the BUSD Trust Fund shall be disbursed only to or on behalf of the District and **only for the projects listed on Exhibit A** attached hereto and incorporated herein by this reference (the "Project List"). **Projects 1 through 6 on the Project List shall be undertaken in the order in which they appear on the Project List and shall be completed before any other projects** on the Project List are begun; provided, that the list and order of projects may be altered at the District's **reasonable request due to exigent circumstances presented by the District**, subject to the consent of the City, which consent shall not be unreasonably withheld. Additional projects may be added to the list with the **consent of the Agency and the District.**" (Emphasis added).

Exhibit A to the Agreement is attached for reference.

Upon dissolution of the RDA in 2012, the Successor Agency to the Bellflower Redevelopment Agency (the "SA") assumed responsibility for the Agreement and for disbursements from the Trust Fund (the Agreement was confirmed as a pre-existing obligation by the California Department of Finance). The City Council opted to act on the SA's behalf for purposes of winding down the RDA's affairs. While the SA and City are separate legal entities, this staff report uses the term "City" when referring to the SA's actions.

As discussed below, BUSD presented the City with a revised Project List earlier this year. After initial review of that revised list, City staff informed BUSD that the Project List did not wholly conform with the Agreement. Consequently, while the City could provide partial funding for the Project List, it could not approve all of the projects. BUSD's Superintendent disagrees with this analysis. To ensure that the City Council is fully informed regarding BUSD's position, the Superintendent was invited to this meeting to provide a presentation.

RECOMMENDATION TO CITY COUNCIL

- 1) Receive and file a presentation by Bellflower Unified School District; or
- 2) Alternatively, discuss and take other action related to this item.

FISCAL IMPACT

None

DISCUSSION

The origins of the Project List matter date back to 2012 when representatives of BUSD met with staff to propose the idea of allowing the use of the Trust Fund to pay for the development of solar parking cover project in the parking lot of Bellflower High School. Upon researching the issue, staff brought an item to the City Council to explore the option of accessing the Trust Fund for that project. The City Council did not approve the request of the BUSD.

Earlier this year, Mayor Pro Tem Schnablegger and I informally met with Superintendent Jacobs. During that meeting, Superintendent Jacobs sought to present preliminary plans for a soccer field proposal to be funded by the Trust Fund. After that meeting, City staff formally reviewed Superintendent Jacobs's plans for conformity with the Agreement. During that review, City staff scrutinized the Agreement including, without limitation, Section 1.2 (provided verbatim above).

In particular, City staff noted the phrases emphasized in Section 1.2, i.e., only the projects on the Project List could be funded; projects 1 to 6 had to be completed before any other projects; BUSD could reasonably request alterations upon demonstrating "exigent circumstances" to the City; and, any other changes to the Project List requires the parties' mutual consent. Following this review, on February 25, 2016 the City provided comments to BUSD about the preliminary plans and stated that the District had the ability to request an alteration to the project order due to "exigent circumstances," but that such a request had not been made.

On March 3, 2016, BUSD sent a letter indicating that a formal proposal would be forthcoming related to improvements at Bellflower High School. On April 27, 2016, the City received a letter from BUSD stating that the Board of Education had "unanimously voted to reprioritize the top two projects on the approved project list and estimated that the disbursement request from the Successor Agency's Trust Fund would total \$3,960.00."

On May 5, 2016, the City responded by reiterating the statements of the February 25 correspondence that the request from BUSD is "not in accordance with the agreement."

Staff Report – BUSD Request Regarding Settlement Agreement
June 27, 2016
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On June 23, 2016, the City received a letter from BUSD stating, in part, the following:

“(T)he City cannot unreasonably withhold its consent to District modified priorities so long as the modifications meet existing exigencies.”

Further, BUSD requested the following:

“City’s consent to the District’s use of its Trust Fund, as administered by the City, pursuant to our November 24, 2008 Agreement for the soccer field and lighting project specified in my (Superintendent Jacobs) April, 2016 letter....”

City representatives met with Superintendent Jacobs on June 23rd to discuss the matter. During the course of that meeting, Superintendent Jacobs expressed concern that BUSD’s position was not communicated to the City Council. To ensure complete disclosure and transparency, I have placed the item on the agenda for the City Council’s consideration.

Staff concurs with BUSD that the projects cited in the correspondence attached are worthwhile and projects that may merit approval. Any change to the Project List, however, requires the mutual consent of the parties to the Agreement and, consequently, an amendment to the Agreement;

Staff disagrees with Superintendent Jacobs’s interpretation of the Agreement regarding “existing exigencies” for at least two reasons. First, the Agreement requires BUSD present exigent circumstances that would justify a change in project priorities. None of the correspondence sent by BUSD presents any exigent circumstance (see below for definitions) that would justify a change. The only justification that we have been able to glean from discussing the matter with Superintendent Jacobs is that a changing student population, or some other gradual change in educational circumstances, makes other projects more desirable. As noted, staff believes that may be cause for a mutual change in the Project List, but does not allow BUSD to unilaterally alter the Agreement.

Second, the Agreement does not define “exigent circumstances” and it is somewhat unusual to use that term in a context other than law enforcement (the term is usually considered in the context of, for example, warrantless searches by law enforcement personnel). It is clear, however, that the term means something more than that which would allow BUSD to alter the order of projects based on the current priorities of the Superintendent and School Board. As defined by Black’s Law Dictionary, “exigent” means the following:

“**exigent** *adj.* (17c) Requiring immediate action or aid; urgent < exigent circumstances>”

Staff Report – BUSD Request Regarding Settlement Agreement
June 27, 2016
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While that definition may not provide clear guidance in this matter, staff is comfortable in the belief that the term “exigent circumstances” is inveighed with more substance than that which may be amended by unanimous vote of the Board of Education. Indeed, such circumstances are generally noted to be “few in number and carefully delineated ... [such] circumstances means an emergency situation requiring swift action to prevent imminent danger to life or serious damage to property”

No circumstances were presented by BUSD demonstrating that immediate, urgent, action is required to alter the Project List and none could be found in the administrative record for the School Board (it appears the matter may have been considered at the meeting of April 14, 2016, but the agenda description is so vague that it's not clear; no minutes have been identified that would confirm the School Board's actions).

In sum, the Agreement requires that BUSD must demonstrate more than a simple vote of the Board to consider an alteration of the Project List. Further, it is recommended that further discussions to alter the project order be discussed as part of an attempt between the two parties to formally amend the 2008 Settlement Agreement.

