RESOLUTION NO. 15-OB-13

A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE FORMER INGLEWOOD REDEVELOPMENT AGENCY APPROVING A CONDITIONAL BOND FUNDING AGREEMENT (AGREEMENT) TO USE CERTAIN 2007A-1 BOND PROCEEDS ISSUED PRIOR TO DECEMBER 31, 2010 UNDER HEALTH & SAFETY CODE SECTION 34191.4(c)(1), TO PARTIALLY FUND THE CONSTRUCTION OF THE LOCUST STREET SENIOR CENTER TO BE LOCATED AT 111 NORTH LOCUST STREET.

WHEREAS, Assembly Bill x1 26 ("AB 26") and AB x 27 ("AB 27") were passed by the State Legislature on June 15, 2011, and signed by the Governor on June 28, 2011, and

WHEREAS, by enactment of Part 1.85 of Division 24 of the Health and Safety Code, subject to all reservations herein stated, the Inglewood Redevelopment Agency was dissolved as February 1, 2012, such that the Inglewood Redevelopment Agency is now deemed to be the former redevelopment agency under Health and Safety Code section 34173(a); and

WHEREAS, Health and Safety Code section 34173(a) designates successor agencies as successor entities to former redevelopment agencies; and

WHEREAS, on January 10, 2012, by Resolution H12-01/12-02, the City Council of the City of Inglewood, subject to all reservation stated in the subject Resolution, declared the City of Inglewood, as Successor Agency to the former Inglewood Redevelopment Agency (sometimes referred to herein as the “Successor Agency”);
WHEREAS, the California Supreme Court in California Redevelopment Association v. Matosantos, Case No. S194861 upheld the constitutionality of AB 26 and found AB 27 to be unconstitutional;

WHEREAS, AB 26 requires that there shall be an oversight board ("Oversight Board) established for each of the former California redevelopment agency’s successor agencies to supervise the activities of the Successor Agency and the wind down of the dissolved Redevelopment Agency’s affairs pursuant to AB 26; and

WHEREAS, upon satisfaction of the conditions in AB 26, specifically, Health & Safety Code section 34179.7, the Successor Agency received its finding of completion on December 29, 2014; and

WHEREAS, in furtherance of Health & Safety Code section 34191.4(c)(1), the bond proceeds derived from the former Inglewood Redevelopment Agency bonds issued before December 31, 2010 shall be used by the Successor Agency for the purposes for which the bonds were sold and the Successor Agency desires to expend available bond proceeds to partially fund the construction of the Locust Street Senior Center located at 111 North Locust Street; and

WHEREAS, the SUCCESSOR AGENCY received its finding of completion on December 29, 2014 from the California Department of Finance and, pursuant to California Health & Safety Code section 34191.4(c), desires to expend Twenty Million Dollars ($20,000,000) of bond proceeds for certain public improvements purposes as more particularly set forth in that certain the Series 2007A-1 bond issuance of the former Inglewood Redevelopment Agency (the “BOND PROCEEDS”).
WHEREAS, at all relevant times prior to receipt of its finding of completion under AB X1 26, the BOND PROCEEDS were allocated and purposed to be expended for the construction of the Locust Street Senior Center project located at 111 N. Locust Street, Inglewood, California 90301 (the "PROJECT"). However, at the time of entering into the AGREEMENT, neither the actual construction cost for the PROJECT nor the proposed guaranteed maximum price construction contract (the "CONSTRUCTION CONTRACT") for the construction of the PROJECT has been determined or procured, respectively. However, it is anticipated that the actual construction cost shall be determined and the CONSTRUCTION CONTRACT entered into by the parties prior to the submittal of the next recognized obligation payment schedule for the SUCCESSOR AGENCY.

WHEREAS, following a review of responses to a request for proposals by the SUCCESSOR AGENCY and the CITY for the design-build of the PROJECT, the calculation of the construction costs were reported to likely exceed the amount of the BOND PROCEEDS. More specifically, the CONTRACTOR following the award of the design-build agreement for the PROJECT also calculates that the actual construction costs for the PROJECT will now exceed the amount of the BOND PROCEEDS by an additional Eleven and One Half Percent (11.5%) or so (the "CONSTRUCTION COSTS").

WHEREAS, according to information presented to the SUCCESSOR AGENCY at the time of entering into this AGREEMENT, the construction of the PROJECT is not likely to proceed and total PROJECT funding be determined within the time frame established for the submission of the recognized obligation payment schedule process.
for the January 1–June 30, 2016 funding cycle and distributions pursuant to AB X1 26 for said cycle; therefore, the SUCCESSOR AGENCY desires and proposes to enter into this AGREEMENT, a priori, to commit, allocate, and secure the BOND PROCEEDS for the PROJECT to assure the proper and timely implementation of the construction of the PROJECT without the aforesaid incidental delays facing the SUCCESSOR AGENCY under AB X1 26 funding cycles, subject to the complete determination of the CONSTRUCTION COSTS as contained in a fully executed CONSTRUCTION CONTRACT.

