



# CITY OF CARSON

## PLANNING COMMISSION STAFF REPORT

**PUBLIC HEARING:** November 14, 2017

**SUBJECT:** Design Overlay Review No. 1633-16

**APPLICANT:** Xebec Building Company  
3010 Old Ranch Parkway, Suite 480  
Seal Beach, CA 90740

**PROPERTY OWNER:** JJ.ER, LLC  
c/o California Pak  
1700 S. Wilmington  
Compton, CA 90220

**REQUEST:** To construct a new 102,931 square foot logistics facility on a 4.7 acre project site within the ML-D Zoning District.

**PROPERTY INVOLVED:** 17706 South Main Street

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### COMMISSIONERS' VOTE

AYE	NO		AYE	NO	
		<b>Chairman Diaz</b>			<b>Guidry</b>
		<b>Vice-Chair Pimentel</b>			<b>Mitoma</b>
		<b>Andrews</b>			<b>Post</b>
		<b>Cainglet</b>			<b>Thomas</b>
		<b>Fe'esago, Jr.</b>			<b>Alt. Osuna/ Alt. Palmer</b>

***Item No. 7C***

## I. Introduction

### Property Owner

JJ.ER, LLC  
c/o California Pak  
1700 S. Wilmington  
Compton, CA 90220  
(562) 788-0730  
[edwardkwon@hotmail.com](mailto:edwardkwon@hotmail.com)

### Applicant

Xebec Building Company – Sylvia Tran  
3010 Old Ranch Parkway, Suite 480  
Seal Beach, CA 90740  
(562) 546-0260  
[sylviat@xbcinc.com](mailto:sylviat@xbcinc.com)

### Representative

Xebec Building Company – John Killen  
3010 Old Ranch Parkway, Suite 480  
Seal Beach, CA 90740  
(562) 546-0267  
[johnk@xebecrealty.com](mailto:johnk@xebecrealty.com)

## II. Project Description

The applicant requests approval of Design Overlay Review (DOR) 1633-16 to develop a new 102,931 sf industrial warehouse building located in the ML-D (Manufacturing, Light with a Design Review Overlay) zoning district.

### *Current Improvements*

The project site contains a concrete batch plant facility and its associated accessory structures as well as outdoor vehicle storage yard, both of which have ceased to operate. All on-site structures will be demolished and removed by the applicant during construction of the site.

### *Previously Approved Discretionary Permits*

On January 12, 1999, the Planning Commission failed to approve or deny Resolution No. 98-1744, which was a resolution to deny the applicant's request for CUP 492-1999 to continue operation of a concrete batch plant on this property. According to City records, the concrete batch plant closed in 2003. Prior to its closure, the concrete batch plant was operating as an existing non-conforming use pursuant to CMC 9141.1, under an extension of non-conforming privilege granted in 1998 and subject to an amortization and abatement period which ended in 2003.

Planning Commission Staff Report  
November 14, 2017  
DOR No. 1633-16



### Public Safety Issues

In August 2017, the property was cited for overgrown trees, trash, and debris adjacent to the sidewalk and within parkway area. As of October 18, 2017, all trees, trash, and debris had been cleaned from the right-of-way but debris remains within the property. To resolve this issue, the property owner is working with City to obtain a permit to demolish the all structures to make the site ready for construction.

### III. Project Site and Surrounding Land Uses

The project site is located in the northwest part of the City on the east side of South Main Street, and approximately 250 feet south of East Albertoni Street. Surrounding land uses include light manufacturing to the north, and south, heavy manufacturing to the west, and multi-dwelling residential/mobile home park to the east. The following provides a summary of the site information:

Site Information	
General Plan Land Use	Light Industrial
Zone District	Manufacturing Light Design Overlay (ML-D) Zoning District
Site Size	4.7 acre
Present Use and Development	Light Industrial/vacant
Surrounding Uses/Zoning	North: ML-D/light industrial (Home Improvement/Tool Supply Rental) South: ML-D/light industrial (multi-tenant office; Honest Abe Cider House) East: RM-8-D/Multi-dwelling unit residential/Harbor Village Mobile Home Park West: MH-D/Main Street/industrial manufacturing and storage (tire store, industrial cleaning products)
Access	Ingress/Egress: S. Main Street



#### IV. Analysis

##### Use

The project site is located in the ML-D zoning district, which permits the proposed use – storage/warehousing of durable (luggage and travel) goods. California Pak (Calpak) is a leading travel goods company. The new building will accommodate the new corporate headquarters, operations of a luggage and travel goods business, and point-of-sale for the luggage products.

Calpak currently has 25 employees, and plans to hire 30-35 employees as part of its business expansion. Business hours of operation for the office will be 24 hours, and truck activity hours will be limited from 8:00 AM to 5:00 PM Monday through Friday.

##### Site Plan

The 4.7 acre project site is located on the east side of Main Street. The proposed industrial building is 102,931 square feet with 87,797 square feet of warehouse space, and 15,134 square feet of office space. The proposed warehouse building will have a total of ten (10) truck doors.

The proposed building is in the center of the property with a 100 foot setback from adjacent residential neighborhood to the east.

##### Transportation, Access, and Parking

Access to the project site is available via two existing driveways on Main Street. The entry gate at the access is opened by an employee at the beginning of the day, remains open all day for truck and car access, and closed by an employee at the end of the day. The proposed building will generate approximately 33 AM peak vehicle trips and 35 PM peak vehicle trips, which includes truck trip generation.

The project proposes 109 parking stalls to satisfy parking requirements including ADA parking for both buildings. There are also two truck parking stalls provided.

#### **Summary of Parking**

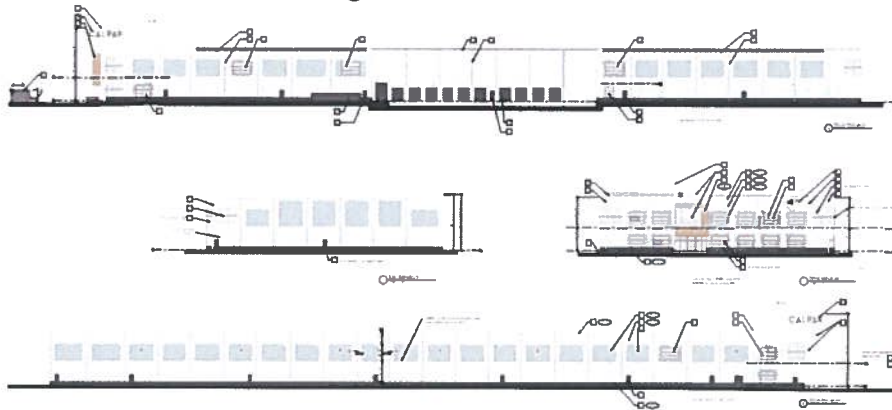
<b>Use</b>	<b>Code Requirement</b>	<b>Provided</b>
Warehouse 1 per 1,500 sf	58	59
Office 1 per 300 sf	50	50
<b>TOTAL</b>	<b>108</b>	<b>109</b>



## Building and Architecture

The proposed building will be between 44 and 57 feet tall. The project is designed in a contemporary architectural style consisting of a series of painted concrete tilt-up panels. The applicant has proposed an industrial building with highly articulated front of the building, with horizontal shading fins, overhangs, vertical fins, and openings. The secondary elevations, which are not visible from the public right-of-way, have some variation in articulation and massing. The colors proposed for the new structure are considered appropriate as they match the structures in the surrounding area.

### **New Building Exterior Elevations:**



The applicant has proposed several tinted glass windows on the west elevations, and on the upper walls in appropriate places on the north and south elevations. The applicant considered staff comments to add windows to the south elevation and additional articulation on elevations visible from the public right-of-way.

### Signage

Calpak has proposed identification signage that will be directly mounted on the existing building. The applicant is also proposing a monument sign with identification signage and address on concrete screen wall facing Main Street. All proposed signage will be reviewed by the Planning Division prior to the issuance of the building permit.

### Fence and Security gate

There is an existing 20-foot high concrete wall/structure along the northern property line. In addition, there is an existing 8-foot high concrete wall along the southern property line and a 7-foot high along the eastern property line (rear). All three walls will remain. The applicant proposes an 8 foot tall wrought iron fence and sliding gate which will be setback 7 feet from the front property line. The entry gate at the entrance is opened by an employee at the beginning and end of the day. The fence also has a pedestrian gate.





### Landscaping

The applicant proposes approximately 15,286 of landscaping that provides screening of the parking areas that are visible from the public right-of-way and residential neighborhood to the east. Proposed landscaping includes a 36 foot wide planter and include trees and shrubs along the rear property line to provide a visual buffer between the homes and the proposed development.

There are two street tree wells along the Main Street frontage. The Engineering Division has requested these tree wells to be removed consistent with their standards.

### Logistics Facilities Moratorium

On March 21, 2017, the City Council approved Ordinance No. 17-1615U, an Interim Ordinance implementing a 45-day temporary moratorium on the establishment, expansion, or modification of truck yards, logistics facilities, hazardous materials or waste facilities, container storage and container parking in the City of Carson, and declaring the urgency thereof. On May 2, 2017, the City Council approved Ordinance No. 17-1618U extending the moratorium until 10 months and 15 days following the May 2, 2017 date of ordinance adoption.

As a logistics facility, staff determined the proposed project was subject to the ordinance. As such, On May 30, 2017 the applicant filed a request for an Exception in order for staff to continue processing the application. On June 20, 2017, the City Council approved the Exception request and adopted Resolution No. 17-081 subject to the following Provisions of Section 6.A.1, 5, 8, 9, 10, 11, 12, 13, and 14:

1. The City's approval of an application for a permit to establish, expand, or modify a logistics facility within the City's jurisdiction will not have a material negative impact upon the public health, safety, and welfare.
5. The developer or tenant enters into an agreement that guarantees the City the same financial assurances offered by a CFD.
8. The facility enters into a development impact fees agreement with the City.
9. The use is permitted or conditionally permitted in the zone;
10. The use is consistent with the purposes of this Ordinance and the General Plan;
11. The use will not be in conflict with any contemplated general plan, specific plan, or zoning code update that the City Council is considering or studying or intends to study;
12. The use is not and will not become a hazardous materials facility, a truck yard, or a container storage facility;
13. The use will not abut a sensitive land use, or the impacts on an abutting sensitive land use can be adequately mitigated with reasonable conditions;
14. The use will not constitute a threat to the public health, safety, and welfare.



### Buffering from Residential

Staff worked with the applicant to address compatibility issues of the proposed project with the abutting residential area, and feels confident that the revised design of the project addresses the compatibility issues effectively. The design of the project meets all of the preliminary standards drafted by staff that were and incorporated in the Exception request City Council staff report. These preliminary standards were drafted by staff until the City formally adopts these standards with the zoning code update.

- The project design exceeds the minimum of 6-foot high wall standard with an existing 7-foot high concrete wall property line.
- The project provides a 100 foot setback from the property line which exceeds the setback in the preliminary standards. This standard requires a minimum setback of 10% of the lot depth and in no case less than 50'. In addition, storage of goods, trucks, or other noise generating activities will not be allowed in this area. The design of the building has no openings or doors facing the residential zone.
- The project provides a 35' foot landscaped buffer from the property line which exceeds the requirement in the preliminary standards. This standard requires a minimum 20' landscaped buffer. The intent of this standard is creation of a visual buffer between the homes and the logistics facility.
- The project provides a 308 foot setback between truck activity and loading doors which exceeds the requirement in the preliminary standards. This standard requires a minimum of 30% of the lot depth but no less than 150'. In addition, the project meets the following two standards as well: 1) the building shall always be utilized as a barrier between truck activities and the homes to the maximum extent possible; 2) truck doors shall not face residential zones.
- The lighting for the site will be designed with minimum impacts to the residential areas by submitting site lighting plans to Planning Division for review and approval prior to the issuance of building permits. Exterior lights shall be arranged or shielded in such a manner as to contain direct illumination on the parking area and avoid glare on an adjoining site.
- The facade of the building facing the residential zone is enhanced with wall articulation.
- The business hours of operation for the office will be 24 hours, and truck activity hours will be limited from 8:00 AM to 5:00 PM.
- A view analysis was conducted by the applicant to show the view from the backyard of the residential areas towards the building.