ATTACHMENTS

1. Letter dated June 10, 2016 from BUSD to City.
2. Letter dated May 5, 2016 from City to BUSD.
3. Letter dated March 3, 2016 from BUSD to City.
4. Letter dated February 25, 2016 from City to BUSD
5. Copy of Settlement Agreement between City and BUSD dated November 24, 2008.
6. Staff Report dated April 9, 2012 – Discussing Amendment of the Settlement Agreement between City and BUSD.



BELLFLOWER UNIFIED SCHOOL DISTRICT

Standard of Excellence; Nothing Less

16703 South Clark Avenue • Bellflower, California 90706

(562) 866-9011 Ext. 2104 • Fax (562) 866-7713

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Member,
Debbie Cuadros

Superintendent,
Brian Jacobs, Ed.D.

Office of the Superintendent

June 10, 2016

Mr. Jeff Stewart, City Manager
City of Bellflower
16600 Civic Center Drive
Bellflower, Ca. 90706

Re: City of Bellflower Concurrence in its Successor Agency Funding
Specified Bellflower Unified School District Projects

Dear Mr. Stewart:

In April of this year, the District requested City concurrence in using the District trust funds held by your Successor Agency to fund projects prioritized by the District in accordance with present exigencies identified by the Board of Education. As you know, the City cannot unreasonably withhold its consent to District modified priorities so long as the modifications meet existing exigencies. My prior correspondence and communication on this process has been informal, to formal Board of Education action and now, unfortunately, ineffective and futile.

By this letter, I ask for the City's consent to the District's use of its trust fund, as administered by the City, pursuant to our November 24, 2008 agreement for the soccer field and lighting project specified in my April, 2016 letter to you, a copy of which is included with this letter. The exigencies which the District has considered in requesting funding of that project, as applied to the list of projects attached to the settlement agreement are as follows:

- A. Items 1 and 2 on the Project List pertain to tennis courts, which have become sparsely used facilities, particularly when compared to demand for soccer facilities. Soccer field availability is a priority for the District's students and for the City of Bellflower's recreational demand of its adults and children. Simply stated, in the years which have passed since 2008, soccer facilities have become the in demand, sought after facilities, while tennis facilities are not fully utilized. The District's and City's recreational users needs now rule out prioritizing tennis courts and demand the prioritizing of soccer fields.
- B. Item 3 on the Project List, bleachers at Bellflower High School, is being funded by District bond proceeds. Accordingly, there is no need for the application of the trust funds to that project.

RECEIVED

JUN 23 2016

CITY MANAGER'S OFFICE

- C. Item 4 on the Project List, an all-weather track, also is being funded by District bond proceeds. Accordingly, there is no need for the application of the trust funds to that project.
- D. Item 5 on the Project List, lighting for baseball/softball diamonds at Bellflower High School, also has lost its priority in comparison to soccer demands over the past eight years. It is possible that lighting of those facilities could become a byproduct of lighting the soccer area at the High School. This will be known during the design of the facilities.
- E. Item 6 on the Project list is lighting for the soccer field, which has become the priority for trust fund use.
- F. Item 7 on the Project List is synthetic turf on the football field. This no longer is needed due to the availability of reclaimed water to apply to the field. In addition, after eight more years of experience, it is recognized that synthetic turf appears to result in more football injuries than does natural turf.
- G. Item 8 on the Project List is the provision of synthetic turf for the soccer field which has become the priority for trust fund use.

In summary, the present circumstances make it clear that applying the trust funds for soccer facilities best meets the recreational and instructional needs of District pupils and City recreational participants. The District would appreciate your reviewing this request made pursuant to the November 24, 2008 agreement and consenting to the soccer project identified so that the District may move the process forward. Finally, I would welcome the name(s) of City staff that the District will work with to confirm areas of responsibility, timelines or any other expectations.

Thank you for your anticipated cooperation.

Very truly yours,



Brian Jacobs, Ed.D.
Superintendent

Cc: Mayor Dan Koops
Council Members
BUSD Board of Education

The City of Bellflower

Families. Businesses. Futures.

16600 Civic Center Drive, Bellflower, CA 90706

Tel 562.804.1424 Fax 562.925.8660 www.bellflower.org



May 5, 2016

SENT VIA
Facsimile (562-866-7713) and
Certified Mail 9214 8969 0099 9790 1404 6748 87

Dr. Brian Jacobs
Bellflower Unified School District
16703 S. Clark Avenue
Bellflower, CA 90706

**Re: Proposed Improvements at Bellflower High School
15301 McNab Avenue, Bellflower, CA 90706**

Dear Dr. Jacobs:

On April 27, 2016, I received a proposal for preliminary approximation of cost for the soccer field and lighting project at Bellflower High School Soccer Field in response to the letter I mailed to you on February 25, 2016.

The letter that was sent to you on February 25, 2016 stated:

*The SA (as the successor to the Redevelopment Agency) will fund the following projects **in accordance with the Agreement** (See attachment 1):*

- *Synthetic Turf for the Soccer Field, shown on sheet A001 (Bellflower High School Synthetic Turf Soccer Field) as keynote N01. This was outlined as No. 8 on the "Project List" as "Synthetic turf on soccer field at Bellflower High School."*
- *New Synthetic Track, shown on Sheet A002 (Track and Field Stadium Upgrades) as keynote N02. This was outlined as Item No. 4 on the "Project List" – "all-weather track at stadium at Bellflower High School."*

Per the Amended Memorandum of Understanding and Settlement Agreement and Mutual Release dated November 24, 2008 outlines the use of BUSD Trust Fund, as follows (See attachment 2):

Page 1 of 2

> Dan Koops
Mayor

Ron Schnablegger
Mayor Pro Tem

Ray Dunton
Council Member

Scott A. Larsen
Council Member

Sonny R. Santa Ines
Council Member

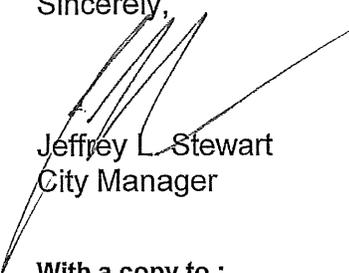
1.2 Use of BUSD Trust Fund. Monies from the BUSD Trust Fund shall be disbursed only to or on behalf of the District and only for the projects listed on Exhibit A attached hereto and incorporated herein by this reference (the "Project List"). **Projects 1 through 6 on the Project List shall be undertaken in the order in which they appear on the Project List and shall be completed before any other projects on the Project List are begun; provided, that the list and order of projects may be altered at the District's reasonable request due to exigent circumstances presented by the District, subject to the consent of the City, which consent shall not be unreasonably withheld.** Additional projects may be added to the list with the consent of the Agency and the District. Monies from the BUSD Trust Fund shall only be used to fund projects (a) located at District schools within the City of Bellflower, and (b) for which the City has approved the plans pursuant to Section 2 below. Notwithstanding the foregoing, the District, at its option, may choose to use up to \$200,000.00 deposited in the BUSD Trust Fund during the first year after the effective date of this Agreement to pay debt service on the \$ 17 Million Certificates of Participation issued by the District in 2003 (the " COPs ").