WHEREAS, the BOND PROCEEDS alone are, as of the time of entering into this AGREEMENT, insufficient to fully fund the CONSTRUCTION COSTS.

WHEREAS, the amount of the CONSTRUCTION COSTS in excess of the BOND PROCEEDS, (i.e., all such amounts costs over Twenty Million Dollars ($20,000,000) (the “UNFUNDED OVERAGE”), shall be funded by the CITY and the SUCCESSOR AGENCY shall not agree or remit and expend any of the BOND PROCEEDS unless and until the entire amount of the UNFUNDED OVERAGE is procured and provided for in the fully executed CONSTRUCTION CONTRACT in the aggregate amount of the BOND PROCEEDS and UNFUNDED OVERAGE.

WHEREAS, the SUCCESSOR AGENCY desires to commit the BOND PROCEEDS for expenditure to only partially fund the CONSTRUCTION COSTS so long as the UNFUNDED OVERAGE is committed and provided by the CITY to implement construction of the PROJECT in accordance with the fully executed CONSTRUCTION CONTRACT inclusive of the full amount of the CONSTRUCTION COSTS.
WHEREAS, in conformance with California Health & Safety Code section 34191.4(c), the use of the BOND PROCEEDS for payment of the CONSTRUCTION COSTS is consistent with the purposes of the 2007A-1 bond issuance of the former Inglewood Redevelopment Agency.

WHEREAS, the SUCCESSOR AGENCY agrees to allocate and reserve the BOND PROCEEDS and use them only for CONSTRUCTION COSTS for the PROJECT so long as the UNFUNDED OVERAGE is secured and provided by the CITY in the form of the CONSTRUCTION CONTRACT which shall; be fully executed by the CITY, SUCCESSOR AGENCY, and CONTRACTOR.

NOW, THEREFORE, the Oversight Board Successor Agency to the Inglewood Redevelopment Agency does hereby resolve as follows:

Section 1. The Recitals set forth above are true and correct and are incorporated into the Resolution by this reference.

Section 2. The Oversight Board approves the conditional bond funding agreement for the Locust Street Senior Center Project subject to the funding limitations and restrictions set forth therein, and directs the authorized signatory of the Successor Agency to negotiate, finalize, and execute the CONSTRUCTION CONTRACT for the funding and development of the PROJECT in accordance with the requirements of the AGREEMENT and the CONSTRUCTION CONTRACT.

Section 3. The Oversight Board directs staff to submit copies of the Resolution and its attachments to the State Department of Finance and the Controller's office for tier review and approval.
Section 4. The Oversight Board Secretary shall certify as to the adoption of this Resolution.

Section 5. This Resolution shall take effect immediately upon adoption.

Section 6. The Secretary of the Oversight Board shall certify as to the adoption of this Resolution.

PASSED, APPROVED AND ADOPTED by the Oversight Board to the Successor Agency of the former Inglewood Redevelopment Agency, at a regularly scheduled public meeting held this 28th day of Sept, 2015.

James T. Butts, Chairman
City of Inglewood
Former Redevelopment Agency
Oversight Board

ATTEST:

Olga J. Castañeda, Deputy Clerk
County of Los Angeles, Board of Supervisors
Acting as Secretary to the City of Inglewood
Former Redevelopment Agency Oversight Board
LOCUST STREET SENIOR CENTER CONDITIONAL BOND FUNDING AGREEMENT
[Series 2007A-1 former Inglewood Redevelopment Agency Bridge Financing]

SUCCESSOR AGENCY OF THE
FORMER INGLEWOOD REDEVELOPMENT AGENCY

AGREEMENT NO. 15-____

THIS LOCUST STREET SENIOR CENTER CONDITIONAL BOND FUNDING AGREEMENT ("AGREEMENT") is made and entered into this ______ day of ______________, 2015 (the "Effective Date"), by and among the City of Inglewood as the Successor Agency of the former Inglewood Redevelopment Agency, a public entity created under Part 1.85 of Assembly Bill No. 26 (1st Ex. Sess.), as amended ("AB X1 26") and set forth in California Health & Safety Code sections 34170 through 34191 ("SUCCESSOR AGENCY”), Pinner Construction Co., Inc., a California corporation, with its principal place of business located at 1255 South Lewis Street, Anaheim, California 92805 ("CONTRACTOR”), and the City of Inglewood, a municipal corporation ("CITY").

RECITALS

WHEREAS, the SUCCESSOR AGENCY received its finding of completion on December 29, 2014 from the California Department of Finance and, pursuant to California Health & Safety Code section 34191.4(c), desires to expend Twenty Million Dollars ($20,000,000) of bond proceeds for certain public improvements purposes as more particularly set forth in that certain the Series 2007A-1 bond issuance of the former Inglewood Redevelopment Agency (the "BOND PROCEEDS").

WHEREAS, at all relevant times prior to receipt of its finding of completion under AB X1 26, the BOND PROCEEDS were allocated and purposed to be expended for the construction of the Locust Street Senior Center project located at 111 N. Locust Street, Inglewood, California 90301 (the "PROJECT"). However, at the time of
entering into this AGREEMENT, the actual construction cost for the PROJECT nor the
proposed guaranteed maximum price construction contract (the "CONSTRUCTION
CONTRACT") for the construction of the PROJECT has been determined or procured,
respectively. However, it is anticipated that the actual construction cost shall be
determined and the CONSTRUCTION CONTRACT procured prior to the next
recognized obligation payment schedule for the SUCCESSOR AGENCY.