### *DIF/CFD Agreement*

Staff has commenced the process of formation of a Citywide CFD(s) to collect the appropriate CFD assessments from this applicant and others as well. The applicant has entered into a DIF/CFD agreement to annex into the CFD once the formation is completed as well the payment of the Development Impact Fee (DIF), Exhibit 1.

Currently, the City is collecting \$2/square-foot of gross building area which will be applicable to this project. Through this agreement, the applicant will be obligated to pay \$205,862.00 as a onetime fee. Eventually, the current DIF will be replaced by the Interim Development Impact Fee (IDIF) by early 2018 based on City's IDIF study. The IDIF will replace the \$2/square-foot fee for industrial properties and will introduce new fees on other types of development. Furthermore, after the City adopts its General Plan, a new Development Impact Fee (DIF) study will be conducted to adopt City's permanent DIF.

The City's consultant, RKA Consulting Group, has prepared the annual CFD obligations of the project which includes the following components:

Landscape Maintenance:	\$2,346.25
Street and Sidewalk Sweeping:	\$499.63
Street Maintenance:	\$1,464.40
Sheriff Service:	\$4,878.93
<b>Total Annual Assessment:</b>	<b>\$9,189.21</b>

The first three components of the CFD are based on street frontage of the property. The sheriff service is based on the size of the building and how many employees it can accommodate. Staff is in the initial stages of hiring a consultant to establish the Citywide CFD. Once established, all new development projects will be required to annex into this CFD. Once annexed into the CFD, the property owner would pay the CFD assessments through property taxes for perpetuity.

### **V. Zoning and General Plan Consistency**

The new building will be constructed within the Light Industrial General Plan Land Use designation and Manufacturing Light Design Overlay, and will remain consistent with the surrounding uses.

### **VI. Environmental Review**

The proposed project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15332, Class 32 – In-Fill Development Projects. The supporting factors for this CEQA exemption are as follows:





- The project is consistent with the applicable general plan designation and all applicable general plan policies as well as the applicable zoning designation and regulations.
- The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses.
- The project site has no value as habitat for endangered, rare or threatened species due to being a former concrete batch plant.
- Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality. The City's Traffic Engineer determined that a traffic study is not required. All operations are within the building except for truck loading which will be buffered by setback, the building, and landscaping. There are no significant emissions, and LID requirements will address water quality.
- The project site is adequately served by all required utilities and public services.

## VII. Public Notice

Public notice was posted to the project site on October 25, 2017. Notices were mailed to property owners and occupants within 300 feet on November 2, 2017. The agenda was posted at City Hall 72 hours prior to the Planning Commission meeting.

## VIII. Recommendation

That the Planning Commission:

- **APPROVE** Design Overlay Review No. 1633-16; and
- **WAIVE** further reading and **ADOPT** Resolution No. -\_\_, entitled "A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF CARSON APPROVING DESIGN OVERLAY REVIEW NO. 1633-16 FOR DEVELOPMENT OF A NEW 102,931 SQUARE FOOT LOGISTICS FACILITY ON A 4.7 ACRE PROJECT SITE WITHIN THE ML-D ZONING DISTRICT LOCATED AT 17706 S. MAIN STREET."

## IX. Exhibits

1. Draft Resolution
2. Zoning Map
3. Reimbursement Agreement
4. Development Plans

Prepared by: Leila Carver, Contract Planner



**CITY OF CARSON**  
**PLANNING COMMISSION**

**RESOLUTION NO. 17-**

**A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF CARSON APPROVING DESIGN OVERLAY REVIEW NO. 1633-16 FOR DEVELOPMENT OF A NEW 102,931 SQUARE FOOT LOGISTICS FACILITY ON A 4.7 ACRE PROJECT SITE WITHIN THE ML-D ZONING DISTRICT LOCATED AT 17706 S. MAIN STREET, ASSESSOR'S PARCEL NUMBERS 7339-002-003**

**THE PLANNING COMMISSION OF THE CITY OF CARSON, CALIFORNIA, HEREBY FINDS, RESOLVES AND ORDERS AS FOLLOWS:**

**Section 1.** An application was duly filed by the applicant, Xebec Building Company with respect to real property located at 17706 South Main Street, APNs 7339-002-003, as described in Exhibit "A" attached hereto, requesting the approval to construct a 102,391-square-foot industrial warehouse building ("logistics facility") on a 4.7-acre project site in the ML-D (Manufacturing Light - Design Review) zone. The request includes:

- Design Overlay Review (DOR) No. 1633-16 to construct a new industrial warehouse ("logistics facility");

**Section 2.** A public hearing was duly held on November 14, 2017, at 6:30 P.M. at City Hall, Helen Kawagoe Council Chambers, 701 East Carson Street, Carson, California. A notice of time, place and purpose of the aforesaid meeting was duly given. Evidence, both written and oral, was duly presented to and considered by the Planning Commission at said meeting.

**Section 3.** In regards to CMC Section 9172.23 Site Plan and Design Review, the Planning Commission finds that:

- a) The proposed use and development is consistent with the General Plan, which designates the subject property for Light Manufacturing use. The proposed industrial warehouse building (logistics facility) is a permitted uses for a property zoned ML-D (Manufacturing Light – Design Overlay) and consistent with the General Plan Land Use designation.
- b) The project is designed in a contemporary architectural style consisting of painted concrete tilt-up panels, and a variety of scales and forms. The exterior paint consists of three varying shades designed to help provide visual interest. The project is compatible with the architecture and design of existing and anticipated development in the area, including site planning, land coverage, landscaping, appearance, scale of structures and open space.
- c) The project site is proposing adequate parking spaces and circulation will be provided to assure the convenience and safety of pedestrians and vehicles. The Traffic Engineer has determined that the access, circulation, and proposed parking areas are satisfactory and able to accommodate safe vehicle movement.

**EXHIBIT NO. 1 -**



- d) All signage associated with this project will comply with the Carson Municipal Code provisions and will be reviewed and approved by the Planning Division prior to building occupancy.
- e) The warehouse is located with truck/trailer parking spaces in the center of the south side of the building, and passenger vehicle parking is located to the east, west, and south of the building.
- f) The warehouse has 10 truck doors and a 94,384-square-foot footprint with 1,000-square feet of mezzanine, and 7,547 square feet of office on second floor, totaling 102,931-gross-square-feet.
- g) The surrounding properties are developed with light and heavy industrial and multi-dwelling residential uses. The proposed project is compatible with the neighborhood, is consistent with the surrounding uses and development standards.
- h) There will be adequate street access and traffic capacity for the proposed logistics facility. The proposed development will have direct access via two driveways on South Main Street. The driveway to the north of the property is 28 feet wide, and driveway to the south is 35 feet wide. Fire access is provided by both driveways located on Main Street.
- i) An accessible pedestrian path of travel is provided from Main Street, respectively, leading to the building entries and accessible parking spaces, which are located adjacent to the entries.
- j) The off-street parking requirement calculation is 1 parking space per every 1,500 square feet of gross floor area for warehouse, and 1 parking space per every 300 square feet of gross floor area for office. The project proposes 109 off-street parking spaces including ADA parking, and 2 truck/trailer parking spaces satisfying the parking requirements for project.
- k) The City's Traffic Engineer determined that the proposed building will generate approximately 33 AM peak vehicle trips and 35 PM peak vehicle trips, which includes truck trip generation.
- l) There is an existing 20-foot high concrete wall/structure along the northern property line. In addition, there is an existing 8-foot high concrete wall along the southern property line and a 7-foot high along the eastern property line (rear). All three walls will remain. The applicant proposes an 8 foot tall wrought iron fence and sliding gate which will be setback 7 feet from the front property line.
- m) Landscaped areas are strategically designed along the ground-level perimeter areas and adjacent to the warehouse. The proposed landscape coverage is 15,286 square feet and is designed to significantly reduce the required water consumption of the site. The proposed landscape areas are required to comply with water-efficient landscape requirements of the City. Plant materials include a variety of colorful drought tolerant, dense, shade trees, shrubs and groundcover, which softens the appearance from the street view and provide an additional buffer. There is a landscaped buffer from the residential neighborhood to the east of proposed building that is approximately 36 feet to create visual buffer between the homes and the logistics structures.



- n) The proposed industrial warehouse development is consistent with the development standards of Section 9172.23. The proposed project is compatible with the architecture and design of existing and anticipated development in the vicinity, including the aspects of site planning, land coverage, landscaping, appearance and scale of structures and open spaces, and other features relative to a harmonious and attractive development of the area.
- o) The proposed DOR application to permit an industrial warehouse development meets the policies, goals and objectives of the General Plan and would be consistent with applicable zoning and design regulations. Therefore, all of the required findings pursuant to Site Plan and Design Review Section 9172.23 (D) can be made in the affirmative.

**Section 4.** With respect to Ordinance No. 17-1618U, an urgency ordinance of the City of Carson, California, implementing a temporary moratorium on the establishment, expansion, or modification of truck yards, logistic facilities, hazardous materials or waste facilities, container storage and container parking in the City of Carson that extends said moratorium until 10 months and 15 days following the May 2, 2017 date of said ordinance adoption and declaring the urgency thereof. On June 20, 2017, the City Council approved the Exception request and adopted Resolution No. 17-081 subject to the following Provisions of Section- 6.A. 1, 5, 8, 9, 10, 11, 12, 13, and 14:

- The City's approval of an application for a permit to establish, expand, or modify a logistics facility within the City's jurisdiction will not have a material negative impact upon the public health, safety, and welfare.
- The developer or tenant enters into an agreement that guarantees the City the same financial assurances offered by a CFD.
- The facility enters into a development impact fees agreement with the City.
- The use is permitted or conditionally permitted in the zone;
- The use is consistent with the purposes of this Ordinance and the General Plan;
- The use will not be in conflict with any contemplated general plan, specific plan, or zoning code update that the City Council is considering or studying or intends to study;
- The use is not and will not become a hazardous materials facility, a truck yard, or a container storage facility;
- The use will not abut a sensitive land use, or the impacts on an abutting sensitive land use can be adequately mitigated with reasonable conditions;
- The use will not constitute a threat to the public health, safety, and welfare.
- 

**Section 5. In regards to the CFD/DIF Agreement, the Planning Commission finds that:**

- a) The Developer has agreed to pay the one-time Interim Development Impact Fee (IDIF) of \$2.00 per square foot, totaling \$205,862.00.
- b) The Developer has agreed to annex into a Citywide CFD to pay for on-going services for the project which includes the following components:

<b>Landscape Maintenance:</b>	<b>\$2,346.25</b>
<b>Street and Sidewalk Sweeping:</b>	<b>\$499.63</b>



<b>Street Maintenance:</b>	<b>\$1,464.40</b>
<b>Sheriff Service:</b>	<b>\$4,878.93</b>
<b>Total Annual Assessment:</b>	<b>\$9,189.21</b>

c) The Developer has entered into a DIF/CFD agreement to ensure payment of the IDIF and CFD as set forth in Exhibit "C".

**Section 6.** The Planning Commission further finds that the project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15332, Class 32 – In-Fill Development Projects. The supporting factors for this CEQA exemption are as follows:

- The project is consistent with the applicable general plan designation and all applicable general plan policies as well as the applicable zoning designation and regulations.
- The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses.
- The project site has no value as habitat for endangered, rare or threatened species due to being a former concrete batch plant.
- Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality. The City's Traffic Engineer determined that a traffic study is not required. All operations are within the building except for truck loading which will be buffered by setback, the building, and landscaping. There are no significant emissions, and LID requirements will address water quality.
- The project site is adequately served by all required utilities and public services.

**Section 7.** Based on the aforementioned findings, the Commission hereby approves Design Overlay Review No. 1633-16 with respect to the property described in Section 1 hereof, subject to the conditions set forth in Exhibit "B" attached hereto.