I understand that on April 14, 2016, the Board of Education unanimously voted to reprioritize the top two projects however per the Amended Memorandum of Understanding and Settlement Agreement and Mutual Release dated November 24, 2008, "**Projects 1 through 6 on the Project List shall be undertaken in the order in which they appear on the Project List and shall be completed before any other projects on the Project List are begun.**"

Our response letter dated February 25, 2016 states that projects would be approved in accordance with the Agreement and your proposal is not in accordance with the agreement.

Thank you for your cooperation in this matter. If you have any further questions please contact me directly at (562)804-1424 ext. 2207.

Sincerely,



Jeffrey L. Stewart
City Manager

With a copy to :
Eric Bathen, Esq.
Law Offices of Eric Bathen
The Center Tower
650 Town Center Drive, Suite 1200
Costa Mesa, CA 92626

Doc. 339785



BELLFLOWER UNIFIED SCHOOL DISTRICT

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(562) 866-9011 Ext. 2104 • Fax (562) 866-7713

Office of the Superintendent

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APR 27 2016

CITY MANAGER'S OFFICE

BOARD OF EDUCATION

President,
Paul Helzer, D.C. PhD.

Vice President,
Sue ElHessen, Ed.D.

Clerk,
Laura Sanchez-Ramirez

Member,
Jerry Cleveland

Member,
Debbie Cuadros

Superintendent,
Brian Jacobs, Ed.D.

Mr. Jeff Stewart
City Manager
City of Bellflower
16600 Civic Center Drive
Bellflower, CA 90706

Dear Mr. Jeff Stewart,

On March 3, 2016, I sent a brief correspondence to you stating that a formal proposal would be forthcoming related to the improvements at Bellflower High School. This letter now serves as notification that the Board of Education has accepted the Successor Agency's funding approval of the Bellflower High School soccer field and soccer field lighting projects (See attachment).

On April 14, 2016, the Board of Education unanimously voted to reprioritize the top two projects on the approved project list to mirror the Successor Agency's project approvals.

BHS Soccer Field and Lighting Projects

Following is a preliminary approximation of cost for the soccer field and lighting project less architectural and inspector fees:

a.	Synthetic Turf	\$1,900,000
b.	Soccer Field Lighting	\$450,000
c.	Parking and Fire Lane	\$670,000
d.	Underground Drainage *	\$500,000
e.	Sports Field Equipment	\$180,000
f.	Demolition	\$150,000
g.	Site Improvements	\$110,000
	Total	\$3,960,000

** The District's goal is to capture 100% of the water run off from the soccer field, tennis courts, baseball field, softball field and the parking lot. Currently water runs off onto McNab Avenue and into the storm drains. The District previously prepared the drainage for the tennis courts, baseball field and softball for the future. The new system would connect all the aforementioned drainage and eliminate virtually all run off into the street.*

Ron Yary Stadium Track

The District appreciated the City's approval of the synthetic track; however, there will be no funding left through the Settlement Agreement to fund the project. Therefore, the District will not be seeking funding through the Successor Agency for the track.

Other Ron Yary Stadium Projects

The visitors' bleachers and the synthetic football turf projects proposed under the Redevelopment Settlement Agreement have become moot due to the exhaustion of available funding under the Settlement Agreement.

The district will respond to the Successor Agency's concern over the District's decision to maintain a natural football turf in an effort to share additional insight and important information.

Ron Yary Stadium is recognized as a premier natural grass facility. In 1997 the District installed reclaimed water at Bellflower High School and Ron Yary Stadium. The field is watered with reclaimed water. Bellflower Somerset Water placed a sign on the corner of McNab Avenue and Ron Yary Way informing the public that the facility utilizes reclaimed water.

In fact, the City of Bellflower was granted permission to tap into the District's reclaimed water line to provide reclaimed water to the parkway/greenbelt area where the City of Bellflower signage sits on Ron Yary Way. This is at no cost to the City. The City maintains the sprinklers and plants while the District provides the reclaimed water, mowing and edging.

In this situation artificial turf would have required the District to use potable water to clean and cool down the artificial turf on a regular basis. Reclaimed water cannot be used on artificial turf. It is more water conservation mindful to maintain real turf at the Stadium at this time.

As you are aware there is an abundance of reclaimed water available to this area, so much so that it is regularly being discarded into the San Gabriel River due to an over supply.

Implementation

Please provide me with the contact information for the person(s) responsible for overseeing the aforementioned project. I would like my staff to begin working with the City to ensure a smooth endeavor and to outline the responsibilities, requirements, expectations and timelines for the project.

Thank you for your support and funding approval.

Sincerely,



Brian Jacobs, Ed.D.
Superintendent

The City of Bellflower
Families. Businesses. Futures.

16600 Civic Center Drive, Bellflower, CA 90706

Tel 562.804.1424 Fax 562.925.8660 www.bellflower.org



February 25, 2016

SENT VIA
Facsimile (562-866-7713)
and Certified Mail (7014 2120 0002 9838 2740)
Return Receipt Requested

Dr. Brian Jacobs
Bellflower Unified School District
16703 S. Clark Avenue
Bellflower, CA 90706

Re: Proposed Improvements at Bellflower High School
15301 McNab Avenue, Bellflower CA 90706

Dear Dr. Jacobs:

Thank you for submitting architectural plans on February 11, 2016. The submitted plans show various improvements proposed by Bellflower Unified School District ("BUSD") for Bellflower High School.

Pursuant to the *Amended Memorandum of Understanding and Settlement Agreement and Mutual Release (Dated November 24, 2008)* ("Agreement"), the submitted plans were reviewed by the Successor Agency to the Bellflower Redevelopment Agency (the "SA"). The purpose of the SA's review was to determine whether the proposed improvements pertain to a project outlined in the agreed upon "Project List" (Exhibit A of the Agreement).

The SA (as the successor to the Redevelopment Agency) will fund the following projects in accordance with the Agreement:

- **Synthetic Turf for the Soccer Field**, shown on Sheet A001 (Bellflower High School Synthetic Turf Soccer Field) as keynote N01. This was outlined as Item No. 8 of the "Project List" as "Synthetic turf on soccer field at Bellflower High School."
- **New Synthetic Track**, shown on Sheet A002 (Track and Field and Stadium Upgrades) as keynote N02. This was outlined as Item No. 4 of the "Project List" – "all weather track at stadium at Bellflower High School."