WHEREAS, following a review of responses to a request for proposals by the
SUCCESSOR AGENCY and the CITY for the design-build of the PROJECT, the
calculation of the construction costs were reported to likely exceed the amount of the
BOND PROCEEDS. More specifically, the CONTRACTOR following the award of
the design-build agreement for the PROJECT also calculates that the actual
construction costs for the PROJECT will now exceed the amount of the BOND
PROCEEDS by an additional Eleven and One Half Percent (11.5%) or so (the
"CONSTRUCTION COSTS").

WHEREAS, according to information presented to the SUCCESSOR AGENCY
at the time of entering into this AGREEMENT, the construction of the PROJECT is not
likely to proceed within the time frame established for the submission of the recognized
obligation payment schedule process for the January 1– June 30, 2015 funding cycle
and tax increment distributions pursuant to AB X1 26 for said cycle; therefore, it was
proposed that the SUCCESSOR AGENCY enter into this AGREEMENT, a priori, to
commit, allocate, and secure the BOND PROCEEDS for the PROJECT to assure the
proper and timely implementation of the construction of the PROJECT without the
aforesaid incidental delays facing the SUCCESSOR AGENCY under AB X1 26
funding cycles.

WHEREAS, the BOND PROCEEDS are, as of the time of entering into this
AGREEMENT, insufficient to fully fund the CONSTRUCTION COSTS.

WHEREAS, the amount of the CONSTRUCTION COSTS in excess of the
BOND PROCEEDS, (i.e., all such amounts costs over Twenty Million Dollars
($20,000,000) (the "UNFUNDED OVERAGE"), shall be funded by the CITY. However, the SUCCESSOR AGENCY does not presently agree to remit and expend any of the BOND PROCEEDS unless and until the entire amount of the UNFUNDED OVERAGE is procured and the CONSTRUCTION CONTRACT in the amount of the BOND PROCEEDS and UNFUNDED OVERAGE is executed by the CITY and CONTRACTOR.

WHEREAS, the SUCCESSOR AGENCY desires to commit the BOND PROCEEDS for expenditure to only partially fund the CONSTRUCTION COSTS so long as the UNFUNDED OVERAGE is committed and provided by the CITY to implement construction of the PROJECT in accordance with the fully executed CONSTRUCTION CONTRACT inclusive of the full amount of the CONSTRUCTION COSTS by and among the CITY, SUCCESSOR AGENCY, and CONTRACTOR.

WHEREAS, in conformance with California Health & Safety Code section 34191.4(c), the use of the BOND PROCEEDS for payment of the CONSTRUCTION COSTS is consistent with the purposes of the 2007A-1 bond issuance of the former Inglewood Redevelopment Agency.

WHEREAS, the CONTRACTOR holds itself out as being capable and competent to perform the construction the PROJECT under the funding constraints presented herein (i.e. subject to procurement of the UNFUNDED OVERAGE by the CITY and pursuant to the terms and conditions of the CONSTRUCTION CONTRACT.

WHEREAS, the SUCCESSOR AGENCY agrees to allocate and reserve the BOND PROCEEDS and use them only for CONSTRUCTION COSTS for the PROJECT so long as the UNFUNDED OVERAGE is secured and provided by the CITY and the CONSTRUCTION CONTRACT is procured to the satisfaction of the CITY, SUCCESSOR AGENCY, and CONTRACTOR.

WHEREAS, at the time the UNFUNDED OVERAGE is secured for the CONSTRUCTION COSTS and the CONSTRUCTION CONTRACT fully executed, the SUCCESSOR AGENCY agrees to make available for expenditure the BOND
PROCEEDS to the CITY for use with the UNFUNDED OVERAGE for payment of the
CONSTRUCTION COSTS for completion of the PROJECT.

WHEREAS, the CONTRACTOR agrees and acknowledges that it has
investigated and researched all matters and conditions pertinent to and affecting the
performance of the construction of the PROJECT and agrees to enter into this
AGREEMENT with the express understanding this AGREEMENT is not the
CONSTRUCTION CONTRACT and the UNFUNDED OVERAGE is not yet secured.

NOW THEREFORE, the CITY, SUCCESSOR AGENCY and
CONTRACTOR (collectively referred to as the "PARTIES") agree as follows:

ARTICLE 1 – BOND PROCEEDS FUNDING

The BOND PROCEEDS shall be conditionally funded by the SUCCESSOR
AGENCY for the PROJECT when and only when the SUCCESSOR AGENCY
receives notice from the CITY that both the CONSTRUCTION CONTRACT has been
executed and the CITY has fully committed the UNFUNDED OVERAGE or an
irrevocable commitment or any number of irrevocable commitments for the
UNFUNDED OVERAGE to fully fund the CONSTRUCTION CONTRACT pursuant to the
CONSTRUCTION CONTRACT (the "NOTICE"). Upon receipt of the NOTICE, the
SUCCESSOR AGENCY shall remit to the CITY the BOND PROCEEDS on the sole
condition the BOND PROCEEDS are used by the CITY and CONTRACTOR for
payment of the CONSTRUCTION COSTS and completion of the PROJECT pursuant
to the CONSTRUCTION CONTRACT.