**Section 8.** The Secretary shall certify to the adoption of the Resolution and shall transmit copies of the same to the applicant.

**Section 9.** This action shall become final and effective fifteen days after the adoption of this Resolution unless within such time an appeal is filed with the City Clerk in accordance with the provisions of the Carson Zoning Ordinance.

**PASSED, APPROVED AND ADOPTED THIS 14<sup>th</sup> DAY OF NOVEMBER 2017.**

\_\_\_\_\_  
**CHAIRMAN**

**ATTEST:**

\_\_\_\_\_  
**SECRETARY**





**SCHEDULE A**

1. Commitment Date: April 14, 2016 at 7:30 A.M.

2. Policy or Policies to be issued:	Amount
(A) ALTA Owner's Policy ALTA Standard Owner Policy	\$7,093,964.00

Proposed Insured:

California Pak International

(B) ALTA Loan Policy To Be Determined	\$To Be Determined
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Proposed Insured:

To Be Determined

3. (A) The estate or interest in the land described in this Commitment is:

FEE

(B) Title to said estate or interest at the date hereof is vested in:

GREENE FAMILY PARTNERS, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY

4. The land referred to in this Commitment is situated in the City of Carson, County of Los Angeles, State of California, and is described as follows:

THE SOUTH HALF OF LOT 7 OF SOUTH GARDENA TRACT, IN THE CITY OF CARSON, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 43 PAGE 39 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THAT PORTION THEREOF LYING WESTERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT A POINT ON THE EASTERLY LINE OF MAIN STREET, 60 FEET WIDE, SHOWN AS BURLINGAME AVENUE ON SAID MAP, DISTANT ALONG SAID EASTERLY LINE, SOUTH 0° 29' 02" EAST, 810.48 FEET FROM THE MOST SOUTHERLY CORNER OF LAND DESCRIBED IN DEED TO THE STATE OF CALIFORNIA RECORDED IN BOOK 42804 PAGE 266 OFFICIAL RECORDS IN SAID OFFICE; THENCE NORTH 10° 49' 32" EAST 101.99 FEET TO A LINE PARALLEL WITH AND DISTANT EASTERLY 20.00 FEET, MEASURED AT RIGHT ANGLES FROM SAID EASTERLY LINE; THENCE NORTH 0° 29' 02" WEST, ALONG SAD PARALLEL LINE, 206.20 FEET; THENCE NORTH 40° 58' 04" EAST, 35.99 FEET, THENCE NORTH 87° 01' 14" EAST, 91.45 FEET TO THE NORTHERLY LINE OF SAID LOT.

ALSO EXCEPT THEREFROM THAT PORTION OF THE EASTERLY 20 FEET OF THE WESTERLY 50 FEET OF LOT 7, SOUTH GARDENA TRACT, AS SHOWN ON MAP RECORDED IN BOOK 43 PAGE 39 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, WHICH LIES WITHIN THAT CERTAIN PARCEL OF PARCEL OF LAND DESCRIBED IN DEED TO



SULLY-MILLER CONTRACTING COMPANY, RECORDED AS DOCUMENT NO. 2228 ON JANUARY 03, 1975 IN BOOK D6519, PAGE 459 OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER; AREAS AND DISTANCE BEING MEASURED FROM THE CENTER LINE OF ADJOINING STREET, AS SAID STREET IS SHOWN ON SAID MAP.

ALSO EXCEPT THEREFROM ALL OIL, GAS AND OTHER MINERALS LYING AT A DEPTH OF 500 FEET OR MORE BENEATH THE SURFACE OF SAID LAND WITHOUT RIGHT OF ENTRY UPON THE SURFACE OR THE FIRST 500 FEET BENEATH THE SURFACE THEREON AS RESERVED BY BELL PETROLEUM COMPANY, IN THE DEED RECORDED JANUARY 14, 1955 IN BOOK 46637 PAGE 151 OFFICIAL RECORDS.

APN: 7339-002-003



**CITY OF CARSON  
COMMUNITY DEVELOPMENT DEPARTMENT  
PLANNING DIVISION**

**EXHIBIT "B"**

**CONDITIONS OF APPROVAL  
DESIGN OVERLAY NO. 1633-16**

**GENERAL CONDITIONS**

1. The Developer shall enter into an Agreement For Development Impact Fees And Community Facilities District Participation with the City. In accordance with this agreement, Developer shall be responsible for payment of one-time impact fees of \$2/square foot. The Project contemplates a 102,931 square foot Logistics Facility. Based on the square footage of the Project, Developer will be responsible for development impact fees in the amount of \$205,862 (DIF Amount), provided that if the Project increases or decreases in size, the DIF Amount will be adjusted accordingly at the same rate. No building permits shall be issued prior to the full payment of the DIF Amount.
  
2. City intends to form one or more citywide CFDs to finance the ongoing costs of the following: law enforcement, street and sidewalk maintenance, landscape maintenance, street sweeping and sidewalk cleaning, and other eligible impacts of the Project within the applicable CFD(s) (the CFD Services). Developer has agreed to and shall participate in any CFD(s) created by the City Council for these purpose so as to offset the ongoing impacts of the Project (the CFD Benefits), in accordance with the CFD Cost Allocation attached as Exhibit "A" to the Agreement For Development Impact Fees And Community Facilities District Participation, subject to each of the following:
  - a. The CFD(s) shall impose on Developer an annual CFD Assessment, which may be adjusted annually by City to offset the rising cost of providing the CFD Services.
  - b. The CFD Benefits shall benefit the Project property to at least the same roughly proportionate percentage of the Project property's share of the total CFD assessments for the CFD(s).
  - c. The CFD Benefits shall not encroach upon the Project property, impact the use or development of the Project property, or in any way limit the applicant's right to complete the Project as approved through this DOR.
  - d. All substantive and procedural requirements of State law related to the formation of the CFD(s), the rate and method of apportionment of the CFD Assessments, the issuance of bonds if applicable, and any other State requirements related to the formation and implementation of the CFD shall be followed.
  - e. Developer shall take active steps to annex the Project property into any applicable CFD as it is formed by the City Council, and will not unreasonably



delay participation. Unreasonable delay includes but is not limited to failure to attend duly noticed public hearings to annex the Project property in a CFD(s), and failure to cooperate with City on scheduling and attendance of said hearings. A delay of 6 months from the date of a duly noticed public hearing to annex the Project property into a CFD(s) will constitute a rebuttable presumption that Developer is unreasonably delaying the proceedings. This requirement shall survive the term of this Agreement.

- f. Consistent with but not limited by the Reimbursement Agreement, Developer shall reimburse City for all costs related to the formation and administration of the CFD(s) as it relates to the Project, including but not limited to consultant and engineering costs, staff time, and attorneys' fees; as deemed necessary by the City in order to effect the CFD(s) and ensure proper annexation of the Project property into the CFD(s). Developer shall only be responsible for its pro rata share of the costs related to the formation and administration of citywide CFD(s).
  - g. If, at the time of issuance of the Project's Certificate of Occupancy, the City Council has not formed the CFD(s), Developer shall make a good faith deposit to the City in an amount equivalent to three years of CFD Assessment (the CFD Deposit). Once the CFD(s) is formed and the Project property is annexed in the CFD(s), a pro rata portion of the CFD Deposit will be refunded to Developer. Developer shall continue to make good faith CFD Deposits in 3-year increments until the CFD(s) is formed, for a maximum of four 3-year terms. Interest accruing upon any such deposits shall inure to and be created for the benefit of the City.
  - h. In the event that the City Council declines to form a citywide CFD(s), Developer agrees to and shall participate in a CFD(s) limited to the Project property, subject to all other provisions of this section.
3. In the event of default by Developer of Conditions 1 and 2 above:
- a. City shall give notice to Developer of any default and the reasons for such default. The notice shall include a reasonable timeframe in which Developer may cure the default.
  - b. Upon Developer's failure to cure the default within the time provided in the notice of default:
  - c. The City may immediately issue a stop-work order on the Project and may take such further action as the City deems appropriate, including denial, suspension, or revocation of Developer's permits and/or land use entitlements; and
  - d. The City may seek judicial enforcement to recover amounts payable to City as DIF or CFD Assessment, and obtaining specific performance.
  - e. Liquidated Damages. In the event that Developer fails to annex the Project property into the applicable CFD(s), since the determination of actual damages for any breach of the Agreement by Developer may be extremely difficult or impractical to determine in the event of a breach of this Agreement, Developer shall be liable for and shall pay to the City the \$450,451 as liquidated damages, less any Property Special Assessment previously paid.



- f. Attorneys' Fees. If either party to this Agreement is required to initiate or defend litigation against the other party, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorneys' fees. Attorneys' fees shall include attorneys' fees on any appeal, and, in addition, a party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to a final judgment.
  - g. This section will not be interpreted to curtail any of the City's remedies at law or equity against Developer for any violation of its codes in their use of the facility, nor shall it be interpreted as a waiver of any defense of Developer.
4. Development project approval shall become null and void one year following the effective date of application approval unless a building permit is issued and construction is commenced and diligently pursued toward completion or a time extension has been approved by the Planning Commission. This Permit does not supersede an individual time limits specified herein for performance of specific conditions or improvements.
  5. The approved Resolution, including the Conditions of Approval contained herein, and signed Affidavit of Acceptance, shall be copied in their entirety and placed directly onto a separate plan sheet behind the cover sheet of the development plans prior to Building and Safety plan check submittal. Said copies shall be included in all development plan submittals, including any revisions and the final working drawings.
  6. The applicant shall submit two complete sets of plans that conform to all the Conditions of Approval to be reviewed and approved by the Planning Division prior to the issuance of a building permit.
  7. The applicant shall comply with all city, county, state and federal regulations applicable to this project.
  8. The applicant shall make any necessary site plan and design revisions to the site plan and elevations approved by the Planning Commission in order to comply with all the conditions of approval and applicable Zoning Ordinance provisions. Substantial revisions will require review and approval by the Planning Commission. Any revisions shall be approved by the Planning Division prior to Building and Safety plan check submittal.
  9. All construction documentation shall be coordinated for consistency including but not limited to architectural structural mechanical electrical plumbing landscape and irrigation, grading, utility, traffic signal, street lighting, traffic signing, traffic striping and street improvement plans. All such plans shall be consistent with the approved entitlement plans on file with the Planning Department Division.
  10. The applicant and property owner shall sign an Affidavit of Acceptance form and submit the document to the Planning Division within 30 days of receipt of the Planning Commission Resolution.





11. Decision of the Planning Commission shall become effective and final 15 days after the date of its action unless an appeal is filed in accordance with Section 9173.4 of the Zoning Ordinance.
12. A modification of the conditions of this permit, including additions or deletions, may be considered upon filing of an application by the owner of the subject property or his/her authorized representative in accordance with Section 9173.1 of the Zoning Ordinance.
13. It is further made a condition of this approval that if any condition is violated or if any law, statute ordinance is violated, this permit may be revoked by the Planning Commission or City Council, as may be applicable; provided the applicant has been given written notice to cease such violation and has failed to do so for a period of thirty days.
14. Precedence of Conditions. If any of the Conditions of Approval alter a commitment made by the applicant in another document, the conditions enumerated herein shall take precedence unless superseded by a Development Agreement, which shall govern over any conflicting provisions of any other approval.
15. City Approvals. All approvals by City, unless otherwise specified, shall be by the department head of the department requiring the condition. All agreements, covenants, easements, deposits and other documents required herein where City is a party shall be in a form approved by the City Attorney. The Developer shall pay the cost for review and approval of such agreements and deposit necessary funds pursuant to a deposit agreement.
16. Deposit Account. A trust deposit account shall be established for all deposits and fees required in all applicable conditions of approval of the project. The trust deposit shall be maintained with no deficits. The trust deposit shall be governed by a deposit agreement. The trust deposit account shall be maintained separate from other City funds and shall be non-interest bearing. City may make demands for additional deposits to cover all expenses over a period of 60 days, and funds shall be deposited within 10 days of the request therefore, or work may cease on the Project.
17. Indemnification. The applicant, the owner, tenant(s), and their subsequent successors (Parties) agree to defend, indemnify and hold harmless the City of Carson, its agents, officers, or employees from any claims, damages, action, or proceeding against the City or its agents, officers, or employees to attack, set aside, void or annul, or in any way related to any damage or harm to people or property, real and personal, that may result from the Parties operations or any claims against the City for or as a result of the granting of the continuance. The City will promptly notify the Parties of any such claim, action, or proceeding against the City and Parties will pay the City's associated legal costs and will advance funds assessed by the City to pay for defense of the matter by the City Attorney. The City will cooperate fully in the defense. Notwithstanding the foregoing, the City retains the right to settle or abandon the matter without the Parties' consent but should it do so, the City shall waive the indemnification herein, except, the City's decision to settle or abandon a matter following an adverse judgment or failure to appeal, shall not cause a waiver of the indemnification rights herein. Parties shall provide a deposit in the amount of



100% of the City's estimate, in its sole and absolute discretion, of the cost of litigation, including the cost of any award of attorney's fees, and shall make additional deposits as requested by the City to keep the deposit at such level. The City may ask for further security in the form of a deed of trust to land of equivalent value. If Parties fails to provide or maintain the deposit, the City may abandon the action and Parties shall pay all costs resulting therefrom and the City shall have no liability to Parties.

