



staff report

TO: Honorable Mayor and Members of the City Council

ATTENTION: Jeffrey L. Stewart, City Manager

FROM: Jim DellaLonga, Director of Economic Development

SUBJECT: Consideration and possible action to adopt Resolution No. 16-XX – A Resolution authorizing the City Manager to execute a Purchase and Sale Agreement between Paul Rothbard, Trustee of the Paul Rothbard Revocable Living Trust, and the City of Bellflower for the acquisition of real property located at 16411 Bellflower Boulevard and 9742 Mayne Street; authorize the City Manager to execute Purchase and Sale Agreement AFN XXX, in a form approved by the City Attorney, and any other documents required to acquire the property; and authorize funding from the General Fund reserve.

DATE: September 26, 2016

EXECUTIVE SUMMARY

The California Legislature authorized cities to acquire real property when the City Council finds that doing so will fulfill an economic opportunity. Specifically, where private enterprise alone is insufficient to create economic opportunities, public money may be advanced for the purpose of acquiring land; planning or financing land assembly; clearance; and making improvements on the property. In an effort to spark private development, it is recommended that the City purchase the property located at 16411 Bellflower Boulevard and 9742 Mayne Street (the former Greek Market property) from the Paul Rothbard, Trustee of the Paul Rothbard Revocable Living Trust, for \$2,150,000.

RECOMMENDATION TO CITY COUNCIL

- 1) Adopt Resolution No. 16-XX; authorize the City Manager to execute Purchase and Sale Agreement AFN XXX, in a form approved by the City Attorney, and any other documents required to acquire the property;
- 2) Authorize funding from the General Fund reserve; or
- 3) Alternatively, discuss and take other action related to this item.

FISCAL IMPACT

The City will pay \$2,150,000 plus closing costs for the property acquisition with the General Fund reserve.

Staff Report – Acquisition of Real Property Located at 16411 Bellflower Boulevard and 9742 Mayne Street (former Greek Market Property)
September 26, 2016
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CEQA

This matter is exempt from review under the California Environmental Quality Act (Public Resources Code §§ 21000, *et seq.*, "CEQA") and the regulations promulgated thereunder (14 California Code of Regulations §§ 15000, *et seq.*, the "CEQA Guidelines") because it authorizes the acquisition of real property only; it can be seen with certainty that there is no possibility that this purchase will cause a direct physical change in the environment and is therefore not considered a project pursuant to CEQA § 21065. While the City Council anticipates that the property will ultimately be incorporated into a private development that fulfills the legislative intent set forth in Government Code §§ 52200 and 52200.4, any such development will require scrutiny in accordance with CEQA.

DISCUSSION

For the past several months, City staff has been in discussions with the Paul Rothbard Revocable Trust (Property Owner), the owner of the former Greek Market site located at the southwest corner of Bellflower Boulevard and Mayne Street (16411 Bellflower Boulevard and 9742 Mayne Street) regarding the future development of the site. The potential future uses discussed have ranged from restaurant and grocery store to general commercial and mixed-use housing.

During the discussions, Staff learned that the Property Owner was open to selling the property. When a possible deal with a mixed-use development partner stalled, the opportunity for the City to purchase the property remained. As a prominent site at the northern entrance to the downtown, the former Greek Market site can have a major visual and economic impact on the downtown, especially being across the street from the future Bellflower Event Center and Los Angeles County Fire Museum, which is starting construction this month.

In order to achieve control of the future development of the site, Staff is recommending the City purchase the subject property. With control of the site through ownership, Staff will now investigate both rental/leasing opportunities and development opportunities that will enhance the downtown.

ATTACHMENTS

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CITY OF BELLFLOWER
RESOLUTION NO. 16-XX

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE AND SALE AGREEMENT BETWEEN PAUL ROTHBARD, TRUSTEE OF THE PAUL ROTHBARD REVOCABLE LIVING TRUST, AND THE CITY OF BELLFLOWER FOR THE ACQUISITION OF REAL PROPERTY LOCATED AT 16411 BELLFLOWER BOULEVARD AND 9742 MAYNE STREET

THE CITY COUNCIL DOES RESOLVE AS FOLLOWS:

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

- A. It is in the public interest to promote and maintain economic development within the City's downtown;
- B. The real property located at 16411 Bellflower Boulevard and 9742 Mayne Street (the "Property") is an important asset that contributes to the economic activity in the downtown area. Accordingly, the City desires to purchase the Property;
- C. The Property is part of the City's gateway into the downtown and its revitalization is crucial for the economic revitalization of the downtown;
- D. As the moment, the Property is vacant and can constitute an aesthetic reminder of the Great Recession. Improving the Property through private investment is a critical component of the City's overall plan for a thriving downtown;
- E. The City Council's efforts in fulfilling the community's expectations for an inviting and attractive downtown is demonstrated in a number of actions including, without limitation, the design and construction of a new Bellflower Event Center and Fire Museum; complete refurbishment of Bellflower Boulevard; the Downtown Bellflower Restaurant Assistance And Expansion Program (Elements 1, 2, and 3); and adoption of a Specific Plan that incorporates various incentives for aesthetics and economic development of existing and new businesses;
- F. While no specific development is identified for the Property, it is anticipated that the City can market the Property for private development as part of its master plan for downtown revitalization. Accordingly, purchasing the Property and incorporating it into the downtown master plan will make it a keystone project for private development;
- G. For the reasons set forth above, the City finds it is in the public interest to adopt this resolution and desires to enter into a Real Property Purchase and Sale Agreement with Paul Rothbard, Trustee of the Paul Rothbard Revocable Living Trust (the "Seller").

SECTION 2. *Findings.* In accordance with the changes implemented by AB 806 (2016, Dodd) and existing law, the City Council finds as follows in pursuant to Government Code § 52200.2 and 52201:

- A. Acquiring the Property will create, retain, and expand job opportunities. It is anticipated that at least 61 full-time jobs will be retained or added within the City as a result of acquiring the Property and after the Property is incorporated into a private development that is anticipated to provide commercial land uses;
- B. Acquiring the Property, and utilizing it as part of private development opportunities, will ultimately result in increased property tax revenue. Once the Property is incorporated into a private development, and is fully utilized by such development, it is anticipated that the amount of property tax will increase from the Property by at least 15% as compared to the property tax now collected from the Property in its vacant state.

SECTION 3. *Environmental Assessment.* This matter is exempt from review under the California Environmental Quality Act (Public Resources Code §§ 21000, *et seq.*, "CEQA") and the regulations promulgated thereunder (14 California Code of Regulations §§ 15000, *et seq.*, the "CEQA Guidelines") because it authorizes the acquisition of real property only; it can be seen with certainty that there is no possibility that this purchase will cause a direct physical change in the environment and is therefore not considered a project pursuant to CEQA § 21065. While the City Council anticipates that the property will ultimately be incorporated into a private development that fulfills the legislative intent set forth in Government Code §§ 52200 and 52200.4, any such development will require scrutiny in accordance with CEQA.

SECTION 4. *Authorizations.* The City Council authorizes the City Manager to execute a purchase and sale agreement, and such ancillary documents, in a form approved by the City Attorney to acquire the Property for an amount of \$2,150,000, plus closing costs. The City Manager is further authorized to cause the grant deed to be recorded in the Office of the County Recorder of the County of Los Angeles.

SECTION 5. If any part of this Resolution or its application is deemed invalid by a court of competent jurisdiction, the City Council intends that such invalidity will not affect the effectiveness of the remaining provisions or applications and, to this end, the provisions of this Resolution are severable.

SECTION 6. To the extent that any other resolution pertaining to the acquisition of real property located at 16411 Bellflower Boulevard and 9742 Mayne Street is incorporated into this Resolution, it is superseded in its entirety.

SECTION 7. The Mayor, or presiding officer, is hereby authorized to affix his signature to this Resolution signifying its adoption by the City Council of the City of Bellflower, and the City Clerk, or her duly appointed deputy, is directed to attest thereto.

SECTION 8. This Resolution will become effective immediately upon adoption and will remain effective unless repealed or superseded.

PASSED, APPROVED, AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF BELLFLOWER THIS ____ DAY OF _____ 2016.

Dan Koops, Mayor

Attest:

Mayra Ochiqui, City Clerk

APPROVED AS TO FORM:

Karl H. Berger, City Attorney

PARCEL NO.: 7106-020-039 and 7106-020-040
TITLE REPORT NO.:
ESCROW NO.:
AGREEMENT FILE NO.: xxx

**AGREEMENT FOR ACQUISITION OF REAL PROPERTY
(WITH ESCROW INSTRUCTIONS)**

THIS AGREEMENT is entered into this 26th day of September 2016, by and between the City of Bellflower, a municipal corporation and general law city (“Buyer”), and Paul Rothbard, Trustee of The Paul Rothbard Revocable Living Trust (“Seller”), for acquisition by Buyer of certain real property identified below.