ARTICLE 2.1– SUCCESSOR AGENCY’S RESPONSIBILITIES

The SUCCESSOR AGENCY shall review and negotiate the CONSTRUCTION
CONTRACT with the CITY and CONTRACTOR when and as requested and, if
necessary, cooperate with the CITY for the procurement of the UNFUNDED
OVERAGE; pursuant to which, the SUCCESSOR AGENCY shall, upon receipt of the
NOTICE from the CITY, deliver the BOND PROCEEDS to the CITY for placement by
the CITY into a segregated CITY-account created solely for the payment of the
CONSTRUCTION COSTS and completion of the PROJECT in conformance with the
terms of this AGREEMENT and the CONSTRUCTION CONTRACT.

ARTICLE 2.2– CONTRACTOR'S RESPONSIBILITIES

On or about the time of entering into this AGREEMENT, the CONTRACTOR
shall diligently negotiate and, when appropriate, enter into CONSTRUCTION
CONTRACT with the CITY and SUCCESSOR AGENCY for completion of the
PROJECT in the amount of the CONSTRUCTION COSTS; including, but not limited
to, cooperating with the CITY and satisfying any and all requirements of the CITY
necessary for it to obtain the requisite funding commitment(s) to secure the
UNFUNDED OVERAGE and cause the issuance of the NOTICE to the SUCCESSOR
AGENCY. Upon issuance of the NOTICE, and pursuant to the terms and conditions of
the CONSTRUCTION CONTRACT, the CONTRACTOR agrees to diligently perform
all work necessary to implement the CONSTRUCTION CONTRACT for completion
of the PROJECT to the satisfaction of the CITY and the SUCCESSOR AGENCY.

ARTICLE 2.3– CITY’S RESPONSIBILITIES

The CITY shall review and negotiate the CONSTRUCTION CONTRACT with
the SUCCESSOR AGENCY and CONTRACTOR when and as requested and procure
the UNFUNDED OVERAGE or necessary irrevocable commitments to procure the
UNFUNDED OVERAGE to assure proper contractual compliance with and of the
CONSTRUCTION CONTRACT. The CITY shall issue the NOTICE if and only if the
CITY has obtained, to its satisfaction, the UNFUNDED OVERAGE and received a
fully-executed CONSTRUCTION CONTRACT for completion of the PROJECT from
the CONTRACTOR. The CITY further agrees to place the BOND PROCEEDS in a
segregated PROJECT account created solely for the payment of the CONSTRUCTION
COSTS and completion of the PROJECT in conformance with the terms of this AGREEMENT and the CONSTRUCTION CONTRACT.

ARTICLE 3 – TERM AND TERMINATION

Term. The term of this AGREEMENT shall consist of the earlier of the expiration of one (1) year following the Effective Date of this AGREEMENT, or until such time as the SUCCESSOR AGENCY provides the BOND PROCEEDS to the CITY for expenditure on the PROJECT consistent with the terms and conditions of the CONSTRUCTION CONTRACT.

Termination. The SUCCESSOR AGENCY may terminate this AGREEMENT, in its sole own discretion, or when conditions involving the funding required for the construction of the PROJECT make it impossible to proceed, or if the SUCCESSOR AGENCY is prevented from proceeding with this AGREEMENT by law, or by official action of any public authority having jurisdiction over the SUCCESSOR AGENCY and/or the BOND PROCEEDS. The SUCCESSOR AGENCY shall provide five (5) days written notice of termination to the CITY and the CONTRACTOR, unless a shorter notice time is reasonable or necessary.

ARTICLE 4 – BOND PROCEEDS

The BOND PROCEEDS to be provided to the CITY for the completion of the PROJECT, shall not exceed the sum of TWENTY MILLION DOLLARS ($20,000,000) and may be wired, in one or several wires, upon receipt by the SUCCESSOR AGENCY of the NOTICE from the CITY for placement of the BOND PROCEEDS in a segregated PROJECT-account for partial payment of the CONSTRUCTION COSTS pursuant to the CONSTRUCTION CONTRACT.

No charges shall be incurred by the SUCCESSOR AGENCY under this AGREEMENT nor shall any payments become due and payable to the CONTRACTOR until the services for the PROJECT have been performed and all related invoices for
such services have been received from the CONTRACTOR and approved by the CITY in accordance with the CONSTRUCTION CONTRACT. SUCCESSOR AGENCY may prohibit, withhold, or cause the retraction of any or all funding under this AGREEMENT in any instance in which the SUCCESSOR AGENCY, in its sole discretion, determines that CONTRACTOR has failed or refused to satisfy any material obligation under this AGREEMENT or use of the BOND PROCEEDS is not permitted under the terms of the bond issuance for the Series 2007A-1 bonds of the former Inglewood Redevelopment Agency.