Page 1 of 3

Scott A. Larsen
Mayor

Dan Koops
Mayor Pro Tem

Ray Dunton
Council Member

Sonny R. Santa Ines
Council Member

Ron Schnablegger
Council Member

Letter to Dr. Brian Jacobs (Bellflower High School Improvements)
February 25, 2016
Page 2 of 3

After reviewing the plans submitted by BUSD, however, it appears that "N03 - New Accessible Visitor Bleachers" shown on Sheet A001 (Track and Field and Stadium Upgrades) and "N01 - New Natural Turf Field" shown on Sheet A001 (Track and Field and Stadium Upgrades) exceed the scope of the agreed upon "Project List." Specifically, the exceedances are as follows:

- **New Accessible Visitor Bleachers.** As shown on the plans, the proposed bleachers have a "1,712 total seating capacity." This exceeds the maximum allowable capacity in Item No. 3 of the "Project List" which allows a maximum allowable capacity of 1,320 seats (10% more than the existing 1,200 seats).
- **New Natural Turf for the Stadium Field.** As shown on the plans, natural turf is proposed to be installed on the football field. Item No. 7 of the "Project List" provides that that the turf is supposed to be synthetic.

As stated in Section 1.3.1 of the Agreement, disbursements from the BUSD Trust Fund are allowed only for costs actually incurred in connection with a project on the "Project List." In addition to the improvements mentioned above, the submitted plans include other improvements that are beyond the scope of the agreed upon "Project List," such as:

Sheet No:	Proposed Improvements
General Notes	Possible removal/replacement/modification/repair of concrete walks, mowstrips, curbs and gutters, irrigation lines, asphalt parking lots, speed bumps, painted crosswalks
Site Plan Legend	New Concrete Walks/Paving, New AC Paving, New Chain Link Fencing
Sheet A001 (Bellflower High School Synthetic Turf Soccer Field)	N02 - (N) Scoreboard
	N03 - Pull Box for Scoreboard Controls
	N04 - Grind and Cap (E) AC Paved Parking Lot and Drive
	N05 - (N) Conc. Paving
	N06 - (N) Tube Steel Fence
	N07 - (N) Football Field Goal Post
	N09 - Concrete Curb Ramp
	N11 - Concrete Walk, Curb and Gutter
Sheet A002 (Bellflower High School Synthetic Turf Soccer Field)	N04 - Grind and Cap (E) AC Paved Parking Lot and Drive
	N06 - (N) Tube Steel Fence
	N08 - Concrete Curb Ramp
	N09 - Concrete Curb Ramp
	N10 - Concrete Wheel Stop
	N11 - Concrete Walk, Curb and Gutter
	N12 - Painted Traffic Arrow
	N13 - (N) Manual Rolling Gate w/ Knox Lock
N14 - (N) Automatic Rolling Gate	

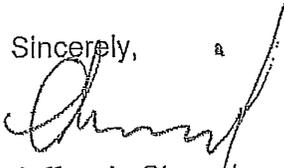
Letter to Dr. Brian Jacobs (Bellflower High School Improvements)
 February 25, 2016
 Page 3 of 3

Sheet.No.	Proposed Improvements
Sheet A001 (Track and Field and Stadium Upgrades)	N05 - New Conc. Paving
	N06 - New Discus Area
	N07 - New Concessions and Restroom Building
	N08 - New Synthetic Surface, to Match Track
	N09 - New Long Jump and Triple Jump Pits
	N10 - New Pole Vault
Sheet A002 (Track and Field and Stadium Upgrades)	N11 - New Fencing and Gates
	N04 - New Shot Put Area
	N06 - New Discus Area
	N09 - New Long Jump and Triple Jump Pits

While Section 1.2 of the Agreement does allow BUSD make a reasonable request to alter the Project List "due to exigent circumstances," BUSD has not made such a request; neither the SA nor the City are aware of an exigent circumstance that would cause the BUSD to alter the Project list. Indeed, the current drought conditions suggest that the natural turf proposed for the football field would be significantly less desirable than the synthetic turf identified in the Agreement. Nevertheless, the City and SA will (of course) review any exigent circumstance presented by the BUSD as justification for a Project List alteration.

Thank you for your cooperation in this matter. We look forward to the completion of the facility improvements within your schools. Should you have any questions, please do not hesitate to contact me at (562) 804-1424, extension 2207.

Sincerely,



for Jeffrey L. Stewart
 City Manager

Doc 336002

With a copy to:

Eric Bathen, Esq.
Law Offices of Eric Bathen
The Center Tower
650 Town Center Drive, Suite 1200
Costa Mesa, California 92626

AMENDED MEMORANDUM OF
UNDERSTANDING AND
SETTLEMENT AGREEMENT AND
MUTUAL RELEASE
(Dated November 24, 2008)

TO

MEMORANDUM OF
UNDERSTANDING FILE NO. 5 –
MEMORANDUM OF
UNDERSTANDING BETWEEN THE
BELLFLOWER UNIFIED SCHOOL
DISTRICT AND THE CITY OF
BELLFLOWER REDEVELOPMENT
AGENCY (Dated June 25, 1991)

AMENDED MEMORANDUM OF UNDERSTANDING AND SETTLEMENT AGREEMENT
AND MUTUAL RELEASE

This Amended Memorandum of Understanding and Settlement Agreement and Mutual Release ("this Agreement") is entered into as of November 24, 2008, by and among the City of Bellflower (the "City"), the Redevelopment Agency of the City of Bellflower (the "Agency") and the Bellflower Unified School District (the "District").

RECITALS

A. On June 25, 1991, the Agency and the District entered into a Memorandum of Understanding in connection with the adoption of the Redevelopment Plan for the Bellflower Redevelopment Project ("MOU"). The MOU was entered into pursuant to Health & Safety Code Section 33401 as it was then in effect. Performance under the MOU has not met the expectations of the parties. On June 1, 2007, the District filed a lawsuit seeking specific performance of the MOU, declaratory relief and damages. *Bellflower Unified School District v. Community Redevelopment Agency of the City of Bellflower*, Los Angeles County Superior Court Case No. VC048816 (the "Contract Case").

B. On May 31, 2007, the City filed a petition for writ of mandate seeking to compel the District to comply with the California Environmental Quality Act and with the City's zoning and building ordinances in connection with the construction by the District of a central kitchen and warehouse on the Bellflower High School campus (the "Nutrition Center"). *City of Bellflower v. Bellflower Unified School District*, Los Angeles County Superior Court Case No. BS109173 ("Nutrition Center Case"). Judgment in the Nutrition Center Case was entered on January 11, 2008. Both parties have appealed from the judgment in the Nutrition Center Case and both parties have filed their opening briefs in the appeals.