18. After project's entitlement approval, the applicant shall pay all applicable departmental fees. Fees shall be paid at the rate established by resolution of the City Council.

### **SPECIAL CONDITIONS**

19. **Truck activity hours will be limited from 8:00 AM to 5:00 PM.**

### **AESTHETICS**

20. Exterior building elevations showing building wall materials, roof types, exterior colors and appropriate vertical dimensions shall be included in the development construction drawings.
21. All exterior roof-top mechanical, heating and air conditioning equipment and appurtenances thereof, shall be completely screened from public view by parapet walls that are architecturally treated so as to be consistent with the building. The construction plans shall include appropriate elevations and cross section drawings demonstrating how such equipment is to be screened from public view (include dimensions, materials and colors).
22. Graffiti shall be removed from all areas within three (3) days of written notification by the City of Carson, including graffiti found on perimeter walls and fences. Should the graffiti problem persist more than twice in any calendar year, the matter may be brought before the Planning Commission for review and further consideration of site modification (i.e. fencing, landscaping, chemical treatment, etc.)
23. The proposed project site shall be maintained free of debris, litter and inoperable vehicles at all times. The subject property shall be maintained to present an attractive appearance to the satisfaction of the Planning Division. At building corners where conditions exist that would allow the public to view the back interior side of parapet walls resulting from change in parapet height the raised parapet area shall be constructed so as to be a full three dimensional four sided element of the building to the satisfaction of the Planning Division.

### **FENCE/WALL**

24. Developer will submit a Wall and Fence Plan to the Planning and Building Divisions for review and approval. The Wall and Fence Plan shall indicate materials, colors, and height of proposed and existing walls and fences, and shall include a cross section of walls and fences indicating adjacent grades. Walls shall be designed as an integral part of the Project's architecture, and shall be constructed of tilt up concrete, brick split face, slump block, or other decorative material approved by the Planning Division. This condition must be met prior to issuance of Building Permits.



## **PARKING**

25. All driveways shall remain clear. No encroachment into driveways shall be permitted.
26. All areas used for movement, parking, loading, or storage of vehicles shall be paved and in accordance with Section 9162.0 of the Zoning Ordinance.

## **SITE LIGHTING**

27. Site lighting shall be reviewed and approved by the Planning Division prior to the issuance of building permits.
28. Exterior lights shall be arranged or shielded in such a manner as to contain direct illumination on the parking area and avoid glare on an adjoining site.
29. Along pedestrian movement corridors the use of decorative low mounted bollard light standards which reinforce pedestrian scale shall be used. Steps ramps and seat walls shall be illuminated with built in light fixtures.
30. All planned parking areas shall have a minimum maintained light level of one foot candle 1 (F.C.) or greater. The light shall be on from sunset to sunrise and be operated by a photocell. The site plan shall show all buildings, the parking areas, walkways, detailed landscaping and a point b point photometry calculation of required light levels.

## **TRASH**

31. All refuse shall be stored in an appropriate container and maintained within a City approved enclosure. All on-site trash enclosures shall be design with solid cover roofs to prevent rainwater contact with waste materials. The trash enclosure and roof design shall be consistent with the design of the building architecture.

## **BUILDING AND SAFETY DIVISION**

32. Submit development plans for plan check review and approval.
33. Obtain all appropriate building permits and an approved final inspection for the proposed project.

## **UTILITIES**

34. All utilities and aboveground equipment shall be constructed and located pursuant to Section 9126.8 of the Zoning Ordinance, unless otherwise provided for in these conditions.
35. Public utility easements shall be provided in the locations as required by all utility companies with easements free and clear of obstructions, and electrical utilities shall be installed underground.
36. The applicant shall remove at his/her own expense any obstructions within the utility easements that would interfere with the use for which the easements are intended.



37. Any aboveground utility cabinet or equipment cabinet shall be screened from the public right-of-way by a decorative block wall or landscaping, to the satisfaction of the Planning Division.

## **ENGINEERING SERVICES DEPARTMENT – CITY OF CARSON**

### ***General Conditions***

38. The Developer shall submit a copy of approved Grading plans on bond paper to the City of Carson – Engineering Division, prior to issuance of grading permits.
39. The Developer shall submit an electronic copy of approved plans (such as, Sewer, Street and/or Storm Drain Improvements, whichever applies), to the City of Carson – Engineering Division, prior to issuance of permit by Engineering Division.
40. Any existing off-site improvements damaged during the construction shall be removed and reconstructed per City of Carson PW Standard Drawings and to the satisfaction of the City Engineer.
41. A construction permit is required for any work to be done in the public right-of-way.
42. Construction bond for all work to be done within the public right of way shall be submitted and approved by Engineering Division prior to issuance of permit by Engineering Division.
43. Proof of Worker's Compensation and Liability Insurance shall be submitted to the city prior to issuance of permit by Engineering Division.

### ***Prior to Issuance of Building Permit***

44. Drainage/Grading plan shall be submitted for approval of the Building and Safety Division. The Developer shall submit a copy of approved Drainage/Grading plans on bond paper to the City of Carson – Engineering Division.
45. Soils report, sewer area study, drainage concept, hydrology study and stormwater quality plan shall be reviewed and approved. Building Permit issuance will not be granted until the required soils, sewer, drainage concept, hydrology study and stormwater information have been received and found satisfactory. Comply with mitigation measures recommended in the approved soils, sewer area study, drainage concept, hydrology study and stormwater quality plan.
46. The Developer shall submit a sewer area study to the Los Angeles County Department of Public Works (LACDPW) to determine if capacity is adequate in the sewerage system to be used as the outlet for the sewer of this development. If the system is found to have insufficient capacity, the problem must be addressed and resolved to the satisfaction of the L.A. County Sewer Department.
47. Quitclaim or relocate any easements interfering with building locations to the satisfaction of the City, appropriate agency or entity.
48. Dedicate the existing 20-ft easement abutting the development along Main Street for roadway purposes. Developer shall prepare legal description for required





dedication, for review and approval of the City Engineer and Recordation with County Recorders Office. All documents shall be approved and ready for recordation prior to issuance of Building Permits.

49. The Developer shall submit improvement plans to the Engineering Division showing all the required improvements in the public right of way for review and approval of the City Engineer. A copy of approved conditions of approval shall be attached to the plans when submitted.
  - a) Street Improvements (if any) along Main Street
  - b) Sewer Main Improvements (if any) along Main Street as determined by the aforementioned sewer area study.
  - c) Storm Drain Improvements (if any) along Main Street as determined by the aforementioned requirement.
50. Off-site improvements (eg. driveways, sidewalk, parkway drains, trees, curb/gutter etc) shown on the grading plans must provide a concurrent submittal to City of Carson Engineering Division. Off-site improvements may be shown on a separate set of street improvement plans. Prior to issuance of Grading permit, developer shall obtain clearance from City of Carson Engineering Division.
51. All existing overhead utility lines 12 kilovolts and less along Main Street shall be underground to the satisfaction of the City Engineer. Alternatively, in the City Engineer's discretion, the City may accept an in-lieu fee in an amount determined by the City Engineer to be sufficient to cover the costs of such undergrounding provided the applicant deposits the full amount of the deposit of the in-lieu fee before issuance of Building Permits. Undergrounding estimate shall be prepared by Southern California Edison and shall be submitted to the City Engineer for his determination.

***Prior to Issuance of Certificate of Occupancy***

52. The Developer shall comply with all requirements from L.A. County Sewer Maintenance Division for maintenance of new and/or existing sewer main, relating to this development, prior to release of all improvement bonds.
53. The Developer shall execute and provide to the City Engineer, a written statement from the water purveyor indicating that the water system will be operated by the purveyor and that under normal conditions, the system will meet the requirements for the development and that water service will be provided to each building. Comply with mitigation measures recommended by the water purveyor.
54. The Developer shall construct and guarantee the construction of all required drainage infrastructures in accordance with the requirements and recommendations of the hydrology study, subject to the approval of the City Engineer.
55. Repair any broken or raised/sagged sidewalk, curb and gutter within the public right of way along Main Street abutting this proposed development per City of Carson PW Standard Drawings and to the satisfaction of the City Engineer.



56. Fill in any missing sidewalk within the public right of way along Main Street abutting this proposed development.
57. **Remove existing trees in parkway and fill in with typical sidewalk.**
58. Remove and replace any broken/damaged driveway approach within the public right of way along Main Street abutting this proposed development per City of Carson PW Standard Drawings and to the satisfaction of the City Engineer.
59. Remove unused driveway approach if any, within the public right of way along Main Street abutting this proposed development and replace it with full height curb and gutter and sidewalk per City of Carson PW Standard Drawings and to the satisfaction of the City Engineer.
60. The Developer shall modify existing driveways within the public right of way along Main Street abutting this proposed development per City of Carson PW Standard Drawings to comply with the ADA requirements and to the satisfaction of the City Engineer.
61. The developer shall construct new driveway approaches per City of Carson PW Standard Drawings and in compliance with the ADA requirements. The Developer shall protect or relocate any facilities to accommodate the proposed driveway approach. The maximum driveway approach width allowed for the site is 40 feet.
62. All new utility lines, servicing the proposed development shall be underground to the satisfaction of the City Engineer.
63. Comply with any additional requirements, if any, as means of mitigating any traffic impacts as identified in the traffic study approved by the City Traffic Engineer.
64. Install striping and pavement legend per City of Carson PW Standard Drawings.
65. Paint Curbs Red along Main Street within or abutting this proposed development. Plans showing the proposed red curbs shall be submitted to the Traffic Engineer for review and approval.
66. If needed, easements shall be granted to the City, appropriate agency, or entity for the purpose of ingress, egress, construction, and maintenance of all infrastructures constructed and handicap access for this development to the satisfaction of the City Engineer and or appropriate agency or entity.
67. Streets abutting the development, shall be slurry sealed from median-to-curb when medians are existing or as approved by the City Engineer. Slurry Seal materials shall be rubberized emulsion aggregate slurry (REAS). Developer may pay a fee in-lieu of application of Slurry Seal. (\$0.45 per square foot \$1,350.00 minimum fee for first location up to 3,000 square feet)
68. All infrastructures necessary to serve the proposed development (water, sewer, storm drain, and street improvements) shall be in operation prior to the issuance of Certificate of Occupancy.