CONTRACTOR agrees that any work performed outside of the scope of this AGREEMENT without the prior written approval of the SUCCESSOR AGENCY and CITY shall be deemed gratuitous on the part of the CONTRACTOR and CONTRACTOR shall neither be reimbursed nor have any recognizable claim for payment or reimbursement against the SUCCESSOR AGENCY or the CITY.

Following receipt of the NOTICE and remittance of the BOND PROCEEDS as conditional funding under this AGREEMENT, all invoices submitted by the CONTRACTOR for payment by the CITY with BOND PROCEEDS shall include: (1) date of invoice; (2) sequential invoice number; (3) SUCCESSOR AGENCY Agreement number to be assigned by the Secretary of the SUCCESSOR AGENCY upon approval of this AGREEMENT; (4) CITY agreement number to be assigned for the guaranteed maximum price agreement negotiated between the CITY and the CONTRACTOR; (5) total amount payable; (6) total invoice amount; (7) description of services provided and any reimbursable expenses; (8) CONTRACTOR’S employee(s) name providing service; (9) total billed for construction of the PROJECT to date; and (10) total amount remaining on the guaranteed maximum price construction contract.

CONTRACTOR shall be responsible for the cost of supplying all documentation necessary to verify amounts invoiced and requested for payment to the satisfaction of the CITY and SUCCESSOR AGENCY, and shall certify on each invoice that it is entitled to the amount invoiced.
No compensation will be paid for any other task, service or expense not specifically authorized by this AGREEMENT without the prior written approval of the SUCCESSOR AGENCY, which approval shall be at its sole discretion.

CONTRACTOR shall not charge and the CITY shall not pay any finance charges and/or late fees on any overdue invoices with the BOND PROCEEDS.

ARTICLE 5 – CONTRACT ADMINISTRATION

SUCCESSOR AGENCY

Unless otherwise designated in writing, the Executive Director of the SUCCESSOR AGENCY shall serve as the SUCCESSOR AGENCY’S representative for the administration of this AGREEMENT.

CONTRACTOR

Unless otherwise designated in writing, John Pinner, Chief Executive Officer, shall serve as the CONTRACTOR’S project manager for this AGREEMENT.

The CONTRACTOR represents that it has or will secure at its own expense all personnel required to perform the services necessary to (i) complete the construction of the PROJECT; (ii) assure there are no unapproved changes to the PROJECT; and (iii) confirm that the CONSTRUCTION CONTRACT will not cause the use of the BOND PROCEEDS to be expended in a fashion that does not comply with the Series 2007A-1 bond issuance of the former Inglewood Redevelopment Agency.

CITY

Unless otherwise designated in writing, the City Manager of the CITY shall serve as the CITY’S representative for the administration of this AGREEMENT.

ARTICLE 6 – SUCCESSOR AGENCY’S RESERVATION OF RIGHTS

The SUCCESSOR AGENCY reserves the right to do the following:

1. Enter into agreements with third parties for auditing of the books and records of the CONTRACTOR to assure the BOND PROCEEDS are used only for
purposes for which the 2007A-1 bonds were issued by the former Inglewood
Redevelopment Agency.

2. Transmit the BOND PROCEEDS in such amounts and in such frequency
necessary to reach the amount of Twenty Million Dollars ($20,000,000) when and only
when the SUCCESSOR AGENCY receives the NOTICE.

ARTICLE 7 – NOTICES

Any notice given by the PARTIES pursuant to this AGREEMENT shall be
deemed received and effective on the date personally delivered, or if mailed, five (5)
days after deposit of the same in the custody of the U.S. Postal Service, when properly
addressed, posted and deposited in the U.S. mail addressed to the respective parties as
follows:

SUCCESSOR AGENCY:
One Manchester Boulevard, Ninth Floor
Inglewood, CA 90301
ATTN: Executive Director

With a copy to:
Kenneth Campos, Esq.
Successor Agency General Counsel
One Manchester Boulevard Eighth Floor
Inglewood, CA 90301

With a copy to:
Royce K. Jones, Esq.
Kane Ballmer & Berkman
Successor Agency Special Counsel
515 S. Figueroa Street, Suite 780
Los Angeles. CA 90071

CONTRACTOR:
1255 South Lewis Street
Anaheim, CA 92805
ATTN: Chief Executive Officer

CITY:
One Manchester Boulevard Ninth Floor
Inglewood, CA 90301
ATTN: City Manager

With a copy to:
Kenneth Campos, Esq.
City Attorney
One Manchester Boulevard Eighth Floor
Inglewood, CA 90301

With a copies to:
Royce K. Jones, Esq.
Kane Ballmer & Berkman
City Special Counsel
515 S. Figueroa Street, Suite 780
Los Angeles. CA 90071