IT IS HEREBY MUTUALLY AGREED BETWEEN THE PARTIES AS FOLLOWS:

- 1. AGREEMENT TO SELL AND PURCHASE.** Seller agrees to sell to Buyer, and Buyer agrees to purchase from Seller, upon the terms and for the consideration set forth in this Agreement, all that certain real property (“Property”) situated in the City of Bellflower, County of Los Angeles, State of California, and legally described as follows:

See Legal Description attached as Exhibit A, and incorporated by reference.

- 2. DEPOSIT AND PURCHASE PRICE.** The total purchase price, payable in cash through escrow, is the sum of \$2,150,000 (the “Purchase Price”). Upon execution of this Agreement, Buyer will deposit Fifty Thousand and no/100 Dollars (\$50,000.00) (the “Deposit”) into Escrow. The Deposit will be applied against the Purchase Price for the Property at the Close of Escrow. Following the expiration of the Due Diligence Period (defined below), the Deposit will be non-refundable to Buyer except in the event of a default by Seller under this Agreement. Escrow Holder will place the Deposit in an interest-bearing account. Interest earned in said account will be credited to Buyer and be paid to Seller and applied to the Purchase Price at the Close of Escrow.
- 3. CONVEYANCE OF TITLE.** Seller agrees to convey by grant deed attached as Exhibit B, to Buyer fee simple title to the Property. Seller also agrees to provide Buyer with a Certified Title Report at Seller’s cost within five (5) days following the execution of this Agreement.
- 4. TITLE INSURANCE POLICY.** Escrow Agent must, following recording of deed to Buyer, provide Buyer with a CLTA Standard Coverage Policy of Title Insurance in the amount of \$2,150,000 issued by Commonwealth Land Title/Lawyers Title Company showing title to the Property vested in Buyer, subject only to the printed exceptions, accepted by Buyer before the expiration of the Due Diligence Period (defined below) and stipulations in said policy. Buyer agrees to pay the premium charged therefor.
- 5. ESCROW.** Buyer agrees to open an escrow with the following: Grace U. Kim, Commonwealth Land Title, 4100 Newport Place Dr., Suite 120, Newport Beach, California, 92660, (949) 724-3141 Direct, (714) 459-7217 Fax, gukim@cltic.com (“Escrow Agent”).

This Agreement constitutes the joint escrow instructions of Buyer and Seller, and Escrow Agent to whom these instructions are delivered is hereby empowered to act under this Agreement. The parties hereto agree to do all acts necessary to close this escrow in the shortest possible time.

5.1 Seller has executed a grant deed to Buyer, for deposit into escrow concurrently with this Agreement. As soon as possible after opening of escrow, Buyer will deposit the executed deed, with Certificate of Acceptance attached as Exhibit C, with Escrow Agent on Seller's behalf. Buyer agrees to deposit the purchase price upon demand of Escrow Agent. Buyer and Seller agree to deposit with Escrow Agent any additional instruments as may be necessary to complete this transaction.

5.2 Insurance policies for fire or casualty are not to be transferred, and Seller will cancel its own policies after Close of Escrow.

5.3 All funds received in this escrow will be deposited with other escrow funds in a general escrow trust account(s) and may be transferred to any other such escrow trust account in any State or National Bank doing business in the State of California. All disbursements must be made by check from such account.

6. ESCROW AGENT IS AUTHORIZED TO, AND MUST:

6.1 Charge Buyer for any escrow fees, charges and costs payable under Paragraph 6 of this Agreement;

6.2 Disburse funds and deliver deed when conditions of this escrow are fulfilled by Buyer and Seller.

6.3 The term "Close of Escrow," if and where written in these instructions, means the date necessary instruments of conveyance are recorded in the office of the County Recorder. Recordation of instruments delivered through this escrow is authorized if necessary or proper in the issuance of said policy of title insurance.

6.4 All time limits within which any matter herein specified is to be performed may be extended by mutual agreement of the parties hereto. Any amendment of, or supplement to, any instructions must be in writing.