## **PUBLIC WORKS – WATER QUALITY**



### ***Prior to Issuance of Building Permit***

69. Per City of Carson ordinance 5809 developer shall comply with all applicable Low Impact Development (LID) requirements and shall include Best Management Practices necessary to control storm water pollution from construction activities and facility operations to the satisfaction of the City Engineer.
70. Developer shall provide a copy of an approved SWPPP stamped by Los Angeles County Building and Safety Division along with WDID number. If applicable
71. Developer shall provide contact information of the Qualified Storm Water Developer (QSD) and/or Qualified SWPPP (Storm Water Pollution Prevention Plan) Developer (QSP) of the site. if applicable
72. Developer shall submit digital copies of LID/NPDES/Grading Plans concurrently to City of Carson, Engineering Services Department and Los Angeles County Building & Safety Division.
73. Developer shall complete, sign and return the Stormwater Planning Program LID Plan Checklist form and return to City of Carson Engineering Services Division.

### ***Prior to Issuance of Certificate of Occupancy***

74. For any structural and/or treatment control device installed. Developer shall record a maintenance covenant pursuant to Section 106.4.3 of the County of Los Angeles Building Code and title 12, Chapter 12.80 of the Los Angeles County Code relating to the control of pollutants carried by storm water runoff.
75. In addition, an exhibit shall be attached to identify the location and maintenance information for any structural and/or treatment control device installed.
76. Covenant shall be reviewed and approved by the City Engineer prior to recordation with the Los Angeles County Registrar-Recorder/County Clerk.
77. RECORDATION is the responsibility of the Developer. Provide a copy of the recorded covenant agreement to City Engineer
78. Inspection will be conducted once a year after all Post Construction Best Management Practices (BMP) are constructed.

### **FIRE DEPARTMENT**

79. The proposed project shall comply with all Los Angeles County Fire Department requirements (i.e. fire hydrant fire flow requirements).
80. No parking shall be permitted within areas identified by the Fire Department as "fire-lanes" to ensure emergency vehicles access.
81. Provide a red strip on each side of the existing drive aisle with the words "no parking and fire lane" for the length of the existing building.



82. Raised curbs adjacent to Fire Department connection(s) shall be painted red, five feet either side, per City standards.

**BUSINESS LICENSE**

83. All parties involved in the subject project including to but not limited to contractors and subcontractors are required to obtain a city business license per Section 6310 of the Carson Municipal Code.



**AGREEMENT FOR DEVELOPMENT IMPACT FEES AND COMMUNITY  
FACILITIES DISTRICT PARTICIPATION**

**THIS AGREEMENT** (Agreement) is executed this \_\_\_\_\_ day of \_\_\_\_\_, 2017 (Effective Date), by and between the **CITY OF CARSON**, a California municipal corporation (City), and **CALIFORNIA PAK, LLC**, a California limited liability company (CALPAK), whose principal place of business is 17706 S. Main Street in the City of Carson. City and CALPAK may be referred to, individually or collectively, as "Party" or "Parties."

**RECITALS**

**WHEREAS**, on March 21, 2017, the City Council of the City of Carson adopted Interim Urgency Ordinance No. 17-1615U by a 5-0 vote, pursuant to its authority under Government Code Section 65858; and

**WHEREAS**, Interim Urgency Ordinance No. 17-1615U enacted a 45-day moratorium on the establishment, expansion, or modification of truck yards, logistics facilities, hazardous materials and hazardous waste facilities, container storage facilities, and container parking (collectively, Logistics Facilities) in the City of Carson; and

**WHEREAS**, on May 2, 2017, the City Council adopted Interim Urgency Ordinance No. 17-1618U by a 5-0 vote, pursuant to its authority under Government Code Section 65858; and

**WHEREAS**, Interim Urgency Ordinance No. 17-1618U enacted a 10-month and 15-day extension of the moratorium on the establishment, expansion, or modification of Logistics Facilities (the Ordinance); and

**WHEREAS**, during the effective period of the Ordinance, no application for permit is being accepted, no consideration of any application for permit is being made, and no permit is being issued by the City for the establishment, expansion, or modification of Logistics Facilities; and

**WHEREAS**, the City Council may allow exceptions to the application of the Ordinance if, based on substantial evidence presented, it determines any or a combination of the following for a specific project:

1. The City's approval of an application for a permit to establish, expand, or modify a Logistics Facility within the City's jurisdiction will not have a material negative impact upon the public health, safety, and welfare.
2. Application of the Ordinance would impose an undue financial hardship on a property or business owner.
3. Land controlled by the City or by any of its agencies and authorities, including transactions approved by the Department of Finance.
4. The developer or tenant agrees to form or to participate in a Community Financing District (CFD) to pay for ongoing City services, including but not limited to, road maintenance, landscape maintenance, lighting, public safety, storm water management, etc., to the satisfaction of the City Council.



5. The developer or tenant enters into an agreement that guarantees the City the same financial assurances offered by a CFD.

6. The fiscal impact analysis for the business shows that the business will not, after taking into consideration all fiscal and employment benefits to the City and its residents, have material adverse negative fiscal impacts on the City.

7. The Logistics Facility will not generate additional materially adverse truck traffic impacts in excess of those generated by the use of the property as of the effective date of the Ordinance.

8. The facility enters into a development impact fees agreement with the City.

9. The use is permitted or conditionally permitted in the zone.

10. The use is consistent with the purposes of the Ordinance and the General Plan.

11. The use will not be in conflict with any contemplated general plan, specific plan, or zoning code update that the City Council is considering or studying or intends to study.

12. The use is not and will not become a hazardous materials facility, a truck yard, or a container storage facility.

13. The use will not abut a sensitive land use, or the impacts on an abutting sensitive land use can be adequately mitigated with reasonable conditions.

14. The use will not constitute a threat to the public health, safety, and welfare.

**WHEREAS**, on December 26, 2016, CALPAK submitted a Design Overlay Review application (DOR) to allow for construction of a 102,931 square-foot Logistics Facility (the Project) on a 4.7-acre parcel located at 17706 S. Main Street, Assessor's Parcel Number 7339-002-003 (the Property), in the ML-D (Manufacturing Light, Design Overlay) zone; and

**WHEREAS**, the Project is subject to the moratorium established by the Ordinance; and

**WHEREAS**, on May 30, 2017, CALPAK filed a request for an exception to the Ordinance to allow filing and processing of all applications and/or permits necessary for the construction of the Project; and

**WHEREAS**, as of the date of the adoption of Interim Urgency Ordinance No. 17-1615U, the Project had begun, but had not completed, the process of obtaining the necessary entitlements; to wit, the site plan, landscape plan, and the elevations of the Project have been finalized, and a revised initial study has been submitted, but no approvals have issued; and

**WHEREAS**, on March 21, 2017, the City Council adopted Resolution No. 17-081, approving an exception to the Ordinance for the Project (the Exception), subject to certain conditions precedent, including that CALPAK will pay the one-time interim Development Impact Fee (DIF) of \$2.00 per square foot, totaling \$205,862.00; and

**WHEREAS**, CALPAK has also agreed to participate in one or more Community Facilities Districts (CFDs) to pay for on-going costs associated with the Project in the categories of Landscape Maintenance, Street Sweeping and Sidewalk Cleaning and Maintenance, Sheriff Service, and Street Maintenance. The CFD amounts shall be in addition to the DIF; and





**WHEREAS**, this Agreement furthers Goal TI-1 of the General Plan, to “[m]inimize impacts associated with truck traffic through the City, as well as the truck parking locations”; and

**WHEREAS**, this Agreement furthers Goal TI-2 of the General Plan, to “provide a sustainable, safe, convenient and cost -effective circulation system to serve the present and future transportation needs of the Carson community”; and

**WHEREAS**, this Agreement furthers Goal TI-7 of the General Plan, to “Provide improved aesthetic enhancements to and maintenance of the City’s transportation corridors”; and

**WHEREAS**, CALPAK entered into a reimbursement agreement with City on November 14, 2017 (the Reimbursement Agreement), pursuant to which CALPAK agreed to reimburse the City for “all reasonable costs and fees” related to the Project, including staff time, attorneys’ fees, consultant fees, and any other administrative costs related to the Project, this Agreement, the formation and administration of the CFD(s) and any other administrative or legal costs incurred by the City to effect the Project; and

**NOW, THEREFORE**, for the purposes set forth herein, and for good and valuable consideration, the adequacy of which is hereby acknowledged, the Parties hereby agree as follows:

## **TERMS**

1. **Incorporation of Recitals.** The Parties hereby incorporate the Recitals as though fully set forth herein.

2. **CALPAK Responsibility for DIF Amount.** CALPAK shall be responsible for payment of one-time impact fees of \$2/square foot. The Project contemplates a 102,931 square foot Logistics Facility. Based on the square footage of the Project, CALPAK will be responsible for development impact fees in the amount of \$205,862 (DIF Amount), provided that if the Project increases or decreases in size, the DIF Amount will be adjusted accordingly at the same rate. CALPAK shall submit payment of the DIF Amount prior to the issuance of building permits. No building permits shall be issued prior to the full payment of the DIF Amount.

2.1 **Allocation of DIF; Interest on Deposit.** Any amounts deposited by CALPAK shall be used by the City to pay for increased accumulative impacts due to the Project on the City’s infrastructure, including but not limited to, any or all of the following: Traffic and circulation (roads, sidewalks, and signals); Public Safety (Fire and Sheriff’s stations); Parks and open space (park land/improvements and trails and bikeways); Library; Noise (sound walls); Flood control and stormwater. Interest accruing upon any such deposit shall inure to and be created for the benefit of the City.

### **3. CFD Formation and Participation**

3.1 **Citywide CFD(s).** City intends to form one or more citywide CFDs to finance the ongoing costs of the following: law enforcement, street and sidewalk maintenance, landscape maintenance, street sweeping and sidewalk cleaning, and other eligible maintenance and service costs of properties within the City (the Master CFD(s)).



3.2 **CFD for the Property.** It is possible that, prior to forming any applicable Master CFD(s), the City may form a CFD(s) exclusive to the Property (the Property CFD(s)).

3.3 **Inclusion of Property in CFDs.** By entering into this Agreement, CALPAK has agreed that the Property shall be subject to Special Assessments, whether administered through the Property CFD(s) or the Master CFD(s) (the Property's Special Assessment). It is possible that the Property CFD(s) is formed first and that, subsequently, one or more Master CFD(s) are formed, some or all of which may include the Property as a "Zone" within the Master CFD(s). Notwithstanding the eventual structure of these various CFDs, CALPAK agrees that it will consent, as necessary to implement the intent of this Agreement, to the formation of the Property CFD(s) and to the annexation of the Property into the Master CFD(s) or Property CFD(s) which include one or more of the specific categories of maintenance and services listed on Exhibit "A" (the Exhibit "A" Costs). Notwithstanding any other provision of this Agreement, CALPAK's commitment under this Section 3.3 is limited by and subject to the following, all of which shall be reflected in the formation documents of any applicable CFD:

a. Irrespective of the Special Assessment rates and amounts applied to other properties within the Master CFD(s), the Property's Special Assessment shall be limited to those expenses and categories of maintenance and services listed on Exhibit "A" (i.e., Landscape Maintenance, Street Sweeping and Sidewalk Cleaning and Maintenance, Sheriff Service, and Street Maintenance).

b. The rate and allocation of the Property's Special Assessment shall be based solely on the cost to satisfy the Exhibit "A" Costs.

c. On an annual basis, the Property's Special Assessment shall not exceed the dollar amount of the Exhibit "A" Costs shown on Exhibit "A," subject only to periodic adjustments to offset the rising cost of providing the CFD Services (Periodic Adjustments). The Periodic Adjustment for Sheriff Service shall be based upon actual costs. With respect to all other costs, under no circumstances shall a Periodic Adjustment be greater than the corresponding annual percentage change, if any, in the annual Consumer Price Index for All Urban Consumers for the Los Angeles Area. The Periodic Adjustments shall assume the starting month and year for the first Periodic Adjustment to be the date of the formation of the CFD.

d. Any amounts paid toward the Property's Special Assessment shall be credited toward and offset any new special warehousing or Logistics Facilities tax or fee the City may impose upon the operation or impacts of warehouses, Logistics Facilities, or the Project. Replenishment of that credit shall not be required.

e. Maintenance and service work performed by any CFD(s), including the Master CFDs, shall not encroach upon the Property, impact the use or development of the Property, or in any way limit the applicant's right to complete the Project as approved through the DOR.



f. The Property shall be exempt from future participation in any CFD which is not within the scope of this Agreement or any other assessment district or equivalent district formed by the City in the future to address impacts of the Project.