John Dacey, Esq.
Bergman Dacey Goldsmith
ARTICLE 8 – INSURANCE

Required Insurance Coverages

CONTRACTOR shall obtain and maintain at its expense, until completion of performance of the PROJECT and acceptance by the SUCCESSOR AGENCY, the following insurance issued by an insurance company currently authorized by the Insurance Commissioner to transact the business of insurance in the State of California and having a rating of or equivalent to A:VIII by A.M. Best Company and have the SUCCESSOR AGENCY named as an “Additional Insured” on all such insurance policies:

Commercial General Liability:

Commercial General Liability (equivalent in coverage scope to Insurance Services Office, Inc. (ISO) form CG 00 01 11 85 or 11 88) in an amount not less than $1,500,000.00 per occurrence and $3,000,000.00 general aggregate. Such insurance shall include products and completed operations liability, independent contractor’s liability, broad form contractual liability, and cross liability protection. The “SUCCESSOR AGENCY”, its officials, employees, and agents” must be separately endorsed to the policy as additional insureds on an endorsement equivalent to insurance Services Office, Inc. (ISO) forms CG 20 10 11 85 of CG 20 26 11 85.

Automobile Liability:

Automobile Liability (equivalent in coverage scope to ISO form CA 00 01 060 92) in an amount not less than $1,500,000 combined single limit per accident for bodily injury and property damage covering Auto Symbol 1 (Any Auto). If an automobile is not
used in connection with the services provided by the CONTRACTOR, the
CONTRACTOR should provide a written request for a waiver of this requirement.

**Workers’ Compensation and Employer’s Liability:**

Worker’s Compensation as required by the California Labor Code and Employer’s
Liability in an amount not less than $1,000,000 per accident.

**Errors and Omissions Insurance:**

Professional liability and/or errors and omissions liability insurance in an amount
not less than $1,500,000.00 per claim and $3,000,000.00 general aggregate.

**Builders Risk Insurance:**

Builder's Risk insurance in such an amount as to cover the Project, materials,
goods, equipment, and cost of all improvements to be made to and/or constructed on the
real property, in a form and content acceptable to the SUCCESSOR AGENCY.
Coverage to be effective before any materials are delivered to the job site for
Construction Services and coverage to terminate upon acceptance of the Project. The
policy value/limit will be in an amount equal to one hundred percent of the cost of
construction as established in the CONSTRUCTION CONTRACT.

**Required Insurance Documentation:**

**Certificate of Insurance:**
The CONTRACTOR must provide a Certificate of Insurance evidencing the
required insurance set forth above. The Certificate Holder must be the SUCCESSOR
AGENCY and the Certificate Holder’s address must be the address of the SUCCESSOR
AGENCY.

**Endorsements:**

In addition to the Certificate of Insurance, the CONTRACTOR must provide the
following endorsements:
Cancellation Notice Endorsements:
Each policy must be endorsed to provide that the policy shall not be cancelled or non-renewed by either party or reduced in coverage or limits (except by paid claims) unless the insurer has provided the SUCCESSOR AGENCY with written notice thirty (30) days prior to cancellation or ten (10) days written notice for cancellation due to nonpayment of premium; and

Primary and Non-contributory Coverage Endorsements:
The general liability and (if required) professional liability policies must be endorsed to provide that each policy shall apply on a primary and non-contributing basis in relation to any insurance or self-insurance, primary or excess, maintained by or available to the SUCCESSOR AGENCY, or its officials, employees and agents.

Waiver or Modification of the Insurance Requirements:
Any waiver or modification of the insurance requirements can only be made by the Attorney for the SUCCESSOR AGENCY. All waiver or modification requests are reviewed on a case-by-case basis.

Verification of Coverage Prior to Commencement of Services:
CONTRACTOR shall furnish the SUCCESSOR AGENCY with original certificates and amendatory endorsements affecting coverage required by this AGREEMENT. The endorsements should be on forms provided by the SUCCESSOR AGENCY or forms other than the SUCCESSOR AGENCY'S forms, provided those endorsements or policies conform to the SUCCESSOR AGENCY'S requirements. All certificates and endorsements are to be received and approved by the SUCCESSOR AGENCY before any construction work commences under this AGREEMENT. The
SUCCESSION AGENCY reserves the right to require complete, certified copies of all
required insurance policies, including endorsements affecting the coverage required by
these specifications at any time.

ARTICLE 9 – INDEPENDENT CONTRACTOR

CONTRACTOR enters into this AGREEMENT as an independent contractor
and not as an employee of the SUCCESSION AGENCY. CONTRACTOR shall have
no power or authority by this AGREEMENT to bind the SUCCESSION AGENCY in
any respect. Nothing in this AGREEMENT shall be deemed or construed to be
inconsistent with this independent contractor relationship or status. All employees,
agents, contractors or subcontractors hired or retained by the CONTRACTOR are
employees, agents, contractors or subcontractors of the CONTRACTOR, and not the
SUCCESSION AGENCY. The SUCCESSION AGENCY is not obligated in any way to
pay any wage claims or other claims made against the CONTRACTOR by any such
employee, agent, contractor or subcontractor, or by any other person resulting from the
performance of any work with regard to the capital improvements required by this
AGREEMENT for the PROJECT.