7. TIME IS OF THE ESSENCE IN THESE INSTRUCTIONS AND ESCROW IS TO CLOSE AS SOON AS POSSIBLE. Escrow shall close on the Property on or before the date which thirty (30) days following execution of this Agreement.

8. DUE DILIGENCE PERIOD AND BUYER'S CONDITIONS PRECEDENT TO PERFORMANCE. Buyer has 20 days following the execution of this Agreement (the "Due Diligence Period") within which to perform, at its sole cost and expense, physical inspections and other due diligence pertaining to the Property, and to decide, in Buyer's sole discretion (for any reason or for no reason), whether the Property is in all respects satisfactory to Buyer. Such due diligence may include, without limitation, Buyer's receipt of any and all approvals required under California law to accept the Property from the Seller, review of title and review and approval of the physical condition of the Property including,

without limitation, at the Buyer's discretion, the physical characteristics of the Property. On or before 5:00 p.m., California time, on the date the Due Diligence Period expires, Buyer must provide written notice to Seller and Escrow Agent of its approval or disapproval of the results of its due diligence investigation. If Buyer is not satisfied, in its sole and absolute discretion, with the Property, Buyer may terminate this Agreement by written notice to Seller and Escrow Agent delivered on or before 5:00 p.m., California time, on the date the Due Diligence Period expires. Buyer's failure to timely deliver written notice of termination in accordance with the immediately preceding sentence is deemed Buyer's election to proceed to the Close of Escrow under this Agreement, subject to the terms and conditions set forth herein.

9. ESCROW FEES CHARGES AND COSTS. Buyer and Seller agree to split the cost 50/50 of all usual escrow, title and recording fees, charges and costs which arise in this escrow.

10. RENTALS AND OCCUPANCY BY SELLER. If applicable, Seller agrees to execute a complete, current and correct statement of rentals on a form furnished to Seller and deliver same to Buyer within fifteen days hereof with copies of any written leases and rental agreements attached. All security deposits must be credited to Buyer through escrow and all rents will be pro-rated as of the Close of Escrow on the basis of a thirty-day month consistent with that statement, subject to approval of Buyer. Seller hereby warrants that the rental statement referred to includes the terms of all rental agreements, tenancies and leases (written, unwritten, recorded or unrecorded). Seller also warrants that, to Seller's actual knowledge, there are no undisclosed tenancies, whether by oral or written leases on all or any portion of the Property, and Seller further agrees to hold Buyer harmless and reimburse Buyer for any and all of its losses and expenses occasioned by reason of any such undisclosed tenancies.

11. TESTING, INSPECTION, ENTRY ON PREMISES, AND RESPONSIBILITY FOR CONDITION OF PREMISES.

11.1 Seller has provided Buyer with a Phase I Environmental Site Assessment and an NHD Report. Seller has no other reports. Seller grants to Buyer, and its authorized agents, permission to enter upon the Property at all reasonable times before Close of Escrow for the purpose of making all inspections and investigations as Buyer shall deem reasonable to determine the physical condition of the Property. Buyer will indemnify, and hold harmless Seller, from and against any and all claims, liabilities, liens, damages, losses, causes of action, and obligations and expenses (including reasonable attorneys' fees) incurred as a result of, or arising in connection with physical damage to the Property and/or bodily injury arising out of any tests, inspections, and studies performed by Buyer, its agents, representatives, employees or contractors (collectively, the "Buyer Parties"). The obligation set forth in this paragraph will survive the Closing and any termination of this Agreement and constitute a continuing obligation of Buyer and its successors and assigns.

11.2 As used in this Agreement, the term "hazardous materials" means all flammable, explosive, noxious, toxic, or otherwise dangerous materials, wastes, products, or substances, the handling, use, discharge, or release of which is regulated or the contamination by which is prohibited by any federal, state, or local statute, ordinance,

rule, or regulation, including, but not limited to, those substances defined as “hazardous substances,” “hazardous materials,” or “toxic substances” in the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq.; The Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; The Resource Conservation & Recovery Act, 42 U.S.C. Section 6901, et seq.; and also including those substances defined as “hazardous waste” in Section 25117 of the California Health and Safety Code or as “hazardous substances” in Section 25316 of the California Health and Safety Code; and those chemicals to which reference is made in the Safe Drinking Water and Toxic Enforcement Act of 1986, Section 25249.5, et seq. of the California Health and Safety Code.