**3.4 CALPAK's Responsibility Relative to Formation of CFDs.** CALPAK shall participate, without unreasonable delay, in CFD formation proceedings as needed to implement this Agreement. Unreasonable delay includes but is not limited to failure to attend duly noticed public hearings to annex the Project property in a CFD(s), and failure to cooperate with City on scheduling and attendance of said hearings. A delay of 6 months from the date of a duly noticed public hearing to annex the Project property into a CFD(s) will constitute a rebuttable presumption that CALPAK is unreasonably delaying the proceedings, but only if CALPAK is the sole cause of the entirety of that delay.

**3.5 Costs of CFD Formation.** Consistent with but not limited by the Reimbursement Agreement, CALPAK shall reimburse City for all costs related to the formation and administration of the CFD(s) as it relates to the Project, including but not limited to consultant and engineering costs, staff time, and attorneys' fees, as deemed necessary by the City in order to effect the CFD(s) and ensure proper annexation of the Property into the CFD(s). CALPAK shall only be responsible for its pro rata share of the costs related to the formation and administration of a citywide CFD(s).

**3.6 Periodic CFD Deposits.** If, at the time of issuance of the Project's Certificate of Occupancy, the City Council has not formed the CFD(s), CALPAK shall make a good faith deposit to the City in an amount equivalent to three years of the Property's Special Assessment, subject to the provisions of Section 3.3 above (the CFD Deposit). Once the CFD(s) is formed and the Property is annexed into the CFD(s), a pro rata portion of the CFD Deposit will be refunded to CALPAK. CALPAK shall continue to make good faith CFD Deposits in 3-year increments until the CFD(s) is formed, for a maximum of four 3-year terms. Interest accruing upon any such deposits shall inure to and be created for the benefit of the City.

#### **4. Default by CALPAK; Remedies.**

4.1 CALPAK shall be responsible for complying with all the provisions of this Agreement. In the event that City must enforce any of the provisions of this Agreement:

a. City shall give notice to CALPAK of any default and the reasons for such default. The notice shall include a reasonable timeframe in which CALPAK may cure the default.

b. Upon CALPAK's failure to cure the default within the time provided in the notice of default:

(i) The City may immediately issue a stop-work order on the Project and may take such further action as the City deems appropriate, including denial, suspension, or revocation of CALPAK's permits and/or land use entitlements; and



(ii) The City may seek judicial enforcement of any provision of this Agreement, including but not limited to, recovering amounts payable to City as DIF or CFD Assessment, and obtaining specific performance.

4.2 **Liquidated Damages.** Since it may be extremely difficult or impractical to determine the actual damages for the failure of CALPAK to annex the Property into the applicable CFD(s) as set forth above, in the event of CALPAK's failure or refusal to annex into the applicable CFD(s), CALPAK shall be liable for and shall pay to the City \$450,451.00 as liquidated damages, less any Property Special Assessment previously paid.

4.3 **Attorneys' Fees.** If either Party to this Agreement is required to initiate or defend litigation against the other Party, the prevailing Party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorneys' fees. Attorneys' fees shall include attorneys' fees on any appeal, and, in addition, a Party entitled to attorneys' fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to a final judgment.

4.4 **Code Enforcement.** This section will not be interpreted to curtail any of the City's remedies at law or equity against CALPAK for any violation of its codes in their use of the facility, nor shall it be interpreted as a waiver of any defense of CALPAK.

5. **Additional Taxes, Fee, and Charges.** Except as provided in Section 3.3(d) above, CALPAK shall pay all normal and customary fees and charges applicable to all permits necessary for the Project, and any taxes, fees, and charges hereafter imposed by City in connection with the Project which are standard and uniformly-applied to similar projects in the City.

6. **Term.** This Agreement shall remain in effect for a period of twelve years from the Effective Date or from the full and final conclusion (including any potential appeals) of any litigation arising from or connected to the City's approval of the application.

7. **Indemnification.**

7.1 Indemnification and Hold Harmless.

a. Non-liability of City. The Parties acknowledge that there may be challenges to the legality, validity, and adequacy of this Agreement in the future; and if successful, such challenges could delay or prevent the performance of this Agreement and the development of the Project.

b. Participation in Litigation: Indemnity. CALPAK agrees to indemnify, protect, defend, and hold harmless the City and its officials, officers, employees, agents, elected boards, commissions, departments, agencies, and instrumentalities thereof, from any and all actions, suits, claims, demands, writs of mandamus, liabilities, losses, damages, penalties, obligations, expenses, and any other actions or proceedings (whether legal, equitable,





declaratory, administrative, or adjudicatory in nature), and alternative dispute resolution procedures (including, but not limited to, arbitrations, mediations, and other such procedures) asserted by third parties against the City that challenge, or seek to void, set aside, or otherwise modify or annul, the action of, or any approval by, the City for or concerning this Agreement (including, but not limited to, reasonable attorneys' fees and costs) (herein the Claims and Liabilities) whether such Claims and Liabilities arise out of planning and zoning laws, the Subdivision Map Act, Code of Civil Procedure Sections 1085 or 1094.5, or any other federal, state, or local statute, law, ordinance, rule, regulation, or any decision of a competent jurisdiction. In the event any action for any Claims and Liabilities is brought against the City and/or related parties, upon City's notification to CALPAK of the pendency of a claim or suit, CALPAK shall make a minimum deposit sufficient to pay all of CALPAK's indemnification obligations for the following 90 days, which includes legal costs and fees anticipated to be incurred as reasonably determined by the City. CALPAK shall make deposits required under this section within 5 days of the City's written request. At no point during the pendency of such claim or suit, shall the minimum balance of the deposit fall below Fifteen Thousand Dollars (\$15,000).

If CALPAK fails to timely pay such funds, the City may abandon the action without liability to CALPAK and may recover from CALPAK any attorneys' fees and other costs for which the City may be liable as a result of abandonment of the action. It is expressly agreed that the City shall have the right to utilize the City Attorney's office or use other legal counsel of its choosing. CALPAK's obligation to pay the defense costs of the City shall extend until final judgment, including any appeals. City agrees to fully cooperate with CALPAK in the defense of any matter in which CALPAK is defending and/or holding the City harmless. The City may make all reasonable decisions with respect to its representation in any legal proceeding, including its inherent right to abandon or to settle any litigation brought against it in its sole and absolute discretion.

c. Exception. The obligations of CALPAK under this Section shall not apply to any claims, actions, or proceedings arising through the sole negligence or willful misconduct of the City, its members, officers, or employees.

d. Effect if Project Terminated. If, as a result of any legal challenge, the development of the Project is fully terminated, after full accounting of all outstanding invoices of consultants, attorneys and city staff time, all unused funds on deposit with the City shall be refunded to CALPAK upon written request by CALPAK. If the Project is subsequently allowed to start during the term of this Agreement, the refunded funds shall be returned to the City and this Agreement shall be enforced in full effect, prior to the issuance of any building permits.

7.2 Period of Indemnification. The obligations for indemnity under this Section 7 shall begin upon the Effective Date and, for those claims filed before termination, shall survive termination of this Agreement.

8. **Relationship Between the Parties.** The Parties hereby mutually agree that this Agreement shall not operate to create the relationship of partnership, joint venture, or agency





between City and CALPAK. Nothing herein shall be deemed to make CALPAK an agent of City.

9. **Authority to Enter Agreement.** CALPAK hereby warrants that it has the legal capacity to enter into this Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

10. **Notices.** All notices, demands, invoices, and communications shall be in writing and delivered to the following addresses or such other addresses as the Parties may designate by written notice:

To City: City of Carson  
701 East Carson Street  
Carson, California 90745  
Attn: Saied Naaseh, Planning Manager

Copy to: Aleshire & Wynder, LLP  
18881 Von Karman Ave. Suite 1700  
Irvine, CA 92612  
Fax: 949-223-1180  
email: sks@awattorneys.com  
Attn: Sunny Soltani

To CALPAK: JJ.ER, LLC  
c/o California Pak  
1700 S. Wilmington  
Compton, CA 90220  
Attn: Edward Kwon, Managing Member

Copy to: Xebec Building Company  
3010 Old Ranch Parkway, Suite 480  
Seal Beach, CA 90740  
Attn: Sylvia Tran

Depending upon the method of transmittal, notice shall be deemed received as follows: by facsimile, as of the date and time sent; by messenger, as of the date delivered; by U.S. Mail first class postage prepaid, as of 72 hours after deposit in the U.S. Mail; and by email, upon the sender's receipt of an email from the recipient acknowledging receipt.

11. **Cooperation; Further Acts.** The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate, or convenient to attain the purposes of this Agreement.

12. **Construction; References; Captions.** It being agreed the Parties or their agents have participated in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any



term referencing time, days, or period for performance shall be deemed calendar days and not work days, provided, however that any deadline that falls on a weekend or holiday shall be extended to the next City business day. All references to CALPAK include all personnel, employees, agents, and contractors of CALPAK, except as otherwise specified in this Agreement. All references to City include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

13. **Amendment; Modification.** No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

14. **Waiver.** No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual right by custom, estoppel, or otherwise.

15. **Binding Effect.** Each and all of the covenants and conditions shall be binding on and shall inure to the benefit of the Parties, and their successors, heirs, personal representatives, or assigns. This section shall not be construed as an authorization for any Party to assign any right or obligation.

16. **No Third Party Beneficiaries.** There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

17. **Invalidity; Severability.** If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

18. **Consent to Jurisdiction and Venue.** This Agreement shall be construed in accordance with and governed by the laws of the State of California. Any legal action or proceeding brought to interpret or enforce this Agreement, or which in any way arises out of the Parties' activities undertaken pursuant to this Agreement, shall be filed and prosecuted in the appropriate California State Court in the County of Los Angeles, California. Each Party waives the benefit of any provision of state or federal law providing for a change of venue to any other court or jurisdiction including, without limitation, a change of venue based on the fact that a governmental entity is a party to the action or proceeding, or that a federal right or question is involved or alleged to be involved in the action or proceeding. Without limiting the generality of the foregoing waiver, CALPAK expressly waives any right to have venue transferred pursuant to California Code of Civil Procedure Section 394.

19. **Time is of the Essence.** Time is of the essence to this Agreement.

20. **Counterparts.** This Agreement may be signed in counterparts, each of which shall constitute an original and which collectively shall constitute one instrument.



21. **Entire Agreement.** This Agreement, along with its exhibits, contains the entire agreement between City and CALPAK and, supersedes any prior oral or written statements or agreements between City and CALPAK with respect to the subject matter of this Agreement.

22. **Subject to Approval.** Although CALPAK have signed this Agreement before receiving it's final DOR approvals from the City, this Agreement shall not take effect until CALPAK receives its final DOR approval from the City at which time, the City will sign the Agreement and it will become immediately effective.