ARTICLE 10 – INDEMNIFICATION

To the fullest extent permitted by law, CONTRACTOR shall indemnify, defend,
protect and hold harmless the SUCCESSION AGENCY, CITY and their respective
board members, officials, officers, contractors, agents, employees and volunteers
(collectively “Indemnitees”) from and against any loss, injury, damage, claim, lawsuit,
expense, attorneys’ fees, or any other cost arising out of or in any way related to the
performance of any services pursuant to this AGREEMENT, to the extent caused in
whole or in part by the negligent act or omission, recklessness or willful misconduct of
the CONTRACTOR, any subcontractor, anyone directly or indirectly employed by any
of them or anyone for whose acts any of them may be liable, except where caused by
the sole negligence or willful misconduct of the SUCCESSOR AGENCY.
If any action or proceeding is brought against the Indemnitees by reason of any
of the matters against which CONTRACTOR has agreed to indemnify Indemnitees as
provided above, CONTRACTOR, upon notice from the SUCCESSOR AGENCY, shall
defend the Indemnitees at CONTRACTOR’S sole expense by counsel acceptable to the
SUCCESSOR AGENCY. Such acceptance shall not be unreasonably withheld.
Indemnitees need not have first paid for any of the matters to which Indemnitees are
entitled to indemnification in order to be so indemnified. The insurance required to be
maintained by CONTRACTOR under this AGREEMENT shall ensure
CONTRACTOR’S obligations under this Article, but the limits of such insurance shall
not limit the liability of the CONTRACTOR hereunder. The provisions of this Article
shall survive the expiration or earlier termination of this AGREEMENT.

ARTICLE 11 – CONTRACTOR NONASSIGNABILITY/SUCCESSOR
AGENCY ASSIGNABILITY
The expertise and experience of the CONTRACTOR are material considerations
of this AGREEMENT. The SUCCESSOR AGENCY has an interest in the
qualifications and capabilities of the CONTRACTOR which is required to fulfill the
duties and obligations imposed under this AGREEMENT. In recognition of that
interest, the CONTRACTOR shall not assign or transfer this AGREEMENT, or any
portion of this AGREEMENT, or the performance of any of the CONTRACTOR’S
duties or obligations under this AGREEMENT without the prior written consent of the
SUCCESSOR AGENCY, which consent shall be at the sole discretion of the
SUCCESSOR AGENCY. Any unauthorized assignment shall be ineffective, null and
void, and shall constitute a material breach of this AGREEMENT entitling the
SUCCESSOR AGENCY to any and all remedies at law or equity, including summary
termination of this AGREEMENT. The CONTRACTOR shall not assign any interest
in this AGREEMENT and shall not transfer any interest in the same whether by
assignment or novation, without prior written approval of the SUCCESSOR AGENCY,
which consent shall be at the sole discretion of the SUCCESSOR AGENCY.

However, notwithstanding anything contained in this AGREEMENT to the
contrary, SUCCESSOR AGENCY shall have the right to assign this AGREEMENT to
the CITY upon written notice to CONTRACTOR. Upon receipt of such notice
CONTRACTOR shall perform the work necessary to complete the PROJECT on the
behalf of the CITY and the City Manager shall be deemed the CITY’S representative
for purposes of administering this AGREEMENT.

ARTICLE 12 – RECORDS AND AUDIT

CONTRACTOR shall maintain copies of all data, information, documents,
timesheets, invoices and other materials of work attributable to the performance of the
work necessary to complete the PROJECT in connection with this AGREEMENT and
the CONSTRUCTION CONTRACT. The SUCCESSOR AGENCY shall have access
to and the right to examine, audit, copy or transcribe any pertinent document,
transaction, activity, or record relating to this AGREEMENT. CONTRACTOR shall
cooperate and comply with all requests of SUCCESSOR AGENCY’S auditors with
regard to access and review of all records necessary to conduct audits in compliance
with this AGREEMENT and any applicable requirements. SUCCESSOR AGENCY
auditors shall be allowed to interview any employee of CONTRACTOR and its
subcontractors throughout the term of this AGREEMENT and for a period of two (2)
years after termination of this AGREEMENT or any longer period if required by law.

All materials, including all pertinent financial records and proprietary data, shall
be stored and maintained by CONTRACTOR at its main facility. Originals and/or
copies of such documents or records shall be provided, at CONTRACTOR’S expense,
directly to the SUCCESSOR AGENCY.
Access to such documents and records shall be granted to the SUCCESSOR AGENCY, as well as its successors-in-interest and designated representatives.

ARTICLE 13 – OWNERSHIP OF DOCUMENTS

The SUCCESSOR AGENCY shall own all data, information, documents and other work product of the CONTRACTOR prepared, assembled or maintained in connection with this AGREEMENT. The SUCCESSOR AGENCY shall have the sole right to use such materials within its discretion and without further compensation to the CONTRACTOR. The CONTRACTOR shall at its sole expense provide all such documents or work product to the SUCCESSOR AGENCY upon written request.

CONTRACTOR shall assist the SUCCESSOR AGENCY in timely responding to requests made under the California Public Records Act to inspect any of the above described items under CONTRACTOR’S possession or control. The SUCCESSOR AGENCY shall make an independent determination as to the confidentiality of these documents to the extent permitted by law.