C. The Agency and the District desire to modify and clarify their rights and obligations under the MOU for the purpose of achieving the objectives sought to be achieved by the MOU.

D. The Agency and the District desire to settle the Contract Case, and the City and the District desire to settle the Nutrition Center Case, on the terms set forth in this Agreement.

AGREEMENT

1. BUSD Trust Fund. The Agency shall establish within its budget a BUSD Trust Fund for the benefit of the District.

1.1 Deposits to BUSD Trust Fund. The Agency shall make 20 deposits of \$200,000.00 each to the BUSD Trust Fund from funds available to the Agency. Deposits will be made on December 31 and June 30 of each year, with the first deposit to be made on December 31, 2008. The Agency will concurrently provide the District with written notice of such deposit. In addition, if the Agency and City take actions pursuant to SB 211 (Chapter 741 of Stats. 2001)

to implement amendments which extend financial limitations applicable to the Agency's Redevelopment Plan, then the Agency also agrees to deposit into the BUSD Trust Fund an amount equal to the amount the Agency would be required to pay to the District pursuant to SB 211 but for the MOU and this Agreement. Money deposited into the BUSD Trust Fund shall bear interest at the rate at which the Agency actually earns interest on that money (either through a separate or pooled account(s)) and the interest on that money shall be credited to the BUSD Trust Fund. Interest shall begin to accrue on the day after the deposit of money into the BUSD Trust Fund and shall continue to accrue on that money only so long as it remains in the BUSD Trust Fund.

1.2 Use of BUSD Trust Fund. Monies from the BUSD Trust Fund shall be disbursed only to or on behalf of the District and only for the projects listed on Exhibit A attached hereto and incorporated herein by this reference (the "Project List"). Projects 1 through 6 on the Project List shall be undertaken in the order in which they appear on the Project List and shall be completed before any other projects on the Project List are begun; provided, that the list and order of projects may be altered at the District's reasonable request due to exigent circumstances presented by the District, subject to the consent of the City, which consent shall not be unreasonably withheld. Additional projects may be added to the list with the consent of the Agency and the District. Monies from the BUSD Trust Fund shall only be used to fund projects (a) located at District schools within the City of Bellflower, and (b) for which the City has approved the plans pursuant to Section 2 below. Notwithstanding the foregoing, the District, at its option, may choose to use up to \$200,000.00 deposited in the BUSD Trust Fund during the first year after the effective date of this Agreement to pay debt service on the \$17 Million Certificates of Participation issued by the District in 2003 (the "COPs").

1.3 Disbursements from the BUSD Trust Fund.

1.3.1 Disbursements for Project Costs. With respect to costs related to implementation of the projects on the Project List, the District shall submit to the Agency vendor invoices for, or vendor demands for payment of, third party costs actually incurred in connection with a project on the Project List with written instructions regarding whether payment should be made to the District or to the person who issued the invoice or demand for payment (a "Disbursement Demand"). Upon receipt of a Disbursement Demand, the Agency shall review the Disbursement Demand to ensure the Disbursement Demand pertains to a project on the Project List. If the Disbursement Demand does not pertain to a project on the Project List, then the Agency shall return the Disbursement Demand to the District with a notice rejecting the Disbursement Demand. If the Disbursement Demand pertains to a project on the Project List, then the Agency shall disburse money from the Fund pursuant to the Disbursement Demand within 30 days after receipt of the Disbursement Demand from the District. The Agency shall not disburse any amount in excess of the amount of money, including interest, in the BUSD Trust Fund on the date on which the Agency received the Disbursement Demand. If the amount of the Disbursement Demand exceeds the amount of money in the BUSD Trust Fund on that date, then the Agency shall disburse the amount then in the BUSD Trust Funds and the District shall re-submit the Disbursement Demand for payment after the next deposit to the BUSD Trust Fund has been made.

1.3.2 Disbursement for Debt Service. With respect to the District's option to use up to \$200,000.00 from the BUSD Trust Fund to pay debt service on the COPs during the first year after the execution of this Agreement, the District shall submit to the Agency a written request for payment in that amount, specifying that the amount requested will be used to pay debt service on the COPs (a "Debt Service Disbursement Demand"). The Agency shall disburse money from the Fund pursuant to the Debt Service Disbursement Demand within 30 days after receipt of the Debt Service Disbursement Demand from the District. The Agency shall not disburse any amount in excess of the amount of money, including interest, in the BUSD Trust Fund on the date on which the Agency makes the disbursement for the subject Debt Service Disbursement Demand. If the amount of the Debt Service Disbursement Demand exceeds the amount of money in the BUSD Trust Fund on that date, then the Agency shall disburse the amount then in the BUSD Trust Fund and the District shall re-submit the Debt Service Disbursement Demand for payment after the next deposit to the BUSD Trust Fund has been made; provided, however, that no Debt Service Disbursement Demand shall be made later than one year after the effective date of this Agreement.

1.4 Source and Subordination of the Agency's Expenditures. The Agency deposits to the BUSD Trust Fund and any expenditures from that Fund shall be from property tax increment revenue and other moneys lawfully available to the Agency in its sole discretion, excluding any moneys required to be set aside for affordable housing purposes or disbursed as specifically required by laws of the State of California. Deposits to the BUSD Trust Fund and any expenditures from that Fund shall be subordinate to existing bonded indebtedness and future bonded indebtedness; provided, however, that the District shall be given 45-days' notice prior to Agency incurring any future bonded indebtedness and the amount of that bonded indebtedness takes into account the Agency's obligations under this Agreement and does not rely on moneys needed to meet those obligations as security for that bonded indebtedness. Notwithstanding the foregoing, the parties agree the District has no right or remedy to challenge the Agency's issuance of any bonded indebtedness.

2. Approval of Project Plans; Arbitration of Disputes. Without any intention of modifying the applicability of any laws to any other of the District's future development projects, the plans and estimated project budget for each project on the Project List shall be submitted to the Agency for review and approval prior to the solicitation of bids (if the contract is subject to public bidding) or the award of a contract (if the contract is to be awarded on a sole source basis) for the construction of the project. The Agency's approval shall not be unreasonably withheld; provided, that if the project has been approved by both parties in some way other than being on the Project List, then the Agency's approval shall not be required. The Agency shall provide written approval or written comments on the plans within 30 days after the plans are delivered to the Agency. If the Agency approves the plans without conditions, then the District may proceed with contracting for construction of the project. If the Agency provides comments on the plans rather than an approval, or if the Agency's approval is stated as being conditioned upon revisions to the plans, then the Agency and the District shall each designate a representative to meet and confer at least once in good faith regarding the Agency's comments within 15 days after the Agency provides its written comments to the District. If the representatives of the Agency and the District are unable to reach agreement regarding the modification of the plans for the project within 30 days after the last meet and confer session,

then the issues reflected in the Agency's written comments or conditional approval of the project shall be submitted to binding arbitration.