**IN WITNESS WHEREOF**, the Parties hereto have executed this Agreement as of the day and year first above written.

**CALPAK:**

CALPAK LLC

By: \_\_\_\_\_

Name: Edward Kwon

Its: Managing Member

**ATTEST:**

By: \_\_\_\_\_

Its: \_\_\_\_\_

**CITY:**

CITY OF CARSON, a California municipal corporation

By: \_\_\_\_\_

Its: City Manager

**APPROVED AS TO FORM:**

By: \_\_\_\_\_

Sunny K. Soltani, City Attorney

[EQG]



**EXHIBIT "A"**  
**CFD COST ALLOCATION**



11/8/2017

City of Carson  
 CFD Calculation Worksheet

Project - California PAK

Summary Sheet	Subtotal
Landscape Maintenance (Annual Cost)	\$2,346.25
Street Sweeping and Sidewalk Cleaning and Maintenance (Annual Cost)	\$499.63
Sheriff Service (Annual Cost)	\$4,878.93
Street Maintenance (Annual Cost)	\$1,464.40
<b>Total Annual Maintenance Costs</b>	<b>\$9,189.21</b>



11/8/2017

Landscape Maintenance	Unit	Quantity	Unit Cost	Subtotal
<b>Perimeter Streets (Parkway Landscaping)</b>				
Main Street (West boundary) (Developer to Maintain)	LF	-	\$3.43	\$0.00
<b>Perimeter Streets (Center Median Landscaping)</b>				
Main Street (West boundary)	LF	375.00	\$3.43	\$1,286.25
Subtotal				\$1,286.25
<b>Perimeter Streets (Parkway Trees)</b>				
Main Street (West boundary) New Tree Wells @ 25' Intervals	EA	7	\$53.00	\$371.00
<b>Perimeter Streets (Center Median Trees)</b>				
Main Street (West boundary) Existing Trees in Median	EA	13	\$53.00	\$689.00
Subtotal				\$1,060.00
<b>Total Annual Landscape Maintenance</b>				<b>\$2,346.25</b>

Parkway and Median Landscaping Costs

Vegetation Maintenance - 10.2 cents/sf	LF	\$	1.33
Irrigation Maintenance	LF	\$	0.88
Structure Maintenance	LF	\$	0.44
Vegetation Replacement (25 Year Cycle)	LF	\$	0.60
Irrigation Replacement (25 Year Cycle)	LF	\$	0.12
Structure Replacement (25 Year Cycle)	LF	\$	0.06
Total Unit Cost		\$	3.43

Tree Maintenance Costs

Tree Maintenance	EA	\$	35.00
Tree Well Maintenance	EA	\$	4.00
Tree Replacement (25 Year Cycle)	EA	\$	10.00
Tree Well Replacement (25 Year Cycle)	EA	\$	4.00
Total Unit Cost		\$	53.00







11/8/2017

Street and Sidewalk Sweeping	Unit	Quantity	Unit Cost	Subtotal
<b>Perimeter Streets - Curb Line Sweeping</b>				
Main Street (West boundary)	LF	262.00	\$0.36	\$93.63
<b>Perimeter Streets - Sidewalk Cleaning</b>				
Main Street (West boundary)	SF	1,310.00	\$0.31	\$406.10
<b>Subtotal</b>				<b>\$499.63</b>
<b>Travel Path to Freeway - Curb Line Sweeping</b>				
N/A	LF	-	\$0.36	\$0.00
<b>Travel Path to Freeway - Sidewalk Cleaning</b>				
N/A	SF	-	\$0.31	\$0.00
<b>Subtotal</b>				<b>\$0.00</b>
<b>Total Annual Sweeping and Maintenance</b>				<b>\$499.63</b>

Curb Line Sweeping Costs and Maintenance

Street Sweeping Costs	LF	\$	0.01
Curb and Gutter Maintenance	LF	\$	0.05
Curb and Gutter Replacement (50 Year Cycle)	LF	\$	0.30
Total Unit Cost		\$	0.36

Sidewalk Cleaning and Maintenance

Sidewalk Cleaning	SF	\$	0.10
Sidewalk Maintenance	SF	\$	0.03
Sidewalk Replacement (50 Year Cycle)	SF	\$	0.18
Total Unit Cost		\$	0.31



11/8/2017

Sheriff Service	Unit	Quantity	Unit Cost	Subtotal
<b>Incremental Project Jobs and Cost Impact</b>				
Number of Employees per SF of Development	EMPs.	62	\$79.00	\$4,878.93
Average of 0.0008 Employees per SF **	SF	102,931		
<b>Annual Sheriff Maintenance Cost</b>				<b>\$4,878.93</b>

Projections based on value of existing Sheriff's contract for services.  
 Per Unit FTE driven from the June 25, 2017 Fiscal Impact Peer Review.  
 \*\* Average number of employees for this development type within City of Carson

11/8/2017

Street Maintenance	Functional Classification	Condition and Category	Treatment Type	Unit	Quantity	Unit Cost	Subtotal	
<b>Perimeter Streets (Half width Maintenance)</b>								
Main Street (West boundary)	Collector (AC)	Good *	Crack Seal, Slurry and Overlay	SY	915.25	\$1.00	\$1,464.40	
<b>Path of Travel to Freeway</b>								
Main Street - Project to West Bound Ramp of the 21	Arterial (AC)	Good *	Crack Seal, Slurry and Overlay	SY	-	\$1.00	\$0.00	
Main Street, Albertoni Street - Project to East bound ramp - 21	Arterial (AC)	Good *	Crack Seal, Slurry and Overlay	SY	-			
Subtotal							\$1,464.40	
Developer's Share							100%	\$1,464.40
<b>Developer's Share of Streets Maintenance Costs</b>							<b>\$1,464.40</b>	

Notes:  
 \* Pavement Condition rating (PCI) is per the City's Pavement Management Program, Appendix A, Sheet 27 of 38.  
 See the City of Carson's 2016 Pavement Management Program Update for pavement maintenance plan.  
 Unit costs are based on crack seal and slurry every 7 years with a thin AHRM overlay every 21 years, per the Pavement Management Program.  
 Quantity is based on maintenance of half width street across project frontage only.





# 91 FREEWAY



City of Carson  
EXHIBIT NO. 2 -  
17706 S. Main St





## REIMBURSEMENT AGREEMENT

**THIS REIMBURSEMENT AGREEMENT** (“**Agreement**”) is executed this \_\_\_\_\_ day of \_\_\_\_\_, 2017 (“**Effective Date**”), by and between the **CITY OF CARSON**, a California municipal corporation (“**City**”), and **CALIFORNIA PAK, LLC**, a California limited liability company (“**Developer**”). City and Developer may be referred to, individually or collectively, as “**Party**” or “**Parties.**”

### RECITALS

**WHEREAS**, on March 21, 2017, the City Council of the City of Carson adopted Interim Urgency Ordinance No. 17-1615U by a 5-0 vote, pursuant its authority under Government Code Section 65858; and

**WHEREAS**, Interim Urgency Ordinance No. 17-1615U enacted a 45-day moratorium on the establishment, expansion, or modification of truck yards, logistics facilities, hazardous materials and hazardous waste facilities, container storage, and container parking (collectively, “**Logistics Facilities**”) in the City of Carson; and

**WHEREAS**, on May 2, 2017, the City Council adopted Interim Urgency Ordinance No. 17-1618U by a 5-0 vote, pursuant to its authority under Government Code Section 65858; and

**WHEREAS**, Interim Urgency Ordinance No. 17-1618U enacted a 10-month and 15-day extension of the moratorium on the establishment, expansion, or modification of Logistics Facilities (the “**Ordinance**”); and

**WHEREAS**, during the effective period of the Ordinance, no application for permit is being accepted, no consideration of any application for permit is being made, and no permit is being issued by the City for the establishment, expansion, or modification of Logistics Facilities; and

**WHEREAS**, Developer wishes to build and operate a 102,931 square foot Logistics Facility to be located at 17706 S. Main Street in the City of Carson (the “**Project**”); and

**WHEREAS**, the Project is subject to the Ordinance’s moratorium on Logistics Facilities; and

**WHEREAS**, the City Council may allow exceptions to the application of the Moratorium if, based on substantial evidence presented, it determines any or a combination of the following:

1. The City’s approval of an application for a permit to establish, expand, or modify a Logistics Facility within the City’s jurisdiction will not have a material negative impact upon the public health, safety, and welfare.
2. Application of the Moratorium would impose an undue financial hardship on a property or business owner.
3. Land controlled by the City or by any of its agencies and authorities including transactions approved by the Department of Finance.
4. The developer or tenant agrees to form or to participate in a Community Financing District (CFD) to pay for ongoing City services, including but not limited to, road

EXHIBIT NO. 3 -



maintenance, landscape maintenance, lighting, public safety, storm water management, etc., to the satisfaction of the City Council.

5. The developer or tenant enters into an agreement that guarantees the City the same financial assurances offered by a CFD.
6. The fiscal impact analysis for the business shows that the business will not, after taking into consideration all fiscal and employment benefits to the City and its residents, have material adverse negative fiscal impacts on the City.
7. The Logistics Facility will not generate additional materially adverse truck traffic impacts in excess of those generated by the use of the property as of the effective date of this Ordinance.
8. The facility enters into a development impact fees agreement with the City.
9. The use is permitted or conditionally permitted in the zone.
10. The use is consistent with the purposes of the Moratorium and the General Plan.
11. The use will not be in conflict with any contemplated general plan, specific plan, or zoning code update that the City Council is considering or studying or intends to study.
12. The use is not and will not become a hazardous materials facility, a truck yard, or a container storage facility.
13. The use will not abut a sensitive land use, or the impacts on an abutting sensitive land use can be adequately mitigated with reasonable conditions.
14. The use will not constitute a threat to the public health, safety, and welfare.

**WHEREAS**, on June 20, 2017, the City Council approved Resolution No. 17-081, (“**Resolution**”), granting Developer an exception from the Moratorium (the “**Exception**”) conditioned on Developer’s compliance with the conditions established in the Resolution, which are summarized as follows:

1. Developer agrees to enter into a Development Impact Fee Agreement and to pay a one-time impact fee of \$2 per square foot of the Logistics Facility;
2. Developer agrees to annex the Project property into a Community Facilities District Agreement (“**CFD Agreement**”) and/or to enter into a Development Agreement, at the City’s discretion, to pay for ongoing costs associated with the Project related to law enforcement, street maintenance, landscape maintenance, street sweeping, and other impacts; and
3. Developer agrees to enter into a Reimbursement Agreement to reimburse the City for all of its costs related to processing all documents related to the Exception and to the implementation of the Project.

**WHEREAS**, Developer now wishes to satisfy one of these conditions, by entering into a Reimbursement Agreement with the City.

**NOW, THEREFORE**, for the purposes set forth herein, and for good and valuable consideration, the adequacy of which is hereby acknowledged, the Parties hereby agree as follows:





## TERMS

1. **Incorporation of Recitals.** The Parties hereby incorporate the Recitals as though fully set forth herein.

2. **Developer Responsibility for City Costs.** Developer shall reimburse City for all reasonable costs and fees related to processing all documents related to the Exception and to the implementation of the Project (the “City Costs”). City Costs include, but are not limited to: attorneys’ fees and staff time required for the drafting of the IDIF Agreement, the Development Agreement, if applicable, and this Agreement, as well as any other documents that the City deems necessary for the implementation of the Project; all costs related to the formation and administration of the CFD as it relates to the Project, including but not limited to consultant and engineering costs, staff time, and attorneys’ fees; all costs related to the processing of the entitlements necessary for the Project, including but not limited to staff time, environmental consultants, and attorneys’ fees; and any other fees and costs deemed necessary by the City in order to effect the Exception and the Project. City Costs will be in addition to Developer’s obligations in connection with Developer’s duty to indemnify, defend, and hold harmless City, pursuant to Section 8, below.

To that end, Developer shall, within 10 days of the execution of this Agreement, deposit with City an initial sum of \$50,000 against which any City Costs will be drawn down (“Deposit”). At no point shall the minimum balance of the Deposit fall below \$15,000.

2.1 **Additional Deposits by Developer.** Developer shall make additional deposits to the City within 10 days of City’s written request. City’s written requests for additional deposits shall state what costs have been incurred to date, additional costs anticipated, and how City intends to apply any needed additional Developer deposits. If deposited sums exceed the costs incurred by City, City shall refund the difference as soon as City determines the amount of such excess.

2.2 **City’s Right to Cease Work.** In the event that Developer does not promptly reimburse the City Costs, by failing to timely pay either the initial Deposit or additional requested deposits, City may immediately cease all work on any Developer application(s) and may take such further action as City deems appropriate, including deeming any Developer application(s) abandoned and the Exception null and void.