12. DESTRUCTION OF IMPROVEMENTS.

12.1 The risk of damages to or loss of improvements due to fire or other cause is Seller’s until title passes to Buyer at Close of Escrow. In the event of any insured damage to or destruction of any portion of the Property, Buyer at its option either (i) may terminate this Agreement, in which case the Deposit must be returned to Buyer and neither party will have any further rights or obligations hereunder, or (ii) may consummate the purchase evidenced by this Agreement. In the event that Buyer elects to consummate the purchase pursuant to clause (ii) above, Buyer will receive a credit at Closing in an amount equal to all insurance proceeds collected by Seller before the Closing, and all rights to all other insurance proceeds arising out of such damage or destruction or proceedings and not collected before the Closing, will, subject to the terms of the Lease, be assigned by Seller to Buyer as of the Closing and Seller will execute such reasonable instruments as Buyer may request to evidence such assignment.

12.2 Seller agrees to maintain any existing fire and/or casualty insurance on the property in force until Close of Escrow.

13. COUNTERPARTS. This Agreement may be executed in counterparts, each of which so executed shall irrespective of the date of its execution and delivery be deemed an original, and all such counterparts together constitute one and the same instrument.

14. CLOSING STATEMENT. Seller hereby authorizes and instructs Escrow Agent to release a copy of Seller’s closing statement to Buyer; purpose being to ascertain if any reimbursements are due Seller.

15. TAX REPORTING AND WITHHOLDING--NON-FOREIGN STATUS.

15.1 The Foreign Investment in Real Property Tax Act of 1980, as amended by the Tax Reform Act of 1984, places special requirements for tax reporting and withholding on the parties to a real estate transaction where the transferor (Seller) is a non-resident alien or non-domestic corporation or partnership, or is a domestic corporation or partnership controlled by a non-resident or non-resident corporation or partnership.

15.2 Seller advises Buyer that Seller is NOT a “foreign person” for the purposes of Section 1445 (as may be amended) of the Internal Revenue Code of 1954, as amended, and any regulations promulgated thereunder, and that, in accordance with the provisions

of Section 1445, Seller must execute an affidavit under penalty of perjury setting forth Seller's name, address, federal tax identification number, and certifying that Seller is not a "foreign person" in accordance with the provisions of the Internal Revenue Code.

15.3 It is specifically understood and agreed by Seller that closing of this escrow is subject to, and contingent upon, deposit into escrow, or notification to Escrow Agent by Buyer, of receipt of said Affidavit.

16. SELLER'S WARRANTIES. Seller warrants that it is authorized to sell the Property, under the terms and conditions specified herein, and that, subject to the documents provided by Seller to Buyer, Seller is not aware of any toxic or hazardous wastes or materials, including asbestos, attributable to or affecting the Property. Seller further represents and warrants that, to Seller's actual knowledge, no oral or written leases on all or any portion of the Property, or if there are such leases, Seller agrees to hold the Buyer harmless and reimburse Buyer for any and all of its losses and expenses occasioned by reason of any lease of the Property held by a tenant of Seller.

17. JUDGMENT IN LIEU OF DEED. In the event Seller is unable to deliver title in a reasonable time under the terms of this Agreement, Buyer may file an action in eminent domain to pursue the acquisition of this Property, and this Agreement will constitute a stipulation which may be filed in said proceedings as final and conclusive evidence of the total amount of damages for the taking, including all of the items listed in Section 1260.230 of the Civil Procedure, regarding this Property.

18. NOTICES. All notices or other communications required or provided to be sent by either party or Escrow Agent will be in writing and sent by facsimile, electronic mail, U.S. mail or any nationally known overnight delivery service, or by courier, or in person. All notices are deemed to have been given upon personal delivery if sent by overnight delivery service, courier or personally delivered. All notices must be addressed to the party at the address below:

If to Seller:	Jeffrey L. Stewart, City Manager 16600 Civic Center Drive Bellflower, CA 90706 E-Mail: _____
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If to Buyer:	Paul Rothbard 6 S. El Dorado Street, 7th Floor Stockton, CA 95202 E-Mail: paulrothbard@hotmail.com
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19. LIQUIDATED DAMAGES. SELLER AND BUYER AGREE THAT THE AMOUNT OF SELLER'S DAMAGES IN THE EVENT OF BUYER'S DEFAULT WOULD BE IMPRACTICAL OR EXTREMELY DIFFICULT TO FIX. THEREFORE, BUYER AND SELLER HEREBY AGREE THAT IF ESCROW FAILS TO CLOSE BY REASON OF A DEFAULT BY BUYER, THE AMOUNT OF THE DEPOSIT TO THE EXTENT DEPOSITED WITH ESCROW HOLDER AND ALL ACCRUED

INTEREST THEREON IS A REASONABLE ESTIMATE OF SELLER'S DAMAGES IN SUCH EVENT AND THAT SUCH SUM SHALL CONSTITUTE LIQUIDATED DAMAGES AND CONSTITUTE SELLER'S SOLE AND EXCLUSIVE REMEDY (PRECLUDING SELLER, WITHOUT LIMITATION, FROM SEEKING SPECIFIC PERFORMANCE OF THE AGREEMENT OR FROM RECOVERING OTHER DAMAGES) AGAINST BUYER. IN THE EVENT ESCROW FAILS TO CLOSE DUE TO BUYER'S DEFAULT, THEN UPON THE WRITTEN DEMAND OF SELLER (A) ESCROW HOLDER WILL, AND IS HEREBY AUTHORIZED AND INSTRUCTED TO, PROMPTLY RETURN TO BUYER AND SELLER ALL DOCUMENTS AND INSTRUMENTS TO THE PARTIES WHO DEPOSITED SAME, (B) ALL TITLE AND ESCROW CANCELLATION CHARGES WILL BE CHARGED TO BUYER AND PAID BY BUYER TO ESCROW HOLDER WITH FUNDS OTHER THAN THE DEPOSIT AND INTEREST ACCRUED THEREON, AND (C) ESCROW HOLDER WILL RELEASE ALL DEPOSITS AND ALL ACCRUED INTEREST THEREON TO SELLER AS LIQUIDATED DAMAGES PURSUANT TO CIVIL CODE SECTIONS 1671 AND 1677. SELLER AND BUYER ACKNOWLEDGE THAT THEY HAVE READ AND UNDERSTAND THE PROVISIONS OF THIS SECTION AND BY THEIR INITIALS IMMEDIATELY BELOW AGREE TO BE BOUND BY ITS TERMS.

SELLER

BUYER

20. **AS-IS.** Buyer hereby acknowledges and agrees that, except as provided herein, it is purchasing the Property in its present "AS-IS, WHERE IS, WITH ALL FAULTS," condition and with all defects and neither Seller nor any employee or agent of Seller has made or will make, either expressly or impliedly, any representations, guaranties, promises, statements, assurances or warranties of any kind (other than as expressly set forth in this Agreement) concerning any of the following matters (collectively referred to herein as the "Property Conditions"): (a) the suitability or condition of the Property for any purpose or its fitness for any particular use, (b) the profitability and/or feasibility of owning, developing, operating and/or improving the Property, (c) the physical condition of the Property, including, without limitation, the presence of wetlands and the presence of current or former presence or absence of environmental hazards or hazardous materials, asbestos, radon gas, underground storage tanks, electromagnetic fields, or other substances or conditions which may affect the Property or its current or future uses, habitability, value or desirability, (d) the rentals, income, costs or expenses thereof, (e) the condition of title, (f) the compliance by the Property with all environmental and similar laws governing or relating to environmental hazards or hazardous materials, asbestos, radon gas, underground storage tanks, electromagnetic fields, or other substances or conditions which may affect the Property or its current or future uses, habitability, value or desirability, including without limitation, the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended, 42 U.S.C.A. sections 9601 et. seq., (g) utility availability or use restrictions, (h) geologic/seismic conditions, soil and terrain stability, or drainage, (i) sewer, septic, and well systems and components, (j) other neighborhood or Property conditions, including, schools,

proximity and adequacy of law enforcement and fire protection, crime statistics, noise or odor from any sources, landfills, proposed future developments, or other conditions or influences which may be significant to certain cultures or religions, or (k) any other past, present or future matter relating to the Property which may affect the Property or its current or future use, habitability, value or desirability.