ARTICLE 14 – NONDISCRIMINATION

California Labor Code section 1735

No discrimination shall be made in the employment of persons working on behalf of or as an agent for the SUCCESSOR AGENCY because of the race, religious creed, color, national origin, ancestry, physical or mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, military and veteran status of any person, or any other cognizable group protected by law, except as provided in section 12940 of the Government Code. Every contractor for the SUCCESSOR AGENCY violating Labor Code section 1735 is subject to all the penalties imposed for a violation of this law.

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ARTICLE 15 – AMENDMENTS, CHANGES OR MODIFICATIONS

No amendments, changes or modifications to this AGREEMENT shall be effective unless in writing and signed by authorized representatives of the Parties hereto.

ARTICLE 16 – CHOICE OF LAW AND VENUE

This AGREEMENT shall be interpreted, construed and governed according to the laws of the State of California. In the event of litigation between the Parties, venue in state trial courts shall lie exclusively in the County of Los Angeles, Superior Court, Southwest District, located at 825 Maple Avenue, Torrance, California, 90503-5058. In the event of litigation in the United States District Court, venue shall lie exclusively in the Central District of California, in Los Angeles.

ARTICLE 17 – WAIVER OF BREACH OR DEFAULT

Waiver of a breach or default of any term, condition or covenant under this AGREEMENT shall not constitute a continuing waiver thereof, nor shall it constitute a waiver of any other term, condition or covenant. Acceptance by the SUCCESSOR AGENCY of any work or services performed required to complete the PROJECT by the CONTRACTOR shall not constitute a waiver of the SUCCESSOR AGENCY’S right to seek correction for any breach or default under this AGREEMENT.

ARTICLE 18 – SEVERABILITY

In the event that any term, condition or covenant herein is held to be invalid or void by any court of competent jurisdiction, the same shall be deemed severable from the remainder of the AGREEMENT and shall in no way affect any other term, condition or covenant contained herein so long as its severance does not render this AGREEMENT meaningless with regard to a material term, in which event the entire AGREEMENT shall be void. If such term, condition, covenant or other provision shall
be deemed invalid due to its scope of breadth, such provision shall be deemed valid to
the extent of the scope of breadth permitted by law.

ARTICLE 19 – TITLES AND CAPTIONS

Article titles, paragraph titles, or captions contained herein are inserted as a
matter of convenience and for reference, and in no way define, limit, extend, or
describe the scope of this AGREEMENT or any provision hereof.

ARTICLE 20 – WAIVER OF PRINCIPLE OF CONTRA
PROFERTENTUM

The Parties waive any benefit from the principle of *contra proferentum* and
interpreting ambiguities against the drafter. No party shall be deemed the drafter of this
AGREEMENT, or of any particular provision, and no part of this AGREEMENT shall
be construed against any party on the basis that the particular party is the drafter of this
AGREEMENT.

ARTICLE 21 – COUNTERPARTS

This AGREEMENT may be executed in counterparts, and when each party
hereto has signed and delivered at least one such counterpart, each counterpart shall be
deemed an original and, when taken together with the other signed counterparts, shall
constitute one agreement, which shall be binding and effective as to all Parties hereto.

ARTICLE 22 – ENTIRE AGREEMENT

This AGREEMENT and any agreement, document, exhibit, or instrument
referred to herein, integrate all the terms and conditions mentioned herein or incidental
hereto, and supersede all oral negotiations and prior writings with respect to the subject
of this AGREEMENT. The terms, conditions and covenants of this AGREEMENT
shall prevail over any other agreement, document or instrument regarding the
expenditure of BOND PROCEEDS. Furthermore, each party to this AGREEMENT acknowledges that no representations, inducements, promises or agreements, oral or otherwise, have been made by any party, or anyone acting on behalf of any party that are not contained herein.

IN WITNESS THEREOF, the SUCCESSOR AGENCY, CITY and CONTRACTOR, have executed this Agreement as of the date first written above.

SUCCESSOR AGENCY:

City of Inglewood as Successor Agency to the Inglewood Redevelopment Agency

By: __________________________
    James T. Butts, Jr.
    CHAIRPERSON

CONTRACTOR:

Pinner Construction

By: __________________________
    Name/Title

APPROVED AS TO FORM:

By: __________________________
    Kenneth Campos
    GENERAL COUNSEL FOR SUCCESSOR AGENCY

APPROVED:

KANE, BALLMER & BERKMAN

By: __________________________
    Royce K. Jones
    SPECIAL COUNSEL FOR SUCCESSOR AGENCY
CITY:

City of Inglewood

By: ____________________________
    James T. Butts, Jr.
    MAYOR

ATTEST:

By: ____________________________
    Yvonne Horton
    CITY CLERK

APPROVED AS TO FORM:

By: ____________________________
    Kenneth Campos
    CITY ATTORNEY

APPROVED:

By: ____________________________
    Royce K. Jones
    KANE BALLMER &
    BERKMAN
    CITY SPECIAL COUNSEL