2.1 Selection of Arbitrator. The Agency and the District will jointly select an arbitrator who shall be a person with previous specific experience and knowledge about the type of issue(s) in dispute. If the Agency and the District have not agreed on selection of an arbitrator within 10 days after the end of the last meet and confer session, then within five days after the end of the 10-day period for mutual selection of an arbitrator, the Agency and the District shall each select a person knowledgeable about the type of project that is the subject of the dispute. If either the Agency or the District fails to select a person, then the arbitrator shall be the person selected by the other party. If the Agency or the District each select a person, then the persons selected by the Agency and the District shall have 10 days from the date of the selection of the second of the two persons to select an arbitrator who will resolve the dispute, as the sole arbitrator.

2.2 Arbitrator's Responsibilities. The arbitrator shall consult with the Agency and the District regarding their respective positions regarding the issues in dispute and shall inform the Agency and the District of the arbitrator's resolution of the dispute within 30 days after the arbitrator is selected. If the arbitrator does not render a decision within that 30-day period, then the Agency and the District may elect to allow the arbitrator additional time in which to make a determination or select a new arbitrator by the process described above.

2.3 Arbitration Costs. The Agency and the District shall each pay 50% of any reasonable fees charged by the arbitrator. Except as otherwise specified herein, the Agency and the District shall each bear their own costs, including attorneys' fees and costs, in connection with any arbitration pursuant to this section. Fees and costs incurred in connection with arbitration pursuant to this Section 2 or Section 4 shall not be costs recoverable under Section 17 of this Agreement.

3. Joint Use of District Facilities for City Recreational Programs. The City and the District shall negotiate in good faith to enter into a joint use agreement pursuant to which the City will use District facilities for City recreation programs on an ongoing basis. Within three days after execution of this Agreement, the District shall have provided the City with copies of schedules for the two most recent academic years showing the use of all recreational facilities at District schools located in the City of Bellflower and schedules for the immediately upcoming or current academic year as that schedule becomes available. The City and the District shall each designate one individual to serve on a scheduling committee that will identify open times at District facilities that can be made available to the City without displacing present users of the District's facilities. The District shall not unreasonably deny or limit the City's use of the District's facilities. The joint use agreement will cover use of all the facilities and have a minimum duration of a 12-month period from November through October and renewed or newly approved for each subsequent similar 12-month period. The scheduling committee shall confer each year between the months of August and October with regard to scheduling and renewal/approval of the joint use agreement and the potential for additional District facilities. The City's scheduled use of any of the District's facilities pursuant to the provisions of any joint use agreement may be superseded by the District's need to use that facility for an activity or activities of the District's students; provided, that the District shall provide reasonable notice to

City of the District's need and schedule for the use of that facility and assist, if reasonably possible, with finding a replacement District-facility for the City's use.

3.1 Joint Use Agreement. The joint use agreement for the facilities the City desires to use for City recreation programs shall provide:

3.1.1 The City will bear the incremental costs of the use of District facilities for City recreation programs either by reimbursing the District for those costs or providing City or other personnel to perform functions that would otherwise be performed by District personnel. Incremental costs include, but are not limited to, utility costs, janitorial services, personnel and maintenance costs. The incremental costs of programs and users that are present users of the District's facilities shall not be attributed to the City's use of any of the District's facilities due to any decision by the City to have a present user of the District's facilities supervise additional City-sponsored use of the District's facilities.

3.1.2 The City shall provide appropriate supervision of City recreational activities at all times. The City may choose to provide such supervision through a community group or organization.

3.1.3 The District shall make available to the City for its non-exclusive use during City recreational activities office space, comprising sufficient space for a desk, a minimum of two chairs, a telephone and access to or space to maintain a first aid kit, at each facility for which the City enters into a joint use agreement with the District.

3.1.4 The City will indemnify and defend the District from, and shall maintain insurance or risk pool coverage for, all loss, liability, costs, and damages incurred as a result of the City's use of District facilities. The District shall be named as an additional insured on all insurance or risk pool coverage maintained by the City that is applicable to the City's activities at the District's facilities.

4. Plans and Landscaping for the Nutrition Center. On or before July 1, 2009, the District shall provide the City's Community Development Director a complete set of as built drainage plans for the Nutrition Center, and adjacent Stadium and parking area (the "As-Built Drainage Plans"). In addition, the District shall, on or before July 1, 2010, install complete landscaping and fencing along the Alondra Boulevard frontage of the Nutrition Center and adjacent area site, subject to the City's reasonable approval and in conformance with the City's approved Master Street Tree Plan if the landscaping is provided along the fencing. The landscaping shall reasonably screen the Nutrition Center from view from Alondra Boulevard. Notwithstanding the foregoing, if the District reasonably determines landscaping along the fencing on the Alondra Boulevard frontage of the Nutrition Center actually will impede the District's ability to provide effective on-site security, then instead of installing landscaping along that fencing, the District shall install the landscaping at a location near the Nutrition Center in such a manner so the landscaping shall reasonably screen the Nutrition Center from view from Alondra Boulevard. If the parties have a dispute regarding the landscaping requirement, then they shall submit the dispute to the arbitration process set forth Section 2.

5. Resolution of Nutrition Center Case. Within 15 days after the execution of this Agreement, the City and the District shall each file a dismissal with the Second District Court of Appeal of their respective appeals from the judgment in the Nutrition Center Case. Within 15 days following the issuance of the remittitur by the Court of Appeal, the City and the District shall submit to the Los Angeles Superior Court a joint return to the writ of mandate stating that the appeals have been dismissed, the case has been settled. Each party shall bear its own costs and attorneys fees in connection with the Nutrition Center Case and the negotiation and execution of this Agreement. The parties agree neither the City, Agency nor District, by the execution of this Agreement, waive any rights or release any obligations that may apply for the use or modification of the driveway apron and abutting areas for vehicular access for the Nutrition Center site from Alondra Boulevard..

6. Dismissal of Contract Case. Within 15 days after the execution of this Agreement, the District shall file with the Los Angeles Superior Court a request for voluntary dismissal of the Contract Case with prejudice. Each party shall bear its own costs and attorneys fees in connection with the Contract Case and the negotiation and execution of this Agreement.