2.3 **Interest on Deposit.** Any amounts deposited by Developer shall be maintained by City in an interest-bearing account of City’s choice, and may be co-mingled with other City funds in such account. Interest accruing upon any such deposits shall inure to and be created for the benefit of City.

2.4 **Accounting.** City shall keep an accounting of the City Costs and all deposits made by Developer. Upon written request, City shall provide statements of these accounts to Developer, which shall include descriptions of the City Costs, including the date, amount, and the type of activity for which the cost was incurred. Failure of City to provide any accounting shall not excuse Developer’s duty to perform any act, including the duty to make full and timely deposits required under this Section 2. Developer may question or challenge any use of funds set forth in the accounting and may appeal same to the City Council.



3. **Additional Taxes, Fee, and Charges.** Notwithstanding any provision to the contrary, Developer shall pay all normal and customary fees and charges applicable to all permits necessary for the Project, and any taxes, fees, and charges hereafter imposed by City in connection with the Project which are standard and uniformly-applied to similar projects in the City.

4. **City Release; Termination.** This Agreement shall terminate three (3) years after the Effective Date unless Developer has outstanding reimbursement obligations to the City at such time or City reasonably determines that City will incur additional reimbursable costs after such date, in which event this Agreement will be automatically extended for additional one (1) year terms until Developer has reimbursed all City Costs.

5. **Remedies.** In the event of a breach by Developer, City may, in addition to any other remedies, seek to recover the City Costs plus reasonable attorneys' fees in enforcing this Agreement. This provision will not be interpreted to curtail any of City's remedies at law or equity against Developer for any violation of its codes, nor shall it be interpreted as a waiver of any defense of Developer.

6. **Conflicts of Interest.**

6.1 **No Financial Relationship.** Developer acknowledges the requirements of Government Code Sections 1090 *et seq.* (the "1090 Laws") and warrants that it has not entered into any financial or transactional relationships or arrangements that would violate the 1090 Laws, nor shall Developer solicit, participate in, or facilitate a violation of the 1090 Laws.

6.2 **Developer's Representations and Warranties.** Developer represents and warrants that for the 12-month period preceding the Effective Date of this Agreement it has not entered into any arrangement to pay financial consideration to, and has not made any payment to, any City official, agent or employee that would create a legally cognizable conflict of interest as defined in the Political Reform Act (California Government Code sections 87100 *et seq.*).

7. **Developer Acknowledgements.** Subject to the reimbursement obligations set forth in this Agreement, Developer acknowledges and agrees that, with respect to the Exception and the Project entitlements:

7.1 City has sole discretion to select which of its employees and contractors are assigned to work on the Exception and the Project entitlements.

7.2 City has sole discretion to direct the work and evaluate the performance of the employees and contractors assigned to work on the Exception and the Project entitlements, and City retains the right to terminate or replace at any time any such person.

7.3 City has sole discretion to determine the amount of compensation paid to employees or contractors assigned to work on the Exception and the Project entitlements.

7.4 City, not Developer, shall pay employees and contractors assigned to work on the Exception and the Project entitlements from a City account.



**8. Indemnification and Hold Harmless.**

**8.1 Non-liability of City.** The Parties acknowledge that there may be challenges to the legality, validity and adequacy of the Exception and Project entitlements and/or this Agreement in the future; and if successful, such challenges could delay or prevent the performance of this Agreement and/or approval of the Project entitlements and/or implementation of the Project. City shall have no liability under this Agreement for the inability of Developer to obtain Project entitlements and/or implementation of the Project as the result of a judicial determination that some or all of the Exception or Project entitlements are invalid or inadequate or not in compliance with law.

**8.2 Indemnification.** Developer agrees to indemnify, protect, defend, and hold harmless the City and its officials, officers, employees, agents, elected boards, commissions, departments, agencies, and instrumentalities thereof, from any and all actions, suits, claims, demands, writs of mandamus, liabilities, losses, damages, penalties, obligations, expenses, and any other actions or proceedings (whether legal, equitable, declaratory, administrative, or adjudicatory in nature), and alternative dispute resolution procedures (including, but not limited to, arbitrations, mediations, and other such procedures) asserted by third parties against the City that challenge, or seek to void, set aside, or otherwise modify or annul, the action of, or any approval by, the City for or concerning this Agreement (including, but not limited to, reasonable attorneys' fees and costs) (herein the "Claims and Liabilities") whether such Claims and Liabilities arise under planning and zoning laws, the Subdivision Map Act, Code of Civil Procedure Sections 1085 or 1094.5, or any other federal, state, or local statute, law, ordinance, rule, regulation, or any decision of a competent jurisdiction. In the event any action for any Claims and Liabilities is brought against the City and/or related parties, upon City's notification to Developer of the pendency of a claim or suit, Developer shall make a minimum deposit sufficient to pay all of Developer's indemnification obligations for the following 90 days, which includes legal costs and fees anticipated to be incurred as reasonably determined by the City. Developer shall make deposits required under this section within 5 days of the City's written request. At no point during the pendency of such claim or suit, shall the minimum balance of the deposit fall below fifteen thousand dollars (\$15,000).

If Developer fails to timely pay such funds, the City may abandon the action without liability to Developer and may recover from Developer any attorneys' fees and other costs for which the City may be liable as a result of abandonment of the action. It is expressly agreed that the City shall have the right to utilize the City Attorney's office or use other legal counsel of its choosing. Developer's obligation to pay the defense costs of the City shall extend until final judgment, including any appeals. City agrees to fully cooperate with Developer in the defense of any matter in which Developer is defending and/or holding the City harmless. The City may make all reasonable decisions with respect to its representation in any legal proceeding, including its inherent right to abandon or to settle any litigation brought against it in its sole and absolute discretion.

**8.3 Exception.** The obligations of Developer under this Section shall not apply to any claims, actions, or proceedings arising through the sole negligence or willful misconduct of the City, its members, officers, or employees.



8.4 **Period of Indemnification.** The obligations for indemnity under this Section 7.2 shall begin upon the Effective Date and shall survive termination of this Agreement.

9. **Assignment.** Developer may not assign this Agreement to any other entity unless agreed to in writing by City and upon proof of the financial viability of the successor entity to fulfill the Agreement's obligations. City's consent to assignment shall not be unreasonably withheld.

10. **Relationship Between the Parties.** The Parties agree that this Agreement does not operate to create the relationship of partnership, joint venture, or agency between City and Developer. Nothing herein shall be deemed to make Developer an agent of City.

11. **Authority to Enter Agreement.** Developer warrants that it has the legal capacity to enter into the Agreement. Each Party warrants that the individuals who have signed the Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

12. **Notices.** All notices, demands, invoices, and communications shall be in writing and delivered to the following addresses or such other addresses as the Parties may designate by written notice:

To City: City of Carson  
701 East Carson Street  
Carson, California 90745  
Attn: Saied Naaseh, Planning Manager

Copy to: Aleshire & Wynder, LLP  
18881 Von Karman Ave. Suite 1700  
Irvine, CA 92612  
Fax: 949-223-1180  
email: ssoltani@awattorneys.com  
Attn: Sunny Soltani

To CALPAK: JJ.ER, LLC  
c/o California Pak  
1700 S. Wilmington  
Compton, CA 90220  
Attn: Edward Kwon, Managing Member

Copy to: Xebec Building Company  
3010 Old Ranch Parkway, Suite 480  
Seal Beach, CA 90740  
Attn: Sylvia Tran

Depending upon the method of transmittal, notice shall be deemed received as follows: by facsimile, as of the date and time sent; by messenger, as of the date delivered; by U.S. Mail first





class postage prepaid, as of 72 hours after deposit in the U.S. Mail; and by email, upon the sender's receipt of an email from the recipient acknowledging receipt.

13. **Cooperation; Further Acts.** The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate, or convenient to attain the purposes of this Agreement.

14. **Construction; References; Captions.** It being agreed the Parties or their agents have participated in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Unless otherwise specified, any term referencing time, days, or period for performance shall be deemed calendar days and not business days, provided, however that any deadline that falls on a weekend or holiday shall be extended to the next City business day. All references to Developer include all personnel, employees, agents, and contractors of Developer, except as otherwise specified in this Agreement. All references to City include its elected officials, appointed boards and commissions, officers, employees, agents, and volunteers. The captions of the various paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

15. **Amendment; Modification.** No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

16. **Waiver.** No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual right by custom, estoppel, or otherwise.

17. **Binding Effect.** Each and all of the covenants and conditions shall be binding on and shall inure to the benefit of the Parties, and their successors, heirs, personal representatives, or assigns. This section shall not be construed as an authorization for any Party to assign any right or obligation.

18. **No Third Party Beneficiaries.** There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

19. **Invalidity; Severability.** If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

20. **Consent to Jurisdiction and Venue.** This Agreement shall be construed in accordance with and governed by the laws of the State of California. Any legal action or proceeding brought to interpret or enforce this Agreement, or which in any way arises out of the Parties' activities undertaken pursuant to this Agreement, shall be filed and prosecuted in the appropriate California State Court in the County of Los Angeles, California. Each Party waives the benefit of any provision of state or federal law providing for a change of venue to any other court or jurisdiction including, without limitation, a change of venue based on the fact that a governmental entity is a party to the action or proceeding, or that a federal right or question is involved or alleged to be involved in the action or proceeding. Without limiting the generality of



the foregoing waiver, Developer expressly waives any right to have venue transferred pursuant to California Code of Civil Procedure section 394.

21. **Time is of the Essence.** Time is of the essence with respect to this Agreement.

22. **Counterparts.** This Agreement may be signed in counterparts, each of which shall constitute an original and which collectively shall constitute one instrument.

23. **Entire Agreement.** This Agreement contains the entire agreement between City and Developer and supersedes any prior oral or written statements or agreements between City and Developer with respect to the subject matter of this Agreement.

[SIGNATURES OF PARTIES ON NEXT PAGE]



**IN WITNESS WHEREOF**, the Parties hereto have executed this Agreement as of the day and year first above written.

**CITY:**

CITY OF CARSON, a California municipal corporation

By: \_\_\_\_\_

Ken Farfsing, City Manager

**APPROVED AS TO FORM:**

By: \_\_\_\_\_

Sunny K. Soltani, City Attorney

[BWB]

**DEVELOPER:**

CALIFORNIA PAK, LLC, a California limited liability company

By: \_\_\_\_\_

Name: Edward Kwon

Title: Managing Member

By: \_\_\_\_\_

Name:

Title:

**Two corporate officer signatures required when Developer is a corporation, with one signature required from each of the following groups: 1) Chairman of the Board, President or any Vice President; and 2) Secretary, any Assistant Secretary, Chief Financial Officer or any Assistant Treasurer. DEVELOPER'S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO DEVELOPER'S BUSINESS ENTITY.**



## CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA  
 COUNTY OF LOS ANGELES

On \_\_\_\_\_, 2017 before me, \_\_\_\_\_, personally appeared \_\_\_\_\_, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature: \_\_\_\_\_

### OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

<b>CAPACITY CLAIMED BY SIGNER</b>	<b>DESCRIPTION OF ATTACHED DOCUMENT</b>
<input type="checkbox"/> INDIVIDUAL <input type="checkbox"/> CORPORATE OFFICER  <input type="checkbox"/> PARTNER(S) <span style="margin-left: 20px;">TITLE(S)</span> <span style="margin-left: 40px;"><input type="checkbox"/> LIMITED</span> <span style="margin-left: 40px;"><input type="checkbox"/> GENERAL</span> <input type="checkbox"/> ATTORNEY-IN-FACT <input type="checkbox"/> TRUSTEE(S) <input type="checkbox"/> GUARDIAN/CONSERVATOR <input type="checkbox"/> OTHER _____	<hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> TITLE OR TYPE OF DOCUMENT <hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> NUMBER OF PAGES <hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> DATE OF DOCUMENT <hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> SIGNER(S) OTHER THAN NAMED ABOVE

**SIGNER IS REPRESENTING:**  
 (NAME OF PERSON(S) OR ENTITY(IES))  
 \_\_\_\_\_  
 \_\_\_\_\_