- 21. EXCHANGE.** Buyer understands and agrees that Seller may wish to structure the sale of the Property as a tax deferred exchange. Buyer agrees to cooperate with Seller in structuring such tax deferred exchange except that Buyer will incur no additional cost or liability incident to such cooperation and such cooperation will not materially alter the rights or obligations of the Buyer hereunder.
- 22. BROKERS.** NAI Benchmark (Brian Heron) represents the Seller in connection with this transaction. Except for a commission which commission is payable by Seller pursuant to a separate agreement, each party warrants and represents to the other that no real estate sales or brokerage commissions or like commissions are or may be due in connection with this transaction as a result of the act of the party so warranting. Each party agrees to indemnify, defend and hold harmless the other party from and against any claims by third parties made by or through the acts of such party, for real estate or brokerage commissions, or a finders' fee, in connection with the transaction provided for herein, and all costs and expenses incurred by the indemnitee in connection therewith including, but not limited to, reasonable attorneys' fees. The indemnity provided for in this paragraph will survive the Closing or any earlier termination of this Agreement.
- 23. MISCELLANEOUS TERMS.** The terms, conditions, covenants and agreements set forth herein apply to and bind the heirs, executors, administrators, assigns and successors of the parties hereto.

23.1 This Agreement contains the entire agreement between the parties, and neither party relies upon any warranty or representation not contained in this Agreement.

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

23.3 In accordance with City Council action taken on September 26, 2016, the City Manager is authorized to execute this Agreement on behalf of the City of Bellflower.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first set forth hereinabove.

SELLER:

By: _____
Paul Rothbard, Trustee

BUYER:

By _____
Jeffrey L. Stewart, City Manager

APPROVED AS TO FORM:

By _____
Karl H. Berger
City Attorney

Attachments: Exhibit A – Legal Description
Exhibit B – Grant Deed
Exhibit C - Certificate of Acceptance

Exhibit A

Legal Description

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

PARCEL 1 OF PARCELS MAP NO. 25601, IN THE CITY OF BELLFLOWER, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON THE MAP FILED IN BOOK 301, PAGE 37 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 7106-020-039 and 7106-020-040

Street Address: 16411 Bellflower Boulevard and 9742 Mayne Street

Exhibit B

Grant Deed

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

CITY OF BELLFLOWER
16600 Civic Center Drive
Bellflower, CA 90706
Attn: City Clerk

FREE RECORDING REQUESTED PURSUANT TO GOV. CODE §§ 6103 AND 27383
SPACE ABOVE THIS LINE FOR RECORDER'S USE

GRANT DEED

For valuable consideration, the receipt of which is hereby acknowledged,

PAUL ROTHBARD, TRUSTEE OF THE PAUL ROTHBARD REVOCABLE LIVING TRUST, herein called "Grantor," hereby grants to the CITY OF BELLFLOWER, a municipal corporation ("Grantee"), all of its rights, title, and interest in the real property legally described in Exhibit "A" attached hereto and by this reference incorporated herein.

Dated: _____

"GRANTOR"
PAUL ROTHBARD, TRUSTEE OF THE
PAUL ROTHBARD REVOCABLE LIVING
TRUST

By: _____
Paul Rothbard, Trustee

Attachment: Exhibit "A" (Legal Description)

EXHIBIT "A" TO GRANT DEED

LEGAL DESCRIPTION OF THE PROPERTY

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

PARCEL 1 OF PARCELS MAP NO. 25601, IN THE CITY OF BELLFLOWER, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON THE MAP FILED IN BOOK 301, PAGE 37 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 7106-020-039 and 7106-020-040

Street Address: 16411 Bellflower Boulevard and 9742 Mayne Street

Exhibit C

Certificate of Acceptance

CERTIFICATE OF ACCEPTANCE

Pursuant to Government Code § 27281, this is to certify that the interest in real property conveyed by the grant deed from Paul Rothbard, Trustee of the Paul Rothbard Revocable Living Trust (“Grantor”) to the City of Bellflower, a general law city in Los Angeles, County (“Grantee”) is accepted by order of the City Council pursuant to that Agreement for Acquisition of Real Property approved on September 26, 2016, and the Grantee consents to the recordation thereof.

**APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY**

**CITY OF BELLFLOWER,
A Municipal Corporation**

By: _____
Karl H. Berger,
City Attorney

By: _____
Jeffrey L. Stewart,
City Manager

ATTEST:

By: _____
Mayra Ochiqui,
City Clerk

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 _____, 201__ before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____