7. Future Compliance with State Law. The City and the District agree, in connection with future development projects, they will adhere to all applicable provisions of the laws of the State of California.

8. Joint Press Release. Within 15 days after the execution of this Agreement, the City, the Agency and the District shall issue a joint press release regarding this Agreement and the settlement of the Nutrition Center Case and the Contract Case. The City and the Agency shall prepare a draft of the joint press release and shall submit the proposed draft to the District for approval and comment. The language of the joint press release shall describe the Agreement as a benefit to the City, the Agency, the District and the people of the City of Bellflower and shall not state any party was the prevailing party. No party to this Agreement shall issue any press release other than the joint press release described herein. The City, the Agency and the District shall each instruct their respective public officials and employees not to make comments about this Agreement or the settlement of the Nutrition Center Case and the Contract Case that are inconsistent with the content of the joint press release.

9. Mutual Release. Except as to the obligations arising out of or created by this Agreement, the City, the Agency and the District hereby release and discharge the other, and their heirs and assigns, shareholders, officers, directors, employees, agents, successors and assigns as applicable, from any and all sums of money, accounts, rents, claims, demands, contracts, actions, debts, controversies, agreements, damages, and causes of action whatsoever or of whatever kind or nature related to the claims made, or that could have been made, in the Nutrition Center Case and the Contract Case, whether known or unknown, or suspected or unsuspected, which either of them now owns, holds, has or claims to have, or at any time heretofore owned, held, had or claimed to have had against the other, or which either of them may own, hold, have or claim to have in the future. The City, the Agency and the District each acknowledge that they are familiar with Section 1542 of the Civil Code, which provides as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

The City, the Agency and the District each waive and relinquish any right or benefit which they have or may have under Civil Code § 1542 to the full extent that such rights or benefits may lawfully be waived. In connection with such waiver and relinquishment, the City, the Agency and the District each acknowledge that they or their attorneys may hereafter discover claims or facts in addition to, or different from, those they now know or believe to exist with respect to the subject matter of this Agreement, but that it is their intention to settle and release the matters which are the subject of this Agreement fully, finally and forever.

10. Notices. All notices to be given under this Agreement shall be either (a) personally delivered (including sent by courier such as Federal Express, United Parcel Service and Express Mail of the U.S. Postal Service, as long as a signed receipt for delivery is obtained), (b) sent by certified U.S. mail, postage prepaid, to the parties at the addresses set forth below, or (c) sent by fax to the fax numbers set forth below, or to such other addresses or fax numbers as the parties may from time to time designate by notice given in accordance with this Section 10.

If to the City or the Agency:

Michael J. Egan
City Manager
City of Bellflower
16600 Civic Center Drive
Bellflower, California 90706
FAX: (562) 925-8660

With a copy to:

Joseph W. Pannone, Esq.
Aleshire & Wynder LLP
1515 W. 190th Street, Suite 565
Gardena, California 90248
FAX: (310) 532-7395

If to the District:

Rick Kemppainen
Bellflower Unified School District
16703 S. Clark Avenue
Bellflower, California 90706
FAX: (562) 866-7713

With a copy to:

Eric Bathen, Esq.
Law Offices of Eric Bathen
The Center Tower
650 Town Center Drive, Suite 1200
Costa Mesa, California 92626
FAX: (714) 641-8436

Notices shall be deemed given (1) if personally delivered (including via any courier service), when received; (2) if by certified mail, postage pre-paid with return receipt requested, three business days after mailing; or (3) if sent by fax, one business day after automated confirmation of successful sending by fax.

11. Authority. The parties to this Agreement represent, with the intent that the other parties will rely thereon, that the parties to this Agreement are authorized to enter into this Agreement and all actions necessary to authorize execution of this Agreement have been taken.

12. Counterparts. This Agreement may be executed in any number of counterparts, at different times and locations, all of which taken together shall constitute one and the same instrument.

13. Severability. If any provision of this Agreement is determined to be invalid, illegal or unenforceable, such provision shall be deemed deleted from this Agreement and the invalidity, illegality or unenforceability of such provision shall not affect the enforceability of the balance of this Agreement.

14. Effect of Headings. The subject headings of the sections of this Agreement are included for convenience only and will not affect the construction or interpretation of any of its provisions.

15. Word Usage. Unless the context clearly requires otherwise:

- (a) Plural and singular numbers will each be considered to include the other;
- (b) The masculine, feminine, and neuter genders will each be considered to include the others;
- (c) "Shall," "will," "must," "agree," and "covenants" are each mandatory;
- (d) "May" is permissive;
- (e) "Or" is not exclusive; and
- (f) "Includes" and "including" are not limiting.

16. Entire Agreement; Modification; Waiver. This Agreement constitutes the entire agreement between the parties pertaining to the subject matter contained in it and supersedes all prior and contemporaneous agreements, representations, and understandings of the parties. Notwithstanding the foregoing, with respect to the MOU, the parties intend this Agreement to be

an amendment and clarification of the MOU that is within the scope of Section 38(b) of Chapter 942 of the Statutes of 1993 (A.B. 1290), as amended by Section 21 of Chapter 936 of the Statutes of 1994 (S.B. 732). No supplement, modification or amendment of this Agreement will be binding unless executed in writing by all the parties. No waiver of any of the provisions of this Agreement will constitute a waiver of any other provision, whether or not similar, nor will any waiver constitute a continuing waiver. No waiver will be binding unless executed in writing by the party making the waiver.

17. Litigation Costs. If any legal action or any mediation or arbitration (other than an arbitration pursuant to Sections 2 or 4 of this Agreement) or other proceeding is brought for the enforcement or interpretation of this Agreement, or because of an alleged dispute, breach, default, or misrepresentation in connection with any provision of this Agreement, then the successful or prevailing party or parties will be entitled to recover reasonable attorneys' fees and other costs (including experts' fees and costs) incurred in that action or proceeding, in addition to any other relief to which it or they may be entitled.

18. Successors. The terms and conditions, covenants, and agreements set forth herein shall apply to and bind the heirs, executors, administrators, assigns and successors of the parties hereto.

19. Governing Law. This Agreement shall be governed, construed, interpreted and enforced in accordance with and under the laws of the State of California.

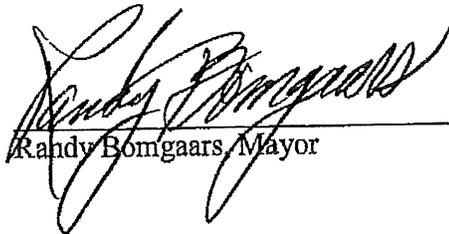
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20. Effective Date. It is understood and agreed that this Agreement shall not be effective until it has been signed by all parties. The effective date of this Agreement, and the triggering date of action to be taken within a specified period of time after execution of this Agreement, shall be the date on which it is signed by the last party to sign the Agreement.

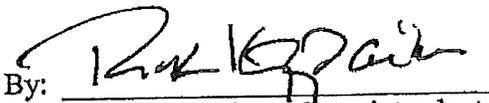
CITY OF BELLFLOWER

BELLFLOWER UNIFIED SCHOOL DISTRICT

By:


Randy Bomgaars, Mayor

By:


Rick Kemppainen, Superintendent

Attest:


Debra D. Bauchop, City Clerk

Approved As To Form:

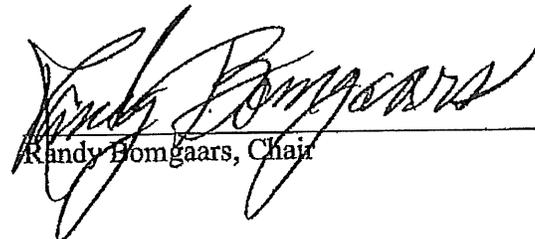

Eric Bathen, General Counsel

Approved As To Form:


Joseph Pannone, City Attorney

REDEVELOPMENT AGENCY OF THE CITY OF BELLFLOWER

By:


Randy Bomgaars, Chair

Attest:


Debra D. Bauchop, Secretary

Approved As To Form:


Joseph Pannone, Agency Counsel

EXHIBIT A
PROJECT LIST

1. Resurfacing, fencing and sun screens for tennis courts at Bellflower High School
2. Lighting for tennis courts at Bellflower High School
3. Refurbishing of visitor's bleachers at stadium at Bellflower High School (capacity not to exceed current capacity by more than 10%; current capacity is 1200 seats)
4. All weather track at stadium at Bellflower High School
5. Lighting for baseball/softball diamonds at Bellflower High School
6. Lighting for soccer field at Bellflower High School
7. Synthetic turf on football field at Bellflower High School
8. Synthetic turf on soccer field at Bellflower High School
9. Renovation of Newman Theater (interior, sound and lighting) at Bellflower High School
10. Synthetic turf on fields at Washington Elementary School
11. Stage in cafeteria at Albert Baxter Elementary School



staff report

TO: Honorable Mayor and Members of the City Council

FROM: Jeffrey L. Stewart, City Manager

SUBJECT: Consideration of Request From The Bellflower Unified School District to Add and Prioritize a Solar Energy Project at Bellflower High School to the List of Approved Projects Stated on Exhibit A of Attachment 2 of the Amended Memorandum of Understanding and Settlement Agreement and Mutual Release between the City of Bellflower and the Bellflower Unified School District

DATE: April 9, 2012

RECOMMENDATION

Approve, in concept, the request by the Bellflower Unified School District ("BUSD") to add, as a first priority, a solar energy project, at Bellflower High School, to the Amended Memorandum of Understanding and Settlement Agreement and Mutual Release ("MOU") between the City and BUSD, and authorize the City Attorney to draft the language necessary to implement that approval.

FISCAL IMPACT

Pursuant to the MOU between the City and the BUSD, the Bellflower Redevelopment Agency, prior to its dissolution in February 2012, deposited seven (7) payments of \$200,000 totaling \$1.4 million to be used toward the completion of the projects listed on Exhibit A of Attachment 2 to the MOU. Two Hundred Thousand of that amount has already been paid to the BUSD to make a bond debt payment, as provided in the MOU. If approved by the City Council, then the BUSD would utilize the entire amount currently deposited for completion of the proposed solar energy project.

BACKGROUND

The City received a letter from the BUSD, dated March 9, 2012, requesting the following:

"...the City approve the adding of a solar energy project at Bellflower High School. The District is also requesting that this project be placed as priority one on; EXHIBIT A, PROJECT LIST OF THE AMENDED MEMORANDUM OF UNDERSTANDING AND SETTLEMENT AGREEMENT AND MUTUAL RELEASE, Between the City of Bellflower Unified School District."

That letter and the MOU between the City and the BUSD have been included in this staff report as Attachments 1 and 2.

**Staff Report: Request to Add and Prioritize a Solar Energy Project
at Bellflower High School
April 9, 2012
Page 2 of 2**

Prior to receiving the letter, the City Manager and Assistant City Manager met with the BUSD Superintendent and Associate Superintendent to discuss the project. As explained last month, the solar project would consist of construction of solar panels in the Bellflower High School parking lot and other locations on campus, which in turn, would generate electrical power needed for the operation of onsite facilities. Any excess power that might result from the project would be sold back into the electrical grid.

That project would benefit the previous redevelopment project area because of the many environmental benefits that result from the use of solar energy.

The attached letter from BUSD estimates a total value of the project at \$1.5 million. That amount would exceed the amount currently deposited by the City for construction of projects listed on Exhibit A of Attachment 2 to the MOU. Presumably the difference would be made up of unexpended local District funds.

If the City Council chooses to support the attached request by the BUSD, then staff recommends the Council authorize the City Attorney to draft a restated MOU that acknowledges 1) City Council approval of the District's request to add the solar project, as the first priority, to the list designated as Exhibit A of Attachment 2 to the MOU, 2) approval of an expenditure by the BUSD of the remaining \$1.2 Million on deposit from the former Bellflower Redevelopment Agency will exhaust the former Redevelopment Agency's and the City's financial obligation, if any, to the BUSD regarding that amount, pursuant to the MOU, 3) that \$1.2 Million will be used by the BUSD only to pay for the costs of the design, purchase and installation of the solar project, 4) the City has no financial obligation related to the MOU, except to the extent it, as successor agency, must fulfill obligations of the former Bellflower Redevelopment Agency, pursuant to AB X126 and only to the extent tax increment revenue that would have been received by the Bellflower Redevelopment Agency is remitted to the City, as successor agency, pursuant to AB X1 26 and approved as part of an applicable Recognized Obligation Payment Schedule (ROPS), 4) the City's appointees to the Successor Agency's Oversight Board will support and approve the valid obligations due to the BUSD, as specified on the aforementioned ROPS document, 5) the BUSD would agree to, as soon as possible, actually complete the remainder of the projects stated on Exhibit A of Attachment 2, as funds become available, 6) the BUSD agrees to complete the landscaping and screening of the District Nutrition Facility located at 15301 McNab Avenue, Bellflower, immediately and 7) the parties understand, pursuant to AB X1 26, the modified MOU must be approved by the Oversight Board, the State Department of Finance and the County of Los Angeles Auditor-Controller.